



Wales Pension Partnership

Joint Governance Committee – Q3 2025 Review

8 December 2025

Presented by James Zealander



Agenda

- 03 Corporate Update
- 04 Compliance Update
- 05 Relationship Overview
- 06 Sub-Fund Values
- 07 Sub-Fund AUM & Ownership Percentage
- 08 Fund Snapshot – Equities
- 09 Fund Snapshot – Fixed Income
- 10 Initiatives
- 11 Market Updates
- 12 Oversight – Third Party Monitoring
- 13 WMUK Engagement
- 14 Meeting Schedule



Corporate Update

Waystone continue to support WPP for the creation of the new Investment Company as part of the Government's "Fit for the Future" consultation.

Waystone successfully closed its acquisition of BIL Manage Invest, a leading Luxembourg-based ManCo, following regulatory approval. This move strengthens Waystone's position in Continental Europe and expands its capabilities in fund services and third-party management company offerings.

Waystone has launched COMPASS, a client onboarding and delegate due diligence workflow tool. It is an enterprise-wide automation platform, powered by Appian. Focus on enhancing the client experience, service delivery, and scalability through digitalisation. COMPASS is an exciting first step in our broader Digital Strategy. Designed to make interactions with Waystone more intuitive and effective. The due diligence element will be rolled out to Russell Investments in due course.

Strategic Leadership Appointments, Waystone announced several key leadership changes:

Diarmuid Ryan has joined Waystone as our new Global Head of Administration Solutions. This appointment aligns with our strategic goal to build and strengthen our administration offering, ensuring we continue to evolve in line with client needs and deliver exceptional service across our global platform.

Jamie Dean (UK) and Clive Short (Lux) joined as Managing Directors, Business Development. These moves are part of Waystone's strategic expansion of its real assets fund administration services, aiming to meet growing client demand in this sector.

Brand Unification Strategy whereby Waystone are undergoing a global reorganisation to create a unified brand. This includes opening new offices (e.g., Paris) and appointing country heads in key regions like Singapore and Hong Kong.

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 |
|--|-----------|-------------|------------|--------|
| Assessment of Value - FCA proposes amended and simplified AoV rules | Immediate | Low | Low | |
| Consultation on the updated LGPS Code of Transparency | Immediate | To note | To note | |
| CP25/17: Supporting consumers' pensions and investment decisions: proposals for targeted support | Immediate | To note | To note | |

Assessment of Value - FCA proposes amended and simplified AoV rules

On 6 June 2025, the FCA published quarterly consultation paper, No. 48, CP25/16.

In a welcome move Chapter 7 of the CP sets out the FCA's proposals to amend and simplify the Collective Investment Schemes sourcebook (COLL) in respect of the assessment of value (AoV) reporting requirements.

The FCA believes that a reduction in the level of disclosure which an authorised fund manager (AFM) is required to make will lead to a significant cost saving for it.

These requirements will apply equally to the AFM of a UK UCITS, a Non-UCITS Retail Scheme (NURS), a Qualified Investor Scheme (QIS) and a Long-term Asset Fund (LTAF).

Consultation on the updated LGPS Code of Transparency

The Local Government Pension Scheme Advisory Board has launched a consultation on proposed changes to the LGPS Code of Transparency. The Code was launched in 2017 and details the obligations for its signatories to provide consistent data to funds and pools on investment management fees and costs. It subsequently developed the Cost Transparency Initiative (CTI), and a centralised data system for the associated CTI templates.

These gave a means for the Board to have oversight of compliance with the Code.

At present, the Board is exploring the replacement of the centralised data system with a framework approach and is also taking the opportunity to review the Code itself. This comes from a belief that, under these revised arrangements, some changes are needed to the Code itself to ensure it continues to deliver on its intended aims.

As such, it is holding the consultation which is limited to the LGPS funds and pools as clients and signatories to the Code – with this closing on 15 August.

CP25/17: Supporting consumers' pensions and investment decisions: proposals for targeted support

The FCA has consulted on a new regulatory proposition for targeted support in pensions and retail investments.

Pensions and retail investments have a vital function allowing people to build wealth and provide income for later life. The FCA wants people to invest for their future with confidence, understanding the rewards, risks and protection they will get.

Decisions about pensions and retail investments are complex and consumers need support. The consultation sets out the FCA's proposals to introduce a new form of support, called targeted support. The targeted support proposals will enable firms to provide suggestions designed for groups of consumers with common characteristics to help them make financial decisions.

Relationship Overview

Relationship Overview

| Client | Wales Pension Partnership | AUM (as at 30 September 2025) | £14,468,288,533 | Product Suite | ACS – UK |
|---------------------|---------------------------|-------------------------------|--|------------------------|--------------------|
| Contract Start Date | December 2017 | Contract Expiry | December 2029 (with further 2-year extension provision) | Tenure of Relationship | 7 years, 10 months |
| Contract Renewal | December 2024 | | | | |

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 | £3,970,577,022 |
| WS WPP Global Opportunities Equities Fund | £3,882,166,537 |
| WS Wales PP UK Opportunities Fund | £ 862,335,790 |
| WS Wales PP Emerging Markets Equity Fund | £ 334,776,946 |
| WS Wales PP Sustainable Active Equity Fund | £ 1,680,059,258 |
| Fixed Income | |
| WS Wales PP Multi Asset Credit Fund | £ 892,158,056 |
| WS Wales PP Global Credit Fund | £ 1,043,404,325 |
| WS Wales PP Global Government Bond Fund | £ 517,748,699 |
| WS Wales PP Absolute Return Bond Fund | £ 533,645,010 |
| WS Wales PP Sterling Credit Fund | £ 751,416,890 |
| Total | £14,468,288,533 |

* As at 30 September 2025

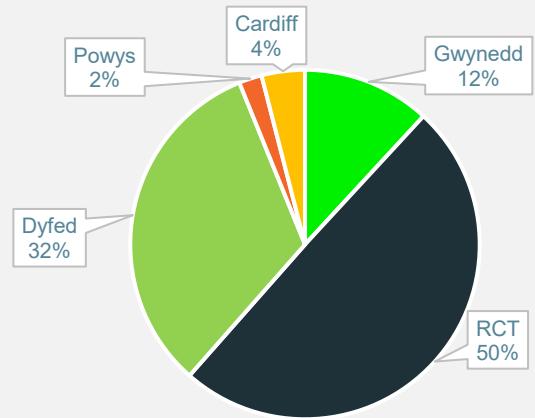
WPP Sub Fund Values & Percentage Ownership*

| Fund name | Gwynedd | Powys | Clwyd | Swansea | Cardiff | Torfaen | RCT | Dyfed | Sub Fund Total |
|--|-----------------------|---------------------|-----------------------|-------------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------|
| Equities | | | | | | | | | |
| WS WPP Global Growth Fund | £469,696,074 (12%) | £84,041,471 (2%) | | | £170,364,635 (4%) | | £1,965,096,300 (50%) | £1,281,378,542 (32%) | £3,970,577,022 (100%) |
| WS WPP Global Opportunities Equities Fund | £525,567,355 (13%) | | | £1,348,156,635 (35%) | £647,294,474 (17%) | £781,877,930 (20%) | £579,270,143 (15%) | | £3,882,166,537 (100%) |
| WS Wales PP UK Opportunities Fund | | | | | £178,189,247 (21%) | £684,146,543 (79%) | | | £ 862,335,790 (100%) |
| WS Wales PP Emerging Markets Equity Fund | £77,282,033 (23%) | £19,704,037 (6%) | | | £148,619,297 (44%) | £89,171,579 (27%) | | | £ 334,776,946 (100%) |
| WS Wales PP Sustainable Active Equity Fund | £350,119,225 (21%) | £81,592,700 (5%) | £401,634,024 (24%) | £175,466,918 (11%) | £156,905,623 (9%) | £188,307,090 (11%) | £125,532,953 (7%) | £200,500,725 (12%) | £ 1,680,059,258 (100%) |
| Fixed Income | | | | | | | | | |
| WS Wales PP Multi Asset Credit Fund | £254,204,637 (29%) | £37,171,391 (4%) | £351,317,167 (39%) | £74,856,754 (8%) | £174,608,107 (20%) | | | | £ 892,158,056 (100%) |
| WS Wales PP Global Credit Fund | £237,281,819 (23%) | £28,746,269 (3%) | | | £164,125,925 (15%) | £270,677,561 (26%) | | £342,572,751 (33%) | £ 1,043,404,325 (100%) |
| WS Wales PP Global Government Bond Fund | | | | | £248,222,421 (48%) | £269,526,278 (52%) | | | £ 517,748,699 (100%) |
| WS Wales PP Absolute Return Bond Fund | £403,876,232 (77%) | £54,137,331 (9%) | | £75,631,447 (14%) | | | | | £ 533,645,010 (100%) |
| WS Wales PP Sterling Credit Fund | | | | | | | £751,416,890 (100%) | | £ 751,416,890 (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 | £14,468,288,533 |

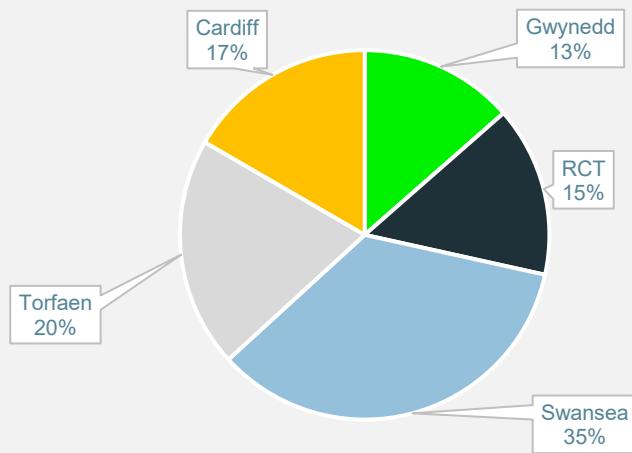
* As at 30 September 2025

Fund Snapshot* – Equities

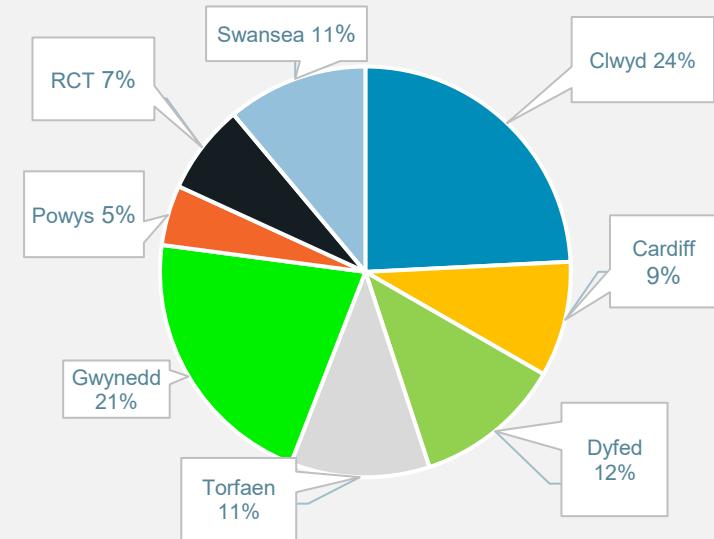
Global Growth



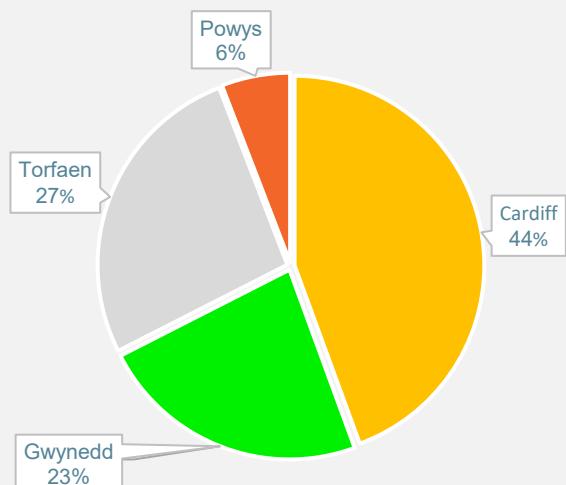
Global Opportunities



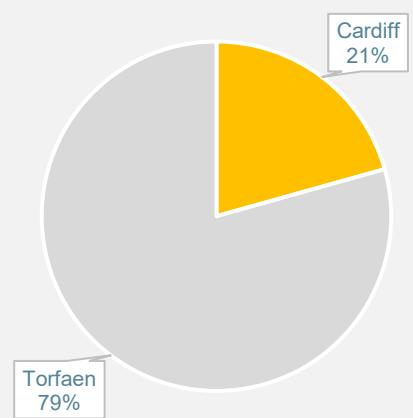
Sustainable Active Equity



Emerging Markets

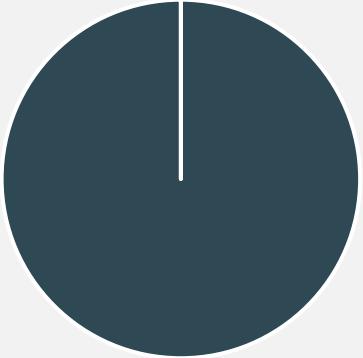


UK Opportunities

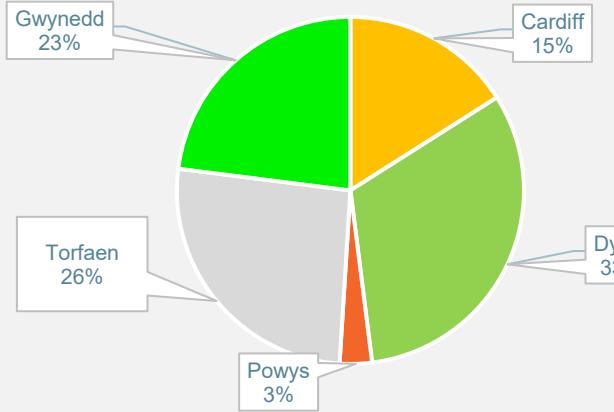


Fund Snapshot* - Fixed Income

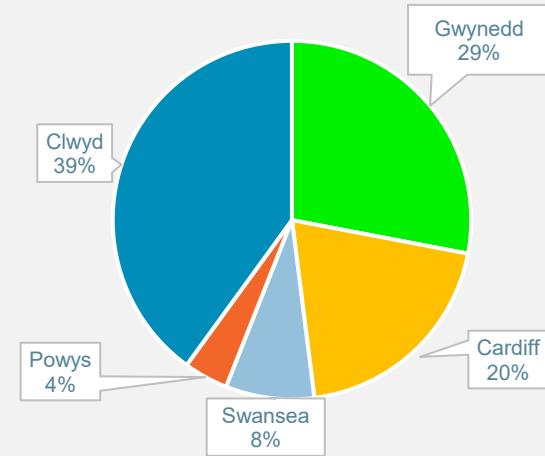
Sterling Credit



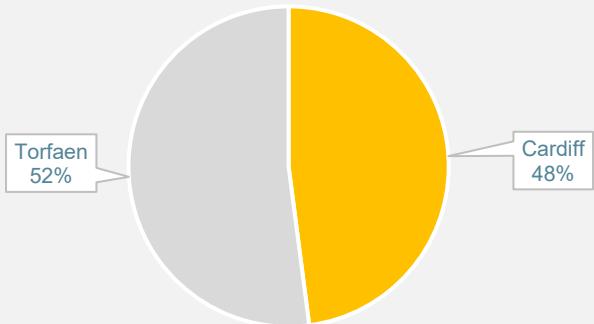
Global Credit



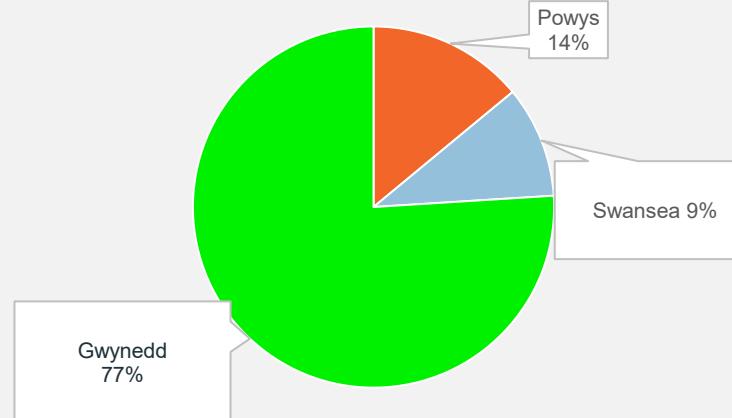
Multi Asset Credit



Global Gov. Bond



Absolute Return Bond



* As at 30 September 2025

Initiatives

Key Achievements & Updates

WS Wales PP UK Opportunities Equity Fund – removal of JO Hambro, replacing with Jupiter Asset Management completed Aug 2025.

| Fund Launches/Wind ups & Changes | | | | |
|----------------------------------|----------|--------|---------|-------|
| | Overview | Status | Details | Owner |
| No current live changes | | | | |

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 the sub funds and 1 bond; Global Opportunities Fund - 4 companies with 0.142% exposure across the total AUM. Global Growth Fund – 3 companies with 0.036% exposure across the total AUM. Global Government Bond Fund – 1 company with holding being a de minimis position.</p> <p>Total value of approx. £25m.</p> <p>Situation currently being monitored as part of the BAU oversight process.</p> <ul style="list-style-type: none"> • Figures from end of September 2025. |

Oversight – Third Party Monitoring

2025 Plan

| Third Party Provider | Reporting Period | Sub Fund | Location | Status |
|-----------------------------|------------------|----------|------------------------------------|---|
| Northern Trust | | | | |
| Transfer Agency | 2025 | All | Onsite, London – October 2025 | Onsite fieldwork to be completed on 14th and 15th October. |
| Fund Administration | 2025 | All | Onsite, London – May 2025 | Final Report Issued (1High, 6 Medium and 1 Low rated findings). High level findings to be shared. |
| Price Analysis | 2025 | All | Onsite, Limerick – May 2025 | Final Report Issued (No findings). |
| Other 'Party' Questionnaire | 2025 | All | Questionnaire – February 2025 | Final Report Issued (No findings). |
| IT Security Questionnaire | 2025 | All | Questionnaire – March 2025 | Initial response received from NT which has been reviewed by Waystone IT. Following review, follow up queries have been raised with NT to respond by end of Q3. |
| Annual Due Diligence | 2025 | All | Questionnaire – June 2025 | Final Report Issued (No findings). |
| Russell Investments | | | | |
| Annual Due Diligence | 2026 | All | Onsite, London – Date to be agreed | N/a |

WMUK Engagement

Key Q3 and future WPP Engagement

Waystone attendance at OWG/JGC meetings in period:

- OWG 21 July 2025
- JGC 16 July 2025
- JGC 17 September 2025

Waystone attendance at OWG/JGC meetings in next quarter:

- OWG 22 October 2025
- JGC 08 December 2025

Waystone attendance at Strategic Relationship Review:

- To be confirmed

Waystone - Pension Committee attendance in period:

- None planned for this period

Waystone - Pension Committee attendance in next quarter:

- Powys – 27 November 2025

WPP Pension Board Chairs Engagement meeting

- 29 October 2025

Other meetings in period

- Host Authority update – occurs bi-weekly
- LGC Investment & Pension Summit, Birmingham - Sept 2025

Other meetings in next quarter

- WPP Manager Day 15 & 16 October

Meeting Schedule

| | | |
|--|--|---|
| Executive Review | Frequency - Semi-annual - Next: To be confirmed | Objective - Ensure strategic alignment - Mutual review of business and strategic goals, priorities and objectives |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| ▪ Chris Moore, Anthony Parnell & Two Section 151 / Deputy Section 151 officers | | ▪ Karl Midl, Country Head, UK and CEO, Waystone Management UK ▪ Rachel Wheeler, Global Product Head – Regulated Fund Solutions |
| Joint Governance Committee Meetings | Frequency - Quarterly | Objective - Key metrics - Pertinent matters - Strategic deliverables |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| ▪ Joint Governance Committee (JGC) | | ▪ 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 |
| Officers Working Group Meetings | Frequency - Quarterly | Objective - 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 | | Waystone Management (UK) Limited |
| ▪ Officers Working Group (OWG) | | ▪ 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): - CIO Investment Management Supervision - Head of Product - Head of Compliance - Head of Oversight ▪ Russell Investment |

Meeting Schedule continued

| | | |
|---|--|---|
| Host Authority Update | Frequency | Objective |
| | <ul style="list-style-type: none"> - Semi-weekly | <ul style="list-style-type: none"> - Regular Host Authority – WMUK to discuss deliverables and business updates |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| <ul style="list-style-type: none"> ▪ Anthony Parnell ▪ Tracey Williams | | <ul style="list-style-type: none"> - Richard Thornton, Head of Relationship Management, Asset Owners - James Zealander, Senior Relationship Manager - Heidi Robinson, Relationship Manager - Client Service Manager (as required) |
| Pension Committee Meetings | Frequency | Objective |
| | <ul style="list-style-type: none"> - Annual | <ul style="list-style-type: none"> - General update on the ACS and planned initiatives |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| <ul style="list-style-type: none"> ▪ Individual Pension Fund Committee members | | <ul style="list-style-type: none"> - Richard Thornton, Head of Relationship Management, Asset Owners - James Zealander, Senior Relationship Manager - Heidi Robinson, Relationship Manager - Russell Investments |
| Pension Board Chairs Engagement | Frequency | Objective |
| | <ul style="list-style-type: none"> - Semi-Annual | <ul style="list-style-type: none"> - General update on the ACS and planned initiatives |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| <ul style="list-style-type: none"> ▪ Pension Board Chairs of the Constituent Authorities ▪ Host Authority | | <ul style="list-style-type: none"> - Waystone Relationship Team - Russell Investments |
| Manager Engagement Days | Frequency | Objective |
| | <ul style="list-style-type: none"> - Annual - 15 / 16 October 2025 | <ul style="list-style-type: none"> - Open day for presentations on strategy and performance (with IM) |
| Attendees | | |
| WPP | | Waystone Management (UK) Limited |
| <ul style="list-style-type: none"> ▪ Open to all involved parties with WPP | | <ul style="list-style-type: none"> - 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

Name: James Zealander
Role: Senior Relationship Manager
Number: +44 (0)7522 348 474
Email: James.Zealander@waystone.com

Heidi Robinson
Relationship Manager
+44 (0) 7843 804917
Email: Heidi.Robinson@waystone.com

Name: Richard Thornton
Role: Head of Relationship Management – Asset Owners
Number: +44 (0) 7765 220277
Email: Richard.Thornton@waystone.com

Executive Contact

Name: Karl Midl
Role: Country Head, UK and CEO
Number: +44 (0)7951 266225
Email: karl.midl@waystone.com

