Consultant's Objectives	**Progress report during 2025**
1.Advise on a suitable investment strategy, and amendments to the strategy, to deliver the required investment returns from the Fund's investments and support progress towards a long-term steady state of funding. This includes advice following triennial actuarial valuation as appropriate.	Undertook investment strategy review supported by asset liability modelling, leading to a new strategic asset allocation being agreed by the Committee. This includes a new allocation to natural capital. This was supported by advice regarding the implementation of the updated investment strategy, including sales from equities. Advice was provided in relation to index-linked equity solutions and transition to the evolved BlackRock mandate. Advice was provided in relation to the Fund's strategic allocation to property to inform day 1 commitments to UK commercial and UK local property via WPP programmes. Advice was also provided in relation to regular commitments to its private market allocations via WPP programmes. Fund returns over 12 months (and 3 years) to 30 September 2025 were 10.7% p.a. (9.8% p.a.). Both figures are 0.2% p.a. behind the benchmark return over the respective periods.
2.Deliver an investment approach that reflects the Fund's cashflow position, and likely evolution, and minimises the risk of forced disinvestment.	Advice was provided to reconfirm the make-up of the blended fund (equities, bonds and cash) that is earmarked for investment in private markets (Income) assets. This will be drawn down over a period of years to fund new capital commitments.
3.Advise on the cost-efficient implementation of the Fund's investment strategy as required, taking into account the evolution of the Wales Pension Partnership, and reform to LGPS pooling requirements.	As noted above, the Fund received advice in relation to WPP-aligned equity and property mandates, and in relation to regular commitments to private market allocations via WPP. Officers have engaged with WPP on natural capital to understand WPP's plans and timelines for launching a new fund. Officers will input to the design to ensure it meets the needs of the Fund. At end September, the Fund has c73% of its assets invested in WPP funds. This is expected to increase to c78% when the current property

	holdings are transitions to the WPP UK commercial property fund. In addition, c15% of assets are invested in index-tracking funds with BlackRock. The only material investments outside of WPP and BlackRock are the Partners private equity and infrastructure mandates, which are worth around 6% of total Fund assets. These mandates will be allowed to run off over a period of years with distributions expected to be reinvested in WPP programmes. Hymans considers transaction costs as part of the implementation of advice. Publications and investment updates shared with the Fund without cost. Advice provided in relation to UBS fee changes (although Officers dealt with UBS directly).
4. Ensure advice complies with relevant pensions regulations, legislation and supporting guidance.	All arrangements remain compliant. There have been no recent regulatory changes that the Fund needed to be aware of, other than the Fit for the Future changes that will be implemented from April 2026.
5.Develop the Committee's policies and beliefs, including those in relation to Responsible Investment.	The Fund received training in relation to natural capital via WPP. The Fund undertook a net zero workshop and net zero alignment project to assess the role of natural capital in meeting its climate ambitions. The Fund was involved in discussions in meetings in relation to social considerations. Hymans supported CIPFA risk reporting as requested. The Fund's investment strategy statement (ISS) is to be updated to reflect updated investment strategy and other pooling related requirements.
6.Ensure our advice reflects the Committee's own policies and beliefs,	The Fund's policies and beliefs are reflected throughout the investment advice received by the Fund.

including those in relation to Responsible Investment considerations.	
7.Provide relevant and timely advice. Services shall be proportionate and competitive in terms of costs relative to consultant peer group. Services should adhere to agreed budgets and be transparent, itemising additional work with fees in advance.	Timely follow-up after queries received during meetings, for example, in relation to natural capital exposure in other Fund mandates. Timely rebalancing advice received in Q4. Weekly market updates provided without cost during period of market volatility in Q2. Hymans' fees are in line with peer group, with fixed fees for certain core tasks, and time-cost fees for additional tasks. Hymans set pre-agreed budgets where possible. Feedback from Officers is that papers are of good quality, but delivery times are not always in line with Officer expectations. In particular, the strategy paper for the November Committee meeting was delivered later than expected. Hymans will review the make-up of the team to introduce extra resource. Hymans will also set out a work plan for 2026 with budgets.
8.Help the Committee develop knowledge and understanding of investment matters.	Natural capital training recieved via WPP. The Fund undertook a net zero workshop and net zero alignment project to assess the role of natural capital in meeting its climate ambitions. Hymans keeps the Panel updated on market developments via presentation of the quarterly performance reports.
9. Develop the Committee's knowledge on ESG and climate risk, leading to establishing a net zero target date and a climate transition action plan setting out the actions the Committee will take to reduce carbon emissions.	Hymans continue to incorporate ESG and climate risk considerations in its advice. The Fund continues to monitor the requirements relating to TCFD, measurement of carbon emissions for the portfolio and net zero targets. As noted above, the Fund undertook a net zero workshop and net zero alignment assessment. This illustrated the support an allocation to natural

	capital could provide in meeting the Fund’s net zero ambitions.
10. The investment consultant works collaboratively with the Fund actuary, asset managers, and custodian, as well as with other third parties including the pool’s operator and advisors.	Hymans collaborated with the Fund’s actuary (also Hymans) as appropriate. Over this year, this has included providing the integrated actuarial valuation and investment strategy review. Hymans shared questions with the Fund in relation to the asset managers presenting at Panel meetings. Hymans work with investment managers where appropriate for performance reporting and projection of private market commitments to support efficient cashflow management.
11. Develop the Committee’s knowledge of the government consultation on the future of the LGPS and how this will impact the operation of the Fund.	Hymans provided information to the Fund regarding LGPS consultations over 2025. The Fund received advice in line with pooling expectations following several consultations.