



Wales Pension Partnership

Joint Governance Committee – Q1 2026 Review

15 July 2026

Presented by James Zealander



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Corporate Update

- Waystone has appointed James Bowers as Chief Executive Officer of our UK ACD business, Waystone Management (UK) Ltd, subject to regulatory approval.

James has been with Waystone since November 2025, working with Karl Midl and the senior management team on a number of initiatives and the day to day running of the UK ACD business. Prior to that James held senior roles with Janus Henderson, Aviva Investors and most recently, Principal Asset Management where he was Managing Director, Head of Global Wealth Platforms.

James also previously worked for the former Link UK ACD as Head of Product Governance.

James will report into Karl Midl, who in his role as Country Head, UK will continue to focus on driving forward the broader UK business and engaging with our key clients.

- The Financial Conduct Authority (FCA) published final rules for the Consumer Composite Investments (CCI) regime on December 8 2025, designed to replace the existing PRIIPs and UCITS disclosure frameworks with a more flexible, consumer-focused approach. This regime, which aligns with the Consumer Duty, removes rigid templates to enable clearer, more tailored, and relevant product information, with mandatory application set for June 8 2027. The framework covers a wide range of retail investment vehicles, including investment trusts, which are brought into the scope of the new UK retail disclosure framework. Waystone and Broadridge hosted a CCI seminar to discuss the changes - one of the most significant changes to retail investment disclosure in over a decade.
- Waystone delivered a Cyber Security Awareness briefing covering Governance and Risk Framework, Staff Upskilling and Awareness, Vulnerability Management, Third-Party and Provider Oversight and Resiliency Planning. Looking Ahead we recognise this is a fast-moving area and are committed to continuous improvement. We are actively engaging with industry groups and regulatory guidance, to ensure our approach remains best practice.

Compliance Updates

The 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.

Key Regulatory Changes & Updates (Q1 2026)

LGPS "Fit for the Future" Reforms (Effective 1 April 2026)

Mandatory Asset Pooling: By 1 April 2026, administering authorities (AAs) are expected to complete the accelerated consolidation of assets, delegating investment strategy implementation to their pool.

FCA Regulation of Pools: Asset pools must operate as investment management companies authorised and regulated by the FCA.

Independent Advice: Mandatory appointment of an independent person to advise Pensions Committees.

Senior LGPS Officer: Mandatory appointment of a senior officer to ensure appropriate management and resources.

Revised Documents: Mandatory publication of updated Governance Strategies, Training Strategies, and Investment Strategy Statements (ISS)

Prospectus Regime & Listing Rules: On January 19, 2026, the Public Offers and Admission to Trading regime came into force, replacing the EU-derived UK Prospectus Regulation. The FCA updated its Knowledge Base to include new guidance on forward-looking statements.

Crypto Asset Regulation: In January 2026, the FCA announced CP26/4, setting out proposals for bringing stablecoin issuers and crypto asset custodians under the "Enhanced" SM&CR framework.

Appointed Representatives (ARs): Proposals were put forward for a new "principal permission" requirement, necessitating firms to get specific FCA approval before taking on ARs.

Stewardship Code: Revisions to the Stewardship Code came into force on January 1, 2026.

UCITS Concentration Limits: The FCA extended the transitional period for UCITS concentration limits until January 31, 2027.

The FCA published sector-specific 2026 priorities, shifting from portfolio letters to more consolidated reporting:

Consumer Investments: Focus on Model Portfolio Services (MPS), suitability of advice, and embedding the Consumer Duty.

Wholesale Markets & Buy Side: Focus on AI governance, private market valuations, and operational resilience.

Key Upcoming Consultations and Focus Areas

Consumer Duty: The FCA is focusing on the interaction between vulnerability, data sharing, and protection, promising further clarity in Q1 2026.

AI in Finance: The FCA is reviewing how firms use AI in underwriting and customer service, with a "good and poor practice" report planned for 2026.

Value for Money (Pension): A joint consultation with The Pensions Regulator (TPR) on a new Value for Money framework was issued, with responses due by March 8, 2026.

Non-Financial Misconduct: The FCA is extending rules on non-financial misconduct (bullying, harassment) to all firms, effective from September 1, 2026, with guidance provided in early 2026.

Relationship Overview

Relationship Overview

Client	Wales Pension Partnership	AUM (as at 31 March 2026)	£14,808,186,750	Product Suite	ACS – UK
Contract Start Date	December 2017	Contract Expiry	December 2029 (with further 2-year extension provision)	Tenure of Relationship	8 years
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	£3,777,537,588
WS WPP Global Opportunities Equities Fund	£3,518,893,787
WS Wales PP UK Opportunities Fund	£ 898,662,462
WS Wales PP Emerging Markets Equity Fund	£ 358,345,174
WS Wales PP Sustainable Active Equity Fund	£ 1,714,186,041
Fixed Income	
WS Wales PP Multi Asset Credit Fund	£974,693,925
WS Wales PP Global Credit Fund	£1,348,779,695
WS Wales PP Global Government Bond Fund	£ 515,954,704
WS Wales PP Absolute Return Bond Fund	£ 812,857,137
WS Wales PP Sterling Credit Fund	£888,276,237
Total	£14,808,186,750

* As at 31 March 2026

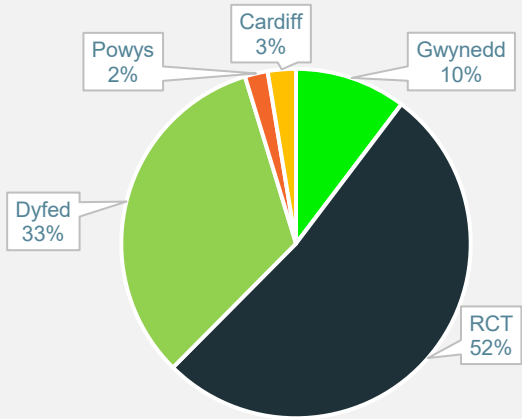
WPP Sub Fund Values & Percentage Ownership*

Fund name	Gwynedd	Powys	Clwyd	Swansea	Cardiff	Torfaen	RCT	Dyfed	Sub Fund Total
Equities									
	£389,526,417	£80,097,411			£98,329,599		£1,969,078,798	£1,240,505,363	£3,777,537,588
WS WPP Global Growth Fund	(10%)	(2%)			(3%)		(52%)	(33%)	(100%)
	£403,965,786			£1,066,946,272	£663,207,246	£801,099,226	£583,675,257		£3,518,893,787
WS WPP Global Opportunities Equities Fund	(11%)			(30%)	(19%)	(23%)	(17%)		(100%)
					£185,695,631	£712,966,831			£ 898,662,462
WS Wales PP UK Opportunities Fund					(21%)	(79%)			(100%)
	£82,722,674	£21,091,197			£159,082,064	£95,449,239			£ 358,345,174
WS Wales PP Emerging Markets Equity Fund	(23%)	(6%)			(44%)	(27%)			(100%)
	£359,703,094	£78,504,962	£406,087,436	£180,270,002	£161,200,634	£193,461,651	£128,969,191	£205,989,071	£ 1,714,186,041
WS Wales PP Sustainable Active Equity Fund	(21%)	(5%)	(24%)	(11%)	(9%)	(11%)	(7%)	(12%)	(100%)
Fixed Income									
	£259,414,801	£38,575,187	£422,126,056	£76,391,013	£178,186,868				£ 974,693,925
WS Wales PP Multi Asset Credit Fund	(27%)	(4%)	(43%)	(8%)	(18%)				(100%)
	£347,865,479	£17,935,715		£155,570,756	£152,214,992	£277,581,624		£397,611,129	£ 1,348,779,695
WS Wales PP Global Credit Fund	(26%)	(1%)		(12%)	(11%)	(21%)		(29%)	(100%)
					£247,362,334	£268,592,370			£ 515,954,704
WS Wales PP Global Government Bond Fund					(48%)	(52%)			(100%)
	£554,278,284	£25,220,032		£233,358,821					£ 812,857,137
WS Wales PP Absolute Return Bond Fund	(68%)	(3%)		(29%)					(100%)
			£79,987,235				£808,289,002		£ 888,276,237
WS Wales PP Sterling Credit Fund			(9%)				(91%)		(100%)
Constituent Authority Total	£2,397,476,535	£261,424,504	£908,200,727	£1,712,536,864	£1,845,279,368	£2,349,150,941	£3,490,012,248	£1,844,105,563	£14,808,186,750

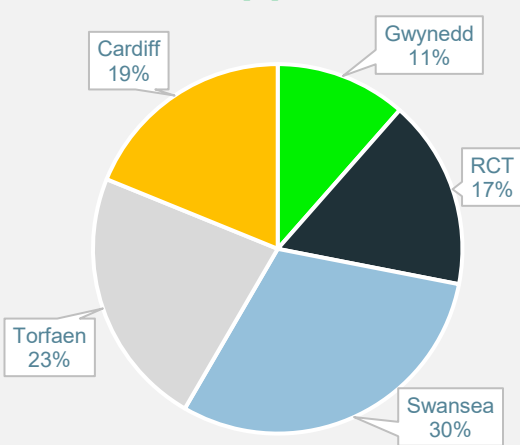
* As at 31 March 2026

Fund Snapshot* – Equities

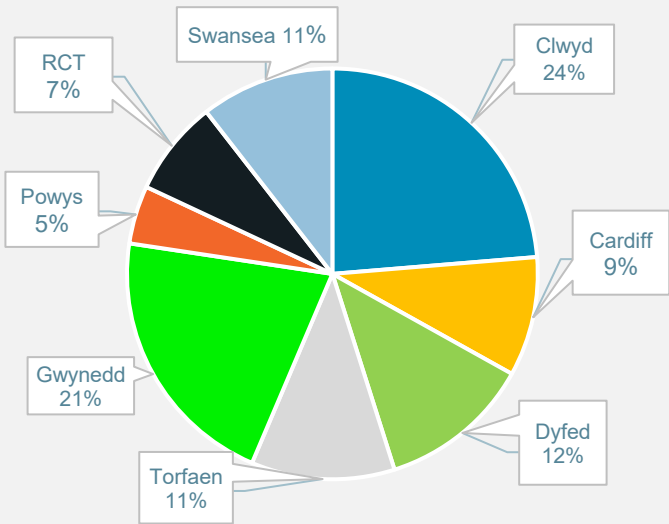
Global Growth



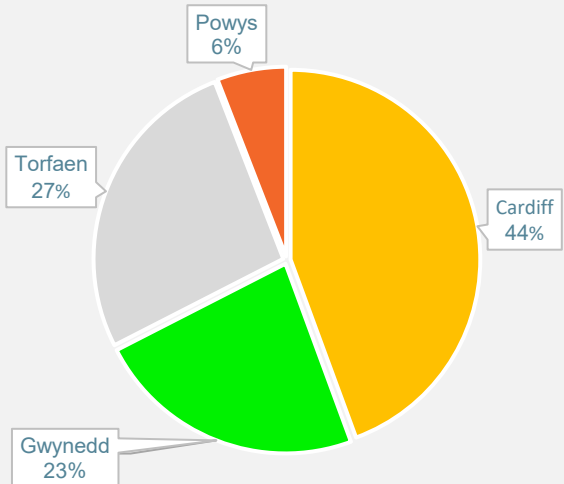
Global Opportunities



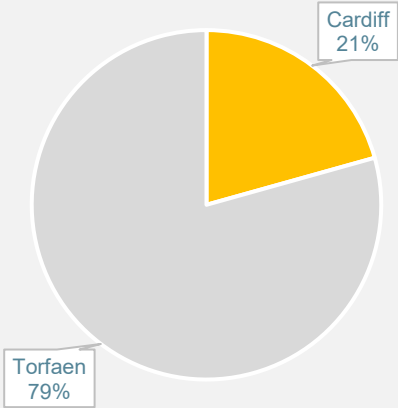
Sustainable Active Equity



Emerging Markets

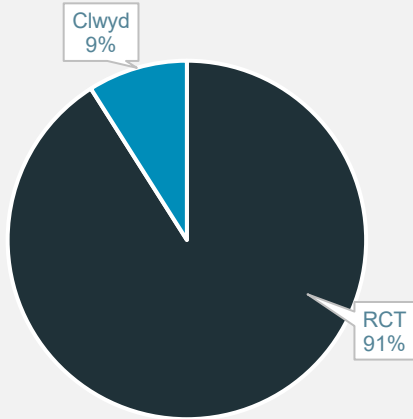


UK Opportunities

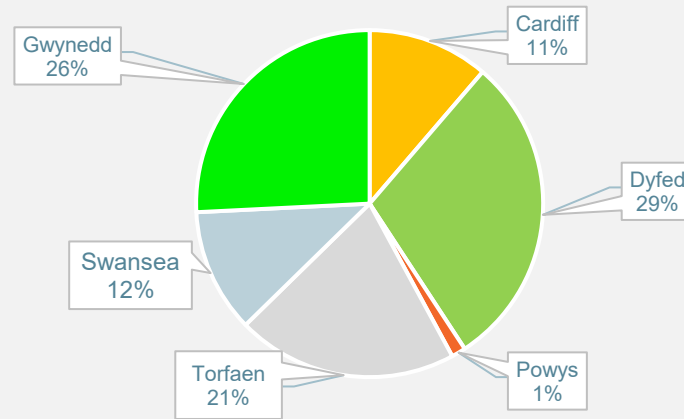


Fund Snapshot* - Fixed Income

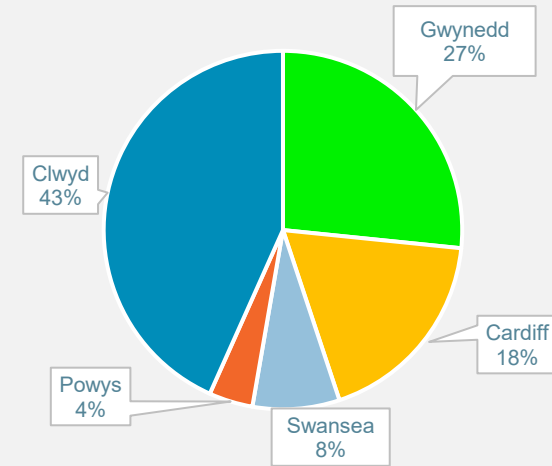
Sterling Credit



Global Credit



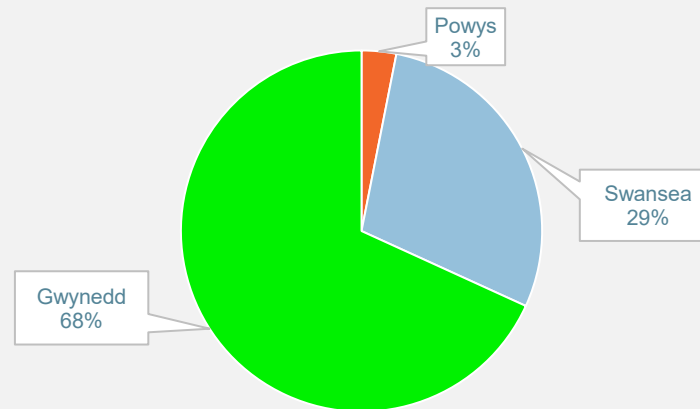
Multi Asset Credit



Global Gov. Bond



Absolute Return Bond



* As at 31 March 2026

Initiatives

Key Achievements & Updates

3 Manager updates Completed

WS Wales PP Global Sustainable Active Equity Fund Change of Sub Manager, removing Neuberger Berman replacing with Lazard.
WS Wales PP Multi Asset Credit Fund Change of Sub Manager, removing Voya replacing with Aegon and Invesco.
WS Wales PP Global Opportunity Equity Fund Change of Sub Manager, removing Nissay replacing with Lazard.

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	Currently 5 securities held in direct Israeli companies across two sub funds; Global Opportunities Fund - 4 companies with 0.46% exposure across the total AUM. Global Growth Fund – 1 companies with 0.03% exposure across the total AUM. BANK HAPOALIM BANK LEUMI ELBIT SYSTEMS LTD PHOENIX FINANCE LTD SHUFERSAL LTD One Bond held in the Global Government Bond Fund – Holding being a de minimis position Total value of approx. £16.9m. Situation currently being monitored as part of the BAU oversight process. Figures from end of 31 March 2026.

Oversight – Third Party Monitoring

2026 Plan

Third Party Provider	Reporting Period	Sub Fund	Location	Status
Northern Trust				
Transfer Agency inc. Client Money Review	2026	All	Onsite, London – May 2026	Planning – Draft Terms of Reference with Northern Trust. Fieldwork to be completed 7th July 2026
Fund Administration & Financial Reporting	2026	All	Onsite, London – November 2026	Not started
Price Analysis	2026	All	Onsite, Limerick – May 2026	Not started
Other 'Party' Questionnaire	2026	All	Questionnaire – March 2026	Questionnaire Issued
IT Security Questionnaire	2026	All	Questionnaire – September 2026	Not started
Annual Due Diligence	2026	All	Questionnaire – Date to be agreed	Not started
Russell Investments				
Annual Due Diligence	2026	All	Portal – March 2026	Questionnaire Issued and RI have completed for WMUK To review. ETA to be determined based on responses.

WMUK Engagement

Key Q4 and future WPP Engagement

Waystone attendance at OWG/JGC meetings in period:

- OWG 2 February 2026
- JGC 10 March 2026

Waystone attendance at OWG/JGC meetings in next quarter:

- OWG 9 June 2026
- JGC 15 July 2026

Waystone attendance at Strategic Relationship Review:

- Date to be agreed

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

- WMUK not required to attend

Other meetings in period

- Host Authority update – occurs bi-weekly

Other meetings in next quarter

- None planned for this period

Meeting Schedule

Executive Review	Frequency	Objective
	Semi-annual	- 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	Objective
	Quarterly	- 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	Objective
	Quarterly	- 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 – 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 Committee Meetings	Frequency – Annual	Objective – General update on the ACS and planned initiatives
Attendees WPP ▪ Individual Pension Fund Committee members		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 Chairs Engagement	Frequency – Semi-Annual	Objective – General update on the ACS and planned initiatives
Attendees WPP • Pension Board Chairs of the Constituent Authorities • Host Authority		Waystone Management (UK) Limited – Waystone Relationship Team – Russell Investments
Manager Engagement Days	Frequency – Annual	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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