

Wales Pension Partnership (WPP) - JGC Update

JGC meeting date: 5 December 2022

Location: Virtual

Agenda item	Detail
Host Authority update	<p>Anthony Parnell of the Host Authority provided an update in relation to work that has been completed since the last JGC meeting and WPP's next steps / priorities. He highlighted the work carried out by the OWG sub-groups and thanked the officers for their time and commitment.</p> <p>Anthony also presented the 2022/23 Business Plan update as at 30 September 2022 (attached).</p>
Risk Register Q3 & Q4 2022 Review	<p>The OWG is responsible for maintaining the WPP Risk Register and reporting back any changes or developments to the JGC on a quarterly basis. The OWG has a dedicated Risk Sub-Group to take ownership of the Risk Register and the quarterly review of the document.</p> <p>With the 21 September 2022 JGC being cancelled, both the Q3 and Q4 reviews were presented to the 5 December 2022 JGC. During Q3 2022, a review was undertaken of the Training & Resources and Communication Risks and during Q4 2022 the Investment Risks.</p> <p>Hymans presented the changes which were approved by the JGC. The Risk Register has been uploaded on the WPP website.</p>
New Policies / Plans: Complaints Policy	<p>A complaints policy has been developed for the WPP which provides guidance to the Constituent Authorities (CAs) on the procedure to follow in relation to WPP operational and service quality complaints. The policy details where complaints should be directed and the procedure to be followed,</p>

	<p>including the stages involved, the responsible parties, and timescales.</p> <p>The complaints policy has been approved and been uploaded on to WPP's website.</p>
<p>Policy Reviews: Responsible Investment Policy</p>	<p>The WPP have approved several policies / plans which are to be reviewed on a regular basis. This quarter, the OWG have undertaken an annual review of the Responsible Investment (RI) Policy.</p> <p>Following this year's review, the RI policy has been updated to include a section on Human Rights (section 5) and point no 8.2 under Stewardship has been extended to include voting on the pooled passive funds.</p> <p>The updated policy has been approved and the WPP website has been updated.</p>
<p>Operator Update</p>	<p>Link presented their quarterly update report as at 30 September 2022 (attached). This provides an update on WPP's sub funds and corporate and engagement activity.</p>
<p>Performance Reports as at 30 September 2022</p>	<p>Russell presented a Q3 performance summary paper (attached) summarising the performance of each individual ACS sub fund for the quarter ending 30 September 2022.</p>
<p>Exempt Items – the following items were discussed during the non-public part of the meeting.</p>	
<p>Global Securities Lending Report as at 30 September 2022</p>	<p>Stock Lending commenced in March 2020 and Northern Trust presented the Global Securities Lending Report for Q3 2022 (quarter ending 30 September 2022).</p>
<p>Robeco Engagement Report - Q3 2022</p>	<p>In March 2020, Robeco was appointed as WPP's Voting & Engagement Provider to undertake Voting and Engagement functions on behalf of the WPP. Robeco commenced their engagement service in April 2020, and they have provided an engagement report for Quarter 3 2022.</p>

<p>Private Equity Allocator appointment</p>	<p>A two-stage competitive procedure with negotiation procurement process has been undertaken to appoint an Allocator for the Private Equity asset class. A recommendation report was taken to this JGC for approval.</p> <p>The JGC approved the recommended bidder. The contract was awarded on 20 December 2022 with Schrodgers being the successful bidder. Work is underway to complete the legal requirements by February/March 2023.</p>
<p>Responsible Investment and Climate Risk reports</p>	<p>Each quarter, Hymans Robertson produce quarterly Responsible Investment & Climate Risk Reports for the WPP's sub funds.</p> <p>For Quarter 2 2022 (quarter ending 30 June 2022), the ARB and MAC reports were produced. These should have been presented at the 21 September 2022 JGC meeting however this meeting was cancelled.</p> <p>The UK Opportunities and Emerging Market reports have been produced for Quarter 3 2022 (quarter ending 30 September 2022).</p> <p>Hymans presented the reports to the JGC members.</p>

Webcast link for the 5 December JGC meeting below:

[Agenda for Wales Pension Partnership Joint Governance Committee on Monday, 5th December, 2022, 2.00 pm](#)

WPP's website address - [Wales Pension Fund | Home \(walespensionpartnership.org\)](https://walespensionpartnership.org)

Next meeting:

- Wednesday 29 March 2023 - hybrid meeting hosted by Gwynedd