

Wales Pension Partnership

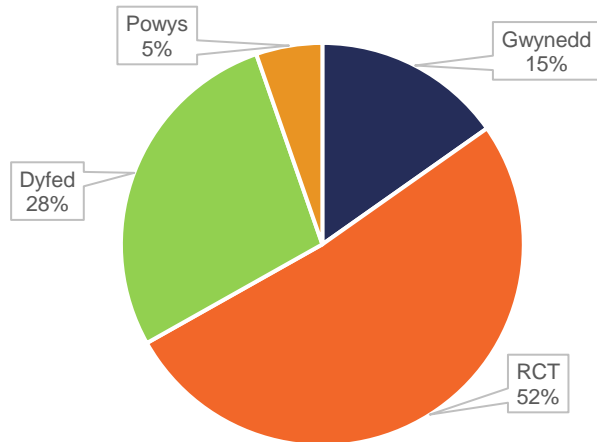
Joint Governance Committee

11th September 2020

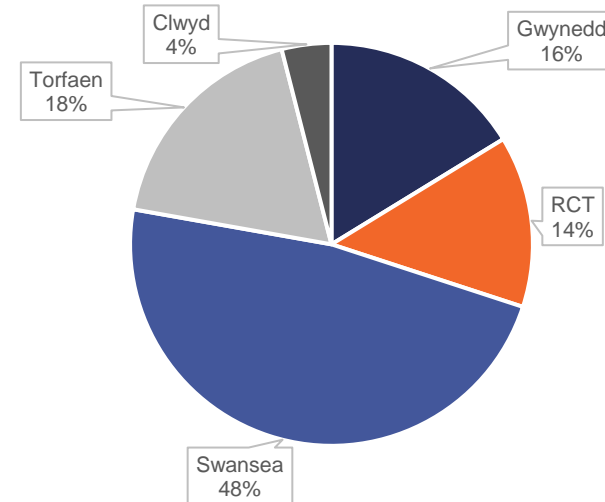


June 2020 LF Wales PP Fund Snapshot

Global Growth Equity



Global Opportunities Equity



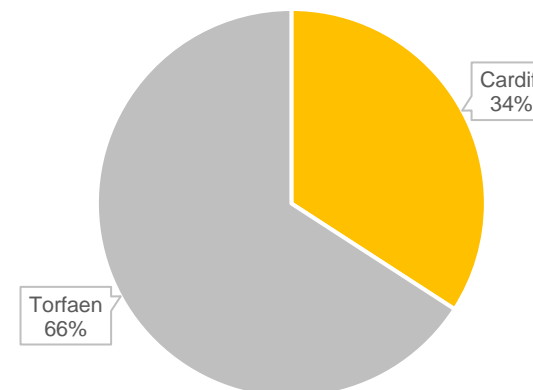
Fund	AUM	Launch date
Global Growth	£2,373,367,154	6 th Feb 2019
Global Opportunities	£2,230,646,643	14 th Feb 2019
UK Opportunities	£545,585,824	10 th Oct 2019

Note: All data as at 30th June 2020

Key:

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

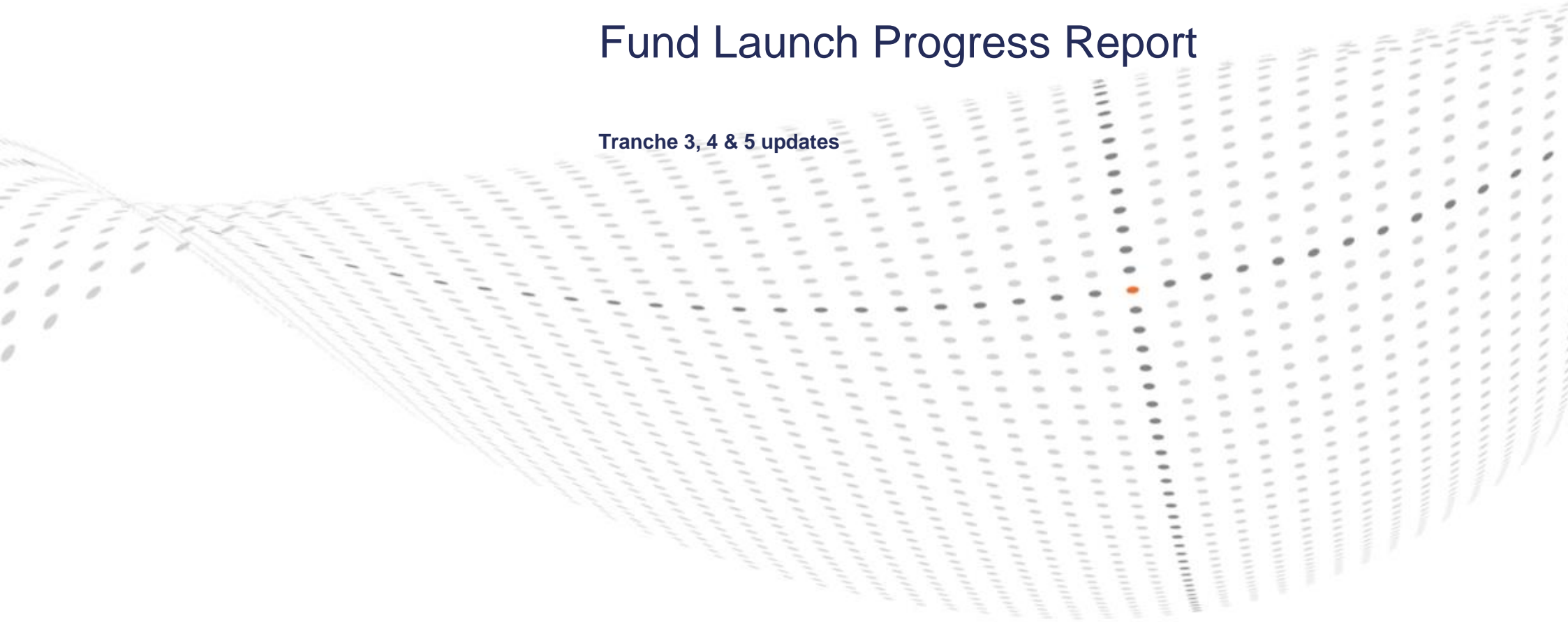
UK Opportunities Equity





Fund Launch Progress Report

Tranche 3, 4 & 5 updates



Open Launch Activity

Key Achievements & Updates

Key:

- On track
- Progressing with delays
- On hold / progressing with major delays

Fund Launches Progress

	Overview	Status	Progress in period	Planned Launch date
Tranche 3: Fixed Income sub-fund launch	<ul style="list-style-type: none"> ▪ Establishment of 5 Fixed Income sub-funds within the ACS ▪ FCA approval received and BlackRock appointed as transition manager 	■	<ul style="list-style-type: none"> ▪ April launch date revised and agreed by all parties for 27th and 30th July 2020 as a result of COVID-19 ▪ Operational setups continue to track green ▪ BlackRock have re-engaged the legacy managers to obtain up to date data for the transition report ▪ Delay to Absolute Return Bond fund launch due to ineligible asset 	<p>27th and 30th July 2020</p> <p>September for ARB</p>
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 	■	<ul style="list-style-type: none"> ▪ JGC agreed manager structure proposal March 2020 ▪ Prospectus submission delayed being worked through with Russell Investments and Eversheds before review by WPP ▪ Submission to FCA planned 	Q1 2021

Strategic developments

	Overview	Status	Progress in period	Planned Launch date
Tranche 5: Private Markets strategy development	<ul style="list-style-type: none"> ▪ Development of a WPP Private Market strategy including a road map for the potential creation of a standalone Private Market sub fund 	■	<ul style="list-style-type: none"> ▪ Private Markets session held on 23rd January 2020 incl. Russell Investments presentation on Impact Investing ▪ Russell Investments paper to outline launch proposal based on legacy asset and strategic plan of each participating Authority discussed within Working Group ▪ LFS / Hymans / Host Authority held call to discuss progress 5th August 2020 	January to June 2021



LFS Corporate Update & Engagement



LFS Corporate Update & Engagement

Personnel change

- **Richard Thornton:** LFS have appointed Richard Thornton as Head of Relationship Management, Asset Owners and Eamonn Gough will report to Richard. Richard has been a prominent member of the Relationship Management team since 2005 and has worked with a number of strategic clients during this period, forming lasting relationships.
- **Duncan Lowman:** Having spent the last three and a half years as Head of Relationship Management, Duncan's role is shifting focus to working within our Business Development team, as well as retaining overall accountability for Relationship Management.
- **Sheetal Shetty:** Sheetal will also be moving roles within Link Fund Solutions to start working within our Investment Risk team. The Client Service Team will remain the key channel for Operational / Investor queries.

These moves emphasise the importance that Link Group places in supporting our employees to further their careers whilst continuing to maintain a strong relationship model with our clients.

Key Q2 and future WPP Engagement

Link attendance at OWG/JGC meetings in period:

- JGC 17th July 2020 (VC)
- OWG 24th July 2020 (VC)

Link attendance at OWG/JGC meetings in next quarter:

- JGC 11th Sep 2020 (VC)
- OWG 18th Sep 2020 (VC)

Link - Pension Committee attendance in period:

- Cardiff – 16th June 2020 (VC)

Link - Pension Committee attendance in next quarter :

- None arranged, 2020/21 dates to be confirmed

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▪ Duncan Lowman, Head of Client Coverage
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 / Duncan Lowman, Head of Client Coverage▪ 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">▪ Richard Thornton, Head of Relationship Management, Asset Owners▪ Eamonn Gough, Senior Relationship Manager▪ Adam Tookey, Head of Product (as required)▪ Ada Wabara, 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 ▪ Ada Wabara, Relationship 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"> ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Eamonn Gough, Senior Relationship Manager ▪ Ada Wabara, Relationship Manager ▪ Russell Investments