



Wales Pension Partnership

Joint Governance Committee – Q2 2025 Review

17 September 2025

Presented by James Zealander



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Corporate Update

Waystone were pleased to see that full approval was given for the creation of the new Investment Company as part of the Government's "Fit for the Future" consultation. Waystone Compliance Solutions continue to work closely with the Pool in preparation of the application for relevant authorisation approvals to the FCA.

Waystone has announced that its Luxembourg UCITS Platform, "Waystone UCITS Platform (Lux) SICAV", has been approved by the Luxembourg Financial Sector Supervisory Commission (CSSF) for the integration of an ETF operating model. This milestone enables the launch of ETFs alongside traditional UCITS products, offering international asset managers an efficient "plug-and-play" solution for market entry into Luxembourg.

This latest approval builds on the momentum of Waystone's Irish ETF white-label solution, which went live in 2024, and marks the next step in expanding cross-border distribution opportunities for global clients.

Waystone has recently seen a sharp increase in demand for its ETF platform solutions, particularly from active managers who see significant value in accessing a complementary set of capabilities – enabling them to scale more efficiently and accelerate entry to the ETF market.

Luxembourg was selected due to its position as a leading cross-border fund domicile and the platform is fully ETF-ready and underpinned by a high-quality operational and regulatory framework.

Senior hires at Waystone:

Jamie Moran has joined Waystone as our new Chief Marketing Officer. Based in the UK, Jamie will be responsible for leading Waystone's marketing strategy and execution, enhancing brand visibility and driving growth through marketing initiatives. Jamie is a highly respected figure in the industry and brings over 25 years of marketing experience.

Eoin Moylan has joined Waystone as Head of Operations Transformation. Eoin will be based in our Dublin office. Eoin brings 25 years of experience of driving strategic operational efficiency programmes and optimising business and operational processes by leveraging digital technology.

Compliance Updates

The table below details recent regulatory compliance developments that are relevant to WMUK. Featured items are gathered from a variety of sources including consultation papers, press releases and speeches.

A full regulatory update is issued to The Host Authority on monthly basis but can also be obtained by signing up to the Waystone Website. [UK/EU updates Archives - Waystone Compliance](#)

Title				
	Timing	WMUK Impact	WPP Impact	Status
UK Pensions Industry announces Mansion House Accord	Immediate	Medium	Medium	
Publication of the Pensions Investment Review Final Report	Immediate	Medium	Medium	
LGPS 'Access and fairness' consultation launched	Immediate	Medium	Medium	
CP25/13: Improving the complaints reporting process	Immediate	Low	To Note	

LGPS 'Access and fairness' consultation launched

On 15 May 2025, Government launched a consultation on changes to the Local Government Pension Scheme (LGPS) in England and Wales. The proposed changes are intended to improve fairness in and access to the LGPS. The proposals include:

- addressing survivor pensions and deaths grants
- addressing the Gender Pension Gap in the LGPS
- collecting data on how many members opt out of the scheme and why
- changes to forfeiture, aiming to tackle long-standing issues with forfeiture in the LGPS
- several technical changes to how the McCloud remedy operates
- a number of other miscellaneous changes, including changes to five-year refunds, pre-2014 AVCs and small pot payments.

The consultation also includes questions on the potential administrator burden and the Government's duty under the Public Sector Equality Duty and a draft statutory instrument, the Local Government Pension Scheme (Miscellaneous Amendments) Regulations 2025.

The consultation closes on 7 August 2025.

Publication of the Pensions Investment Review Final Report

LGPS

Proposals are largely in line with the direction taken in the consultation, in particular:

- All Administering Authorities must delegate investment implementation to FCA-regulated pools by March 2026, although index investments will no longer need to be formally moved to an LGPS pool but will instead be deemed to be under the management of the pool, given the oversight these assets already receive from their pool owners.
- The number of pools will be reduced from 8 to 6, with powers to direct local authority participation in one of the pools if needed.
- Pools must support local investment and collaborate with regional authorities.

Phase II of the Pensions Review

Today's publications mark the end of the Pensions Investment Review, and the Government has now confirmed that it will turn to the next phase of the Pensions Review later this year, exploring longer term challenges around retirement adequacy and outcomes. These are expected specifically to involve areas such as contribution levels and retirement outcomes.

Relationship Overview

Relationship Overview

Client	Wales Pension Partnership	AUM (as at 30 June 2025)	£13,601,784,593	Product Suite	ACS – UK
Contract Start Date	December 2017	Contract Expiry	December 2029 (with further 2-year extension provision)	Tenure of Relationship	7 years, 7 months

Fund Range

Wales Pension Partnership Sub-Fund Range

Equities

WS WPP Global Growth Fund
WS WPP Global Opportunities Equities Fund
WS Wales PP UK Opportunities Fund
WS Wales PP Emerging Markets Equity Fund
WS Wales PP Sustainable Active Equity Fund

Fixed Income

WS Wales PP Multi Asset Credit Fund
WS Wales PP Global Credit Fund
WS Wales PP Global Government Bond Fund
WS Wales PP Absolute Return Bond Fund
WS Wales PP Sterling Credit Fund

WPP Sub Fund Values

AUM & Quarterly

Fund	AUM (£)*
Equities	
WS WPP Global Growth Fund	£3,688,996,018
WS WPP Global Opportunities Equities Fund	£3,523,693,664
WS Wales PP UK Opportunities Fund	£823,616,679
WS Wales PP Emerging Markets Equity Fund	£294,121,736
WS Wales PP Sustainable Active Equity Fund	£1,577,339,785
Fixed Income	
WS Wales PP Multi Asset Credit Fund	£859,003,754
WS Wales PP Global Credit Fund	£1,041,792,490
WS Wales PP Global Government Bond Fund	£511,136,018
WS Wales PP Absolute Return Bond Fund	£534,991,212
WS Wales PP Sterling Credit Fund	£747,093,237
Total	£13,601,784,593

* As at 30 June 2025

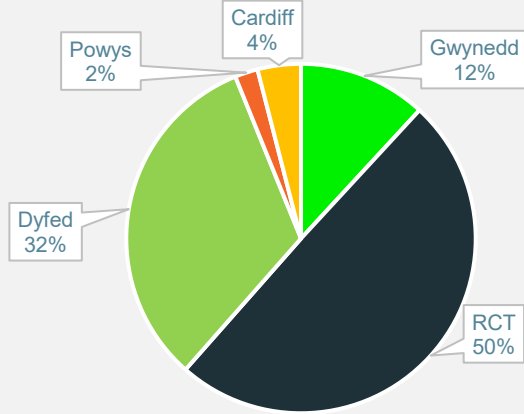
WPP Sub Fund Values & Percentage Ownership*

Fund name	Gwynedd	Powys	Clwyd	Swansea	Cardiff	Torfaen	RCT	Dyfed	Sub Fund Total
Equities									
	£442,679,522	£73,779,920			£147,559,841		£1,844,498,009	£1,180,478,726	£3,688,996,018
WS WPP Global Growth Fund	(12%)	(2%)			(4%)		(50%)	(32%)	(100%)
	£493,317,113			£1,233,292,782	£563,790,986	£704,738,733	£528,554,050		£3,523,693,664
WS WPP Global Opportunities Equities Fund	(14%)			(35%)	(16%)	(20%)	(15%)		(100%)
					£172,959,503	£650,657,176			£823,616,679
WS Wales PP UK Opportunities Fund					(21%)	(79%)			(100%)
	£67,647,999	£17,647,304			£129,413,564	£79,412,869			£294,121,736
WS Wales PP Emerging Markets Equity Fund	(23%)	(6%)			(44%)	(27%)			(100%)
	£331,241,355	£78,866,989	£378,561,549	£173,507,376	£141,960,581	£173,507,376	£110,413,785	£189,280,774	£1,577,339,785
WS Wales PP Sustainable Active Equity Fund	(21%)	(5%)	(24%)	(11%)	(9%)	(11%)	(7%)	(12%)	(100%)
Fixed Income									
	£249,111,089	£34,360,150	£335,011,464	£68,720,300	£171,800,751				£859,003,754
WS Wales PP Multi Asset Credit Fund	(29%)	(4%)	(39%)	(8%)	(20%)				(100%)
	£239,612,273	£31,253,775			£166,686,798	£270,866,047		£333,373,597	£1,041,792,490
WS Wales PP Global Credit Fund	(23%)	(3%)			(16%)	(26%)		(32%)	(100%)
					£245,345,289	£265,790,729			£511,136,018
WS Wales PP Global Government Bond Fund					(48%)	(52%)			(100%)
	£406,593,321	£53,499,121		£74,898,770					£534,991,212
WS Wales PP Absolute Return Bond Fund	(76%)	(10%)		(14%)					(100%)
							£747,093,237		£747,093,237
WS Wales PP Sterling Credit Fund							(100%)		(100%)
Constituent Authority Total	£2,230,202,672	£289,407,259	£713,573,013	£1,550,419,228	£1,739,517,313	£2,144,972,930	£3,230,559,081	£1,703,133,097	£13,601,784,593

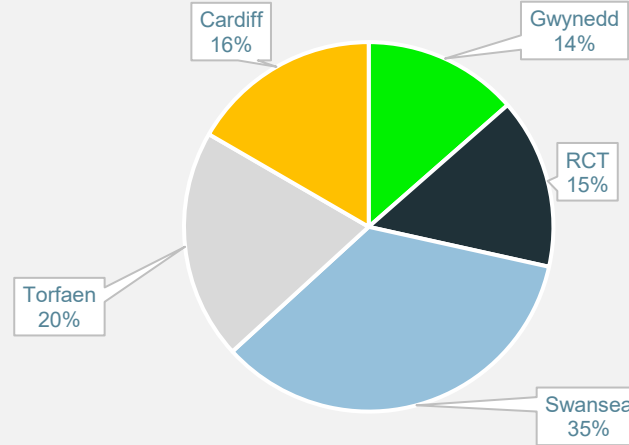
* As at 30 June 2025

Fund Snapshot* – Equities

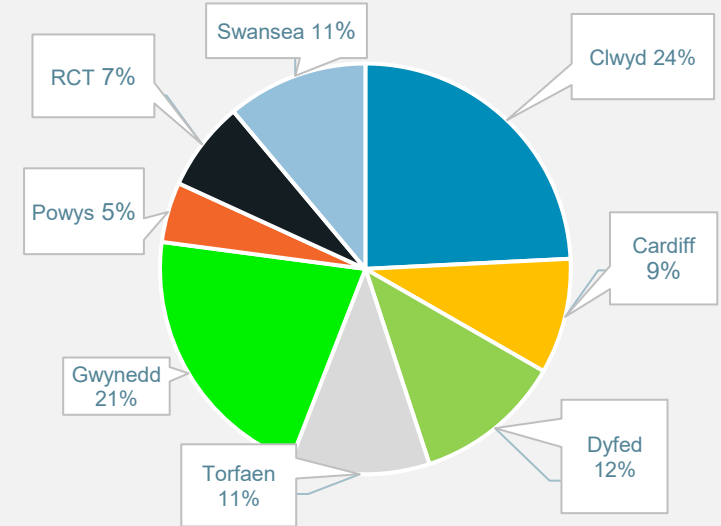
Global Growth



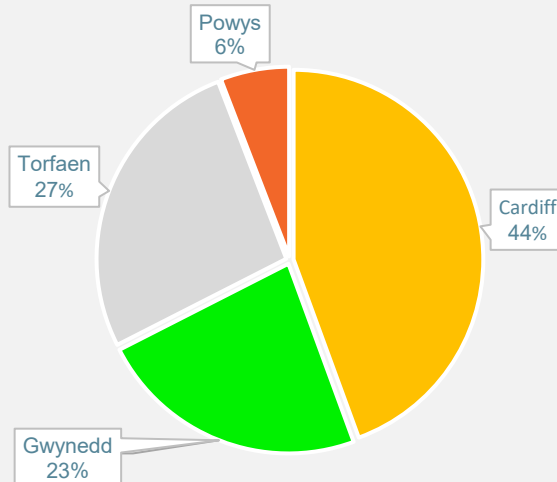
Global Opportunities



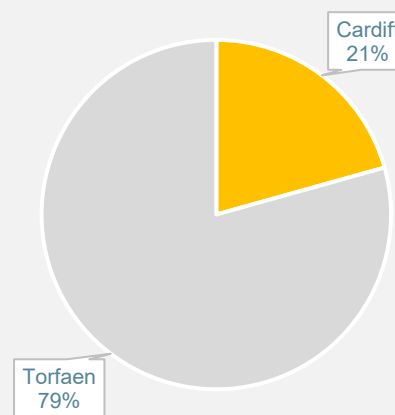
Sustainable Active Equity



Emerging Markets

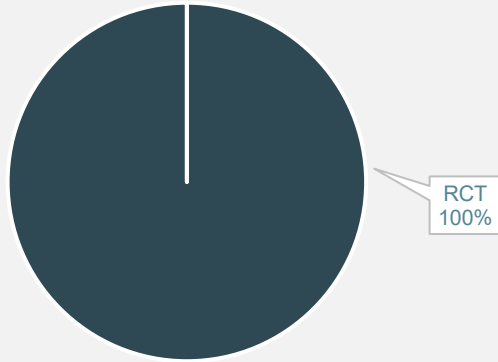


UK Opportunities

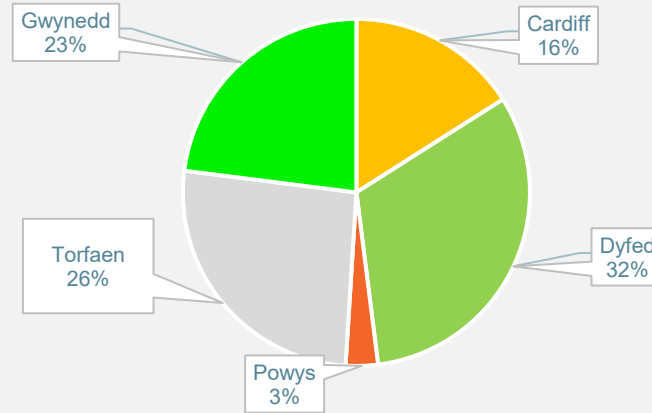


Fund Snapshot* - Fixed Income

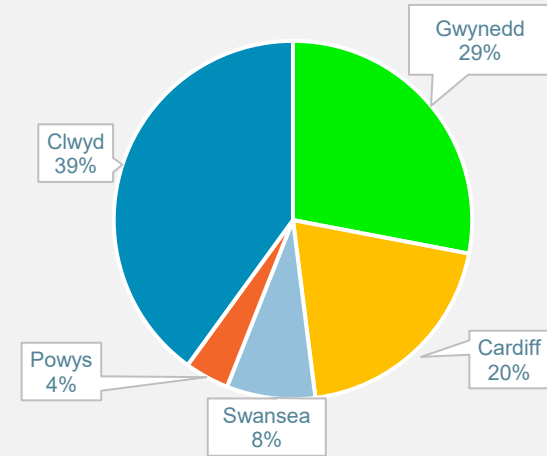
Sterling Credit



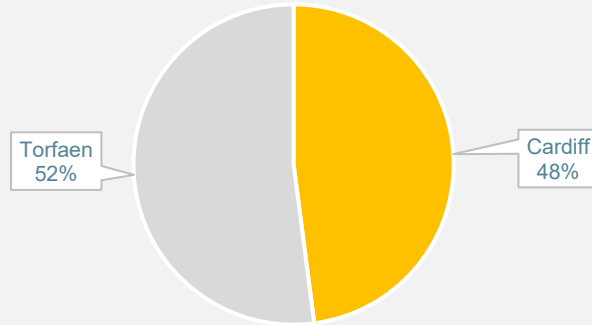
Global Credit



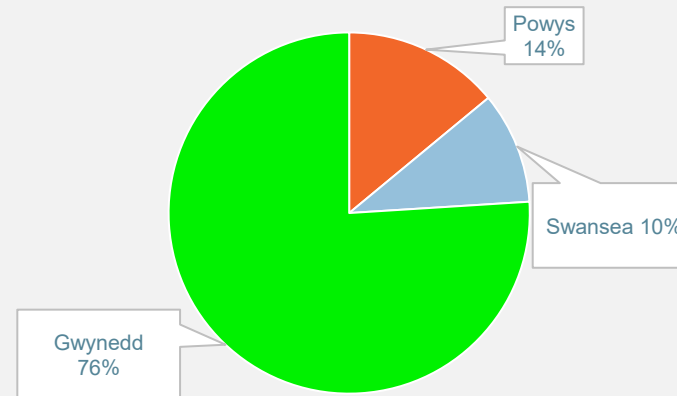
Multi Asset Credit



Global Gov. Bond



Absolute Return Bond



* As at 30 June 2025

Initiatives

Key Achievements & Updates

WS Wales PP Global Credit Fund – Appointment of Coolabah to the fund completed in May 2025

WS Wales PP Emerging Markets Equity Fund – Appointment of Sands Capital to the fund completed in May 2025

Fund Launches/Wind ups & Changes				
	Overview	Status	Details	Owner
Sub Fund Manager Update	WS Wales PP UK Opportunities Equity Fund Change of Sub Manager, removing JO Hambro, replacing with Jupiter Asset Management	Ongoing	<ul style="list-style-type: none">Proposal of adding Jupiter Asset Management’s UK Dynamic Strategy to the Fund at a 22% strategic weight and termination of JO Hambro.RI have a high conviction in this strategy led by Alex Savvides and his team, who moved to Jupiter from JO Hambro last year.Looking at early August for a live date	RI/WMUK

Market Updates

	Activity	Status	Commentary
Russia / Ukraine	Impact to ACS sub-funds holding Russian companies	Ongoing	WMUK continue to monitor the situation and will advise Constituent Authorities of any developments. WMUK's Fair Value Pricing Committee regularly discuss this, and assets are still priced accordingly. There are no Russian holdings in any of the WPP funds.
	Activity	Status	Commentary
Middle East	Impact to ACS sub-funds holding Israeli companies	Ongoing	<p>Currently 4 securities held in direct Israeli companies across three sub funds; Global Opportunities Fund - 4 companies with 0.44% exposure across the total AUM. Global Growth Fund – 1 company with 0.03% exposure across the total AUM. Global Government Bond Fund – 1 company with holding being a de minimis position.</p> <p>Total value of approx. £16.8m.</p> <p>Situation currently being monitored as part of the BAU oversight process.</p> <ul style="list-style-type: none"> Figures from end of June 2025.

Oversight – Third Party Monitoring

2025 Plan

Third Party Provider	Reporting Period	Sub Fund	Location	Status
Northern Trust				
Transfer Agency	2025	All	Onsite, London – September 2025	N/A
Fund Administration	2025	All	Onsite, London – May 2025	Fieldwork has been completed, report currently at draft stage and to be agreed by NT and WMUK due towards end of August.
Price Analysis	2025	All	Onsite, Limerick – May 2025	Planning has commenced, with terms of refence being agreed. This is to be agreed with NT by end of July with fieldwork to commence in September.
Other 'Party' Questionnaire	2025	All	Questionnaire – February 2025	Questionnaire completed by NT with no findings associated with WMUK across all departmental areas.
IT Security Questionnaire	2025	All	Questionnaire – March 2025	Questionnaire is with NT to complete and return to Waystone Group IT for review by end of July.
Annual Due Diligence	2025	All	Questionnaire – June 2025	The annual DD questionnaire has outstanding questions which are currently with NT before being reviewed by WMUK. Expected return by end of July.
Russell Investments				
Annual Due Diligence	2025	All	Onsite, London - 3 February 2025	Completed – No findings following visit in February.

WMUK Engagement

Key Q2 and future WPP Engagement

Waystone attendance at OWG/JGC meetings in period:

- OWG 20 May 2025
- JGC 12 March 2025

Waystone attendance at OWG/JGC meetings in next quarter:

- OWG 21 July 2025
- WPP JGC 16 July 2025

Waystone attendance at Strategic Relationship Review:

- 17 September 2025

Waystone - Pension Committee attendance in period:

- None planned for this period

Waystone - Pension Committee attendance in next quarter :

- None planned for this period

WPP Pension Board Chairs Engagement meeting

- None planned for this period

Other meetings in period

- Host Authority update – occurs bi-weekly
- DG Publishing Pooling Symposium, Belfry - May 2025

Other meetings in next quarter

- LGC Pooling Symposium, Stratford upon Avon - July 2025

Meeting Schedule

<u>Executive Review</u>	Frequency <ul style="list-style-type: none"> Semi-annual Next: 17 September 2025 	Objective <ul style="list-style-type: none"> Ensure strategic alignment Mutual review of business and strategic goals, priorities and objectives
Attendees WPP <ul style="list-style-type: none"> Chris Moore, Anthony Parnell & Two Section 151 / Deputy Section 151 officers 		Waystone Management (UK) Limited <ul style="list-style-type: none"> Karl Midl, Country Head, UK and CEO, Waystone Management UK Rachel Wheeler, Global Product Head – Regulated Fund Solutions
<u>Joint Governance Committee Meetings</u>	Frequency <ul style="list-style-type: none"> Quarterly 	Objective <ul style="list-style-type: none"> Key metrics Pertinent matters Strategic deliverables
Attendees WPP <ul style="list-style-type: none"> Joint Governance Committee (JGC) 		Waystone Management (UK) Limited <ul style="list-style-type: none"> Karl Midl, Country Head, UK and CEO, Waystone Management UK Richard Thornton, Head of Relationship Management, Asset Owners James Zealander, Senior Relationship Manager Russell Investments
<u>Officers Working Group Meetings</u>	Frequency <ul style="list-style-type: none"> Quarterly 	Objective <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 quarterly)
Attendees WPP <ul style="list-style-type: none"> Officers Working Group (OWG) 		Waystone Management (UK) Limited <ul style="list-style-type: none"> James Zealander, Senior Relationship Manager Richard Thornton, Head of Relationship Management, Asset Owners Heidi Robinson, Relationship Manager Ad-hoc Waystone attendance from functional departments (as required): <ul style="list-style-type: none"> CIO Investment Management Supervision Head of Product Head of Compliance Head of Oversight Russell Investment

Meeting Schedule continued

Host Authority Update	Frequency – Semi-weekly	Objective – Regular Host Authority – WMUK to discuss deliverables and business updates
Attendees WPP ▪ Anthony Parnell ▪ Tracey Williams		Waystone Management (UK) Limited – Richard Thornton, Head of Relationship Management, Asset Owners – James Zealander, Senior Relationship Manager – Heidi Robinson, Relationship Manager – Client Service Manager (as required)
Pension Committees	Frequency – Annual	Objective – General update on the ACS and planned initiatives
Attendees WPP ▪ Individual Pension Fund Committee meetings		Waystone Management (UK) Limited – Richard Thornton, Head of Relationship Management, Asset Owners – James Zealander, Senior Relationship Manager – Heidi Robinson, Relationship Manager – Russell Investments
Pension Board Chair Engagement	Frequency – Semi-Annual	Objective – General update on the ACS and planned initiatives
Attendees WPP • Chairpersons of the Constituent Authorities • Host Authority		Waystone Management (UK) Limited – Waystone Relationship Team – Russell Investment
Manager Engagement Days	Frequency – Annual – 15 / 16 October 2025	Objective – Open day for presentations on strategy and performance (with IM)
Attendees WPP ▪ Open to all involved parties with WPP		Waystone Management (UK) Limited – Waystone Client Team including Exec Team – Northern Trust – Russell Investments and other Investment Managers – Other consultants as required (e.g. bFinance/Hymans)

Thank you

Relationship Team

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