

Wales Pension Partnership

Q3 Joint Governance Committee

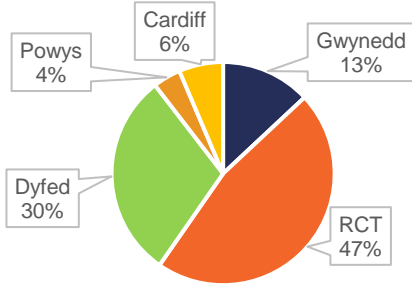
1st December 2021



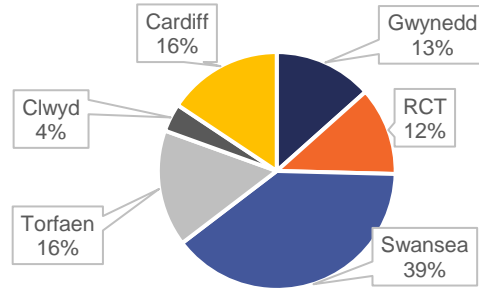
September 2021 LF Wales PP Fund Snapshot

- Key:
- Dyfed
 - Powys
 - Gwynedd
 - RCT
 - Torfaen
 - Clwyd
 - Swansea
 - Cardiff

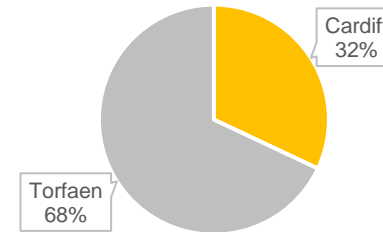
Global Growth



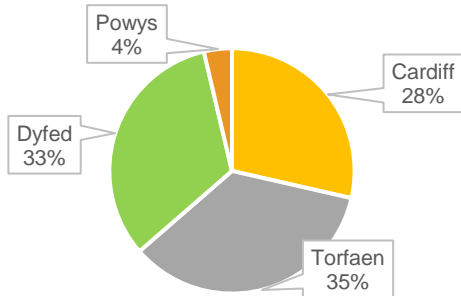
Global Opportunities



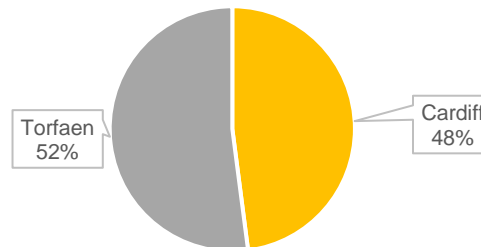
UK Opportunities



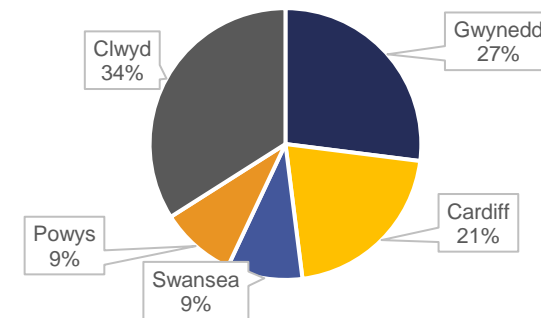
Global Credit



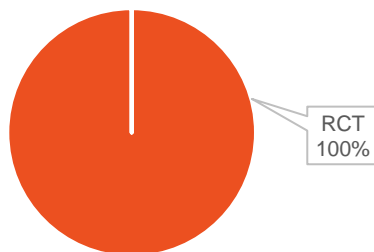
Global Gov. Bond



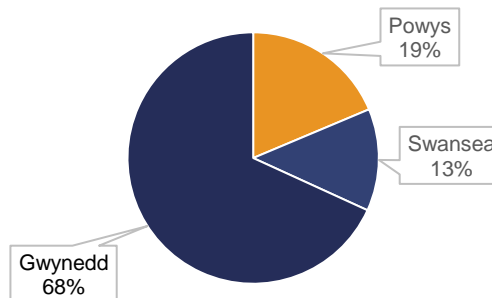
Multi Asset Credit



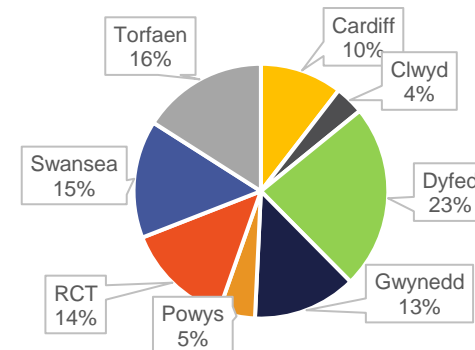
Sterling Credit



Absolute Return Bnd



Passive



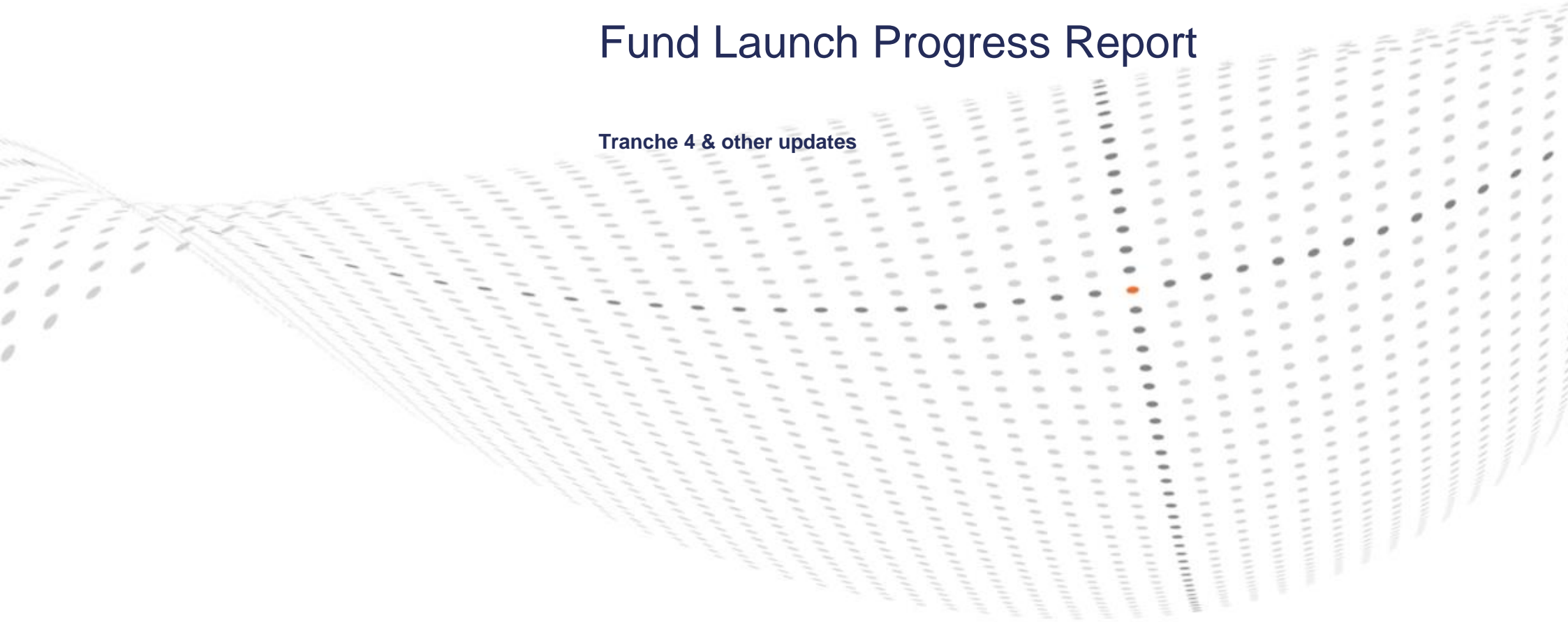
September 2021 LF Wales PP Fund Snapshot

Fund	AUM	Inception date
Global Growth	£3,424,390,657	6 th Feb 2019
Global Opportunities	£3,264,686,297	14 th Feb 2019
UK Opportunities	£763,871,743	10 th Oct 2019
Global Credit	£810,662,820	21 st Aug 2020
Global Government Bond	£530,505,300	20 th Aug 2020
Multi Asset Credit	£752,139,840	12 th Aug 2020
Sterling Credit	£603,246,243	19 th Aug 2020
Absolute Return Bond	£486,555,419	30 th Sept 2020
Total Active Investments	£10,636,058,319	
Total Passive Investments	£5,663,459,415	
Total Pooled Assets	£16,299,517,734	

Note: All data as at 30th September 2021

Fund Launch Progress Report

Tranche 4 & other updates



Open Launch Activity

Key Achievements & Updates

Fund Launches Progress				
	Overview	Status	Progress in period	Launch / completion dates
Tranche 4: Emerging Markets sub-fund launch	<ul style="list-style-type: none"> Emerging Market fund to be created under the Enhanced Portfolio Implementation model with a carbon reducing overlay 	In progress	<ul style="list-style-type: none"> FCA approval received 22nd March Transition plan agreed and shared with each investor Fund launch 20th October Trading activity to be completed w/c 1st Nov 	October 2021
Fund prospectus updates	<ul style="list-style-type: none"> Proposed in-flight prospectus updates 		<ul style="list-style-type: none"> Review of prospectus language to align all sub funds under PS19/4 requirements - LFS to determine if this will require filing or full FCA approval (in line with other updates) Baillie Gifford GAPA: implementation of a carbon screening process on the BG sleeve of the GG fund 	Q4



LFS Corporate Update & Engagement



LFS Corporate Update & Engagement

LFS updates

- LFS has recruited two investment specialists reporting to Ronan Walsh (CIO):
 - Peter Ritchie - Head of Equities – Investment Risk
 - Fabrice Jaudi - Head of Multi Asset and Fixed Income - Investment Risk

Key Q3 and future WPP Engagement

Link attendance at OWG/JGC meetings in period:

- OWG 19th July 2021
- JGC 28th July 2021
- JGC 22nd Sep 2021

Link attendance at OWG/JGC meetings in next quarter:

- OWG 3rd Nov 2021
- JGC 1st Dec 2021

Link - Pension Committee attendance in period:

- None

Link - Pension Committee attendance in next quarter :

- Cardiff 14th Dec 2021

Other meetings in period

- Host Authority update – occurs bi-weekly
- Working group - occurs bi-weekly

Other meetings in next quarter

- Host Authority update – occurs bi-weekly
- Working group - occurs bi-weekly

LFS Engagement Protocol

Business as Usual

Strategic Relationship Review	Frequency	Objective
	<ul style="list-style-type: none">▪ Bi-annual	<ul style="list-style-type: none">▪ Ensure strategic alignment between Host Authority and Link
WPP Attendees <ul style="list-style-type: none">▪ Chris Moore▪ Anthony Parnell▪ Two Section 151 / Deputy Section 151 officers		Link Attendees <ul style="list-style-type: none">▪ Karl Midl, Managing Director▪ Richard Thornton, Head of Relationship Management, Asset Owners
JGC Engagement	Frequency	Objective
	<ul style="list-style-type: none">▪ Quarterly	<ul style="list-style-type: none">▪ Engage with JGC on pertinent matters and strategic deliverables
WPP Attendees <ul style="list-style-type: none">▪ Joint Governance Committee (JGC)		Link Attendees <ul style="list-style-type: none">▪ Karl Midl, Managing Director / Adam Tookey, Head of Product – as required▪ Richard Thornton, Head of Relationship Management, Asset Owners▪ Eamonn Gough, Senior Relationship Manager▪ Russell Investments
OWG Engagement	Frequency	Objective
	<ul style="list-style-type: none">▪ Every 2 Months	<ul style="list-style-type: none">▪ Identify and deliver on opportunities to improve and expand the relationship▪ Provide update on open projects or issues▪ Monthly KPI Review (Data supplied monthly)
WPP Attendees <ul style="list-style-type: none">▪ Officers Working Group (OWG)		Link Attendees <ul style="list-style-type: none">▪ Eamonn Gough, Senior Relationship Manager▪ Richard Thornton, Head of Relationship Management, Asset Owners▪ Alistair Coyle, Relationship Manager (as required)▪ Ad-hoc Link attendance from functional departments: Tax, Compliance, Product, etc.▪ Russell Investments

Note: The OWG Engagement and Monthly KPI meetings may be conducted remotely and/or amalgamated where required.

Link Engagement Protocol continued...

Business as Usual

Host Authority Update	Frequency	Objective
	<ul style="list-style-type: none"> ▪ Bi-Weekly 	<ul style="list-style-type: none"> ▪ Regular Host Authority – LFS to discuss deliverables and business updates
WPP Attendees <ul style="list-style-type: none"> ▪ Anthony Parnell ▪ Tracey Williams 		<ul style="list-style-type: none"> ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Eamonn Gough, Senior Relationship Manager ▪ Alistair Coyle, Relationship Manager (as required) ▪ Clair Baguley, Client Service Manager (as required)
WPP Working Group	Frequency	Objective
	<ul style="list-style-type: none"> ▪ Bi-Weekly 	<ul style="list-style-type: none"> ▪ Regular project call to discuss progress of deliverables
WPP Attendees <ul style="list-style-type: none"> ▪ Officers Working Group (OWG) ▪ Hymans 		<ul style="list-style-type: none"> ▪ Link Client Team ▪ Northern Trust ▪ Russell Investments ▪ Other consultants (e.g. bFinance)
Annual Shareholder Day	Frequency	Objective
	<ul style="list-style-type: none"> ▪ Annual 	<ul style="list-style-type: none"> ▪ Open day for presentations on strategy and performance (with IM)
<ul style="list-style-type: none"> ▪ Open to all involved parties 		<ul style="list-style-type: none"> ▪ Link Client Team ▪ Northern Trust ▪ Russell Investments and other Investment Managers (e.g. Global Growth Managers) ▪ Other consultants as required (e.g. bFinance)
Pension Fund Committees		Objective
	<ul style="list-style-type: none"> ▪ Annual 	<ul style="list-style-type: none"> ▪ General update on the ACS and planned initiatives
<ul style="list-style-type: none"> ▪ Individual Pension Fund Committee meetings 		<ul style="list-style-type: none"> ▪ Eamonn Gough, Senior Relationship Manager ▪ Alistair Coyle, Relationship Manager ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Russell Investments