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Pensions Committee

Date: **TUESDAY 10 DECEMBER 2024**

Time: **5.00 PM**

Venue: **COMMITTEE ROOM 5 - CIVIC CENTRE**

Meeting Details: The public and press are welcome to attend and observe the meeting.

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To Members of the Committee:

Reeta Chamdal (Chair)
Kaushik Banerjee (Vice-Chair)
Stuart Mathers
Tony Burles
Douglas Mills

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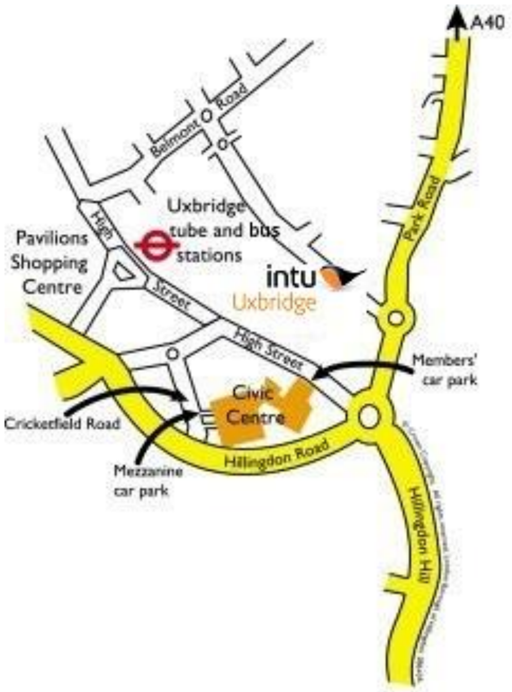

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Agenda

CHAIRMAN'S ANNOUNCEMENTS

PART I - Members, Public and Press

PART II - Members Only

That the reports in Part 2 of this agenda be declared not for publication because they involve the disclosure of information in accordance with Section 100(A) and Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended), in that they contain exempt information and that the public interest in withholding the information outweighs the public interest in disclosing it.

Minutes

PENSIONS COMMITTEE

25 September 2024

Meeting held at Committee Room 5 - Civic Centre

	Committee Members Present: Councillors Reeta Chamdal (Chair), Kaushik Banerjee (Vice-Chair), Stuart Mathers and Tony Burles **LBH Officers Present**: Tunde Adekoya, Finance Manager – Pensions & Governance Richard Ennis, Corporate Director of Finance and Section 151 Officer James Lake, Director of Pensions, Treasury & Statutory Accounts Anisha Teji, Senior Democratic Services Officer Jack Francis-Kent – Pension Board Member and Principal Internal Auditor **Also Present**: Marian George, Independent Adviser Andy Lowe, Hampshire County Council Andrew Singh, Isio Sunny Jheeta,Isio Christophe Osborne – LCIV Silvia Knott-Martin - LCIV Rodger Hackett – Chair of Pensions Board
73.	**APOLOGIES FOR ABSENCE** *(Agenda Item 1)* There were no apologies for absence.
74.	**DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING** *(Agenda Item 2)* None.
75.	**MINUTES OF THE MEETING - 5 JUNE 2024** *(Agenda Item 3)* **RESOLVED: That the Committee agreed the minutes from the meeting on 5 June 2024 as an accurate record.**
76.	**TO CONFIRM THAT ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THOSE MARKED PART II WILL BE CONSIDERED IN PRIVATE** *(Agenda Item 4)* It was confirmed that agenda items 5 – 9 would be considered in Part I and agenda items 10 – 12 would be considered in Part II.
77.	**ADMINISTRATION REPORT** *(Agenda Item 5)* The Finance Manager – Pensions & Governance introduced the Pensions Administration & Performance report.

	The report highlighted a 100% KPI and a 4.5% increase in portal sign-ups from 30.95% to 44.5%, along with a reduction in backlog cases from 4158 to 524. Cyber security penetration testing in July identified one high vulnerability, which Hampshire County Council (HCC) intended to fix by December, while twice-yearly testing had resulted in fewer vulnerabilities. User experience improvements included email acknowledgments for portal logins and form processing. The annual benefit statement and employer benchmark data had been prepared, showing performance improvement results, with actions to be discussed at the next Pensions Board meeting. An update would be provided to the Committee at the December meeting. In response to questions regarding increased update with employers, it was noted that there had been an improvement in communication with employers and payroll providers, especially with academies and schools. Positive feedback was received from accountancy representatives for schools and academies. Engagement with major suppliers and payroll providers had also improved. It was explained that actions from benchmarking data would involve writing to employers and fining those who are late in sending information. The Committee heard that in terms of McCloud financial liability the actuary had not yet provided an exact figure however previously there was an assumed liability of £3,000,000 on a £1.3 billion fund. New legislation had been introduced and the timeline for knowing the exact costs was uncertain. It was noted that there were layers of security in place, including prevention bots and regular penetration testing to manage cyber security threats and further discussion would take place at the next Pensions Board meeting. **RESOLVED: That the Pensions Committee noted the Administration update.**
78.	**INVESTMENT STRATEGY AND FUND MANAGER PERFORMANCE - PART I** *(Agenda Item 6)* The Finance Manager – Pensions & Governance introduced the Investments Strategy and Fund Manager Performance report and highlighted the new dashboard produced collaboratively by officers. The dashboard was designed to be more user-friendly and had resulted in significant cost savings. It was reported that the headline funding level was now at 120%, with assets up to 1.38 billion. The performance of the fund in the quarter under review was 2%, which was 0.2% behind the benchmark. The one-year performance was 12.5%, which was 0.5% ahead of its benchmark. The three and five-year returns were 3.6% and 4.0% annualised, respectively, against a 4.1% return target in the funding strategy statement. It was agreed that a glossary of acronyms would be circulated to Members. During Member discussions further information was provided on third Quarter Performance noting that the LCIV Global offer growth fund, managed by Bailey Gifford, had underperformed. It was explained that the market had been driven by a few information technology stocks in the US and equity managers found it difficult to outperform the market due to the concentration of these stocks. Despite this many concerns had been addressed, risk was being managed and there was continued monitoring.

	The Committee considered the status and future plans for infrastructure investments particularly focusing on the LCIV Infrastructure Fund and other related fund. Members also discussed the distribution and reinvestment of funds from Macquarie infrastructure funds, which were nearing the end of their life. **RESOLVED: That the Committee noted the funding and performance update.**
79.	**RESPONSIBLE INVESTMENT (***Agenda Item 7)* The Director of Pensions, Treasury and Statutory Accounts introduced the item on the Responsible Investments Update. The report provided information on how managers entrusted with the investing Pension Fund assets were implementing their Environmental, Social and Governance (ESG) policies and demonstrated their commitment to ensuring it was a cogent part of their investment process. **RESOLVED: That that the Pensions Committee:** **1. Noted the fund managers' ESG activities and compliance efforts.** **2. Noted LCIV & LAPFF activities.**
80.	**RISK REGISTER REPORT (***Agenda Item 8)* The Director of Pensions, Treasury and Statutory Accounts introduced the item on the Pension Fund Risk Register. It was reported that that the Council's risks had been moved from a spreadsheet to a new risk management system, allowing for better record-keeping and the removal of inactive risks. Eleven risks had been retired and three remain actively monitored. In response to Member questions about the funds governance to comply with certain requirements, it was noted that the risk was introduced due to the new General Code of Practice by the Pensions Regulator, which included a new set of rules that had to be complied with. A review of the situation was done by September using a tool that produced a report on compliance and a peer review was also being undertaken to address any gaps. The progress would be regularly reported to the Pensions Board. In terms of keeping risks PEN 9 and 10 on the register, officers emphasised the importance of managing risks as part of day-to-day business, especially with member dealings. The key risk was ensuring that there was enough money in the fund to pay pensions and managing cash flow. Members agreed to continue monitoring the situation and added risks 9 and 10 as active risks. This would be reviewed at the December meeting. **RESOLVED: That the Pensions Committee:** **1. Considered and agreed the Risk Register in terms of the approach, the specific risks identified and the measures being taken to mitigate those current risks.** **2. Noted the revised format and agreed the retired risks and those which remained open.** **3. Agreed to add risk PENs 9 & 10 as active risks.**

81.	**GOVERNANCE** *(Agenda Item 9)* The Committee considered the Governance report which included the work plan and governance updates. The workplan outlined future discussion items. Members discussed training and assessment updates. The Committee discussed officer workload and the need to achieve full compliance with the new requirements. A joint training session on equality, diversity, and inclusion was suggested, with plans for separate sessions due to scheduling conflicts. **RESOLVED: That the Committee:** **1. Noted the dates for Pensions Committee meetings.** **2. Made suggestions for future agenda items, working practices and / or reviews.** **3. Noted Committee's Continuous Professional Development update** **4. Agreed updated Communications Policy** **5. Agreed updated Reporting Breaches Policy** **6. Noted GCoP Update**
82.	**INVESTMENT PART II - STRATEGY REVIEW AND MANAGER UPDATES** *(Agenda Item 10)* *This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).* The Director of Pensions, Treasury and Statutory Accounts and Finance Manager – Pensions and Governance presented the Part II Investment update. The report detailed the implementation of the investment strategy of the Hillingdon Pension Fund and Members considered key local authority fund statistics. **RESOLVED: That the Pensions Committee agreed recommendations 1 – 5 as listed in the confidential report.**
83.	**ACTUARY CONTRACT EXTENSION** *(Agenda Item 11)* *This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act).* The Director of Pensions, Treasury and Statutory Accounts and Finance Manager – Pensions and Governance presented report on the Actuary Contract Extension. **RESOLVED: That the Committee agreed the recommendation as detailed in the report.**
84.	**GUARANTEED MINIMUM PENSION (GMP)** *(Agenda Item 12)*

	This item was discussed as a Part II item without the press or public present as the information under discussion contained confidential or exempt information as defined by law in the Local Government (Access to Information) Act 1985. This was because it discussed 'information relating to the financial or business affairs of any particular person (including the authority holding that information)' (paragraph 3 of the schedule to the Act). The Director of Pensions, Treasury and Statutory Accounts and Finance Manager – Pensions and Governance presented the Guaranteed Minimum Pensions GMP report which was considered in Part II. Members discussed the report and agreed the resolution listed in the Part II minutes. **RESOLVED: That the Pensions Committee agreed the recommendation listed in the Part II minutes.**
	The meeting, which commenced at 5.00 pm, closed at 7.22 pm.

These are the minutes of the above meeting. For more information on any of the resolutions please contact Anisha Teji on ateji@hillingdon.gov.uk. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.

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Pensions Administration & Performance	Item 5
Committee	Pensions Committee
Contact Officers	Tunde Adekoya – Finance
Papers with this report	Hampshire Administration Report September 2024 – on shared drive

REASON FOR ITEM

The provision of administration services for the Hillingdon Pension Fund is delivered in partnership with Hampshire County Council (HCC) through Hampshire Pension Service (HPS) under a section 101 agreement. The agreement includes Key Performance Indicators (KPIs) which are generally consistent with national standards.

The purpose of this report is to update the Pensions Committee on pensions administration activities and the performance of the administration provider against the agreed indicators.

RECOMMENDATIONS

1. That the Pensions Committee note the administration update

INFORMATION

Pensions administration services are provided by Hampshire County Council (HCC) under a section 101 agreement.

The attached report provides an update of HCC's performance as of June 2024. Historic monthly reports are included in the member shared drive.

Past key performance indicators show 100% against all indicators, for each month since the October 2021 inception.

Member portal registrations continue to improve month-on-month and as of 30 September 2024 show 46.46%, which is ahead of the exiting SCC position of 30.95%

Inherited backlog cases continue to be cleared with total cases reducing from 4,158 at inception, to 378 as of 30 September 2024.

Other key updates include:

- Acceptable telephone call handling performance.
- 67.8% of pensioners have either signed up to the portal or made an election for paper correspondence.
- Cyber Security: Next vulnerability testing scheduled for week commencing 2nd of December 2024.

- 115 of 115 annual returned received,97 by deadline (30th April), 15 received a month later and 3 employers submitted their returns significantly later.
- 99.28% of Active Benefit Statements Produced by end of August 2024 and 99.99% of Deferred Benefit Statements produced in the same period, in line with statutory deadlines.

- The table below details the key milestones for each step of the 2024 year-end process.

Completed/Due	Task
05/10/2024	Latest date Pensions Savings Statements sent – will be produced for each employer as ABS have been completed.
31/10/2024	Latest date e-comms sent to members with benefit statement available on Member Portal.
30/11/2024	Life Certificates issued to Overseas Pensioners.
30/11/2024	TPR Scheme Return (expecting TPR to return to November deadline this year)
30/11/2024	Active and Deferred member newsletters.

McCloud

- The LGA have alerted us to a calculation error with Club transfer out quotations issued by the Teachers' Pension Scheme (TPS), for members protected by the McCloud remedy – HPF transfers team have reviewed the quotes received from TPS, of which there are only a handful across all schemes they administer and found that they had already queried the figures provided.

- On 20th September, the LGA issued a McCloud public service pensions history form, and set out two approaches for administrators – send the form to all scheme members and ask that all members respond, regardless of whether they have prior public service pension scheme membership; or send the form to all scheme members and only request responses from those who have prior public service pension scheme membership – we intend to adopt the second approach, but are considering how best to issue the forms.

FINANCIAL IMPLICATIONS
Financial implications are included in the body of the report.

LEGAL IMPLICATIONS
Legal implications have been included in the body of the report.

HAMPSHIRE PENSION SERVICES

Monthly administration report

September 2024

HILLINGDON
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Working in partnership with

Contents

1. Summary

1.1. The purpose of this report is to update the London Borough of Hillingdon with the current position of their local government pension scheme membership; performance against service level agreements and to provide other important and current information about the administration of the London Borough of Hillingdon Local Government Pension Fund.

2. Background

2.1. Hampshire Pension Services administer the Local Government Pension Scheme (LGPS) on behalf of the London Borough of Hillingdon (LBH) with effect from 27 September 2021.

2.2. Hampshire Pension Services also administer the LGPS for Hampshire County Council, West Sussex County Council and Westminster City Council; the Fire Pension Schemes for both West Sussex and Hampshire, and the Police Pension Schemes for Hampshire.

3. Membership

3.1. The table below details the number of members against status for each of the Local Government pension schemes and is correct as of the date this report was prepared. To support the monitoring of change in membership numbers, the table now compares the membership detailed in the OBC with the current month to show the total growth in membership since the start of the partnership.

	Active*	Deferred	Pensioner	Preserved Refunds**	Total
OBC	*9,020*	*11,400*	*7,036*	-	*27,456*
September 2024	9,117	12,551	8,545	1,687	**31,900**
Growth	***1.07%***	***10.09%***	***21.44%***	**-**	***16.18%***

*Leavers which are waiting to be processed are included in the active membership. However, the OBC deferred figure included both 2,045 leavers waiting to be processed and 1,256 preserved refunds.

**The preserved refund members are included for completeness but are not counted for the purposes of reporting membership to the Pensions Regulator and DLUHC (previously MHCLG).

4. Administration performance

4.1. Hampshire Pension Services' performance against agreed service level agreements for key processes are monitored monthly. They are calculated based on the number of working days taken to complete the process and are adjusted for time that we are unable to proceed, due to requiring input from the member or third party.

4.2. The table below shows performance from 1st September – 30th September 2024. The service level agreement (SLA) for all casework is 15 working days, except for deferred benefits which are processed in 30 working days, and rejoiners which are processed in 20 working days.

Time to Complete

Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31-40 days	Total	% completed on time	*Average days to complete process*	*Total Cases (previous month)*	*% completed on time (previous month)*
Active Retirement	12	13	1	0	0	0	26	100.00%	*6*	*12*	*100.00%*
Deferred Retirement	7	27	5	0	0	0	39	100.00%	*8*	*32*	*100.00%*
Estimates	2	14	1	0	0	0	17	100.00%	*8*	*40*	*100.00%*
Refunds	1	22	0	0	0	0	23	100.00%	*8*	*24*	*100.00%*
Deferred Benefits	6	2	0	5	103	0	116	100.00%	*24*	*108*	*100.00%*
Interfunds and Transfers In	6	2	5	0	0	0	13	100.00%	*9*	*9*	*100.00%*
Interfunds and Transfers Out	2	12	1	0	0	0	15	100.00%	*8*	*12*	*100.00%*
Divorce Quotes	2	2	3	0	0	0	7	100.00%	*8*	*8*	*100.00%*
Divorce Actuals	0	0	0	0	0	0	0	100.00%		*0*	*100.00%*
Rejoiners/Aggregation	5	3	2	6	0	0	16	100.00%	*11*	*19*	*100.00%*
Deaths	4	0	5	0	0	0	9	100.00%	*8*	*7*	
GRAND TOTAL	**47**	**97**	**23**	**11**	**103**	**0**	**281**	**100.00%**		***271***	***100.00%***

4.3. Due to current software restrictions, the following casework can only be reported as total numbers processed in the month.

Type of Case	Total number of cases in the month
New Joiners	38
New beneficiary benefits in payment	5

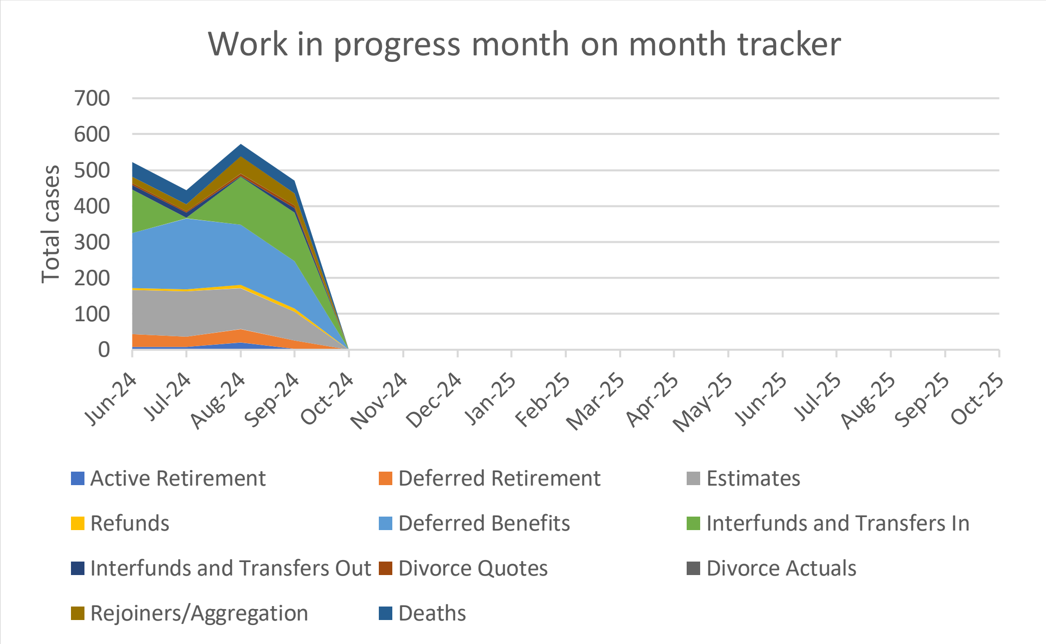
4.4. The table below shows outstanding work as of 30th September 2024. The time outstanding reflects the time from date of receipt of the initiating request, and includes time whilst cases are on hold pending further information. Work which has been pended is monitored by the team and is also pushed for review by the system at pre-determined intervals. This means that all pended casework is regularly reviewed, and actions taken to ensure it can be moved and processed.

4.5. Those cases which currently exceed the agreed service level agreement are on hold waiting for information from the member, their employer or another party and the time taken to process will be adjusted once the work has been completed.

				Time Outstanding				
Type of Case	0-5 days	6-10 days	11-15 days	16-20 days	21-30 days	31+ days	Total	*Total Outstanding (previous month)*
Active Retirement	0	1	0	0	0	2	3	*20*
Deferred Retirement	6	2	1	1	3	9	22	*37*
Estimates*	12	7	7	3	5	47	81	*114*
Refunds	3	4	0	0	1	0	8	*10*
Deferred Benefits	3	11	14	3	40	61	132	*166*
Interfunds and Transfers In	2	4	4	1	6	118	135	*135*
Interfunds and Transfers Out	3	1	6	0	1	3	14	*1*
Divorce Quotes	1	2	0	0	0	3	6	*7*
Divorce Actuals	0	0	0	0	0	0	0	*0*
Rejoiners/Aggregation	1	2	9	2	6	14	34	*49*
Deaths	1	1	3	0	4	27	36	*34*
GRAND TOTAL	**32**	**34**	**44**	**10**	**66**	**282**	**468**	***573***

*Estimates include all 'quote' calculations for retirement, transfers, divorce, refunds, dependants quotes and interfunds.

4.6. We have included a tracker below which monitors the movement in work outstanding month on month.



5. Call and email volumes

5.1. The table below sets out the call statistics for Hillingdon for the month of September 2024:

Calls Received	122
Calls Answered	122
Calls Answered Percentage	100.00%
Calls Abandoned	0
Abandoned Percentage	0.00%
Average Wait Time	67 seconds
Calls Answered Within 5 Minutes	116
Calls answered waiting for longer than 5 mins	6
Percentage Of Calls Answered Within 5 Minutes	95.00%

5.2. Abandoned calls are caused by the member ending the call before we can answer, and in some cases, this can be because they have heard one of our automatic messages asking them to visit our website or Portal.

5.3. The total number of calls received were 3,533 and the statistics above are included in this number.

5.4. Our Pension Customer Support Team (PCST) record the number of emails received into our main Pension Services inbox. The table below shows the combined (Hampshire, West Sussex, Westminster, and Hillingdon) volumes, for the current and previous month.

Month	Total Emails Received	Response from PCST	Forms and Emails Forwarded to another team*
August 2024	6,097	5,370	765
September 2024	8,051	6,926	1,125

5.5. Of the emails responded to by PCST, 154 of these were for Hillingdon members.

5.6. In September 2024 we received 59 'My Messages' from Hillingdon members via the member portal, which are dealt with via our normal 5 working day response time.

6. Online services

Member Portal

6.1. Active, Deferred, Preserved Refund and Pensioner members of the Hillingdon Local Government pension scheme have the ability to register for our Member Portal and update their personal details, death grant nominations, and bank details; securely view annual benefit statements, payslips and P60's; run online voluntary retirement estimates; and complete their membership option, retirement declaration and refund claim forms online.

6.2. The table below shows the total number of current registrations for each status as of 30th September 2024.

Status	Registrations to date	% of total membership	Registrations to 31/08/2024	% of total membership
Active	5,057	55.47%	5,047	54.22%
Deferred	5,062	40.33%	4,968	39.81%
Pensioner	3,918	45.85%	3,860	45.44%
TOTAL	**14,037**	**46.46%**	**13,875**	**45.82%**

6.3. The table below sets out the number of Member Portal log ins, for the current month and previous month for comparison.

Month	Active	Deferred	Pensioner
August 2024	2,555	2,409	530
September 2024	817	462	368

6.4. The table below shows the number of opt outs of the Member Portal for each membership status. Comparing the number of registrations and opt outs to the total membership allows us to identify the number of members who have not engaged via either route.

Engagement	Active	Deferred	Pensioner	Total
Portal	5,057	5,062	3,918	**14,037**
Opt out	36	125	1,882	**2,043**
No contact	4,024	7,364	2,745	**14,133**
Total	**9,117**	**12,551**	**8,545**	**30,213**

Cyber Security

6.5. Our next external penetration testing will be booked with Intertek and carried out the week commencing 2nd December 2024 – following this testing a report will be provided to our IT department who will review the vulnerabilities identified and liaise with Civica and the Systems team within Hampshire Pension Services, to address them.

7. Employer Services

Employer training

7.1. There were no employer training sessions provided in September; the next bitesize sessions are due to be held in November.

New and Exiting employers

7.2. 117 active scheme employers as of 30th September 2024.

7.3. There are currently 15 pending admitted bodies and 2 possible pending academy conversions.

7.4. There are currently 5 employers changing payroll provider effecting 603 members.

Annual returns and Employer Performance

7.5. Reports were issued to the fund in September which summarised the following outcomes:

- In 2024, there were 115 active scheme employers where an annual return was due by 30th April

- 97 returns were received by the deadline (up from 81 in 2023), with 15 received in the following month. 3 employers provided their return significantly late (down from 8 in 2023).

- 1,231 data queries were sent to employers which compares to 1,836 in 2023 and 2,257 in 2022. This number excludes any queries sent on pay.

- As at 4th September 2024, 73 queries remain outstanding across 13 employers.

- There are 66 employers (57%) who have been benchmarked with "major data quality issues" (red rating), this is down from 94 (80%) in 2023.

7.6. The report was followed up with a meeting with the fund in September to review these outcomes and actions to be taken to sustain and improve for next year. Employer performance letters have been agreed with the fun and will be sent out in early October.

8. 2024 End of Year timetable

8.1. The table below details the key milestones for each step of the 2024 year-end process.

Completed	**Task**
05/10/2024	Latest date Pensions Savings Statements sent – will be produced for each employer as ABS have been completed.
31/10/2024	Latest date e-comms sent to members with benefit statement available on Member Portal.
30/11/2024	Life Certificates issued to Overseas Pensioners.
30/11/2024	TPR Scheme Return *(expecting TPR to return to November deadline this year)*
30/11/2024	Active and Deferred member newsletters.

8.2. **Deferred Benefit Statements** – The production of deferred benefit statements has been completed.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced	Total Number Of Statements Produced as at 31st August	Total Number Of Statements Missing as at 31st August	Percentage Of Statements Produced as at 31st August
12,134	12,134	0	100.00%	12,133	1	99.99%

8.3. **Active Benefit Statements** – The production of active benefit statements has been ongoing, throughout September, and the current position is as follows.

Total Number of Statements Required	Total Number of Statements Produced	Total Number of Statements Missing	Percentage of Statements Produced	Total Number Of Statements as of 31st August	Total Number Of Statements as of 31st August	Percentage Of Statements Produced as of 31st August
9,770	9,709	61	99.38%	9,700	70	99.28%

8.4. The 61 cases outstanding need further investigation, or we are awaiting responses from employers.

8.5. We have completed our 2023/24 annual allowance calculations and have sent **Pensions Savings Statements** (PSS) to 3 members who have exceeded this years' £60,000 allowance – all PSS were sent by 6th October 2024.

9. Unprocessed historic casework

9.1. At the point of onboarding, there were 3,840 unprocessed leavers – the date of leaving for these members was prior to 1st September 2021.

9.2. As of 1st September 2024, the unprocessed leavers position is as follows.

Unprocessed Leavers transferred from Surrey, at point of onboarding.	3,840
Additional unprocessed leavers identified since onboarding	318
Total unprocessed leavers	**4,158**
Leavers processed, and records finalised by HPS	3,780

*Leavers processed in the last month**	*63*
Outstanding leavers to be processed	**378**

*Included in the 'Leavers processed, and records finalised by HPS'.

9.3. Of the 378 cases outstanding, 268 of these are with employers who Dataplan provide the payroll service for – we continue to encourage Dataplan to respond to our queries.

9.4. The top 5 employers with outstanding leavers are as follows:

Employer	Number of leavers outstanding
Swakeleys Academy	21
Harlington School	13
William Byrd Primary School	10
Eden Academy – Moorcroft	10
GN Acad Trust - Guru Nanak	10

10. Preserved Refunds

10.1. We have written to all members with a preserved refund, who left prior to 1 April 2014 – as their refund is not limited to being paid within 5 years. The current position of this project is as follows:

Pre-1 April 2014 preserved refund members	**72**
Number of members sent letters	72
Claim forms received	**5**
Refunds processed	5

11. McCloud

11.1. The LGA have alerted us to a calculation error with Club transfer out quotations issued by the Teachers' Pension Scheme (TPS), for members protected by the McCloud remedy – our transfers team have reviewed the quotes received from TPS, of which there are only a handful across all schemes we administer and found that they had already queried the figures provided.

11.2. On 20th September, the LGA issued a McCloud public service pensions history form, and set out two approaches for administrators – send the form to all scheme members and ask that all members respond, regardless of whether they have prior public service pension scheme membership; or send the form to all scheme members and only request responses from those who have prior public service pension scheme membership – we intend to adopt the second approach, but are considering how best to issue the forms.

11.3. From October, we will be revisiting the service records which we were unable to finalise ahead of this year's benefit statement production – a combination of poor quality or no service/break data being provided by the members previous or current employer, will require us to adopt the LGA guidance that sets out how to calculate service using the member's full time and actual pensionable pay.

12. Pensions Dashboard Programme (PDP)

12.1. After discussion with Civica and review of the PASA guidance for data matching, we are finalising our policy for full and partial matches, and will be sharing the documented policy with Partners, alongside an updated Pensions Dashboard report, in November.

12.2. We previously contacted all AVC providers, requesting a list of the members who have an AVC fund, so we can reconcile this with UPM, and confirmation of which of the following options they intend to adopt.

- Direct connection to the eco system.
- Via a third party and return data via a separate connection to the one used by HPS.
- Provide data to HPS and use our connection.

12.3. All AVC providers have at least acknowledged our email, and we will be following up with those who haven't provided detailed responses, in October.

13. 2024/2025 Software Development

13.1. We have adopted the same approach for Deferred Retirement and Deferment cases from September, whereby members receive a GOV.UK email confirmation to confirm that their retirement/deferment has been processed.

13.2. The Employer Services team have commenced testing of the Monthly Returns software – a number of limitations have been identified, which will generate unnecessary and additional work, so we are working with Civica to understand if the software can be configured to work alongside our other established processes – testing will continue until early November, and a more detailed update will be provided to Partners once we have a clear understanding of how the monthly returns process will work for both employers and HPS.

14. Audit

14.1. The position of our 2024/25 pension audits are as follows:

Audit Area	Timing
Pension leavers Audit of the controls to ensure accurate, prompt and complete administration of pension leavers, including the production of on-going annual benefit statements within agreed timescales, by HPS.	In progress
Pension starters Review of the control framework to support appropriate, complete and prompt admission of new starters to the various pension schemes administered by HPS.	Quarter 3
Cyber Security To provide assurance over the cyber security arrangements within HPS.	Quarter 3
Pensions payroll and benefit calculations Annual review to provide assurance that Hampshire Pension Services' (HPS) systems and controls ensure that:- • Lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients; • All changes to on-going pensions are accurate and timely; • Pension payroll runs are accurate, complete, timely and secure with all appropriate deductions made and paid over to the relevant bodies.	Quarter 3/4

15. Scheme legislation updates

15.1. Legislation updates that have been received during September 2024 for the Local Government Pension Scheme, are detailed in Appendix 1, including any actions that Hampshire Pension Services have taken.

16. Employer and Member Communications

16.1. **Employer communications** - There were no employer communications issued in September.

16.2. **Member communications** – There were no member communications issued in September.

16.3. **Data Protection Breaches** – There were no data protection breaches identified in September.

17. Compliments and Complaints

17.1. We received one complaint in September from a member of the LBH LGPS, further detail can be found in Appendix 2.

17.2. We received three compliments in September from members of the LBH LGPS. Further information can be found in Appendix 3.

HAMPSHIRE PENSION SERVICES

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INVESTMENT STRATEGY and FUND MANAGER PERFORMANCE (Part I)	ITEM 6

Committee	Pensions Committee
Officer Reporting	Babatunde Adekoya, Finance
Papers with this report	LCIV Executive Summary 30 September 2024 Hymans Interim Valuation Report 30 September 2024 NT performance report on shared drive LCIV Performance reporting on shared drive

HEADLINES

The Fund officers and LCIV team have worked collaboratively to produce 'easy to digest', dashboard executive summary which draws out highlights of the performance and funding position as well as providing an easy access format for additional investment related information and statistics.

Attached is the report for quarter ending 30 September 2024 for review and comment.

RECOMMENDATIONS

It is recommended that Pensions Committee:

1. **Note the funding and performance update.**

FINANCIAL IMPLICATIONS
The financial implications are contained within the body of the report.
The executive summary report is provided by LCIV without charge.

LEGAL IMPLICATIONS
There are no legal implications in the report.

Quarterly Executive Summary

30 June 2024 - 30 September 2024

1 Funding and Liabilities

120%

The Funding level remained unchanged this quarter

£1.14bn

The liabilities increased by £20m over the quarter.

Source: Hymans actuarial data.

2 Pension Assets

1.39bn

market value this quarter.

0.92%

increase in market value this quarter

Source: Northern Trust custody data

3 Investment Performance

1.3%

The Fund returned 1.3% this quarter.

(0.5)%

The Fund underperformed its benchmark by 0.5% this quarter

Source: Northern Trust custody data

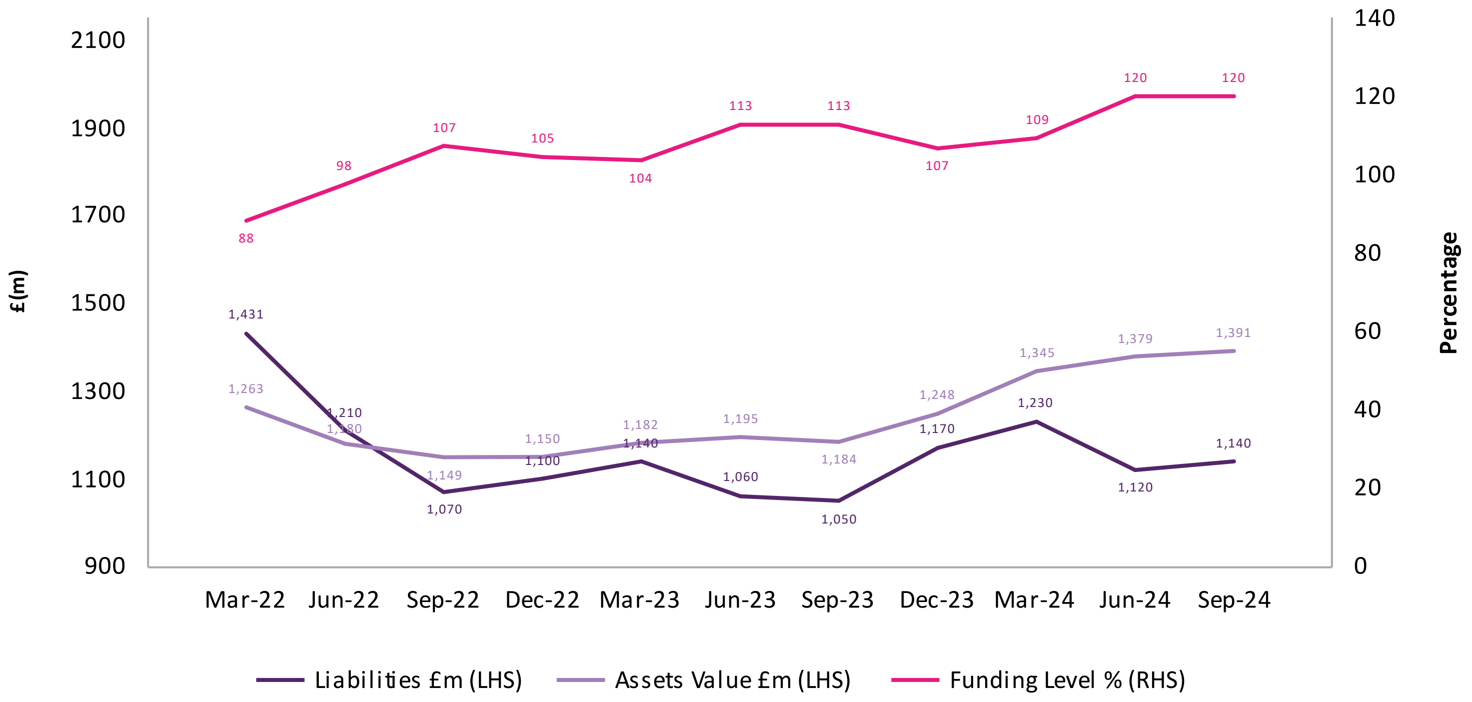
Assumptions to calculate liabilities	31 Mar 2022	30 Sep 2024
Funding Level (%)	88	120
Deficit/Surplus (£m)	(171)	220
Funding basis	Ongoing	Ongoing
Discount rate (%p.a.)	4.1	6.3
Pension increases (%p.a.)	2.7	2.3

- Salary increases are assumed to be 0.5% above pension increases, plus an additional promotional salary scale.
- Discount rate methodology: Expected returns on the entire strategy over 20 years with a 70% likelihood.
- Pension increase methodology: Expected CPI inflation over 20 years with a 50% likelihood.

Source: Hymans actuarial data.

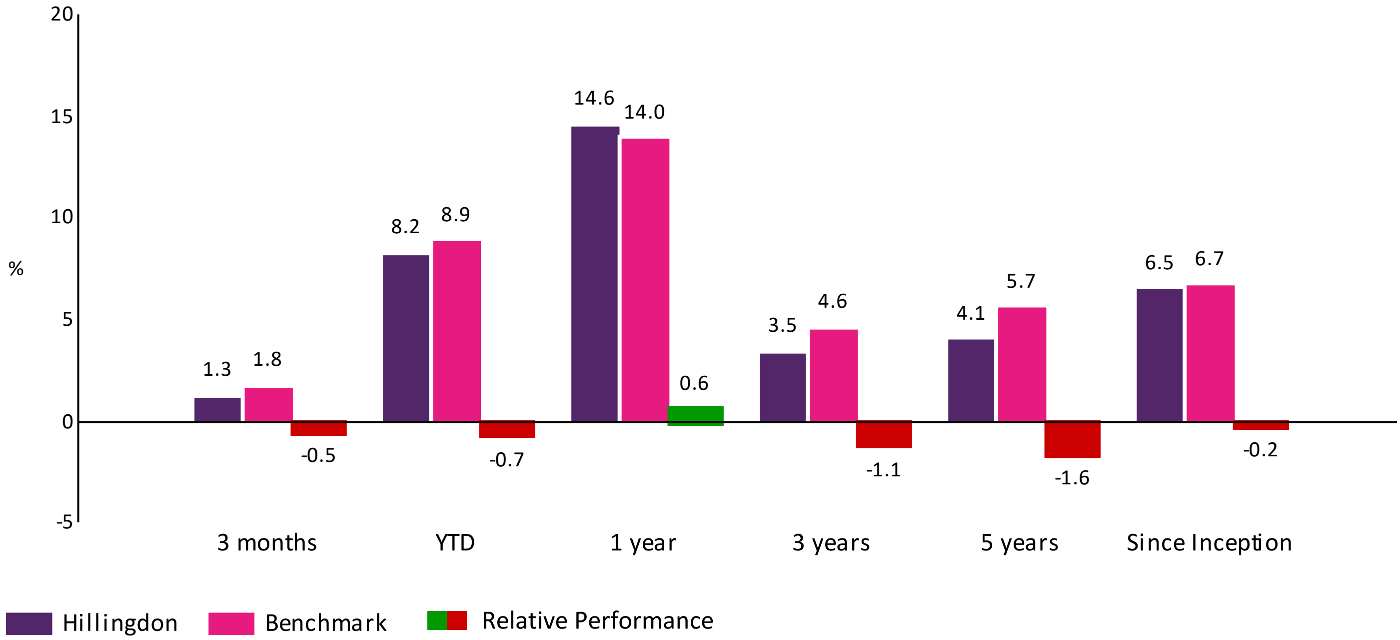
Funding Level

By Progression



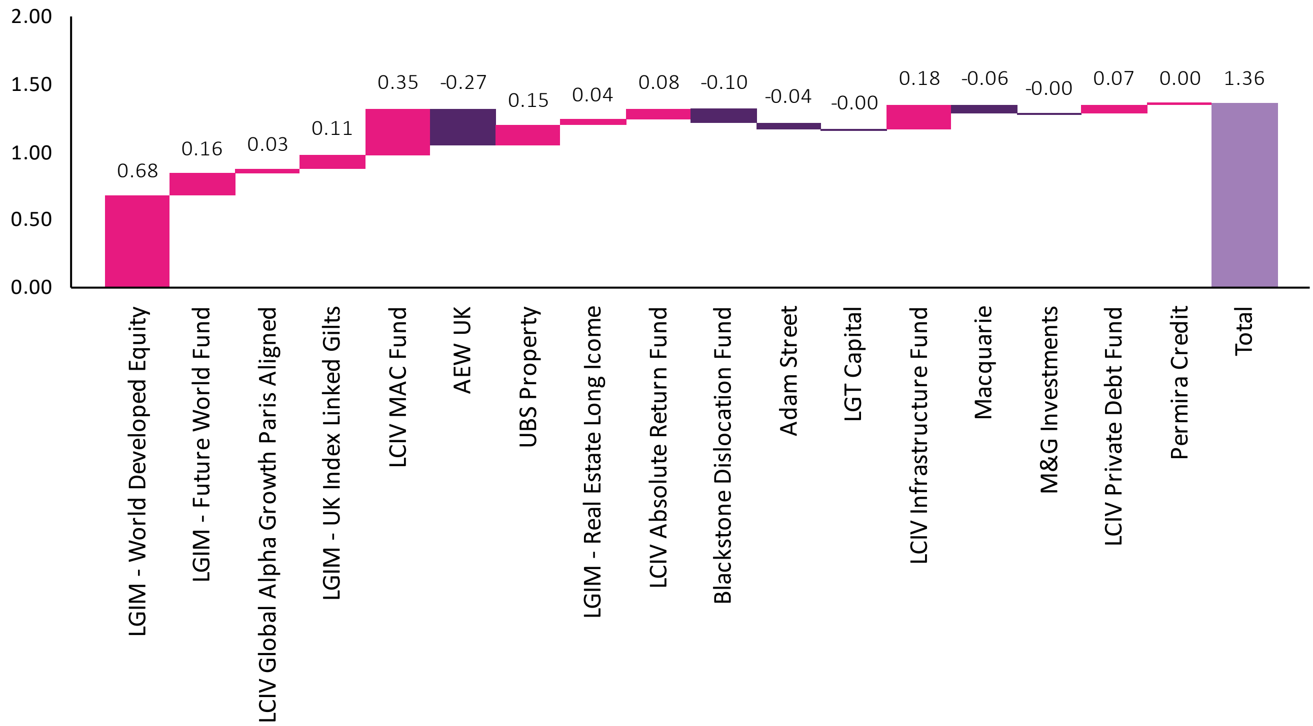
Source: Hymans actuarial data.

Performance: Total Fund vs Benchmark



Source: Northern Trust custody data as of 30 September 2024.
Returns are gross of fees and annualised for periods greater than 1 year.

Manager Contribution to Total Return - Q3 2024



Source: Northern Trust custody data as of 30 September 2024.
Returns are gross of fees.

Commentary

Market Update – Q3 2024

The third quarter of 2024 was a topsy turvy period in the capital markets. There was a sharp decline in equity markets at the beginning of August, with Japanese stocks at the forefront of the sell off.

With inflation trending down, bonds fulfilled their traditional role in helping to offset losses in equity markets.

Gold also performed strongly and has continued its strong run. Markets regained their poise quickly, and the early August storm did not have a lasting impact.

In September, the U.S. Federal Reserve (the 'Fed') cut interest rates for the first time in this monetary policy cycle. This 'pivot' was anticipated, but the 0.5% reduction in the reference rate was larger than some had expected.

Although the Bank of England decided to hold fire on further cuts in rates in Q3, other central banks did reduce rates by small margins.

Late in the third quarter, the Chinese government announced a series of policies intended to encourage investment and consumption and help unlock the capital tied up in the property sector. The first announcements did not have much of an impact, but momentum grew, and the CSI 300 Index of leading Chinese companies surged to a gain of 20% in Sterling terms in September.

Sovereign and investment grade bonds performed strongly.

Global equities (based on the MSCI World Index) made small gains in Sterling terms, and leadership of the markets shifted away from U.S. technology companies to other sectors and regions, particularly Asia Pacific, and to value stocks. This was a better environment for stock pickers, and the performance of our actively managed equity funds has improved.

The positive outcomes in financial markets in the last 12 months mask the human cost of armed conflict in the Middle East and Europe. There are other geopolitical flash points to monitor, and the period leading up to, and following, the U.S. Presidential election could be volatile.

The risk of sharp, but hopefully short, bursts of volatility was one of the themes highlighted by expert panellists at the London CIV Annual Conference in September.

Equity

The big American technology companies which are perceived to be the biggest beneficiaries of the proliferation of applications based on artificial intelligence came off the boil in Q3. Given the extent to which these companies had been the key drivers of the 20.5% gain in the MSCI World Index in the year to the end of June 2024, this was an important development.

Companies which are more sensitive to the positive trend in interest rates, such as financials, industrials and consumer-facing businesses, outperformed technology companies.

Value came back into favour, and emerging markets stocks outpaced 'Western' stocks by a big margin, mainly because of the momentum generated by stimulus measures announced by the Chinese government. This rotation in leadership is important because it helps to level the playing field for active managers who must be careful to diversify the sources of exposure to thematic, economic and other drivers when building portfolios.

In short, building an active portfolio which is dominated by a small number of stocks which are likely to move in tandem based on news flow and/or shifts in sentiment is not good practice in managing mainstream active strategies.

LCIV Global Alpha Growth Paris Aligned Fund performed in line with the MCSI All Country World Index. The Fund made gains of more than 19% for the year ended 30 September '24 and reduced the shortfalls in performance against their benchmarks over 12 months.

We continued to expand the range of products offered to Partner Funds. By the end of October, we launched the LCIV Global Equity Value Fund. This Fund will offer strong responsible investment parameters, alignment to our net zero ambitions and strong value propositions.

We have selected Wellington Investment Management as the sub-fund manager for the LCIV Global Equity Value Fund. We believe the selected strategy for this Fund exhibits strong value characteristics and 'anti-momentum' bias which complements well the growth tilted active equity strategies our Partners Funds use. Wellington is a household name with a large asset base (over $1 trillion in assets under management as of 30 June 2024) and an institutional mindset. They have demonstrated that they have strong research capabilities, Responsible Investment integration and net-zero commitments aligned with our ambitious targets. In addition, we have been able to negotiate very competitive management fees with this manager.

Fixed Income

Fixed income funds Sovereign and investment grade credit were strong in the third quarter, benefitting from the decline in yields linked to the improved outlook for inflation, evidenced by the decision by the U.S. Federal Reserve to reduce its reference rate by a full 0.5% in a single move.

Spreads on credit instruments, a key indicator of risk in these markets, declined or remained stable after a wobble early in August.

The Bloomberg Global Aggregate Credit Index, a good proxy for the performance of high-quality debt, gained 4.7% in Sterling terms in Q3 2024. The Index is up 12.1% over one year, but down 1.5% per annum over three years.

This highlights the magnitude of the impact on bond markets of the transition to a new regime for inflation and interest rates which began late in 2021.

The LCIV MAC Fund captures exposure to all segments of the credit markets through investment managers offering complementary strategies.

This Fund benefitted from the interest rate risk embedded in the investment grade debt held by one of the managers, and by the solid performance of both investment grade and high yield bonds and loans. The 3.8% gain for the LCIV MAC Fund in Q3 2024 pushed the one year return up to 14.3%, 4.3% more than the Sonia +4.5% target.

Multi-Asset

Exposure to interest rate risk was an important source of profits during the third quarter, through direct exposure to sovereign bonds and credit, and indirect exposure from investments in interest rate sensitive assets, such as infrastructure and property. The other sources of profits varied across the range of Sub-funds, but included commodities, especially gold, defensive equities and currencies.

LCIV Absolute Return Fund performed well in late July and early August, when the surge in volatility drove up the value of protection strategies. This Fund also benefited from gains in the Yen and gold. These gains were diluted when markets recovered, but the Sub-fund was up 2.6% in Q3 2024. We are encouraged to see a better trend in performance, but there is still a lot to do to get the three-year (+1.3% per annum) performance record back on track.

LCIV Infrastructure Fund – Q2 2024

The Fund remains 80% committed across eight fund investments and is 67% drawn, following new investor commitments over Q1 2024. StepStone, the delegated Investment Manager of the Fund, continue to seek new opportunities to deploy the uncommitted capital with a focus on minimising deployment dilution and yield.

The Fund's net IRR since inception is tracking in line with the Fund's investment objective at 9%, with each underlying investment performing in line with expectations. The Fund's 1-year yield is also tracking in line with the investment objective, noting the Fund only began distributing income at the end of the initial four-year ramp-up period.

LCIV Private Debt Fund – Q2 2024

The performance of the Fund is not formally assessed against its objective until after the fourth year of the investment period. However, the inception to date IRR is 8.4% above the target of 6-8% and the Fund valuation is ahead of the total contributed capital since inception of £420.1m, reflecting the initial strong performance from the portfolio.

The fund's investment period runs until March 2025, there is approximately £120 million in uncommitted capital reserves after netting capital calls with distributions during the ramp up phase. We plan to commit an additional £80 million to the Pemberton Mid-Market Debt Fund IV and £80 million to the Churchill Middle Market Senior Loan Fund V, maintaining a 50:50 regional split between European and US markets.

This Fund is now closed to new commitments and London CIV is about to have the first close for LCIV Private Debt Fund II.

Manager Performance

Asset Class / Fund Name	Weight	3 Months (%)		1 Year (%)		3 Years p.a. (%)		Since Inception p.a. (%)	
		Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Global Equities	**54.3**								
LGIM - Global Equities	27.3	2.5	2.8	23.4	24.3	8.4	8.7	9.6	9.8
LGIM - Future World Fund	22.4	0.7	0.7	21.8	21.6	8.7	8.4	10.5	10.3
LCIV Global Alpha Growth Paris Aligned Fund	4.5	0.7	0.9	19.8	23.5	(1.2)	12.3	(0.4)	13.0
Property	**10.4**								
UBS Property	5.4	2.7	1.2	0.5	1.7	0.0	(0.4)	3.3	3.3
AEW UK	5.0	(5.6)	1.2	4.8	1.7	(1.9)	(0.4)	5.7	5.0
Multi-Asset Credit	**9.4**								
LCIV MAC Fund	9.4	3.7	2.3	14.3	9.7	0.0	0.0	7.5	8.9
Index Linked Gilts	**7.6**								
LGIM - UK ILG	7.6	1.4	1.4	6.0	6.0	(11.8)	(11.8)	(1.9)	(1.8)
Infrastructure	**5.1**								
LCIV Infrastructure Fund	4.3	4.1	2.0	13.3	8.2	10.2	6.5	5.8	5.3
Macquarie	0.8	(7.8)	2.0	(1.0)	8.2	17.6	6.5	9.4	4.3
Private Debt	**4.9**								
LCIV Private Debt Fund	4.1	1.8	1.5	11.4	6.0	0.0	0.0	7.2	6.0
Permira	0.8	0.4	2.2	12.2	9.2	8.4	7.5	7.5	5.5
M&G Investments	0.0	(30.6)	2.2	(44.1)	9.2	(0.4)	7.5	1.0	5.3
Real Estate Long Income	**3.4**								
LGIM - LPI Income Property	3.4	1.2	0.3	3.0	2.7	(2.9)	8.0	(1.0)	6.5
Diversified Growth	**2.8**								
LCIV Absolute Return Fund	2.8	2.9	1.3	4.7	5.4	1.3	3.4	4.9	1.3
Opportunistic Dislocation	**1.8**								
Blackstone Dislocation Fund	1.8	(5.8)	3.6	0.0	0.0	0.0	0.0	(4.2)	7.5
Private Equity	**0.3**								
Adam Street	0.2	(22.0)	1.4	(25.7)	24.5	(13.3)	12.8	5.5	0.0
LGT	0.1	(0.2)	1.4	(1.1)	24.5	(0.5)	12.8	10.0	0.0

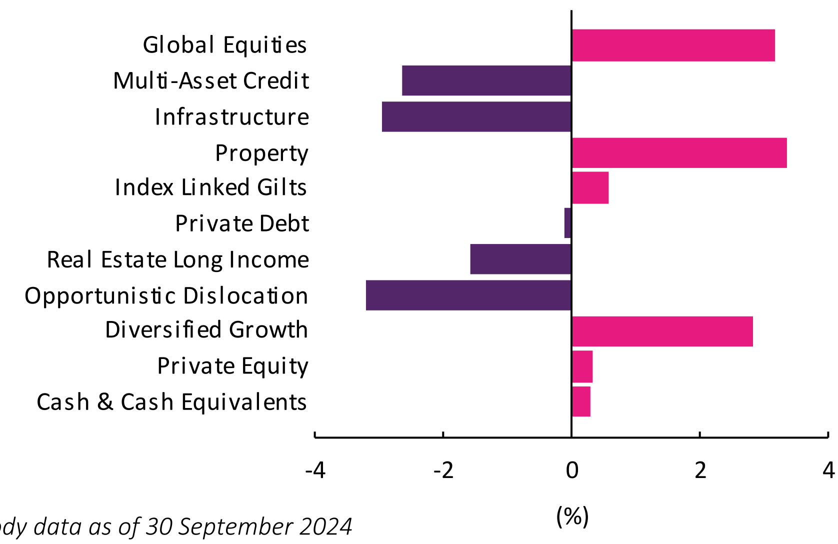
Source: Northern Trust custody data as of 30 September 2024
Returns are gross of fees and annualised for periods greater than 1 year.

Asset Allocation

Asset Class	Strategic Asset Allocation (%) 31 December 2023	Actual Asset Allocation (%) 30 June 2024	Actual Asset Allocation (%) 30 September 2024	Change in Asset Allocation (%) Quarter on Quarter	Actual Asset Allocation (%) 30 September 2024 vs Strategy Asset Allocation (%)
Global Equities	51	54	54	0	+3
Multi-Asset Credit	12	9	9	0	-3
Infrastructure	8	5	5	0	-3
Property	7	11	10	(0)	+3
Index Linked Gilts	7	8	8	0	+1
Private Debt	5	5	5	(0)	-0
Real Estate Long Income	5	3	3	0	-2
Opportunistic Dislocation	5	1	2	0	-3
Diversified Growth	0	3	3	(0)	+3
Private Equity	0	0	0	(0)	+0
Cash & Cash Equivalents	0	0	0	(0)	+0

Source: Northern Trust custody data as of 30 September 2024

Actual Asset Allocation
vs Target Allocation by Asset Class As of 30 September 2024



Source: Northern Trust custody data as of 30 September 2024

Asset Allocation Changes - Q3 2024

Asset Class	Market Value 30 June 2024 (£'m)	Net contribution* (£'m)	Income (£'m)	Fees (£'m)	Appreciation (£'m)	Market Value 30 September 2024 (£'m)
Global Equities	742	-	-	-	12	754
Property	148	(1)	1	-	(3)	144
Multi-Asset Credit	126	-	5	-	-	130
Index Linked Gilts	104	-	-	-	1	105
Infrastructure	66	3	1	-	1	70
Private Debt	71	(3)	-	-	1	68
Real Estate Long Income	47	-	-	-	1	48
Diversified Growth	45	(7)	-	-	1	39
Opportunistic Dislocation	20	7	-	-	(1)	25
Private Equity	5	-	-	-	(1)	4
Cash & Cash Equivalents	6	(3)	-	-	-	4
Total	**1,379**	**(5)**	**7**		**11**	**1,392**

Source: Northern Trust
** Net contributions include cash contributions/distributions, securites/receipts, fee/fee rebates, inter account transfers for consolidations and benefit payments. Copied history of backloaded data may not display the correct contributions/withdrawals creating misrepresentation.*

Assessment Framework

As of 30 September 2024

Asset Class	LCIV Global Alpha Growth Paris Aligned Fund	LCIV Absolute Return Fund	LCIV MAC Fund	LCIV Infrastructure Fund	LCIV Private Debt Fund	LCIV Private Debt Fund
Manager	Baillie Gifford	Ruffer	Pimco	Stepstone	Churchill	Pemberton
Performance						
Resourcing						
Process / Strategy						
Responsible Investment & Engagement						
Business Risk						
Risk Management & Compliance						
Cost Transparency / Value for Money						
Best Execution / Liquidity / Deployment						
Monitoring Status	Normal	Normal	Normal	Normal	Normal	Normal

Normal Monitoring | Enhanced Monitoring | Watch List

Source: London CIV.

Disclaimer

Important information

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London LGPS CIV Limited. is a private limited company, registered in England and Wales, registered number 9136445.

About London CIV

London LGPS CIV Limited ('London CIV'), established in 2015 by London Local Authorities manages London Local Government Pension Scheme ('LGPS') assets. London CIV is one of eight U.K. LGPS asset pooling companies. The London Boroughs and City of London who are the 32 Shareholders, are also our clients ('Partner Funds').

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Appendix

Asset Allocation

Asset Class / Fund Name	Market Value (30 June 2024) £m	Net Contributions £m	Income £m	Fees £m	Appreciation £m	Market Value (30 September 2024) £m	Weights (%) (30 June 2024)	Weights (%) (30 September 2024)	Change in weights (%)	Strategic Asset Allocation (%) 31 Dec 2023	Asset Allocation vs Strategic Asset Allocation (%) 31 Dec 2023
Global Equities	**742**	-	**-**	**-**	**12**	**754**	**54**	**54**	**0.36**	**51**	**3**
LCIV Global Alpha Growth Paris Aligned Fund	63	-	-	-	-	63	5	5	-0.01		
LGIM - Future World Fund	309	-	-	-	2	311	22	22	-0.04		
LGIM - Global Equities	370	-	-	-	9	379	27	27	0.42		
Index Linked Gilts	**104**	-	**-**	**-**	**1**	**105**	**8**	**8**	**0.04**	**7**	**-**
LGIM - UK ILG	104	-	-	-	1	105	8	8	0.04		
Multi-Asset Credit	**126**	**-**	**5**	**-**	**-**	**130**	**9**	**9**	**0.25**	**12**	**(3)**
LCIV MAC Fund	126	-	5	-	-	130	9	9	0.25		
Property	**148**	**(1)**	**1**	**-**	**(3)**	**144**	**11**	**10**	**-0.35**	**7**	**3**
AEW UK	74	(1)	-	-	(5)	69	5	5	-0.39		
UBS Property	74	(1)	1	-	1	75	5	5	0.04		
Real Estate Long Income	**47**	**-**	**-**	**-**	**1**	**48**	**3**	**3**	**0.01**	**5**	**(2)**
LGIM - LPI Income Property	47	-	-	-	1	48	3	3	0.01		
Diversified Growth	**45**	**(7)**	**-**	**-**	**1**	**39**	**3**	**3**	**-0.43**	**-**	**3**
LCIV Absolute Return Fund	45	(7)	-	-	1	39	3	3	-0.43		
Private Equity	**5**	-	**-**	**-**	**(1)**	**4**	**-**	**-**	**-0.07**	**-**	**-**
Adam Street	4	-	-	-	(1)	3	-	-	-0.06		
LGT	2	-	-	-	-	2	-	-	-0.01		
Infrastructure	**66**	**3**	**1**	**-**	**1**	**70**	**5**	**5**	**0.25**	**8**	**(3)**
LCIV Infrastructure Fund	51	6	-	-	2	59	4	4	0.56		
Macquarie	15	(3)	-	-	(1)	11	1	-	-0.31		
Private Debt	**71**	**(3)**	**-**	**-**	**1**	**68**	**5**	**5**	**-0.22**	**5**	-
LCIV Private Debt Fund	56	-	-	-	1	57	4	4	0.03		
M&G Investments	0	-	-	-	-	-	-	-	-0.01		
Permira	15	(3)	-	-	-	11	1	-	-0.25		
Cash & Cash Equivalents	**6**	**(3)**	**-**	**-**	-	**4**	**-**	**-**	**-0.21**	**-**	**-**
Non-custody	6	(3)	-	-	-	4	-	-	-0.21		
Opportunistic Dislocation	**20**	**7**	**-**	**-**	**(1)**	**25**	**1**	**2**	**0.37**	**5**	**(3)**
Blackstone Dislocation Fund	20	7	-	-	(1)	25	1	2	0.37		
Total	1,379	(5)	7	-	11	1,392	100	100			

Source: Northern Trust custody data as of 30 September 2024

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London Borough of Hillingdon Pension Fund

Funding update report at 30 September 2024

This report is addressed to the Administering Authority of the London Borough of Hillingdon Pension Fund (the Fund). This document should be read in conjunction with the fund's current Funding Strategy Statement.

The purpose of this report is to provide the funding position of the London Borough of Hillingdon Pension Fund as at 30 September 2024 and show how it has changed since the previous valuation at 31 March 2022. This report has not been prepared for use for any other purpose and should not be so used. The report should not be disclosed to any third party except as required by law or regulatory obligation or with our prior written consent. Hymans Robertson LLP accept no liability where the report is used by or disclosed to a third party unless such liability has been expressly accepted in writing. Where permitted, the report may only be released or otherwise disclosed in a complete form which fully discloses the advice and the basis on which it is given.

The figures presented in this report are prepared only for the purposes of providing an illustrative funding position and have no validity in other circumstances. In particular, they are not designed to meet regulatory requirements for valuations, and do not constitute an 'indicative actuarial valuation' under LGPS (Scotland) Regulation 61 (2A).

This report also contains the data and assumptions underlying the results and the reliances and limitations which apply to them.

Surplus/(deficit)
£0.22bn
+£0.39bn vs last valuation

Funding level
120%
+31% vs last valuation

Required return
5.1%
+0.2% vs last valuation

Return likelihood
83%
+22% vs last valuation

Results

Funding position update

The table on this page shows the estimated funding position at 30 September 2024 on the Fund's Ongoing basis (as defined in the Fund's FSS). The table also shows what future investment return would be required for the Fund to be 100% funded, along with the likelihood of the investment strategy achieving this return. The equivalent results at 31 March 2022 on the Ongoing basis are shown for comparison. An increase in the likelihood corresponds to an improvement in the funding position (and vice versa).

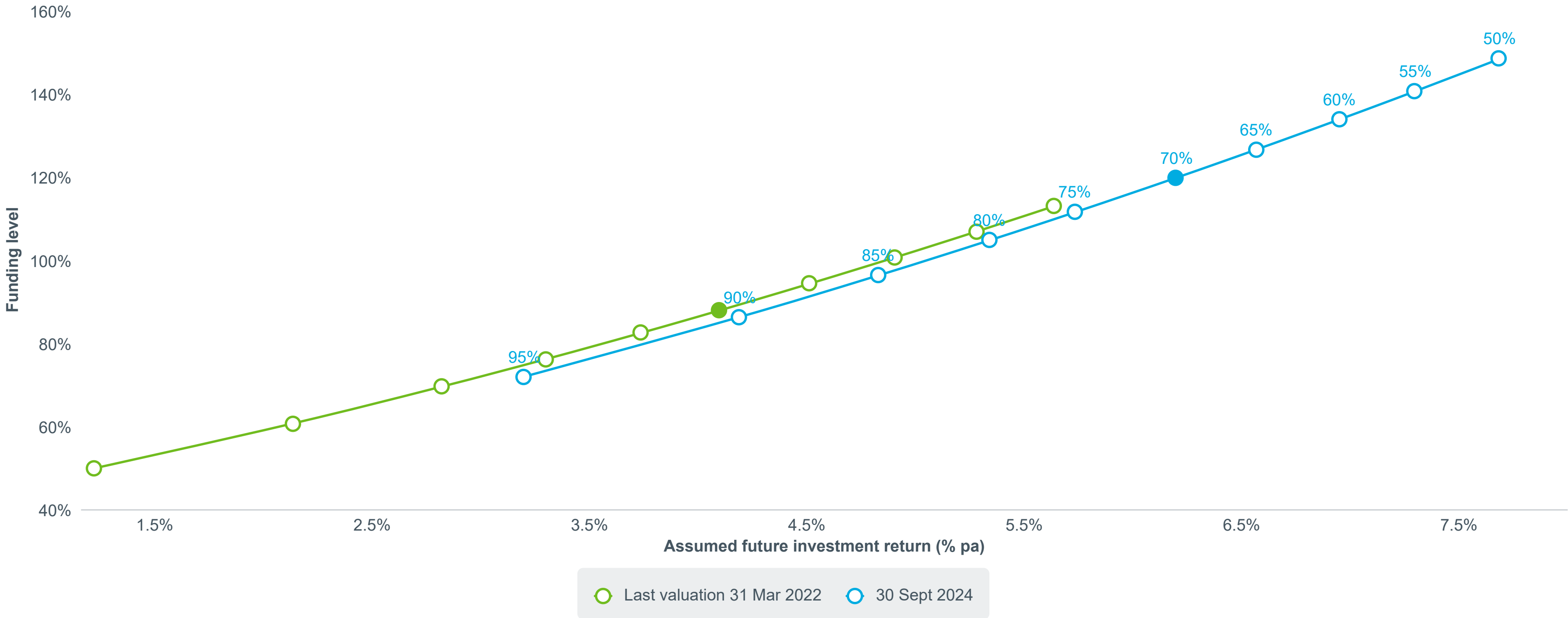
Please note that the asset value at 30 September 2024 shown in this report may differ to the actual asset value at that date. The asset value in this report is an estimate based on a rollforward from 31 March 2022 using estimated cashflows (see section A2) and estimated investment returns (see section A3). This approach ensures the asset value is consistent with the liabilities and gives a more reliable estimate of the funding position than if the actual asset value was used.

Monetary amounts in £bn		Ongoing basis	
		31 March 2022	30 September 2024
	Assets	1.26	1.36
Liabilities	Active members	0.39	0.33
	Deferred pensioners	0.37	0.26
	Pensioners	0.67	0.54
	Total liabilities	1.43	1.14
	Surplus/(deficit)	(0.17)	0.22
	Funding level	88%	120%
	Required return (% pa)*	4.9%	5.1%
	Likelihood of achieving this return	60%	83%

** Future investment return for funding level to be 100%*

Understanding the funding level

To help better understand the funding level, the chart below shows how the funding level varies with the assumed rate of future investment returns at 31 March 2022 and 30 September 2024. The percentages next to each point on the lines show the likelihood of the investment strategy achieving that return at the respective date (for further details see section A5). The solid-coloured point indicates the funding level on the Fund's chosen assumptions.



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Funding level progression

The chart below shows how the funding level has progressed between 31 March 2022 and 30 September 2024. It allows for changes in market conditions and other factors described in Appendix B.

Next steps

Change in funding level since the last valuation is to be expected due to the volatile nature of both the Fund's assets and liabilities. However, understanding the factors underlying the change may help inform the Fund's ongoing monitoring of its funding strategy and risk management.

The results at 30 September 2024 in this report are estimates based on rolling forward the fund's funding position from 31 March 2022. You should understand the methodology and limitations of this approach described in Appendices B and C, and that factors such as changes to the investment strategy and membership profile may not be fully reflected in the results. No decisions should be made solely on the results in this report.

Please get in touch with your Hymans Robertson contact if you wish to discuss the results in this report further.

Appendix A - Data and assumptions

A.1 Membership data

The membership data underlying the figures in this report was supplied by the fund for the purpose of the valuation at 31 March 2022 and is summarised below:

31 March 2022	Number	Avg. age	Accrued benefit (£k pa)	Payroll (£k pa)
Active members	8,691	53.2	23,167	152,450
Deferred pensioners	12,903	53.1	20,151	
Pensioners and dependants	7,675	69.6	42,417	

Average ages are weighted by liability.

The membership is assumed to evolve over time in line with the demographic assumptions described in the Fund's FSS. Please see Appendix A for details of the rollforward methodology which includes the estimated changes in membership data which have been allowed for.

A.2 Cashflows since the valuation at 31 March 2022

We have allowed for the following cashflows in estimating the assets and liabilities at 30 September 2024.

Estimated cashflows (£k)	31 March 2022 to 30 September 2024
Employer contributions	105,935
Employee contributions	26,856
Benefits paid	134,895

Cashflows are assumed to be paid daily. Contributions are based on the estimated payroll, certified employer contributions (including any lump sum contributions) and the average employee contribution rate at 31 March 2022. Benefits paid are projections based on the membership at 31 March 2022.

A.3 Investment returns since the valuation at 31 March 2022

Investment strategy	Actual/ index	From	To	Return
Whole fund	Actual	1 April 2022	30 September 2024	8.13%

The total investment return for the whole period is 8.13%.

A.4 Financial assumptions

Assumption	31 March 2022	30 September 2024
Funding basis	Ongoing	Ongoing
Discount rate (% pa)	4.1%	6.2%
Pension increases (% pa)	2.7%	2.3%

Salary increases are assumed to be 0.5% pa above pension increases, plus an additional promotional salary scale.

For further details on the methodology used to derive the assumptions, please see the Fund's FSS.

A.5 Demographic assumptions

Life expectancy (years)	Ongoing basis	
	Male	Female
Pensioners	22.3	24.8
Non-pensioners	23.0	26.1

Life expectancies are from age 65 and are based on the Fund's membership data at 31 March 2022. Non-pensioners are assumed to be aged 45 at that date. All other demographic assumptions are the same as at the most recent valuation at 31 March 2022.

Appendix B - Technical information

B.1 Funding update methodology

The last formal valuation of the fund was carried out as at 31 March 2022. The results in this report are based on rolling forward the results of the last formal valuation to 30 September 2024 using approximate methods. The roll-forward allows for:

- estimated cashflows over the period as described in section A.2
- investment returns over the period (estimated where necessary) as described in section A.3
- changes in financial assumptions as described in section A.4
- estimated additional benefit accrual.

The CARE, deferred and pensioner liabilities at 30 September 2024 include a total adjustment of 11.4% to reflect the difference between actual September CPI inflation values (up to 30 September 2023) and the assumption made at 31 March 2022. The adjustment for each year's actual inflation is applied from 31 October 2023 that year, cumulative with prior years' adjustments, which may lead to step changes in the funding level progression chart.

In preparing the updated funding position at 30 September 2024, the membership is assumed to have changed since 31 March 2022 in line with the demographic assumptions described in the Fund's FSS. No allowance has been made for any other changes. The principal reason for this is that insufficient information is available to make any such adjustment. Significant membership movements, or any material difference between estimated inputs and actual experience, may affect the reliability of the results. The Fund should consider whether any such factors mean that the roll forward approach may not be appropriate.

No allowance has been made for any early retirements or bulk transfers since 31 March 2022. There is also no allowance for any changes to Local Government Pension Scheme (LGPS) benefits except where noted in the formal valuation report or Funding Strategy Statement.

Where the Fund has moved to a different funding basis since 31 March 2022 this may give rise to step changes in the funding level on the date of the change.

B.2 Sensitivity of results to assumptions

The results are particularly sensitive to the real discount rate assumption (the discount rate net of pension increases) and the assumptions made for future longevity.

If the real discount rate used to value the accrued liabilities was lower then the value placed on those liabilities would increase. For example, if the real discount rate at 30 September 2024 was 1.0% pa lower then the liabilities on the Ongoing basis at that date would increase by 18.2%.

In addition, the results are sensitive to unexpected changes in the rate of future longevity improvements. If life expectancies improve at a faster rate than allowed for in the assumptions then, again, a higher value would be placed on the liabilities. An increase in life expectancy of 1 year would increase the accrued liabilities by around 3-5%.

Appendix C - Reliances and limitations

The report should not be disclosed to any third party except as required by law or regulatory obligation or with our prior written consent. Hymans Robertson LLP accept no liability where the report is used by or disclosed to a third party unless such liability has been expressly accepted in writing. Where permitted, the report may only be released or otherwise disclosed in a complete form which fully discloses the advice and the basis on which it is given.

The last formal valuation of the fund was carried out as at 31 March 2022 and this report relies upon the results of that valuation. The reliances and limitations that applied to that valuation apply equally to these results. The results of the valuation have been projected forward using approximate methods. The margin of error in these approximate methods increases as time goes by. The method may not be appropriate if there have been significant data changes since the previous formal valuation (for example redundancy exercises, significant unreduced early retirements, ill health retirements and bulk transfers). The methodology assumes that actual experience since the valuation at 31 March 2022 has been in line with assumptionss.

The data used in this exercise is summarised in section 3. Data provided for the purposes of the formal valuation at 31 March 2022 was checked at the time for reasonableness and consistency with other sources. Data provided since then (eg actual investment returns) has been used as-is.

The data is the responsibility of the Administering Authority and the results rely on the data.

The results in this schedule are based on calculations run on 28 October 2024 using the data set out in section 3. Any other factors coming to light after this report was prepared have not been allowed for and could affect the results. If any data has materially changed since 28 October 2024 the results could be materially different if they were recalculated.

Some financial assumptions may be based on projections from our Economic Scenario Service (ESS) model which is only calibrated at each month-end. Results between month ends use the latest available calibration, adjusted in line with the movement in market conditions. This adjustment is approximate and there may be step changes at month-end dates when a new ESS monthly calibration is factored in.

The methodology underlying these calculations mean that the results should be treated as indicative only. The nature of the fund's investments means that the surplus or deficit identified in this report can vary significantly over short periods of time. This means that the results set out should not be taken as being applicable at any date other than the date shown.

As with all modelling, the results are dependent on the model itself, the calibration of the underlying model and the various approximations and estimations used. These processes involve an element of subjectivity and may be material depending on the context. No inferences should be drawn from these results other than those confirmed separately in writing by a consultant of Hymans Robertson LLP.

Decisions should not be based solely on these results and your Hymans Robertson LLP consultant should be contacted to discuss any appropriate action before any is taken. Hymans Robertson LLP accepts no liability if any decisions are based solely on these results or if any action is taken based solely on such results.

This report complies with the relevant Technical Actuarial Standards.

RESPONSIBLE INVESTMENTS UPDATE	ITEM 7

Committee	Pensions Committee
Officer Reporting	Babatunde Adekoya, Finance
Papers with this report	Full manager voting - Shared drive. LGIM Engagement Report Q3 2024 – Shared drive LAPFF Engagement Report Q3 2024 – Shared drive LCIV Engagement September 2024 – Shared drive

HEADLINES

Environmental, Social, and Governance (ESG) refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business. These criteria help to better determine the future financial performance of companies (return and risk).

The purpose of this report is to provide information on how managers entrusted with investing the Pension Fund assets are implementing their ESG policies and demonstrate their commitment to ensuring it is a cogent part of their investment process.

In addition, the report details the progress on the UK Stewardship Code project, policy updates and other relevant information.

RECOMMENDATIONS

It is recommended that Pensions Committee:

1. **Note the fund managers' ESG activities and compliance efforts**
2. **Note LCIV & LAPFF activities**

SUPPORTING INFORMATION

Voting and Engagement

Fund managers carry out proxy voting on the Pension Fund's behalf. Below is a breakdown of voting statistics by LGIM, and London CIV (Ruffer and Baillie Gifford). The London CIV itself, through Federated Hermes EOS, also exercised voting rights at 66 meetings.

Fund Managers Voting Breakdown Q3, 2024					
LCIV	**Meetings**	**Resolutions**	**Votes With**	**Against**	**Abstention/Non-Voting**
Sep-24					
LCIV - Ruffer	4	72	60	8	4
LCIV - Baillie Gifford	6	109	86	18	5
Eos	66	868	386	482	0
	76	**1,049**	**532**	**508**	**9**
%			**50.71**	**48.43**	**0.86**
LGIM	**Meetings**	**Resolutions**	**Votes With**	**Against**	**Abstention**
Sep-24	2,171	15,346	11,633	3,632	81
	2,171	**15,346**	**11,633**	**3,632**	**81**
%			**75.80**	**23.67**	**0.53**

The volume of meetings attended, and resolutions voted on by all the fund managers shown above, encapsulates their commitment to ESG issues and demonstrates alignment of their stewardship activities with their own investment beliefs, policies, and guidelines. Through this approach, they seek to be active owners on behalf of their clients, by encouraging good governance and a high standard of corporate practices.

The voting breakdown above indicates LGIM have voted against proposed management resolutions on 24% of voting opportunities and supported resolutions on approximately 76% of occasions. The London CIV through EOS and two equities portfolio managers, Ruffer and Baillie Gifford combined to back various management resolutions on 51% of voting opportunities and about 48% against the resolutions proposed by company managements. Abstentions for LGIM and LCIV were 1% respectively.

Engagement

ESG factors play an increasingly important role in determining the performance of certain assets. Pension Fund asset managers, as part of their ESG commitments undertake various engagement activities in their holistic approach in making investment decisions. These activities aim to affect changes within invested companies where it is deemed necessary or to complement existing practices.

LCIV
During the quarter under review Federated Hermes (EOS) on behalf of the LCIV engaged with 307 companies on ESG issues and other objectives globally.

EOS engagement activities during the quarter under review focused on key areas such as:

- Human Capital
- Board Effectiveness
- Climate Change

Please refer to the ESG documents on the members shared drive for detailed information about the EOS (LCIV) engagement activities.

LGIM

Holding boards to account
To be successful, companies need to have people at the helm who are well equipped to create resilient long-term growth. By voting and engaging directly with companies, LGIM encourages management to control risks while seeking to benefit from emerging opportunities. The manager aims to safeguard and enhance clients' assets by engaging with companies and holding management to account for their decisions. Voting is an important tool in this process, and one which they use extensively.

Creating sustainable value
LGIM believe it is in the interest of all stakeholders for companies to build sustainable business models that are also beneficial to society. They work to ensure companies are well-positioned for sustainable growth, and to prevent market behaviour that destroys long-term value. Their investment process includes an assessment of how well companies incorporate relevant ESG factors into their everyday thinking. The manager engages directly and collaboratively with companies to highlight key challenges and opportunities, and support strategies that seek to deliver long-term success.

Promoting market resilience
As a long-term investor for its clients, it is essential that markets (and, by extension, the companies within them) are able to generate sustainable value. In doing so, LGIM believe companies should become more resilient amid change and therefore, seek to benefit the whole market. They use their influence and scale to ensure that issues affecting the value of clients' investments are recognised and appropriately managed. This includes working with key policymakers, such as governments and regulators, and collaborating with asset owners to bring about positive change across markets as a whole.

Environment - Hindalco Industries Ltd

Sector: Metals and mining

Issue identified: The aluminium sector has a significant role to play in the global transition to net zero and is one of 20 ‘climate critical’ sectors captured within LGIM Climate Impact Pledge. Hindalco Industries has been selected for direct, qualitative engagement within this programme.

Summary of the resolution
Resolution 5 – Re-elect Kumar Mangalam Birla as director. AGM, 22-08-2024

How LGIM voted: Against resolution 5 (against management recommendation)

Rationale for the vote decision
LGIM vote is applied in line with their Climate Impact Pledge engagement escalation, whereby they vote against the (re-election of the chair of the Board at companies lagging their minimum expectations on climate change. This is the second consecutive year LGIM are applying vote sanctions against the company on this basis. Disclosure of a forward-looking, coherent and quantified transition plan is still absent from the report, therefore falling short of LGIM expectations. LGIM also noted Hindalco has pushed back its short-term scope 1 and 2 emission intensity reduction target from 2025 to 2027. Despite three engagement meetings and multiple email exchanges, the manager is still unclear on a) its plans to develop existing disclosure into a coherent transition plan, b) the process, accountability structures and resources in place to develop it over 2024 and c) timings of a planned disclosure.

Why is this vote ‘significant’?
LGIM believe that climate change is a financially material risk; their Climate Impact Pledge engagement programme is focused on encouraging companies across 20 ‘climate critical sectors’ to transition to net zero.

Society
People: Human rights campaign
As set out in LGIM human rights policy, it believes that human rights is financially material for investors, and that managing the business elements of human rights within operations is essential for companies to minimise the risks to their business of human rights violations (including, for example, failing to obtain and maintain the company’s social license to operate, reputational damage, trade barriers, supply chain disruptions, consumer or group boycotts, exposure to legal liability).

Identify
The aim of LGIM human rights letter campaign is to communicate its expectations, and to seek companies' own views and more information about their approach to these risks, by asking them to complete a survey. While this is a letter campaign, the manager is are keen for it to be a two-way exchange, so that it can better inform its next steps. The campaign is focussed on the high-risk sectors outlined in their human rights policy, namely: utilities, energy, mining and minerals, apparel and textiles, technology and automotives. The range of around 400 companies captured is:

• Global: over 40 countries across both developed and emerging markets (the top five countries being the US, China, Canada, India and Japan)
• Mid-large cap, by geography and sector

Engage
A letter was drafted for each sector, addressed to the chair of the company, sharing why LGIM believe human rights are fundamentally important within that sector, along with their human rights expectations (as set out in our human rights policy). Additionally, they have asked companies to provide information and feedback about their human rights practices through a questionnaire. Having begun the campaign in the beginning of the third quarter of 2024, they have sent the letters in stages, completing by the end of the quarter.

Next steps
Based on the collected results in the questionnaires, LGIM plan to conduct further one-on-one, direct engagements. It will also plan to publish its findings and observations. Further, based on the feedback, the manager will look into further updating its human rights policy with detailed expectations on a number of salient human rights topics that have been identified that are material to LGIM.

LAPFF
During the quarter LAPFF issued a number of voting alerts which have been shared with LGIM for their consideration. (LCIV receive directly).

Details on the various LAPFF engagements can also be found on the members shared drive.

FINANCIAL IMPLICATIONS
ESG initiatives included within the Pension Fund budget.

LEGAL IMPLICATIONS
Legal implications are included in the report.

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Quarterly Engagement Report

July-September 2024

BP, Tobacco Industry, Water Stewardship

Local Authority Pension Fund Forum

ENGAGEMENTS

CLIMATE

SUPPLY SIDE

BP & Shell

Objective: During continued engagement with Shell and BP, LAPFF's approach has remained to test oil and gas companies beyond claims of decarbonisation based on existing business models to challenge the viability of the current business. This expectation, based on LAPFF policy, is that the demand for hydrocarbons will 1) reduce in aggregate terms; and 2) that demand will be met by lowest cost producers.

BP has been regarded as at the better end of the sector in recognising climate change as an issue but faces the same competitive and structural pressures above from what is a disruptive transition due to disruptive alternative technologies. The war in Ukraine has increased governments' focus on less reliance on fossil fuels on energy security and price volatility grounds.

What seems to be an inevitable shrinkage in the sector, not matched by growth from elsewhere supports the argument for more cash returns - not buybacks - to shareholders instead.

Achieved Shell: From meeting the then new Chair of Shell in 2023, LAPFF believes that the position holds that the company is better run from the top, as the Chair has a more realistic grasp of the issues at stake regarding decarbonisation and is a plainer communicator and more realistic.

As an example, there is less emphasis on "nature based solutions" (i.e. planting trees) as the IPCC regards that as necessary for hard to abate sectors, not fossil fuel companies.

LAPFF has previously questioned the extent to which its climate change strategy has been sufficiently integrated into business planning and financing. LAPFF was therefore pleased that there has been restructuring and the energy transition work and corporate strategy now reports to the CFO.

Shell has said that it cannot make the investment case for renewables. That is not in itself unreasonable but does support the argument for more cash returns to shareholders instead.

Achieved BP: With regards to BP, LAPFF has noted some rowing back from their 2023 carbon reduction targets. Although BP has made some commitment to investment in renewables, and is stating the supply of power for electric vehicles is a growth area, it does appear that the company has substantial threats to its business model regarding the scope of no-carbon products that would fully replace the scale of the fossil fuel business, and that expectation of more cash returns to shareholders should be more clearly set out.

To understand the company's approach, this quarter LAPFF met with the company's new CEO, Murray Auchincloss. In what was a useful and informative discussion, the company outlined how it was seeking to transition the business, and the scope for scaling up revenues from hydrogen, wind power, biofuels and electric vehicles. The company set out major projects it was seeking to undertake, including a hydrogen and CCS hub in Teeside. The company also discussed how it planned to fund investment in transition initiatives and manage associated financial risks. On the issue of targets, discussion included the pace of the transition, including moving in line with national expectations.

In Progress Shell: A meeting with the Shell Chair is pending. LAPFF continues to challenge whether Carbon Capture and Storage can be made to work as a line of business, given that the costs involved make it a last resort if cheaper substitute energy sources are

ENGAGEMENTS

Cooling towers at Drax Power Station near Selby, North Yorkshire.

not possible. Developments in aviation fuels and biofuels need to be examined in more detail, particularly as the mode of synthetic aviation fuel Shell refers to is to take CO2 resulting from combustion by carbon capture from elsewhere and converting it – by an energy intensive process – into a hydrocarbon. That is not a contribution to net zero.

That is merely using the same emission twice, whilst still resulting in an emission.

CCS has been given prominence for, inter alia, gas (methane) for power, hydrogen for home heating, hydrogen for ammonia production and hydrogen for steel making. All of these have non-fossil hydrogen alternatives. It should be noted that CCS for coal was heavily promoted as a way of maintaining coal demand, but never materialised with the phase out of coal on economic as well as emissions grounds. There is the same risk with gas.

In Progress BP: BP has had less emphasis than Shell on Carbon Capture and Storage as a line of business. Developments in aviation fuels and biofuels need to be examined in more detail, BP's annual report suggests a different approach to Shell, being based not on fossil fuel derived carbon, but bio-ethanol, fats and oils. BP is also placing more emphasis on electric vehicle charging.

In our meeting, the company set out its views on the demand for low carbon energy, EV charging and biofuels. While information was provided about how it expects to pivot towards lower-carbon and renewable energy in the medium term, LAPFF will continue to seek to better understand both the scale of such revenues over the longer term and the longer-term impacts for investors of any attempts to transition from an "oil and gas" company to an "energy" company.

Drax

Objective: Drax's Yorkshire power station is the UK's largest single emitter of carbon dioxide. LAPFF has focused for several years, from its own research as well as public coverage of the company, on Drax's business model which faces considerable challenges. These challenges include the continuation of government subsidy which is in excess of £500m a year and is more than all of the profit. That subsidy runs out in 2027.

But added to that is, so far not approved by HM Government, the proposition to add carbon capture and storage to Drax for what is called BioEnergy Carbon Capture and Storage (BECCS) which would require further subsidy, locked in for the duration of at least 25 years.

On the environmental side there are significant issues with claims of net zero as well as continuity of supply of imported wood pellets.

Achieved: LAPFF had identified that Drax has been cutting down rare forest wood in Canada, and also reported that during the energy crisis that Drax had closed a plant, as it was more profitable to sell the pellets than to use the pellets for power generation – thus casting doubt on Drax's role in energy security.

The BBC reported in 2022 that Drax was sourcing pellets from whole trees, not waste wood and sawdust from primary forests in Canada. Then the

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BBC identified that Drax took more than 40,000 tonnes of wood from so-called "old-growth" forests in 2023. Old-growth is some of the oldest forest which the provincial government says provides "unique habitats, structures and ecological functions".

The BBC claims matched LAPFF research, but the company defended the claims from the BBC publicly. However, in August 2024 Drax agreed to settle to the sum of £25m with Ofgem its regulator after its investigation which concluded,

> *"there was an absence of adequate data governance and controls in place that had contributed to: (i) Drax misreporting data in relation to their annual profiling submission to Ofgem for compliance period 1 April 2021 to 31 March 2022 ("CP20"); and (ii) Drax being unable to provide Ofgem with sufficient evidence demonstrating how its CP20 annual profiling submission had been arrived at and unable to support the reliability of its profiling data reporting of forestry type and sawlogs for Canadian consignments for that same period...*
>
> *"Ofgem takes the importance of accurate data reporting very seriously, in this case by a company of significant size and a major scheme participant. Accurate information is important for a number of reasons, including helping to improve statistics on biomass use and to monitor the effects of biomass use on the areas of origin. This information is intended to enable the Secretary of State to understand and monitor the extent to which both primary forests and sawlogs are used in woody biomass, which has consequences for carbon emissions and biodiversity."*

LAPFF has also since noted that that the video on the Drax website from Drax's CEO rebutting the BBC position is now a dead-link.

LAPFF's original research also identified that the "catchment area" surveys that Drax cites as showing that trees grow to match emissions by offset absorption don't actually do that. The surveys merely ask the question whether there has been a reduction in absorption capacity. That question doesn't address the needed increase in absorption capacity.

The one catchment area report that says that there may have been an increase in absorption capacity put that down to replacing indigenous hardwood with (mono-culture) pine. That is an ecological problem for biodiversity.

Also of note is this statement from the new Secretary of State for Energy and Net Zero, Ed Miliband made on Monday 8th July 2024.

"In an unstable world, the only way to guarantee our energy security and cut bills permanently is to speed up the transition away from fossil fuels and towards homegrown clean energy."

Given that Drax supplies wood pellets from overseas, and UK forests do not have the capacity to make any appreciable alternative supply, there must be a problem with the term "homegrown".

In Progress: The meetings offered with the CFO and the senior SID following questions at the last AGM are pending.

The issues LAPFF has raised are central to the business model.

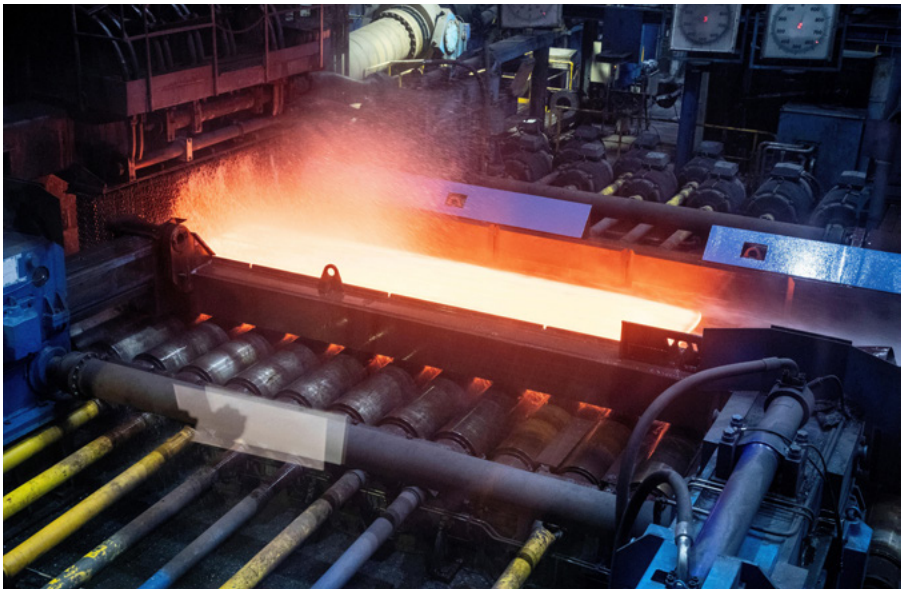
The argument for the government to continue to support Drax is the mantra that "the UK can't be carbon net-zero by 2050 without it" thus Drax with carbon capture and storage would result in "negative emissions". The problem with that is several fold:

1) security of supply of pellets
2) ecological issues
3) water supply as CCS is very water intensive
4) ammonia is a toxic chemical used in large quantities in the process
5) the cost of government support for CCS on top of the existing subsidy, which has an effect on electricity prices – which as well as affecting domestic consumers also raises the cost of power for electricity intensive new industries e.g. steel from electric arc furnaces
6) the fact that all that CCS would do – if it were to work – would be to remove the carbon dioxide from burning the woody biomass that wouldn't have been emitted if the wood were not burned. Drax with CCS would only be "negative" if counteracting tree grow due to the cutting of trees also matched emissions, which due to the long growth cycle is not the case something that is not currently proven.
7) the combination of the high subsidy for a putative national target, raises the question, "if Drax is so important why not nationalise it?" That is relevant as Drax has been prone to brinkmanship to lobby for continuing subsidy.

Steel -SSAB & ThyssenKrupp

Objective: Steel is a major contributor to global emissions and an industry with emerging green technologies. LAPFF has engaged the sector on transition plans and building on this sought to engage companies on the developing alternatives to coal/coke-based steel production.

SSAB is an international steel producer headquartered in Sweden. Sweden itself has large iron ore deposits in the Kiruna region north of the Arctic Circle. ThyssenKrupp is a large engineering company based in Essen,



Fossil-free steel is manufactured at the ironworks at SSAB in Oxelosund, Sweden

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Germany. It manufactures steel based products, it is also a steel producer currently producing virgin steel from iron ore, with none from recycling.

LAPFF's focus was therefore on their transition plans to achieving net zero. Ahead of the meetings LAPFF noted that SSAB has a low Carbon Disclosure Project (CDP) rating of D, and ThyssenKrupp, a rating of A.

Achieved: LAPFF has previously identified in a report on steel to a LAPFF Business Meeting that SSAB had innovative "green steel" production in the form of new steel produced not by blast furnaces but direct reduction of iron using hydrogen from electrolysis. The power for that coming from hydroelectric power in northern Sweden. LAPFF had identified that green steel has the potential to be disruptive technology on the basis of cost and the fact that hydrocarbons do not play a role in the process

LAPFF met with SSAB in September 2024 where it heard of not only the commitment to green steel being called "HyBrit" but also recycled steel for which the melting is done using an electric arc furnace with fossil fuel free electricity. That is in fact more flexible than blast furnaces as blast furnaces have a fixed production capacity, whereas the output from electric arc can be matched to demand and quality required.

It is apparent that SSAB is disappointed with its CPD rating and research prior to and discussions in the meeting leads to an agreement on that. It seems that other steel companies are disclosing less practically, and less strategically, credible routes to decarbonisation, which rely on unproven technology for maintaining blast furnaces with CCS or hydrogen from CCS.

LAPFF also met with ThyssenKrupp in September 2024. The company currently produces 11.5MT of steel per year, but a strategic change will reduce that to 9MT. The company plans to produce steel by Direct Reduction of Iron (DRI) as "green steel" from green hydrogen, which will be sourced externally, principally from Rotterdam by pipes as Germany has relatively little capacity for home production. The plant will replace more than one blast furnace. Current production is 0.15MT and the plan is for that to rise to 0.5MT.

In the initial stages the DRI will run from unabated methane and will then switch to green hydrogen. Potential future supplies of green hydrogen will be from the Middle East and Australia. One potential method of carrying hydrogen is by converting to ammonia and then back again. Ore is sourced mainly from Brazil and Australia.

There are not plans to produce recycled steel, and there are no plans to use CCS dependent technology.

In Progress: More steel company engagements are planned. LAPFF intends to explore further why less strategically credible (i.e. fossil fuel dependent) routes to net zero seem to achieve a higher CDP rating than SSAB, reverting to SSAB and ThyssenKrupp if necessary and appropriate. There are long-term geographic issues about the price of green steel if production nearer the ore and energy sources will ultimately give rise to lowest cost production.

Asia Research and Engagement

Objective: LAPFF has worked with Asia Research and Engagement (ARE) for several years. ARE is facilitating collaboration between investors seeking to accelerate the shift towards sustainable energy in Asia. The initial focus of the engagements has been reducing the carbon risks facing financial institutions and coal-exposed power companies.

Achieved: LAPFF met with Kasikorn Bank, one of the major financial institutions in Thailand, to discuss progress on its approach to sustainable finance. The company has made progress in a number of areas, notably in its goals regarding its levels of 'sustainable financing'. The company has not disclosed a breakdown of allocations within this, such as how much it invests in climate solutions and transition technologies. However, it has made positive headway in its aspirations and overall progress. Investors also looked at the company's exposure to physical climate risks, particularly flooding and rising sea levels, with large parts of Thailand at potential risk in different climate change scenarios.

In Progress: There is a pipeline of engagement calls, many of which are companies that LAPFF has met through the initiative before. We hope to see progress being made and will continue encourage companies to further reduce the risks they face. These engagement calls continue to be a valuable avenue to engaging companies with material-climate risks and who are essential to the energy transition in Asia.

DEMAND SIDE

Airlines

Objective: Airlines account for approximately 2% of global CO_2 emissions. A paper on the decarbonisation of aviation is being produced for the LAPFF membership. Ahead of that LAPFF met in September 2024 with Ryanair.

Achieved: The meeting was encouraging and reinforced our research. There were no areas for disagreement or potential disagreement. 99% of Ryanair's emissions are from the fuel. The Ryanair team were knowledgeable on the methods and options for decarbonisation with a lot of detailed information on savings and targets and UK and EU requirements and targets. Ryanair has a target of 12% use of Sustainable Aviation Fuel (SAF) by 2030, which compares to a UK Government target of 10% and EU target of 5%. That is in addition to emissions reduction from newer aircraft and engines, which are more fuel efficient.

Biomass derived SAF has some limits around land-use and other crop displacement.

It is envisaged that hydrogen-based fuels won't be around until after 2050 as that requires a redesigning of aircraft, given that although having much less mass per unit of energy, there is the problem that hydrogen requires much larger volume than kerosine which are larger than the wing space which is where fuel currently resides.

The International Air Transport Association (IATA) has chosen Trinity College Dublin as the certification body for all new SAF pathways.

ENGAGEMENTS

In Progress: LAPFF is planning to engage with other airlines and with Shell and BP, which are significant aircraft fuel suppliers.

CLIMATE TRANSITION PLANS

Objective: Due to the scale of climate risks, LAPFF expects companies to outline credible transition plans, which include Paris-aligned targets and detailed strategies for reaching those goals. To enable investors to make informed investment and stewardship decisions these plans should be disclosed with material climate-related impacts included within financial statements.

LAPFF also considers it good practice for companies to provide shareholders with the opportunity to express their views on the credibility of the plans through a specific AGM vote. A specific vote on a company's transition plan enables shareholders to signal support for the decarbonisation strategy and any associated capital expenditure requirements. Such a vote also enables shareholders to indicate their confidence in the plan through a dedicated vote rather than directing it at different resolutions on the ballot.

To encourage companies to provide such a vote to shareholders, LAPFF has organised collaborative letters to companies. Research for LAPFF suggests that around a fifth of FTSE 100 companies have provided such a vote in the past three years. As such, LAPFF continues to seek to encourage additional companies to provide 'say on climate' votes to its shareholders.

Achieved: To achieve that ambition of wider support for transition plan votes, LAPFF alongside CCLA organised a letter to FTSE 100 companies that have not provided such a vote over the past three years. The letter outlined the case for companies providing shareholders the opportunity to have a say on the company transition plan. It noted that emerging good practice was for plans to be updated every three years, and in line with that expected a vote on the plan at least every three years.

Over the quarter, LAPFF sought to gain wider investor support for the letter which was then sent to companies in September. LAPFF saw increased support for the letter from last year with 41 investors signing up to the letter. In total, the investors represented £1.6 trillion in AUM demonstrating the scale of support. Alongside sending the letter to the companies, the letter was also press released to raise awareness of the issue and gain wider support.

In progress: LAPFF asked companies to respond to the letter and will be tracking those responses. LAPFF will also scrutinising AGM agendas to see whether more say on climate votes are provided over the coming year. In addition, LAPFF will be continuing to place pressure on issuers to provide their shareholders the opportunity to voice their opinions through a dedicated vote on what is a major risk and concern for responsible investors.

HARD TO ABATE SECTORS

Cement - CRH

Objective: Cement was agreed as an area of focus by LAPFF members at the business meeting in July 2024. CRH is a building supplies and cement producer and the majority of CRH's sales are cement. Cement accounts for approximately 8% of global greenhouse gas emissions. Emissions come from 1) a non-fossil fuel source, the chemical decomposition of calcium carbonate in cement manufacturing 2) the heat needed for cement production in kilns. Cement is a difficult to abate sector and the carbon emissions from the calcium carbonate will require some form of carbon capture and storage ('CCS').

Achieved: LAPFF met with CRH to discuss its actions towards achieving net zero. The meeting was encouraging. CRH has already been benefiting from cost savings and opportunity from the transition, such as cheaper electricity for kilns and other energy dependent processes, and also 'recycling' roads in renewing roads. The company's plans are thoughtful and backed by actions and implementation.

As of 2024 there is no working model of CCS on cement, though Heidelberg cement may have a working site by the end of 2024. CRH's actions to decide on investment in Carbon Capture and Storage won't affect 2030 targets as the working assumption is that CCS won't be used before that date. Actions will require forms of regulation to both mandate the use of 'carbon-neutral cement' as well as restricting cement that had been produced traditionally from competing unfairly, or by passing it off as carbon-neutral when it isn't.

In Progress: LAPFF is planning to engage with other cement producers on a comparative basis.

ENVIRONMENT

TOBACCO COMPANIES & PLASTICS

Objective: There is also increasing global pressure for companies to address single-use plastics in their product ranges. This affects tobacco companies as cigarette butts, which are largely made of a plastic, are the most littered item in the world with an estimated 4.5 trillion cigarette butts being thrown away each year. LAPFF's aim in these engagements was to understand how companies were assessing risk in these areas, and modelling for potential needs to adopt their business model to a changing regulatory environment, as well as how they were taking action to look for plastic alternatives.

Achieved: LAPFF met Philip Morris, Imperial Brands, and Japan Tobacco Inc. this quarter to discuss these issues. It is clear that the tobacco industry has not yet found a suitable alternative to the plastic filters used in cigarettes. Several companies describe this in their reports as challenging, largely due to consumer acceptance, but also because of the implications for emissions and the costs associated with R&D.

ENGAGEMENTS

Polluted Water sign at River Mole, Surrey, UK

While tobacco products remain a key part of these companies' business models, there is a drive to create what are often referred to as 'reduced risk products' or 'next generation products', which broadly encompasses heated tobacco products and various types of vapes. As companies seek to expand their business into other areas, the increased prevalence of vapes in their product mixes raises additional concerns around plastics and the disposal of batteries in single-use vapes. This will require a more circular economy, which all three companies are adopting in slightly different ways. Whilst there is work being done by the tobacco industry, there is a long way to go.

Conversations also followed how tobacco companies faced increasing global regulatory pressures on smoking and vaping, including proposed legislation like the UK Tobacco and Vapes Bill, which if pursued, would mean anyone born after 1 January 2009 can never legally be sold tobacco products.

In Progress: LAPFF is set to meet British American Tobacco in October to discuss these same issues and will be monitoring progress by the companies in these areas as regulation develops.

WATER STEWARDSHIP

Constellation Brands

Objective: LAPFF is a founding member of the Valuing Water Finance Initiative which engages companies on their water impacts and seeks to reduce their exposure to material water-related risks. As part of the initiative, LAPFF is the lead investor for Constellation Brands. LAPFF has been asking the company to set time-bound, science or contextual goals, targets or policies to address impacts on water availability in water scarce areas across the sections of the value chain for which water is most material.

Achieved: In January 2024 LAPFF member Greater Manchester Pension Fund (GMPF) filed a resolution ahead of Constellation Brands AGM. It requested that Constellation Brands issue a report assessing the feasibility and practicality of establishing time-bound, quantitative goals to reduce supply chain water usage to mitigate value chain risks related to global water scarcity in high-risk areas. During Q2 LAPFF issued a voting alert recommending members support the resolution. The alert highlighted the need for investors to be able to assess the extent to which companies, for which water is material, demonstrate sustainable practices. Constellation Brands AGM was held in July during which over 35% of votes represented supported the resolution, despite the Board's opposition to the proposal. Given 2024 is the first year a resolution of this kind has been filed at Constellation Brands, the result is significant and demonstrates the appetite among investors for the company to improve its approach to managing water-related risks.

ENGAGEMENTS

In Progress: It is LAPFF's view that Constellation Brands remains acutely exposed to water-related risk within its supply chain, potentially limiting its ability to protect shareholder value. While Constellation Brands has committed to and worked to manage their water-related risks in direct operations, they have been unable to demonstrate they are managing the same risks across the supply chain which could lead to increased input prices and disruptions. LAPFF will re-engage with the company during Q4 with a view to leveraging momentum off the back of the shareholder proposal.

UK Water Utility Companies

Objective: Since 2022, LAPFF has engaged with water utility companies to address ongoing concerns about the pollution of rivers and coastal areas caused by storm overflows through Combined Sewer Overflows (CSOs). CSOs act as relief valves during periods of heavy rainfall, preventing sewage from backing up into homes by releasing excess stormwater and wastewater into the environment.

Under the UK government's 2050 plans, the number of CSO overflow incidents is expected to decrease gradually through increased investment. As a highly regulated sector, water companies must submit their investment plans for review every five years to the Water Services Regulation Authority (Ofwat) for review and approval. Achieving environmental objectives within these five year plans has both reputational and financial implications, as companies face rewards or penalties based on their performance.

Through its engagements, LAPFF aims to ensure that water utilities companies are making progress in reducing overflow incidents while ensuring that upcoming five year business plans are cost efficient and include both environmental and social commitments. This year's engagements reflect on data from 2023, a year that saw an increase in overflow incidents due to significantly wetter weather in the UK. LAPFF seeks to understand how companies are interpreting the impact of this wet year and whether they remain on track to meet the target of reducing overflows to an average of no more than 20 incidents per year by 2025.

Achieved: In the quarter LAPFF met the chair of Severn Trent Water (STW). STW is one of the largest water utility companies in the UK, serving over 4.5 million households and businesses across the Midlands and parts of Wales.

This was the third meeting that LAPFF has had with Severn Trent's chair and the Forum welcomed the ongoing dialogue with the company on the issue. The meeting took place just after Ofwat released draft determinations for the next regulatory period (2025-2030), outlining proposed price controls and investment allowances for water companies. To meet the expected increase in capital expenditure to address, amongst other things, pollution from storm overflows water companies are seeking to increase water prices. STW plans were well received by Ofwat even if the regulator reduced the company's proposed price increase. Despite significant sector challenges, they remain committed to meeting their sewer overflow targets. Progress is being made towards addressing Combined Sewer Overflow (CSO) spills, including network-wide CSO monitoring, nature-based solutions, and innovations such as the company's "Zero Spills Hub".

In Progress: Despite progress being made, water companies continue to have some way to go to reduce overflows and reduce the regulatory and reputational risks they face on the issue. LAPFF will therefore continue to engage with water utility companies with the focus on ensuring progress towards their targets and that the additional investment is being used cost-efficiently. LAPFF will also be following the regulator's final determinations.

NOVO NORDISK & NA100

Objective: Nature Action 100 (NA100) seeks to mobilise investors to drive corporate action in addressing biodiversity loss and nature-related risks. Its primary goal is to ensure companies integrate nature into their strategies, reduce negative impacts on ecosystems, and contribute to global biodiversity targets through enhanced accountability and transparency.

Achieved: One of the companies that LAPFF is engaging through the NA100 initiative is the Danish Pharmaceutical company Novo Nordisk. Pharmaceutical companies have been identified by the initiative as a key sector to engage. Pharmaceutical companies face a range of physical and transition risks, including species loss affecting the ability of companies to develop new drugs.

The investor group met a representative from investor relations. The representative answered the investor questions but did not engage in detailed discussion. Key points covered included the company's use of the Science-Based Targets Network, and timelines for assessments being made public. Whilst detail in the conversation was limited, the company appeared to be making sizable considerations about how to address its impact and dependencies on nature.

In Progress: An aim of the engagement is to meet with companies involved at least twice a year. Whilst LAPFF and other investors have been discussing indicators of NA100's benchmark in company engagements, the benchmark itself, which will score companies across its six key pillars, is set to be published at COP16 in late October 2024. Companies have had a chance to respond with further information to this benchmark. Once published, it will provide industry comparisons, information on potential areas of best practice and a further basis for engagement.

SOCIAL FACTORS

ZERO HOUR CONTRACTS

Objective: LAPFF has initiated a series of engagements focused on the use and potential elimination of zero-hours contracts (ZHCs) in the UK. The Forum is seeking to engage with companies that utilize ZHCs as part of their core operations to understand the extent of their use, the potential impacts of a ban on business operations, and any steps being taken to mitigate a ban and/or associated risks. Where applicable, the Forum may also seek further disclosure on ZHC exposure to help investors better assess the potential effects on specific

ENGAGEMENT

A member of staff at Hollywood Bowl in Thurrock, Essex

companies or sectors.

There are estimated to be around 1 million workers on ZHC's in the UK. Women and people from ethnic minority backgrounds are more likely to be employed under this type of contract, and the very large majority of workers on them are in non-supervisory roles. The use of ZHCs is clustered in several sectors such as hospitality, arts, entertainment and leisure, health and social care, transport and storage, wholesale and retail.

Prior to the July UK general election, the Labour Party had committed to ban zero-hours contracts in its Employment Rights Green Paper. Following the election, the government has promised to introduce The Employment Rights Bill which will prohibit ZHCs. Therefore, it is conceivable that some form of ban or restrictions placed on the use of ZHCs might be enacted in the coming years, which might have a significant impact on certain companies or sectors.

Achieved: During Q3 LAPFF received written responses from both Compass Group and Hollywood Bowl. Mitie Group agreed to a meeting with LAPFF vice-Chair John Gray. Frasers Group refused LAPFF's invitation to engage and did not provide its position as it relates to Zero Hour Contracts.

In response to the question of exposure, Compass Group stated its use of ZHCs is limited to only specific areas, such as hospitality and sporting events, where flexibility is beneficial to operations. The company further elaborated that its flexible working policy ensures that employees on ZHCs can request fixed-hour contracts, and all ZHC employees have full employment contracts with the same terms and benefits as the broader workforce. The company believes its approach aligns with best practices and would not be impacted by the Labour party's proposed changes.

Hollywood Bowl outlined that a small proportion of its hourly workforce, primarily university students, are on zero-hour contracts which will be phased out by September 2024 in favour of fixed-term contracts for those returning during holiday periods. The company is awaiting further government guidance on the proposed Employment Rights Bill 2024 before determining its broader approach. They remain open to further engagement with the Forum as the proposed UK Employment Rights Bill 2024 develops.

In Progress: LAPFF's policy is that, on balance, there is no clear evidence that business models based on zero-hour contracts and precarious work outperform business models with different and more inclusive human capital strategies. In that context, LAPFF will continue to monitor developments relating to Employment Rights Bill and continue to engage investee companies regarding their exposure to the practice.

CAHRA

Objective: LAPFF met with Maersk earlier in 2024 amidst increasing scale and intensity of armed global conflicts, noting that Maersk had operations in the Red Sea and had faced attacks stemming from the escalation of conflict in Gaza. LAPFF aimed to explore how the company was approaching heightened human rights due diligence (hHRDD).

Achieved: LAPFF met with Maersk for a second time to discuss hHRDD and the company's approach to global conflict zones. Whilst the company was able to provide some specific examples of hHRDD in its operations, it was still unclear how it implemented an approach that incorporated this approach more widely across its entire operations where appropriate.

Alongside this engagement, LAPFF continued its participation in the Investor Alliance for Human Rights (IAHR) pilot project on conflict-affected and high-risk areas (CAHRAs). The initiative is: "engaging a delimited set of portfolio companies in the technology and renewable energy sectors with exposure to risks in CAHRAs."

In Progress: LAPFF will consider following up with Maersk to discuss hHRDD more widely. LAPFF continues to engage as a supporting investor through IAHR's pilot project to inform engagement with other companies on CAHRA.

NIKE VOTING ALERT

Nike faced five shareholder resolutions at its September 2024 AGM, with one on a 'Supply Chain Management Report', and another regarding 'Work-driven Social Responsibility'. These come amidst ongoing concerns around Nike's approach to addressing significant risks such as forced labour, wage theft, and other human rights violations within its supply chain. These concerns come as the push for stronger transparency and accountability is driven by new regulatory frameworks such as the EU's Corporate Sustainability Due Diligence Directive, which will require companies to take a more proactive role in managing human rights in their supply chains.

ENGAGEMENT

LAPFF recommended a vote in favour of both resolutions given alignment with the Forum's principles of engagement, aiming to enhance accountability, transparency, and the ethical management of human rights risks. The resolutions called for more detailed assessments and disclosures on supply chain practices and the adoption of Worker-Driven Social Responsibility (WSR) principles, which emphasise stronger, worker-centered mechanisms for addressing labour violations. LAPFF believes that resolutions such as these demonstrate an investor voice asking that Nike ensure its policies are not only compliant with international standards but also effectively safeguard workers' rights and reduce reputational, legal, and operational risks.

GOVERNANCE

EXECUTIVE REMUNERATION

Objective: During Q3, LAPFF requested engagement with UK-listed companies at which significant dissent to remuneration was observed during the 2024 proxy season. The objective of the engagements was to understand what was driving the dissent and steps being taken by the company to address shareholder concerns.

Achieved: LAPFF held meetings with AstraZeneca, Pearson and Synthomer to discuss the high levels of shareholder dissatisfaction. This included a meeting with the Chair of AstraZeneca, Michel Demaré, to discuss the company's approach to Executive compensation following opposition of 35.6% to the remuneration report at the 2024 AGM. The CEO of AstraZeneca was the highest paid in the FTSE100 in 2024, receiving over £18 million in total compensation. Mr Demaré outlined that the company benchmarked pay against a US peer group, a market in which the quantum of pay is comparatively high versus the UK. Mr Demaré further highlighted the value created for shareholders by AstraZeneca over recent years. In response, LAPFF outlined expectations of its members as it relates to excessive quantum and observed that a focus on the development of talent internally for the purpose of succession planning could alleviate pressures on the granting of excessive awards for the purpose of retention.

LAPFF also met with Sherry Coutu, Chair of the Remuneration Committee of the educational publishing company Pearson. The company had received an opposition vote of 30.2% to the remuneration report during its AGM earlier this year. Similarly to AstraZeneca, the company outlined that a relatively high percentage of its revenue derives from the US and higher quantum was necessary to retain and motivate talent. LAPFF raised concerns over the apparent excessive nature of a buyout award made for new CEO Omar Abbosh which totalled over £13 million. The award was granted to replace shares Mr Abbosh lost as a result of leaving the employment of Microsoft. LAPFF also raised concerns over the recent increase in maximum variable pay levels from 550% to 750% of the base salary.

Lastly, LAPFF met with the Chair of Synthomer, Caroline Johnstone, alongside Remuneration Committee Chair, Holly Van Deursen. The company had received 44.6% opposition to its remuneration report during its 2024 AGM. The primary driver behind the dissent was the apparent lack of alignment between the rate of vesting of CEO awards with recent shareholder experience, this in part a result of non-financial performance criteria vesting at 100%. LAPFF further raised concerns over the use of EBITDA as a performance metric in both the annual and long-term incentive scheme, which provided the opportunity for the CEO to be paid twice for the same performance.

In Progress: LAPFF has further calls scheduled with companies at which high levels of investor dissent was recorded during the 2024 proxy season, which will be undertaken during Q4.

HOUSEBUILDERS

Objective: LAPFF continues to engage the largest UK housebuilders on their climate transition strategies. In general, half of the industry's current GHG emissions are from homes in use and the other half are from suppliers (including diesel vehicles and cement). The engagements seek to ensure plans are in place for companies to move to net zero homes, have Paris-aligned transition plans and targets, and ensure they are working with suppliers to reduce emissions, and are prepared for new regulatory standards, such as the Future Homes Standard.

Achieved: In the quarter, LAPFF met the chair of Bellway to discuss its approach to decarbonisation. Bellway presented its "Better with Bellway" strategy, focusing on carbon reduction, including progress on Scope 1 and 2 emissions and plans to tackle Scope 3 emissions, which represent the majority of its carbon emissions. Discussions also covered Bellway's preparation for the Future Home Standard, efforts in heat pump installations, and zero-bill homes. Bellway emphasised its focus on sustainability, supply chain decarbonisation, and long-term emission reduction goals.

LAPFF met with the Chief Operating Officer and the Group Company Secretary at Vistry Group to discuss the company's sustainability initiatives, its approach to reducing Scope 3 emissions, planning and pilots to be ready for the Future Homes Standard. The COO highlighted Vistry's commitment to engaging with supply chain partners, increasing the use of timber frame construction, and ensuring compliance with evolving regulations. The meeting also discussed the challenges of meeting both housing targets and sustainability goals.

At both meetings LAPFF also raised the Competition and Markets Authority (CMA) investigation regarding the alleged sharing of commercially sensitive information.

In Progress: Across both engagements with Bellway and Vistry, LAPFF heard of progress in preparing for regulatory changes such as the Future Homes Standard and efforts to work with suppliers to reduce emissions across their value chains. LAPFF has plans to engage other housebuilders in the following quarter and longer term to ensure continued progress in meeting their decarbonisation objectives, especially in regard to their supply chain.

In the meeting with Vistry, LAPFF raised the fact that the company had a combined CEO and Chair role and will be following up on this.

ENGAGEMENT

CAPITAL MARKETS - LSEG

Objective: LAPFF has been concerned about the weakening of standards relating to new entrants to the London listed companies' market, which has included, Aston Martin Lagonda, NMC Health, Finablr and Quindell, the former of which has lost >90% of its value since listing, the other three being 100% losses.

The LAPFF Executive convened a 'Capital Markets Working Group' in the light of a recent concerted campaign by some interests to further weaken the standards of the listing regime. That campaign has included the Capital Markets Industry Taskforce, which is just that, it is a coalition of "fee earning" interests rather than shareholder interests, including issues of investor protection. It is chaired by the CEO of the London Stock Exchange.

Achieved: An open letter was sent in May 2024 to the Chair of London Stock Exchange Group, which asked for an evidence-based approach, and to supply the evidence for assertions made to date. Unfortunately, the response did not sufficiently address the issues.

Because of that LAPFF in August 2024 wrote back to the LSEG, making it clear that LAPFF expected the May letter to be answered properly, with evidence and accuracy. It was stressed that like any other listed company, LSEG should be making accurate representations to shareholders and the market about its own business.

LAPFF is aware of one large quality company that has delisted which doesn't accord with the narrative that over-regulation is a problem. What appears to be the problem is the unattractiveness of the FTSE Index, given that a few large companies dominate by market capitalisation ('top-heavy composition') which works against diversification – and of which oil and gas companies as well as financials are factors in that. For example, the largest oil and gas company in the S&P 500 index is Exxon which is 15th by market capitalisation, compared to the UK where Shell is 2nd and BP 5th.

In Progress: The Capital Markets Working Group plans to undertake a survey of LAPFF members on these issues. The position of asset owners versus fund managers is particularly relevant to this area.

LAPFF PARTY CONFERENCE EVENTS

Each year LAPFF hosts fringe events at political party conferences. These meetings provide the opportunity to raise awareness of the work that LAPFF undertakes and engage with national politicians and other stakeholders.

At the Lib Dem conference, the focus of the meeting was: Investing in the green transition – what needs to change? The discussion was chaired by Gideon Amos MP, with Cllr Toby Simon speaking on behalf of LAPFF and outlining the work of the Forum. The other speakers included Wera Hobhouse MP, Energy and Climate Change Spokesperson, Baroness Shaista Sheehan, Director, Peers for the Planet Group and Cllr Martin Horwood, President Green Liberal Democrats. The discussion covered divestment, fiscal incentives and fossil fuel subsidies and offsetting.

At the Labour Party conference, the meeting was titled: A new deal for working people – how will investors react? LAPFF vice-chair Cllr John Gray outlined company engagement on employment standards and the importance of social factors to responsible investors. The other speakers were Liam Byrne MP, Chair of the Business and Trade Select Committee and Nicola Smith, Head of the Rights, International, Social and Economics department at the TUC. The discussion covered the importance of good workplace practices for creating growth, the role investors can play in driving better standards, the upcoming employment rights bill, directors' duties, fiduciary duties, company reporting and the government's pension investment review.

At the Conservative Party conference, the event was focused on: "Investing in the UK – can British pension funds do more?" The meeting was chaired by Charlotte Pickles, the director of the think tank Reform with LAPFF's chair, Cllr Doug McMurdo, outlining fiduciary duties and the importance of corporate governance standards when it comes to investing in public equities. The other speakers were Lord Dominic Johnson, former Minister for Investment and Karim Palant, Director of External Affairs, BVCA. The discussion covered the number of DC schemes, pension fund consolidation, and the government's pension investment review.

Top: Liberal Democrat leader, Ed Davey MP delivers his keynote speech on the last day of the conference
Middle: Conservative Party leadership candidate Kemi Badenoch seen at the conference
Bottom: Prime Minister Keir Starmer delivers his Party Conference speech at the Labour Party Conference 2024

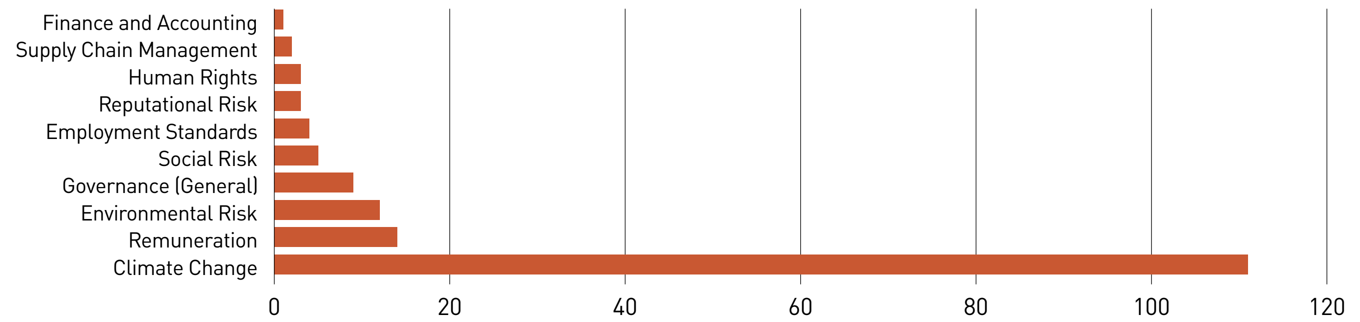
COMPANY PROGRESS REPORT

Excluding the 76 letters through the Climate Transition Plan (CTP) initiative, 42 Companies were engaged over the quarter. The table below shows those companies engaged outside the CTP initiative, but the graphs include those engagements.

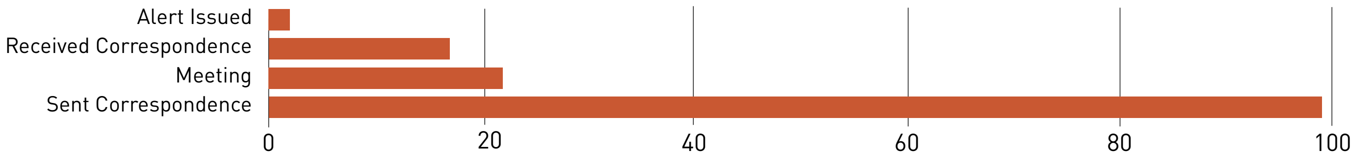
Company/Index	Activity	Topic	Outcome
ALIMENTATION COUCHE-TARD INC.	Alert Issued	Climate Change	
AP MOLLER - MAERSK AS	Meeting	Human Rights	Dialogue
ASTRAZENECA PLC	Meeting	Remuneration	No Improvement
BARRATT DEVELOPMENTS PLC	Sent Correspondence	Climate Change	Awaiting Response
BELLWAY PLC	Meeting	Climate Change	Small Improvement
BERKELEY GROUP HOLDINGS PLC	Sent Correspondence	Climate Change	Awaiting Response
BP PLC	Meeting	Climate Change	Dialogue
BURBERRY GROUP PLC	Meeting	Environmental Risk	Small Improvement
CEMEX SAB DE CV	Sent Correspondence	Environmental Risk	Awaiting Response
CIMB GROUP HOLDINGS BERHAD	Meeting	Climate Change	Moderate Improvement
CLARKSON PLC	Sent Correspondence	Remuneration	Awaiting Response
COMPASS GROUP PLC	Received Correspondence	Employment Standards	Dialogue
CRH PLC	Meeting	Climate Change	Change in Process
FRASERS GROUP PLC	Sent Correspondence	Employment Standards	Satisfactory Response
HEIDELBERG MATERIALS AG	Sent Correspondence	Environmental Risk	Awaiting Response
HOLLYWOOD BOWL GROUP PLC	Sent Correspondence	Employment Standards	Change in Process
HUANENG POWER INTERNATIONAL	Meeting	Climate Change	Moderate Improvement
HUNTING PLC	Sent Correspondence	Remuneration	Awaiting Response
IMPERIAL BRANDS PLC	Meeting	Environmental Risk	Dialogue
JAPAN TOBACCO INC	Meeting	Environmental Risk	Dialogue
KASIKORNBANK PCL	Meeting	Climate Change	Small Improvement
LOREAL SA	Meeting	Human Rights	Substantial Improvement
MITIE GROUP PLC	Meeting	Employment Standards	Dialogue
NIKE INC.	Alert Issued	Human Rights	
NOVO NORDISK A/S	Meeting	Environmental Risk	Dialogue
PEARSON PLC	Meeting	Remuneration	No Improvement
PERSIMMON PLC	Sent Correspondence	Climate Change	Awaiting Response
PHILIP MORRIS INTERNATIONAL INC.	Meeting	Environmental Risk	Small Improvement
PLUS500 LTD	Sent Correspondence	Remuneration	Awaiting Response
PURETECH HEALTH PLC	Sent Correspondence	Remuneration	Awaiting Response
RYANAIR HOLDINGS PLC	Meeting	Environmental Risk	Dialogue
SEVERN TRENT PLC	Meeting	Environmental Risk	Dialogue
SMITH & NEPHEW PLC	Sent Correspondence	Remuneration	Awaiting Response
SPIRENT COMMUNICATIONS PLC	Sent Correspondence	Remuneration	Awaiting Response
SSAB (SVENSKT STAL AB)	Meeting	Environmental Risk	Dialogue
STANDARD BANK	Sent Correspondence	Social Risk	Awaiting Response
SYNTHOMER PLC	Meeting	Remuneration	No Improvement
TAYLOR WIMPEY PLC	Sent Correspondence	Climate Change	Awaiting Response
TBC BANK GROUP PLC	Sent Correspondence	Remuneration	Awaiting Response
THYSSENKRUPP AG	Meeting	Environmental Risk	Dialogue
TRAVIS PERKINS PLC	Sent Correspondence	Remuneration	Awaiting Response
VISTRY GROUP PLC	Meeting	Climate Change	Small Improvement

ENGAGEMENT DATA

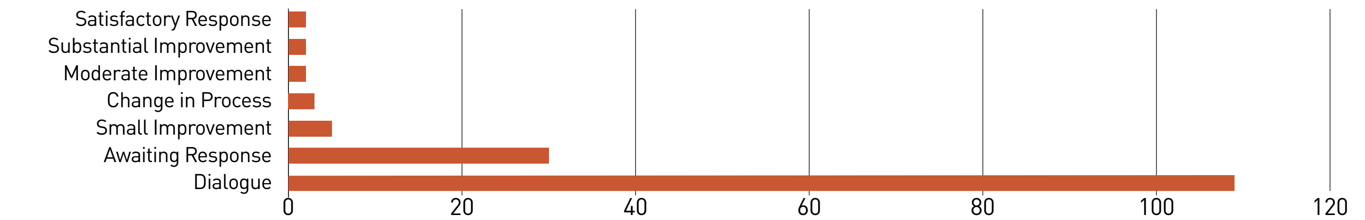
ENGAGEMENT TOPICS



ACTIVITY

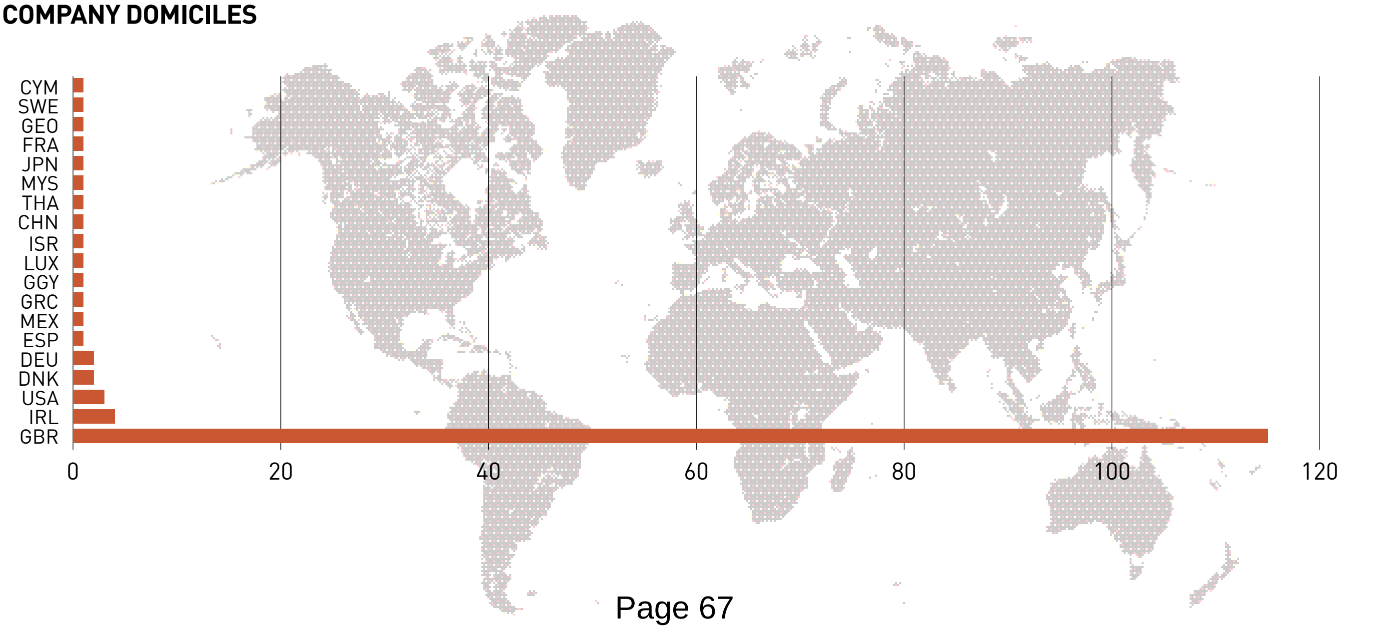


MEETING ENGAGEMENT OUTCOMES

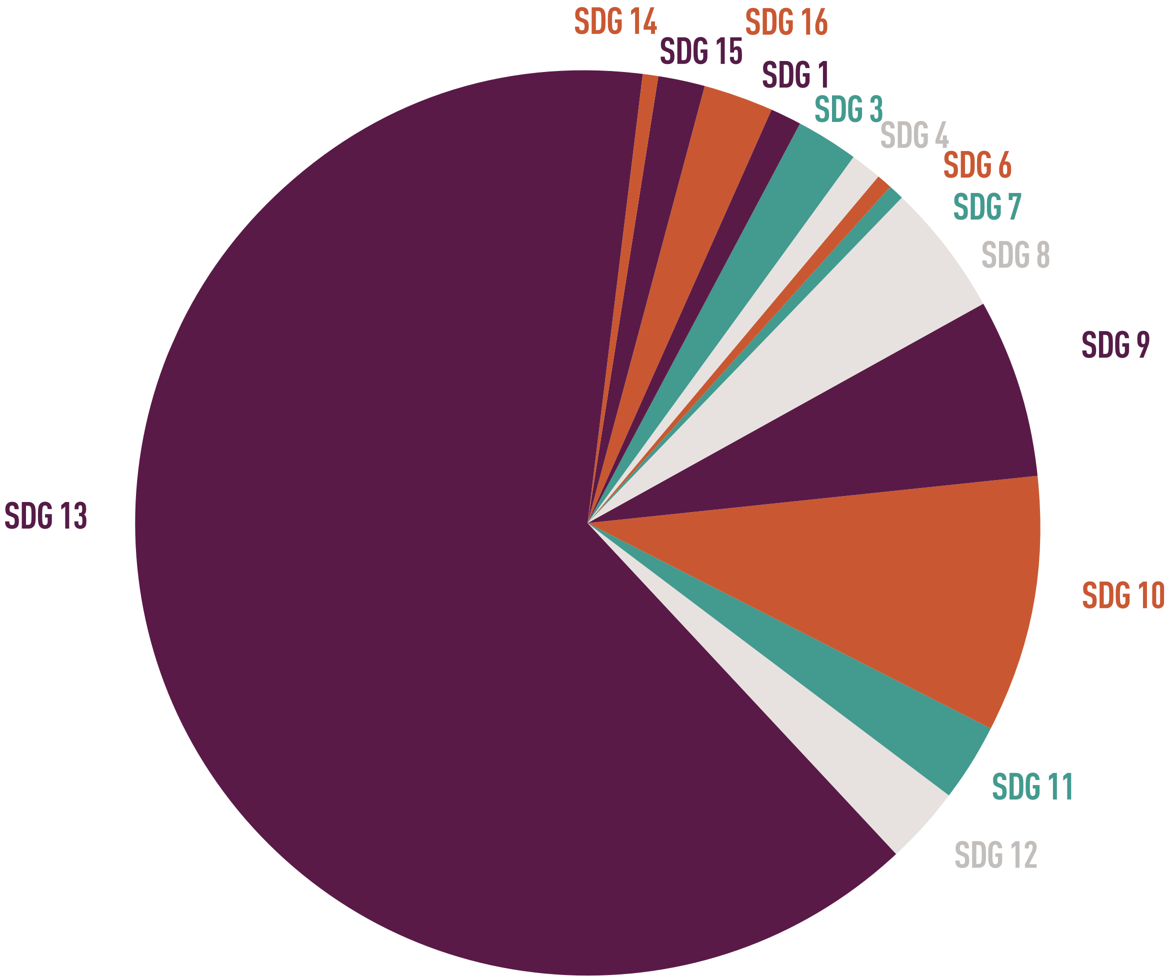


POSITION ENGAGED

COMPANY DOMICILES



ENGAGEMENT DATA



LAPFF SDG ENGAGEMENTS	
SDG 1: No Poverty	2
SDG 2: Zero Hunger	0
SDG 3: Good Health and Well-Being	4
SDG 4: Quality Education	2
SDG 5: Gender Equality	0
SDG 6: Clean Water and Sanitation	1
SDG 7: Affordable and Clean Energy	1
SDG 8: Decent Work and Economic Growth	8
SDG 9: Industry, Innovation, and Infrastructure	11
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LOCAL AUTHORITY PENSION FUND FORUM MEMBERS

Avon Pension Fund
Barking and Dagenham Pension Fund
Barnet Pension Fund
Bedfordshire Pension Fund
Berkshire Pension Fund
Bexley (London Borough of)
Brent (London Borough of)
Cambridgeshire Pension Fund
Camden Pension Fund
Cardiff & Glamorgan Pension Fund
Cheshire Pension Fund
City of London Corporation Pension Fund
Clwyd Pension Fund (Flintshire CC)
Cornwall Pension Fund
Croydon Pension Fund
Cumbria Pension Fund
Derbyshire Pension Fund
Devon Pension Fund
Dorset Pension Fund
Durham Pension Fund
Dyfed Pension Fund
Ealing Pension Fund
East Riding Pension Fund
East Sussex Pension Fund
Enfield Pension Fund
Environment Agency Pension Fund
Essex Pension Fund
Falkirk Pension Fund
Gloucestershire Pension Fund
Greater Gwent Pension Fund
Greater Manchester Pension Fund
Greenwich Pension Fund
Gwynedd Pension Fund
Hackney Pension Fund
Hammersmith and Fulham Pension Fund
Haringey Pension Fund
Harrow Pension Fund
Havering Pension Fund
Hertfordshire Pension Fund
Hillingdon Pension Fund
Hounslow Pension Fund
Isle of Wight Pension Fund
Islington Pension Fund
Kensington and Chelsea (Royal Borough of)
Kent Pension Fund
Kingston upon Thames Pension Fund
Lambeth Pension Fund
Lancashire County Pension Fund
Leicestershire Pension Fund
Lewisham Pension Fund
Lincolnshire Pension Fund
London Pension Fund Authority
Lothian Pension Fund
Merseyside Pension Fund
Merton Pension Fund
Newham Pension Fund
Norfolk Pension Fund
North East Scotland Pension Fund
North Yorkshire Pension Fund
Northamptonshire Pension Fund
Nottinghamshire Pension Fund
Oxfordshire Pension Fund
Powys Pension Fund
Redbridge Pension Fund
Rhondda Cynon Taf Pension Fund
Scottish Borders Pension Fund
Shropshire Pension Fund
Somerset Pension Fund
South Yorkshire Pension Authority
Southwark Pension Fund
Staffordshire Pension Fund
Strathclyde Pension Fund
Suffolk Pension Fund
Surrey Pension Fund
Sutton Pension Fund
Swansea Pension Fund
Teesside Pension Fund
Tower Hamlets Pension Fund
Tyne and Wear Pension Fund
Waltham Forest Pension Fund
Wandsworth Borough Council Pension Fund
Warwickshire Pension Fund
West Midlands Pension Fund
West Yorkshire Pension Fund
Westminster Pension Fund
Wiltshire Pension Fund
Worcestershire Pension Fund

Pool Company Members

ACCESS Pool
Border to Coast Pensions Partnership
LGPS Central
Local Pensions Partnership
London CIV
Northern LGPS
Wales Pension Partnership

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London CIV

Quarterly Investment Review - Private Markets

30 June 2024

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Funds

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Introduction

London CIV Fund Range

Please see below a summary of your investments in London CIV private market funds as at 30 June 2024, showing drawn and undrawn commitments and current valuation.

	Commitments	Invested Since Inception	Undrawn Commitment	NAV
Active Investments	£	£	£	£
EUUT				
LCIV Infrastructure Fund	55,000,000	43,541,544	11,458,456	52,914,286
LCIV Private Debt Fund	70,000,000	47,050,161	22,949,839	56,765,160
Total	**125,000,000**	**90,591,705**	**34,408,295**	**109,679,446**

Please see below a summary of the London CIV Private Market funds, including both those in which you are invested, and those you are not.

Private Markets	30 June 2024 Total Commitment	Drawn to Date	% Drawn	Undrawn Commitments	30 June 2024 Fund Value	% Available for Investment	Inception Date	No. of Investors
EUUT	£'000	£'000		£'000	£'000			
LCIV Infrastructure Fund	475,000	315,874	66%	159,126	383,869	21%	31/10/2019	6
LCIV Real Estate Long Income Fund	213,000	213,000	100%	n/a	155,484	-	11/06/2020	3
LCIV Renewable Infrastructure Fund	1,108,500	481,149	43%	627,351	553,484	23%	29/03/2021	16
LCIV Private Debt Fund	625,000	420,091	67%	204,909	506,832	8%	29/03/2021	8
LCIV UK Housing Fund	450,000	73,200	16%	376,800	71,889	40%	31/03/2023	8
SLP	£'000	£'000		£'000	£'000			
The London Fund	250,000	104,026	42%	145,974	105,821	37%	15/12/2020	4
	3,121,500	1,607,340		1,514,160	1,777,379			

Source: London CIV as at 30 June 2024.

LCIV Infrastructure Fund

Quarterly Summary as at 30 June 2024

Total Fund Value:

£383.9m

Inception date:	31/10/2019
Total Fund commitments:	£475.0m
Total contributed since inception:	£315.9m
Total contributed in the quarter:	-
Total distributed since inception:	£8.8m
Total distributed in the quarter:	£1.4m

Investment Objective

The Fund's long term objective is to seek to achieve a net return of 8-10% per annum and a cash yield of 4-6% per annum.

Key Dates and Timelines:

The Fund is open ended, it does not have an investment period and is permitted to make new investments throughout its term. Each commitment is subject to a lock-up period of five years from the relevant close.

Hillingdon Valuation:

£52.9m

Hillingdon commitment date:	31/10/2019
Hillingdon commitment:	£55.0m
Total contributed since inception:	£43.5m
Total contributed in the quarter:	-
Total distributed since inception:	£1.2m
Total distributed in the quarter:	£0.2m

This is equivalent to 13.78% of the Fund

Executive Summary

The LCIV Infrastructure Fund (the "Fund") NAV increased to £383.9m in Q2 2024, from £371.4m in Q1 2024. The increase in NAV was mainly driven by a significant unrealised gain over the quarter totalling £13.9m, relating to Macquarie Green Renewable Energy Fund 2 ("MGREF 2"), Arcus European Infrastructure Fund 2 ("AEIF 2") and Capital Dynamics Clean Energy and Infrastructure VIII ("CE VIII").

AEIF 2 saw the largest movement, accounting for c. 50% of the unrealised gain, as one portfolio company's carrying value was updated to reflect the exit valuation finalised over the quarter, which is expected to close in H2 2024, resulting in a gross realised IRR of 33%. MGREF 2 and CE VIII movements were related to underlying assets moving through key construction milestones and hence marked up from cost to a DCF valuation.

The unrealised gain was offset slightly by the Fund's third income distribution totalling £1.4m, with the rolling three quarters yield in line with the Fund's annual yield target albeit towards the lower end as the portfolio continues to ramp-up. Subsequent to quarter end, the fourth distribution was confirmed and is due to be paid out to investors at the end of September.

Note, there was capital call activity from three investments during the quarter however this did not impact the NAV as i) cash reserves were used for AEIF 2 and Brookfield Global Transition Fund ("BGTF") and ii) the cash was received subsequent to quarter end for KKR Global Infrastructure Investors IV ("KKR IV"). The largest and most notable capital call was for KKR IV, a new secondary fund investment that closed after quarter end, which totalled £17.2m and was used to fund the transaction - more details will follow in the Q3 2024 commentary.

The Fund remains 80% committed across eight fund investments and is 67% drawn, following new investor commitments over Q1 2024. StepStone, the delegated Investment Manager of the Fund, continue to seek new opportunities to deploy the uncommitted capital with a focus on minimising deployment dilution and yield. More details are included within the Investment Activity section below. The Fund's net IRR since inception is tracking in line with the Fund's investment objective at 9%, with each underlying investment performing in line with expectations. The Fund's 1-year yield is also tracking in line with the investment objective, noting the Fund only began distributing income at the end of the initial four-year ramp-up period. Further detail can be found within the Performance section below.

Current Investments

Investments	Abbreviation	Investment Date	Vintage	Total Commitments (Local)	LCIV Fund Commitments (Local '000)	Unfunded GBP (£ '000)
Primary						
Macquarie Green Renewable Energy Fund 2	MGREF 2	Dec-19	2020	€1,634m	€75,000	10,020
Arcus European Infrastructure Fund 2	AEIF 2	Mar-20	2018	€1,217m	€50,000	6,396
Equitix Fund VI	EF VI	Mar-20	2020	£1,471m	£50,000	359
Basalt Infrastructure Partners III	BIP III	May-20	2020	$2,750m	$50,000	7,085
European Diversified Infrastructure Fund III	EDIF III	Jul-20	2020	€4,156m	€75,000	0
Capital Dynamics Clean Energy and Infrastructure VIII	CE VIII	Dec-20	2019	£300m	£40,000	3,532
Brookfield Global Transition Fund	BGTF	Dec-21	2021	$12,964m	$50,000	20,093
Secondary						
Meridiam Infrastructure North America II [1]	MINA II	Aug-22	2010	$873m	$43,998	51
KKR Global Infrastructure Investors IV	KKR	Jun-24	2021	$17,000m	$33,997	10,325
Total Committed to Investments						**57,861**
Drawn Capital						315,874
Funds available for investment						101,265
Total Fund Commitments						**475,000**

[1] The original commitment was $22.67m.

Source: London CIV as at 30 June 2024.
LCIV Fund GBP Commitment is calculated as GBP cost plus undrawn commitments multiplied by FX rate as at 30 June 2024.

Cashflow Activity

During the quarter ended 30 June 2024, the Fund made no capital calls to investors. A capital call was made after quarter end (2 July 2024) for £17.2m to fund the KKR IV investment. Cash reserves and distributions received were used to pay the call notices received by the Fund.

The cash flows to/from the underlying investments were as follows:

Investment	Amount	Due Date	Comments
BGTF	($0.7m)	09 April 2024	Capital call - Investments and management fee and expenses
MGREF 2	€17k	10 April 2024	Distribution - Fee rebate
EDIF III	€34k	15 April 2024	Distribution - Fee rebate
EDIF III	€0.7m	21 June 2024	Distribution - Income
AEIF 2	(€0.5m)	24 June 2024	Capital call – Repayment of senior bridge facility
CE VIII	£0.13m	25 June 2024	Distribution - Income
KKR IV	($20.9m)	27 June 2024	Capital call - investment
MINA II	$0.5m	28 June 2024	Distribution – Return of capital and interest income

Investment Activity

During the quarter, there were no new investments made by the Fund, however, the Fund did call capital to fund a new secondary transaction that closed just after quarter end, detailed further below.

As referenced in the Executive Summary, StepStone are seeking to invest the uncommitted capital following the close in Q1 2024 in line with the return objectives and investment restrictions of the Fund, with a particular focus on yield and deployment. LCIV remains actively engaged with them on a pipeline of suitable opportunities across primary funds, secondaries, and co-investments, there are currently three live opportunities covered below.

Over the quarter, StepStone progressed investment due diligence on a unique secondary fund opportunity that would enable c. £15m of instant deployment and a further c. 15m as the fund progresses through its investment period. StepStone received their IC approval on a low double-digits discount and closed on the secondary transaction just after quarter end. The underlying fund is managed by KKR and is the fourth flagship fund targeting global infrastructure opportunities in OECD countries with a focus on Europe and North America. KKR IV is well progressed after raising $17bn, closing on 14 underlying investments across transport, communications, and renewable subsectors.

Alongside the secondary opportunity, StepStone progressed investment due diligence on a c. £30m primary fund opportunity that also received their IC approval and again closed on the investment just after quarter end. The fund is focused on ready-to-build solar PV assets within the UK - more details will follow in the Q3 2024 commentary.

StepStone have also sourced a new GP-led secondary opportunity and progressed investment due diligence over the quarter. The opportunity is a high-quality infrastructure manager seeking liquidity and further funding for one asset within their flagship fund series, as they seek to execute on a delayed business plan. It is well subscribed from existing investors and StepStone are currently negotiating an allocation, which would fit well in the Fund. Given this is one asset, StepStone will size the allocation accordingly at c. £10m which would be deployed instantly. Subsequent to quarter end, StepStone secured an allocation for the Fund and closed on the investment – more details will follow in the Q3 2024 commentary.

Performance

	Current Quarter %	One Year %	Three Years p.a. %	5 Years Years p.a. %	ITD p.a. %
Net Return - IRR	**3.7%**	**13.1%**	**10.5%**	**N/A**	**9.2%**
Investment Objective	1.9%	8.0%	8.0%	8.0%	8.0%
Yield	**0.5%**	**2.8%**	**N/A**	**N/A**	**N/A**
Investment Objective	1.0%	4.0%	4.0%	4.0%	4.0%

Source: London CIV as at 30 June 2024

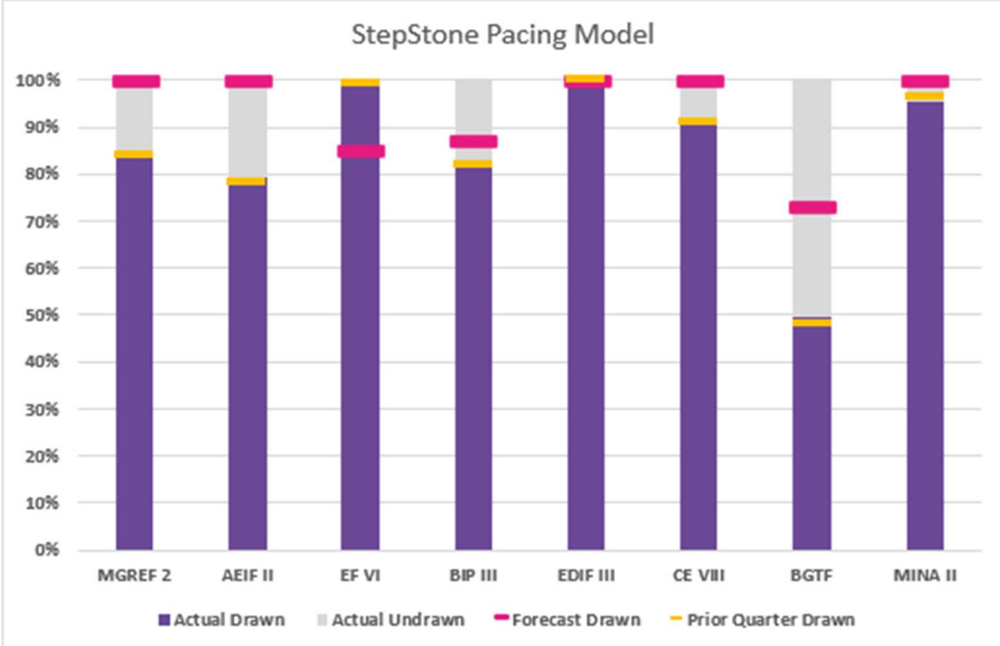
The Fund's net IRR since inception is 9%, tracking in line with the Fund's investment objective of 8% - 10%. It is still relatively early in the life of the Fund and as the remainder of the development/construction assets move to operations and are marked up from cost, performance is expected to move towards the higher end of the investment objective.

AEIF 2 is an early strong performer, recording an underlying gross IRR of 28.5% to date as it benefits from two early exits at extremely attractive valuations. CEI VIII and Equitix VI are initial underperformers, however mainly due to the underlying assets still moving through development/construction. StepStone are happy with how the underlying portfolio is progressing and have no concerns around performance.

The Fund began distributing income at the end of the ramp-up period in Q4 2023, where the majority of the portfolio was now operational. Since, the Fund has distributed £8.8m and the yield is tracking in line with the 1-year investment objective of 4% - 6%. The yield is expected to be towards the lower end of the objective as it is the first-year post ramp-up period, noting that the secondary transaction into Meridiam Infrastructure North America II ("MINA II") has significantly benefited the income generation of the portfolio.

Fund Monitoring

As the Fund is no longer fully committed and out of its ramp-up period, dialogue between London CIV and StepStone is focused on pipeline (as covered in the Investment Activity section above) and performance / ongoing portfolio management.

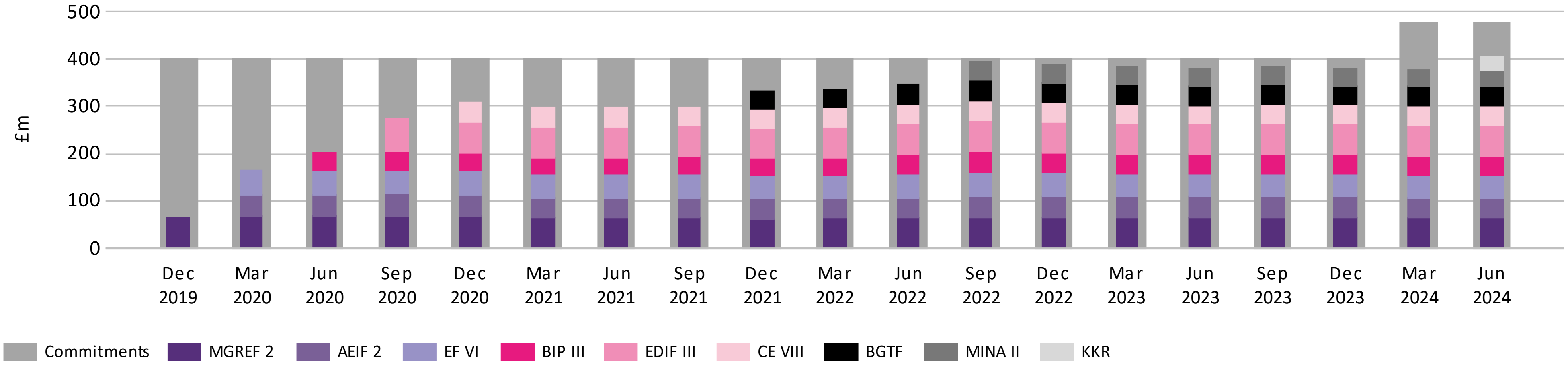


Approximately 80% of the Fund is committed to primaries and secondaries as of Q2 2024, with the remainder unallocated at the end of the quarter. Post quarter-end, an additional 13% of the Fund was committed to primaries and secondaries (across the opportunities referenced in the Investment Activity section above) with the remaining uncommitted reserves to be invested in a manner such that all compliance restrictions are met with reasonable headroom.

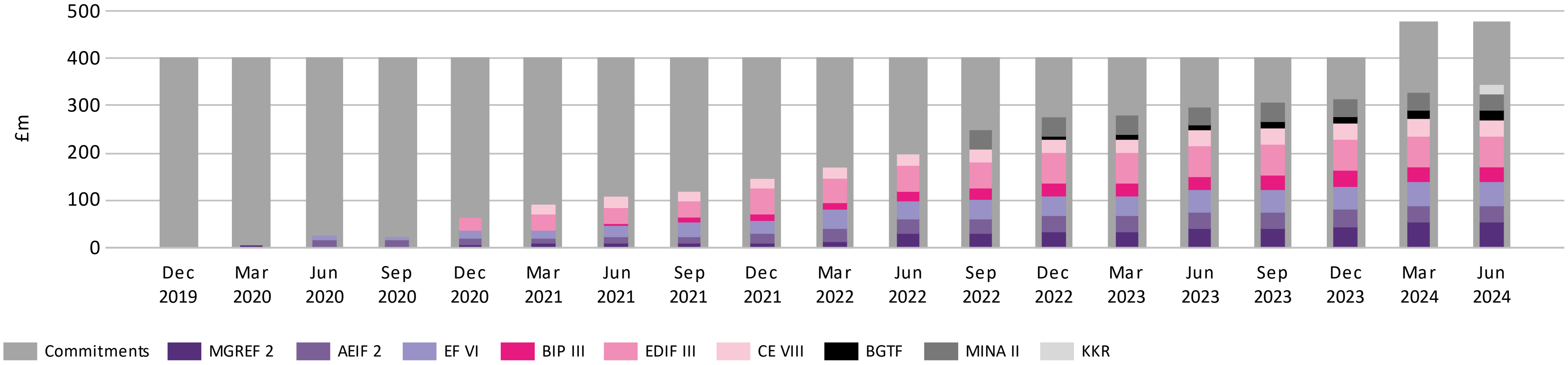
During Q2 2024, capital calls from all primary funds totalled £1.0 million, primarily in relation to Arcus and Brookfield, with the drawdown rate tracking slightly ahead of StepStone's pacing model. BGTF is the notable lagging investment, as the final investment collapsed after it did not receive regulatory approvals.

StepStone are happy with the development of the portfolio at this stage in the Fund's life, reflected in the performance figures to date.

Commitment Review



Funding Review



Source: London CIV as at 30 June 2024.

Quarterly Investment Reconciliation

				Movements in the quarter				Realisations		Performance Metrics		
	Current Cost	30 Jun 24 Fair Value	31 Mar 24 Fair Value	Capital Calls	Capital Returns	FX Gain/Loss	Unrealised Gain/Loss	Realised Gains	Income Distributions	Target Net IRR	Target Yield	Current Net IRR
	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	%	%	%
Primary												
MGREF 2	54,453	60,782	58,755	-	-	(521)	2,548	-	-	8.5	10.0	7.5
AEIF 2	34,104	52,833	44,755	416	-	(396)	8,058	-	-	13.0	5.0	27.7
EF VI	49,641	51,597	51,974	-	-	-	(377)	-	-	8.5	6.0	3.8
BIP III	32,096	38,369	37,820	-	-	(66)	614	-	-	11.5	5.0	8.7
EDIF III	66,129	81,321	81,334	-	-	(721)	707	-	606	8.5	5.0	10.7
CI VIII	36,468	38,418	36,508	-	-	-	1,909	-	123	11.0	3.0	6.0
RGTF	20,369	21,503	20,437	604	(59)	(34)	555	-	-	10.0	4.0	5.4
Secondary												
MINA II	35,584	35,181	34,499	-	(348)	(60)	1,090	-	69	10.1	8.2	0.6
KKR	16,563	16,560	-	16,563	-	(3)	-	-	-	14.0	-	-
Investment Total	**345,408**	**396,564**	**366,083**	**17,583**	**(407)**	**(1,801)**	**15,106**	**-**	**798**			

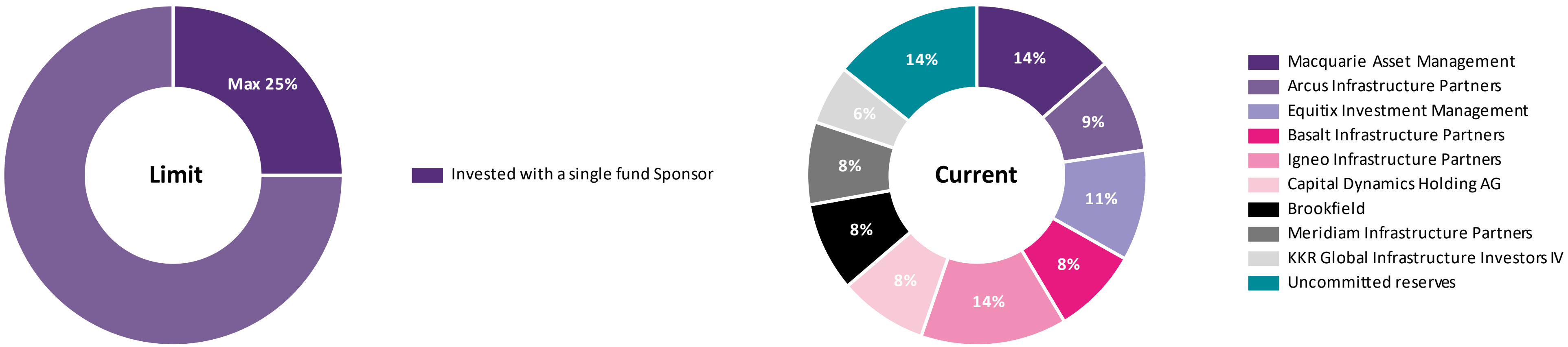
Source: London CIV as at 30 June 2024.

Performance Metric data is provided by Stepstone as at 30 June 2024.
Performance data is net of manager fees but gross of LCIV fees.

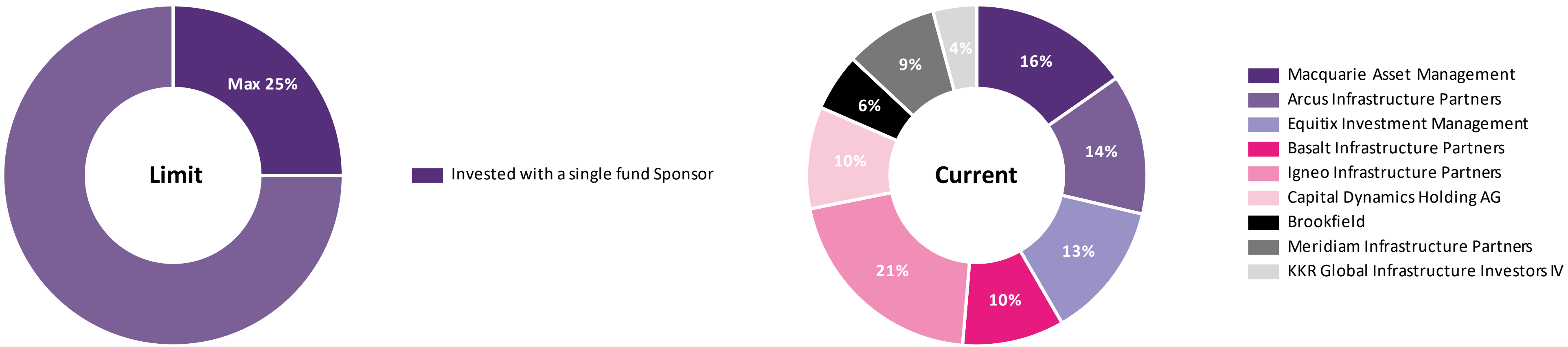
	QTD
	(£ '000)
Opening NAV	371,356
Drawdowns	0
Distributions	(1,436)
Gains/Losses	13,949
Closing NAV	383,869

Mandate Design Review

Fund Allocation of Commitments



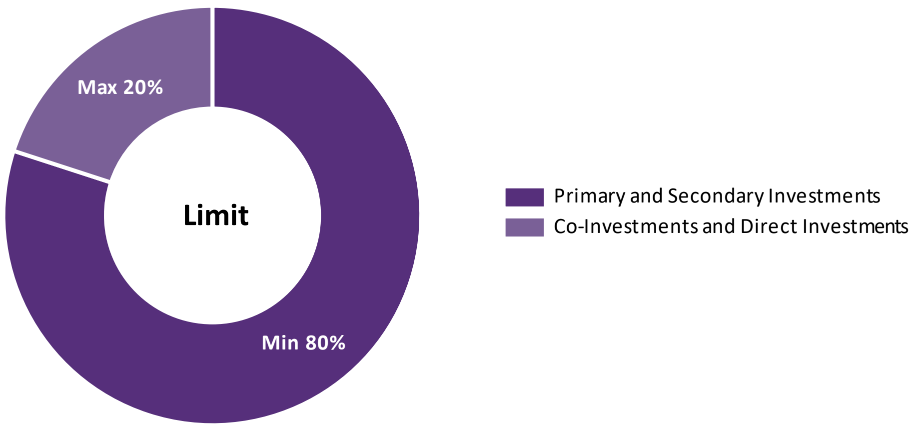
Fund Allocation of NAV

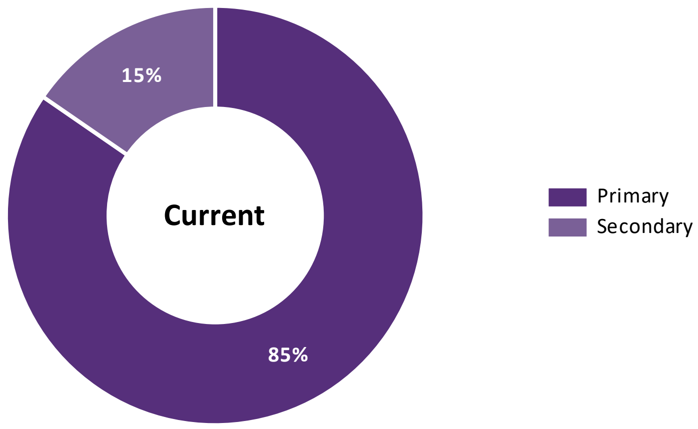


Note where an allocation is below 3% the data label is not shown.
The Manager considers the investment restrictions at the time of each initial investment made after December 2023, being the fourth anniversary of the initial investment.
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV based on Stepstone information as at 30 June 2024.

Mandate Design Review

Eligible Investments Review





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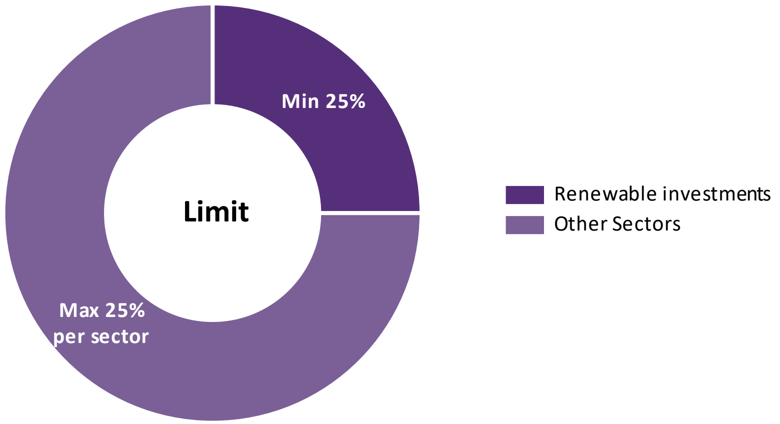
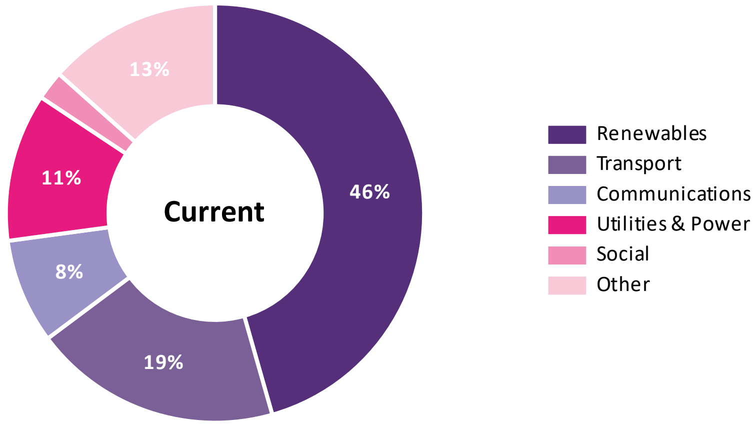
Sector breakdown





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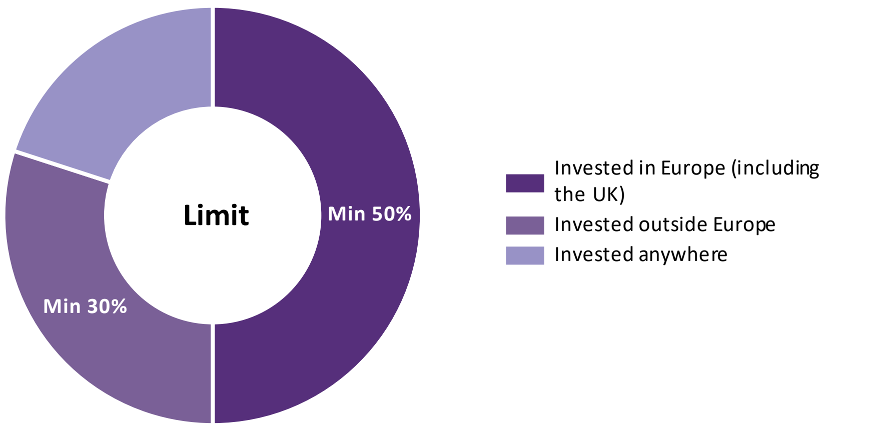
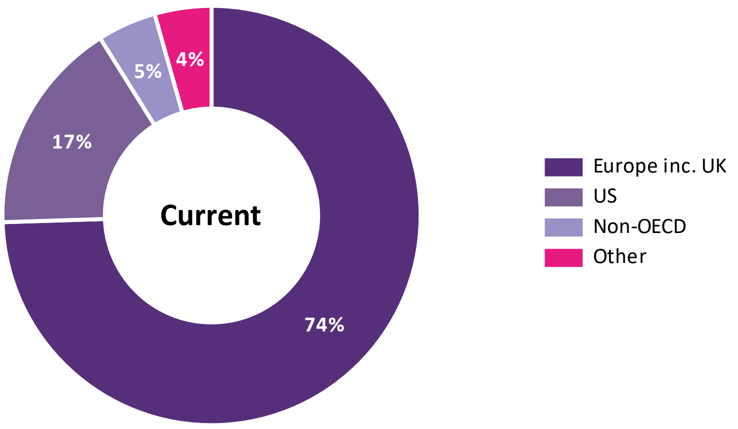
Source: London CIV based on Stepstone information as at 30 June 2024.

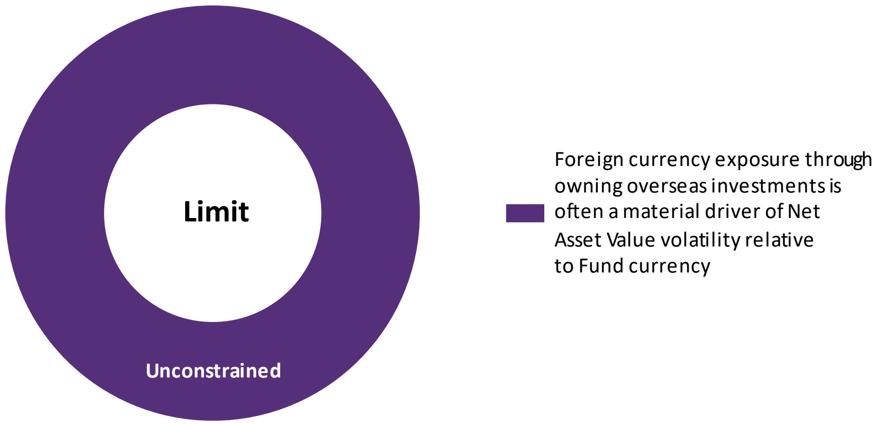
Mandate Design Review

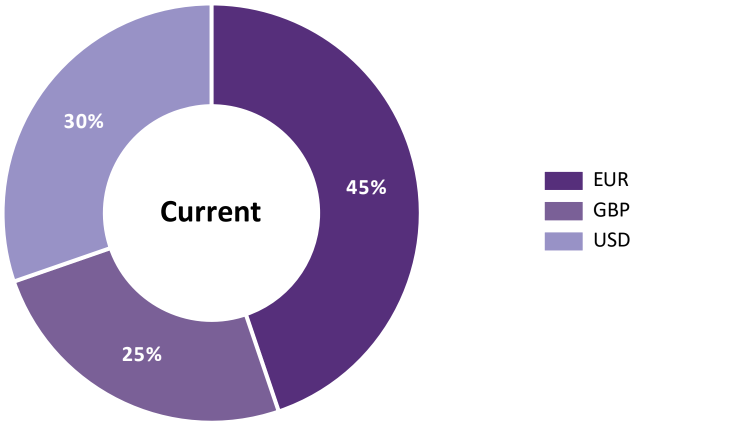
Geography breakdown





Currency of Drawn Capital





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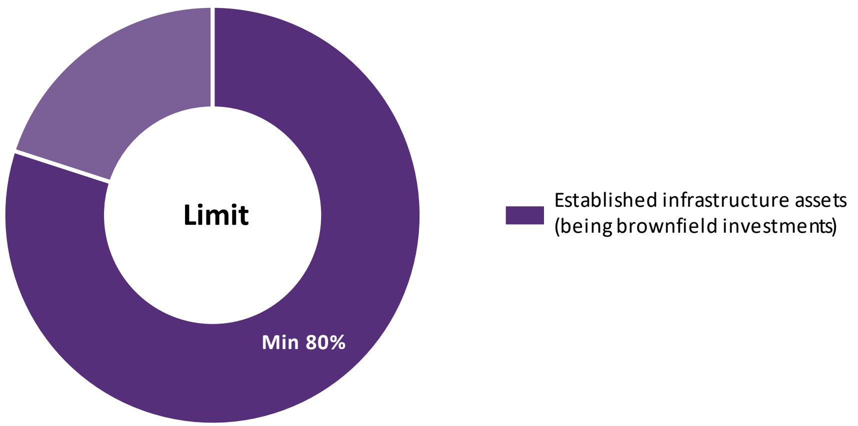
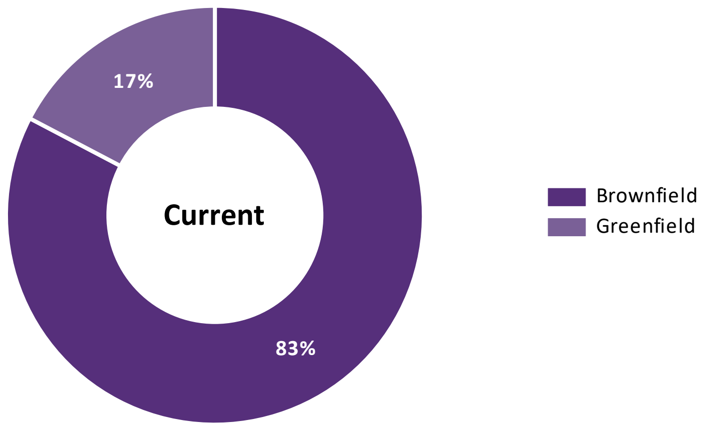
Source: London CIV based on Stepstone information as at 30 June 2024.

Mandate Design Review

Development Stage





Note where an allocation is below 3% the data label is not shown.
The Manager considers the investment restrictions at the time of each initial investment made after December 2023, being the fourth anniversary of the initial investment.
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV based on Stepstone information as at 30 June 2024.

Macquarie Green Renewable Energy Fund 2 (MGREF 2)

Summary

Vintage:	2020	Fund Size:	€1.6 billion
Sponsor:	Macquarie Asset Management	Currency:	EUR
Sector:	Renewables	Geography:	Europe (80%), North America and Australia (20%)
Investment Period End:	December 2023	Term End:	December 2044
IP Extension:	n/a	Term Extension:	2 (GP) + 2 (LP Consent)

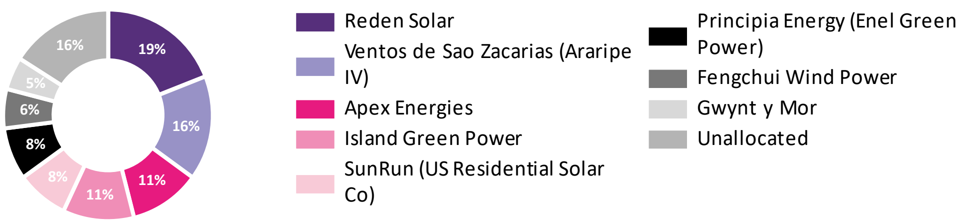
Investment Overview

Macquarie will target control-oriented equity investments with an allocation of 50-75% of commitments to construction and 25-50% to operational projects. MGREF 2 is targeting a net IRR of 8% to 9%, underpinned by an annual 10% to 12% cash yield following the construction period.

Investment Diversification

Sector

Portfolio



Source: MIRA, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, MGREF 2 has invested 84% of commitments across eight investments.
  - One further investment is expected to be made in the second half of 2024.
- On a fund life-to-date basis, MGREF 2 has generated a net IRR of 8.3%.
- Notable portfolio activity during the quarter includes:
  - The first stage in the repair of Gwynt y Môr's failed export cable is expected to be completed in August 2024, which will allow the cable to return to service with a curtailment that will result in an export capacity limit of 87.5%.
  - Apex Energies saw a 59.3% increase in energy production compared to Q2 2023, mainly driven by higher volumes commissioned and in operation, which increased by 72 MW to a total of 177 MW YoY.
  - Reden's sale of up to ~1 GW of French greenfield projects is currently in advanced stages of negotiation with a preferred bidder and targeting a close by the end of 2024.
  - Island Green Power is in the process of preparing several assets for sale, with a combined capacity of ~550 MWp solar and ~300 MWp battery, which are expected to begin later in 2024. In the UK, Project Cottam, with net capacity of ~780 MWp solar and 240 MWp battery, has progressed to the final stage of the planning process and development consent is expected in Q3 2024.
  - Ventos de Sao Zacarias has completed the construction of 59 turbines and, of those, 41 have been commissioned. The project remains on track to reach its Commercial Operations Date on schedule.
- Overall, the net asset value of the fund increased by 2.6% in Q2 2024 to €1,563.1m.

ESG Activity

- During Q2 Macquarie assisted Apex Energies in reviewing and refining its Net Zero 2040 targets and action plans. The company's final Map to Net Zero 2024 targets a ~50 per cent emissions cut by 2030, with the remaining emissions cut in the following decade.
- Macquarie also worked with Reden's management team to finalise its 2040 Net Zero business plan. The business plan has been under development since 2023 and includes an interim target of a 42 per cent reduction in scope 1 and 2 emissions by 2030.

Arcus European Infrastructure Fund 2 (AEIF 2)

Summary

Vintage:	2018	Fund Size:	€1.2 billion
Sponsor:	Arcus Infrastructure Partners	Currency:	EUR
Sector:	Diversified	Geography:	Europe
Investment Period End:	April 2023	Term End:	April 2030
IP Extension:	n/a	Term Extension:	1 + 1 (Board Approved) + 1 (LP Consent)

Investment Overview

AEIF 2 seeks to build a portfolio of 8 to 10 investments, making equity investments of EUR100-250 million, and will target a net IRR of 12% to 14% on a whole fund basis and a net yield of 5% p.a. after the investment period.

Investment Diversification

Sector

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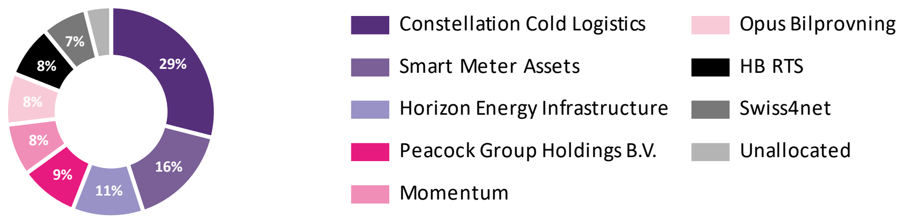
Portfolio



Source: Arcus, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, AEIF 2 had invested c. 94% across nine assets.
- Since inception, AEIF 2 has generated a net IRR of 25.1% driven by two attractive realisations.
- The portfolio showed steady performance over the quarter:
  - Constellation Cold Logistics: During the quarter, AEIF 2 entered definitive transaction documentation for the sale of Constellation to EQT Infrastructure VI, the expected proceeds to the fund are expected to result in a gross TVM/IRR for Constellation of 2.7x/33%.
  - Horizon Energy Infrastructure: Horizon added 48k meters to its portfolio during the quarter, in line with budget. Revenue was ~10% above budget, and EBITDA was ~12% above budget for one-off terminations. During the quarter, Horizon was selected by Octopus Energy to deliver an initial 100k meters into the German market.
  - Smart Meter Assets: During the quarter, both revenues and EBITDA outperformed budget by 2% and 1%, respectively. SMA has signed an agreement with Utilita to deliver 478k SMETS2 meters over three years. The buyout of GLIL's preferred equity stake in SMA was completed in July 2024 providing Arcus with 100% ownership.
  - Momentum Clean Energy Solutions: During the quarter, energy generation was ~12.6% below budget, primarily the result of lower wind yields across the Danish portfolio. Revenue was below budget by 7%. while EBITDA was 31% behind.
- Overall, the net asset value of the fund rose from €1,279m to €1,524m over the quarter.

ESG Activity

- Opus B has been chosen as one of the pilot companies for the net zero project led by Arcus, aiming to create a decarbonisation roadmap and systematic transition plan to achieve net zero by 2050.
  Smart meter asset provider Horizon have now completed a full EU taxonomy alignment assessment. The company is fully aligned with the economic activity "Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings".

Equitix Fund VI (EF VI)

Summary

Vintage:	2020	Fund Size:	£1.5 billion
Sponsor:	Equitix Investment Management	Currency:	GBP
Sector:	Diversified	Geography:	UK, North and South America, Australia
Investment Period End:	March 2025	Term End:	March 2045
IP Extension:	n/a	Term Extension:	2 (LP Consent) + 2 (Manager)

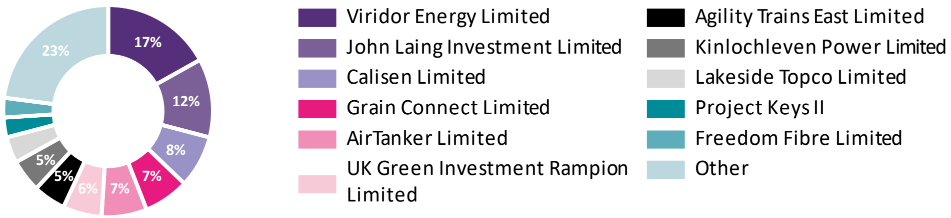
Investment Overview

EF VI will invest predominantly in the social/PPP, utilities, renewables, transportation, and telecom sectors. EF VI is seeking to build a diversified portfolio of 40-50 assets that require average ticket sizes of c.£15-25 million to generate a gross/net IRR of 10.5%/8.5% and cash yield of 6% p.a.

Investment Diversification

Sector

Portfolio



Source: Equitix, Stepstone as at 30 June 2024

Key Developments

- Equitix VI's Q2 2024 commentary has not been received and hence the commentary on this page is as of Q1 2024 – an update will be provided in the next quarterly commentary.
- Equitix VI is c. 99% invested as of March 31, 2024, and is currently four years into its five-year investment period which runs to March 2025. The Fund has 51 assets across Australia, Colombia, the UK, and the US.
- At the end of Q1 2024, the fund's gross IRR was 9.7%.
- Notable updates over Q1 2024 include:
  - Clinitek: is a clinical waste facility, located in Tunstall, Stoke-on-Trent, whose construction was completed in 2022. Following evaluation of change of use scenarios against a divestment of the project, management concluded that a divestment was preferable. The asset was sold on February 5, 2024 for £17.9 million, equal to the Q4 2023 valuation.
  - Equitix Proton Cancer Centre: is a cancer centre constructed in 2017, located in South Wales. This was leased to Rutherford Estates until May 2046. The project is making progress on recovery options after the liquidation of Rutherford Health and a new operator has been identified and commercial negotiations are progressing.
  - Beatrice Offshore Windfarm: is a 588MW offshore wind farm offshore of Scotland. Production and availability were below budget for 2023, somewhat anticipated due to planned downtime. Availability underperformance was driven by grid downtime in H2 2023 due to the connection of a neighbouring windfarm and various repair works. Due to a government-mandated repayment of previously received balancing revenues, distributions are not expected during 2024.
  - Alder Hey Hospital: is a 30 year operating availability based PPP hospital concession in Liverpool, UK. During the quarter, the project demonstrated improved performance, with financial performance penalties being passed to the facilities management contractor however, a commercial settlement is expected to be required given the construction and operational interface between the systems.

ESG Activity

- In Q4 Hornsea One supported a heavy lift cargo drone trial which sought to eliminate the health and safety risks faced by technicians related to dropped objects and strain injuries. Drone use allows turbines to stay offline for shorter periods during transfers, allowing more renewable production and fewer boat journeys reducing GHG emissions.
- Lakeside TopCo is developing a social value strategy across three key themes: Delivering Quality Employment and Inspiring Young People, Promoting Wellbeing in the Workplace, and Community and Supporting Environmental Sustainability. The strategy is being formulated based on a Local Needs Assessment so that initiatives target outcomes which are most beneficial to the community

Basalt Infrastructure Partners III (BIP III)

Summary

Vintage:	2020	Fund Size:	$2.8 billion
Sponsor:	Basalt Infrastructure Partners	Currency:	USD
Sector:	Diversified	Geography:	North America, Europe
Investment Period End:	February 2025	Term End:	February 2030
IP Extension:	n/a	Term Extension:	2

Investment Overview

BIP III aims to deliver attractive inflation-linked and cash-yielding returns across a portfolio of 10-12 assets, deploying US$125-250 million per investment. BIP III will target a 14%-15% gross IRR (11-12% net), underpinned by a gross yield of 5%-6%.

Investment Diversification

Sector

Portfolio

Source: Basalt, Stepstone as at 30 June 2024

Key Developments

- As of Q2 2024, the fund has committed 93% across eight investments, tracking at a gross IRR / TVM of 12% / 1.3x. During the quarter, BIP III invested follow-on capital into Freyja LNG, Goetel and Iris, taking drawn capital to 82% of the fund size.
- Since inception net IRR and TVPI stand at 8% and 1.2x respectively, in line with the target.
- The four largest investments are discussed below:
  - Skyway Towers: Skyway is a portfolio of 442 macro cell towers in the US. The company leases space on its towers under long-term contracts to major wireless carriers. Q2 2024 EBITDA was ~14% below budget due to lower tower cashflows and co-location revenue. Post quarter-end, Skyway agreed to an amendment to the T-Mobile Build to Suit agreement, providing a price reduction following a recent unsuccessful RfP.
  - Freyja: Freyja is engaged in the construction of a state-of-the-art LNG gas carrier (with an additional six operational). Q2 2024 EBITDA outperformed budget by ~3% due to 100% availability rates and lower opex. During the quarter, a sixth vessel became operational, in-line with its construction schedule.
  - Goetel: Goetel is a rural German fiber platform. As of Q2 2024, the platform reached ~83,000 homes passed. The fiber roll-out has been slower than expected YTD 2024 due to Goetel replacing underperforming construction partners.
  - Unilode: Unilode is an aviation leasing business, owning and managing a fleet of ~145,000-unit load devices as of Q2 2024. As of Q2 2024, EBITDA is ~16% behind budget, driven by delays in maintenance repair and overhaul ("MRO") contract wins. The division is undergoing a strategic review to improve efficiencies and synergies.
- Overall, the net asset value of the fund grew from $2,660m in Q1 2024 to $2,704m in Q2 2024.

ESG Activity

- Basalt published its annual ESG report during Q2 which revealed that total emissions across all funds decreased by 14.5% from 2022 to 2023, from 129,165 tCO_2e to 110,456 tCO_2e.
- In addition, Basalt engaged with an independent adviser to understand the process of setting a net zero target under the Net Zero Investment Framework (NZIF) guidance.

European Diversified Infrastructure Fund III (EDIF III)

Summary

Vintage:	2020	Fund Size:	€4.2 billion
Sponsor:	Igneo Infrastructure Partners	Currency:	EUR
Sector:	Diversified	Geography:	Europe
Investment Period End:	November 2023	Term End:	November 2030
IP Extension:	n/a	Term Extension:	5 (LP Consent each time) + 2 (Manager)

Investment Overview

EDIF III will seek to make 10 to 15 investments of EUR300-400 million in gas, water and electricity networks, ports, rail and toll roads, and telecommunication networks. EDIF III is targeting a gross IRR of 10% and a cash yield of 5%.

Investment Diversification

Sector

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Portfolio

Source: Igneo Infrastructure Partners, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, EDIF III has invested €2,690m (65% of total fund commitments) across five investments to date tracking at a 11.5% gross IRR since inception:
  - DAH: Operational performance YTD through April 2024 was below target, with biomethane utilisation rate at 98.5% (v. 99.0% target) and electricity utilisation at 80.2% (v. 87.4% target), due to technical issues at four electricity-producing sites and biological issues at the Schöllnitz plant, which are now resolved.
  - enfinium: Partnered with Hitachi Zosen Inova to install the UK's first Energy-from-Waste carbon capture pilot project at the Ferrybridge 1 facility. The trial will run for at least 12 months and will be operational from July 2024, capturing up to one tonne of CO2 a day.
  - Evos: Value creation plan is on schedule and YTD through May 2024 the EBITDA gain is in line with expectations. Overall, 55% of the total targeted run-rate incremental EBITDA increases have been secured thanks to commercial improvements, organisational changes and terminal clustering which seeks to better integrate overlapping functions between closely located terminals.
  - Finerge: On June 6, 2024, Finerge closed the acquisition of the minority stakes in existing assets owned by Local Pensions Partnership Investments ("LPPI") in eight operational wind farms in Portugal. The projects are regulated under the Feed-inTariff ("FiT") regime and the acquired capacity amounts to 164 MW of a total capacity of 548 MW.
  - Westconnect: Entered into a wholesale agreement with the local utility provider in Bielefeld to roll-out and market fibre to over 100,000 households
- Igneo expects to launch a final Series 4 of fundraising, aiming to reach the hard cap of EUR 5 bn.
- Overall, the net asset value of the fund increased from €3,316.5m in Q1 2024 to €3,346m in Q2 2024.

ESG Activity

- In May 2024, enfinium launched its Net Zero Transition Plan. The Company will target "Net Zero" by 2033 for Scope 1 and 2 emissions, as it seeks to subsequently become a net carbon removals business.
- At the Evos leadership conference, ambitious sustainability goals were presented to employees with specific targets for health and safety, carbon dioxide emission reduction and the use and generation of renewable energy for each of 2025, 2030, and 2045 in line with the United Nations Sustainable Development Goals.

Capital Dynamics Clean Energy and Infrastructure VIII (CE VIII)

Summary

Vintage:	2019	Fund Size:	£0.3 billion
Sponsor:	Capital Dynamics Holding AG	Currency:	GBP
Sector:	Renewables	Geography:	Europe
Investment Period End:	December 2024	Term End:	December 2034
IP Extension:	1 (Manager) + 1 (Board)	Term Extension:	1 (Manager) + 1 + 1 (both LP Consent)

Investment Overview

CE VIII will focus on renewable energy infrastructure opportunities, primarily consisting of greenfield solar and onshore wind energy assets. CE VIII intends to generate a gross IRR of 12-15%, underpinned by a mid-single digit cash yield for operational assets.

Investment Diversification

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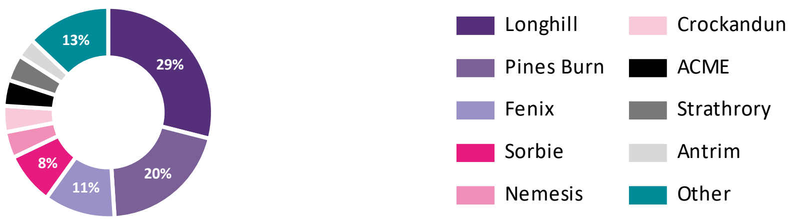
Sector

Portfolio



Source: Capital Dynamics, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, 91% of the £300m total committed capital has been invested.
  - The fund's net IRR increased to 6.1% as the fund continues to ramp-up.
- Distributions of £1.1m were made in the quarter from operational assets.
- Notable activity during the quarter includes:
  - Operational solar PV assets benefited from good irradiance across Europe in Q2 2024 even though the revenues were negatively affected by lower than budgeted merchant power prices. Grid constraints in Northern Ireland have remained at record high levels in Q2 negatively affecting the revenues generated by the Keane portfolio assets.
  - Longhill project is now operational and is exporting energy under the PPA. Therefore, the valuation of Longhill in Q2 has been updated to reflect the fair market value on the basis of discounted cash flows instead of valuing at cost. Since the full takeover under the TSA is still pending, additional risk premium has been applied to the discount rate used in Q2 which is expected to be removed once the full takeover occurs.
  - The construction of Strathrory wind farm has commenced in May 2024 and is progressing well.
  - Due to the summer holiday season in Italy, ECG plant in Italy is still waiting to be energised with the other two plants still waiting for the final approval of the executive designs.
  - The fund continued working on the sale of Castlegore wind project with the transaction expected to close by the end of 2024.
- Overall, the net asset value rose from £273.9m to £288.3m over the quarter.

ESG Activity

- Capital Dynamics estimates that the environmental benefits generated by the Fund's assets in Q2 2024 are equivalent to:
  - Avoided CO2 emissions from electricity otherwise used to power 9,114 homes for one year – avoiding approximately 17,417 metric tons of greenhouse gas emissions per year.
  - Avoided greenhouse gas emissions from 8,079 passenger vehicles.
  - Avoided CO2 emissions from 2,207,401 gallons of gasoline otherwise consumed.
  - Avoided CO2 emissions from 52,557 barrels of oil otherwise consumed.

Brookfield Global Transition Fund (BGTF)

Summary

Vintage:	2021	Fund Size:	$13 billion
Sponsor:	Brookfield	Currency:	USD
Sector:	Renewables	Geography:	Global
Investment Period End:	June 2027	Term End:	June 2035
IP Extension:	n/a	Term Extension:	1 + 1

Investment Overview

BGTF is an energy-transition fund, with a dual mandate to maximize investor returns and reduce greenhouse gas emissions. BGTF will invest globally, where Brookfield has a presence, namely North America, Europe, South America, and Asia Pacific. BGTF will target a gross IRR of 13%+ and a net IRR of 10%+.

Investment Diversification

Sector

Portfolio

Source: Brookfield, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, BGTF has committed 77% of total fund commitments and invested 25% across nine platforms.
- The fund's investments had a fair value of $7.9 billion with a gross IRR of 17%.
- Key portfolio developments in Q2 2024 are discussed below:
  - Avaada: Commissioned two projects (200 MW) during the quarter and won bids related to c. 5.9 GW of wind and solar opportunities, increasing its development pipeline.
  - Carbon TerraVault JV: Completed the second of three instalment payments of US$ 46 million, following receipt of a draft permit for a reservoir project in California.
  - Entropy: FID was reached on Glacier Phase 2, a ~160k ton per annum project, backed by a 15-year fixed-price offtake from the Canada Growth Fund.
  - InterEnergy: Brookfield invested the remaining commitment of US$173 million.
  - Scout Clean Energy: Received equipment and secured debt for a 209 MW solar project expected to COD in 2024; acquired a 104 MW wind project in California; and executed a 12-year PPA contract for the remaining capacity of a 180 MW operating asset.
  - Standard Solar: Commissioned four projects in the quarter, totalling 14 MW, is expecting an additional ~172 MW to COD by the end of the year, and closed five agreements to acquire 26MW of development projects.
  - Leap Green Energy: In July 2024, Brookfield acquired 74% of the Indian wind-focused renewable platform for US$89 million. Brookfield has the opportunity to invest an additional $121 million over the next four years to acquire a total interest of 98%.
- Overall, the net asset value increased from $6,808m to $7,235m over the quarter.

ESG Activity

- BGTF are on track to deliver over 10,000 megawatts of renewable energy capacity by the end of 2026, resulting in 13.3 million tonnes of CO_2 emissions avoided annually, or enough to power over 1.6 million homes in the U.S. annually

Meridiam Infrastructure North America II (MINA II)

Summary

Vintage:	2010	Fund Size:	$873 million
Sponsor:	Meridiam Infrastructure Partners	Currency:	USD
Sector:	Transportation	Geography:	North America
Investment Period End:	n/a	Term End:	December 2035
IP Extension:	n/a	Term Extension:	1 (GP) + 1 (LP Consent)

Investment Overview

MINA II, which was acquired via a secondary tender, targets greenfield investments in North America and is now invested in 13 projects in the transport and social infrastructure sectors. The investment is expected to return a net IRR and yield of 9.7% and 8% p.a. respectively.

Investment Diversification

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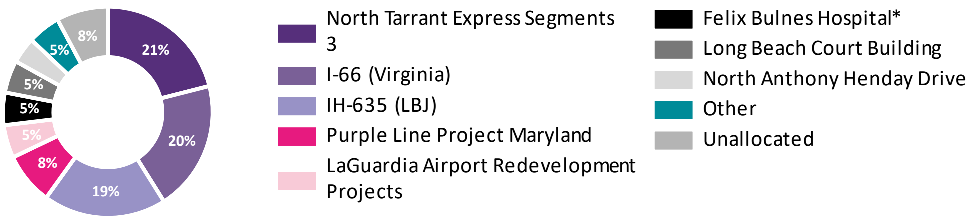
Sector

Portfolio



Source, Meridiam, Stepstone as at 30 June 2024

Key Developments

- As of 30 June 2024, MINA II has invested $794m across 13 investments. The five largest investments commentaries are as below:
  - North Tarrant Express Segment 3: Q2 2024 revenue was US$80.7 million, above forecast and mainly driven by the ramp-up in performance of Segment C.
  - IH-635: Higher than forecasted capture rates have positively impacted performance, with toll revenue reaching US457.5 million, representing 14% Y/Y growth. In H1 2024, MINA II investors received a US$6 million distribution, exceeding the forecast.
  - I-66: Q2 2024 average daily traffic was 20% above Q2 2023, and revenue was US$60.5 million, or 55% above the same period last year. The project company paid down TIFIA debt service ahead of schedule, enabling distributions to be paid in Q4 2024 versus 2027 as forecast in the original bid case.
  - Purple Line: The project has made significant progress on the Operations & Maintenance facility and the light rail tunnel, alongside the production of 28 light rail vehicles.
  - Felix Bulnes: In April 2024, the project company executed an amendment with the grantor to increase the availability payment until the end of the contract due to higher number of beds and occupancy than concession agreement requirements. In May 2024 a claim to recover compensation for previous hospital overutilization was submitted.
- Overall, the net asset value increased from $2,356.6m to $2,424.6m over the quarter driven by shifts in the discount rate and asset-level updates.

ESG Activity

- SDG 3 (Good Health and Wellbeing) – Both CRCHUM and Felix Bulnes Hospital have a high collaborative engagement with domestic and international health bodies for early warning, risk reduction and management of health risks.
- SDG 7 (Affordable and Clean Energy) - 77% of assets in portfolio have obtained a sustainability-related certification, including the LEED Gold certification, and EMS certified ISO 14001.

- SDG 8 (Decent Work and Economic Growth) – 92% of assets have a strong level of contractually binding obligations to ensure suppliers' and subcontractors' ESG compliance.
- SDG 11 (Sustainable Cities and Communities) – 57% of road assets have a pricing policy or lane availability policy that contributes to the promotion of cleaner/lighter vehicles or more efficient mobility.

KKR Global Infrastructure Investors IV (KKR)

Summary

Vintage:	2021	Fund Size:	$17 billion
Sponsor:	KKR	Currency:	USD
Sector:	Diversified	Geography:	Global
Investment Period End:	June 2024	Term End:	January 2033
IP Extension:	n/a	Term Extension:	1+1+1 (GP+LP Consent)

Investment Overview

KKR IV is a 2021 vintage fund established to invest in global infrastructure opportunities, predominantly across transport, communications and renewables, in OECD countries with a focus on Europe and North America, targeting a net IRR of 14% and a low single-digits cash yield.

Key Developments

- The Fund formally closed on this investment subsequent to quarter end and hence reporting will commence from next quarter.

Underlying Portfolio Summary

The following table provides a summary of the underlying assets as shown in the portfolio diversification pie charts on previous pages.

Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
MGREF 2	Reden Solar	Solar	France	Operational	13,816
MGREF 2	Ventos de Sao Zacarias (Araripe IV)	Wind	Brazil	Development	11,285
MGREF 2	Apex Energies	Solar	France	Operational	8,007
MGREF 2	Island Green Power	Solar	United Kingdom	Construction	7,820
MGREF 2	SunRun (US Residential Solar Co)	Solar	United States	Operational	6,109
MGREF 2	Principia Energy (Enel Green Power)	Diversified Renewables	Greece	Operational	5,814
MGREF 2	Fengchui Wind Power	Wind	Taiwan	Operational	4,394
MGREF 2	Gwynt y Mor	Wind	United Kingdom	Operational	3,492
AEIF 2	Constellation Cold Logistics	Logistics and Storage	Luxembourg	Operational	19,045
AEIF 2	Smart Meter Assets	Energy Infrastructure	United Kingdom	Operational	9,853
AEIF 2	Horizon Energy Infrastructure	Energy Infrastructure	United Kingdom	Operational	7,009
AEIF 2	Peacock Group Holdings B.V.	Rail Leasing	Netherlands	Operational	5,636
AEIF 2	Momentum	Wind	Denmark	Operational	5,147
AEIF 2	Opus Bilprovning	Logistics and Storage	Sweden	Operational	5,136

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Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
AEIF 2	HB RTS	Logistics and Storage	Netherlands	Operational	4,833
AEIF 2	Swiss4net	Fiber	Switzerland	Operational	4,168
AEIF 2	eFiber	Fiber	Netherlands	Development	0
EF VI	Viridor Energy Limited	Environmental Services	UK	Operational	9,431
EF VI	John Laing Investment Limited	Portfolio	UK, Americas, Australia	Portfolio	6,675
EF VI	Calisen Limited	Network Utilities	UK	Operational	4,315
EF VI	Grain Connect Limited	Network Utilities	UK	Operational	3,755
EF VI	AirTanker Limited	Social Infrastructure	UK	Operational	3,658
EF VI	UK Green Investment Rampion Limited	Renewable Power	UK	Operational	3,353
EF VI	Agility Trains East Limited	Transportation	UK	Operational	2,906
EF VI	Kinlochleven Power Limited	Renewable Power	UK	Operational	2,863
EF VI	Lakeside Topco Limited	Environmental Services	UK	Operational	1,932
EF VI	Project Keys II	Transportation	UK	Operational	1,741
EF VI	Freedom Fibre Limited	Network Utilities	UK	Operational	1,740
EF VI	Triton Knoll OFTO Limited	Renewable Power	UK	Operational	1,288
EF VI	Beatrice Offshore Windfarm Limited	Renewable Power	UK	Operational	1,247

LCIV Infrastructure Fund

Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
EF VI	Hornsea 1 Holdings Limited	Renewable Power	UK	Operational	1,245
EF VI	Gigaclear Limited	Network Utilities	UK	Operational	876
EF VI	Bio Capital 2 Limited	Environmental Services	UK	Operational	860
EF VI	Crail Meters Limited	Network Utilities	UK	Operational	827
EF VI	Equitix Proton Cancer Centre LLP	Social Infrastructure	UK	Operational	802
EF VI	Capital Hospitals Limited	Social Infrastructure	UK	Operational	728
EF VI	Equitix Nexus 2021 LLP	Social Infrastructure	UK	Operational	725
EF VI	Clinitek (Stoke) LLP	Environmental Services	UK	Operational	632
EF VI	Equitix Cheetah 2021 LLP	Social Infrastructure	UK	Operational	546
EF VI	Diagnostic Centre (Taunton) LLP	Social Infrastructure	UK	Operational	451
EF VI	Project Keys	Transportation	UK	Operational	395
EF VI	Yorkshire Learning Partnership Projectco. Limited	Social Infrastructure	UK	Operational	386
EF VI	Pritchatts Park Village LLP	Social Infrastructure	UK	Construction	351

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Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
EF VI	Equitix Rosebery 2022 LLP	Social Infrastructure	UK	Operational	298
EF VI	North West Priority Schools	Social Infrastructure	UK	Operational	271
EF VI	Equitix Cheylesmore 2021 LLP	Social Infrastructure	UK	Operational	265
EF VI	Westfield Energy Recovery Limited	Environmental Services	UK	Construction	97
BIP III	Skyway	Communications	North America	Operational	6,815
BIP III	Unilode	Transport	Global	Operational	6,672
BIP III	Freyja LNG	Transport	Global	Operational	6,470
BIP III	Nobina	Transport	Europe	Operational	5,450
BIP III	Goetel	Communications	Europe	Construction	4,702
BIP III	Iris Platform	Communications	Europe	Construction	4,472
BIP III	Xpress Natural Gas	Utilities	North America	Operational	3,667
BIP III	Habitat Solar	Power (Renewable)	North America	Operational	2,531
BIP III	FX Hedges & Other (Basalt Infra)	Other	North America	Operational	86
EDIF III	enfinium	Utilities - Energy-from- Waste	UK	Operational	23,901
EDIF III	Finerge	Onshore Wind	Portugal / Spain	Operational	12,066
EDIF III	Westconnect	Fibre Broadband	Germany	Operational	11,770
EDIF III	Evos	Utilities - Bulk Liquid Storage	Netherlands	Operational	7,905

LCIV Infrastructure Fund

Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
EDIF III	DAH Gruppe	Biogas	Germany	Operational	4,369
CE VIII	Longhill	Onshore wind	Scotland	Operational	11,060
CE VIII	Pines Burn	Onshore wind	Scotland	Construction	7,633
CE VIII	Fenix	Solar	Spain	Operational	4,138
CE VIII	Sorbie	Onshore wind	Scotland	Operational	3,054
CE VIII	Nemesis	Solar	Spain	Operational	1,636
CE VIII	Crockandun	Onshore wind	Northern Ireland	Operational	1,604
CE VIII	ACME	Solar	Italy	Construction	1,432
CE VIII	Strathrory	Onshore wind	Scotland	Construction	1,356
CE VIII	Antrim	Onshore wind	Northern Ireland	Operational	1,310
CE VIII	Tyrone	Onshore wind	Northern Ireland	Operational	1,094
CE VIII	Alzo	Solar	Italy	Operational	990
CE VIII	Seegronan	Onshore wind	Northern Ireland	Operational	885
CE VIII	Castlegore	Onshore wind	Northern Ireland	Pre Construction	487
CE VIII	Econtaminazio ni	Solar	Italy	Operational	152
CE VIII	Basic	Solar	Italy	Pre Construction	145
CE VIII	ECG	Solar	Italy	Construction	123
BGTF	Westinghouse	Nuclear	United States	Operational	5,051
BGTF	Scout Clean Energy, LLC	Diversified Renewables	United States	Development	4,191
BGTF	Urban Grid	Solar	United States	Development	3,340
BGTF	Standard Solar, Inc.	Solar	United States	Development	2,291
BGTF	InterEnergy Holdings Ltd.	Diversified Power	Mexico	Operational	1,803

Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
BGTF	Global Renewable Development Portfolio	Diversified Renewables	United States	Development	1,269
BGTF	Avaada Energy Private Limited	Solar	India	Operational	1,052
BGTF	Circular Services	Waste Management	United States	Operational	976
BGTF	Clean Max Enviro Energy Solutions Private Limited	Solar	India	Construction	857
BGTF	Biofuels (CalBio)	Biofuels	United States	Construction	714
BGTF	Toehold and Other Investments	Diversified	United States	Operational	479
BGTF	Powen	Solar	United States	Development	439
BGTF	Carbon TerraVault JV (CRC)	Carbon Capture	United States	Development	406
BGTF	Sunovis	Solar	Germany	Development	369
BGTF	Energea	Solar	Brazil	Construction	253
BGTF	Cambridge Power	Energy Storage	United Kingdom	Development	223
BGTF	Solarity	Solar	Chile	Development	153
BGTF	Entropy	Carbon Capture	Canada	Development	119
MINA II	North Tarrant Express Segments 3	Roads	USA	Operational	17,327
MINA II	I-66 (Virginia)	Roads	USA	Operational	16,179
MINA II	IH-635 (LBJ)	Roads	USA	Operational	15,866

LCIV Infrastructure Fund

Underlying Fund	Asset	Sector	Location	Investment Stage	Fund estimated exposure £'000
MINA II	Purple Line Project Maryland	Rail	USA	Under Construction	6,214
MINA II	LaGuardia Airport Redevelopment	Airports	USA	Operational	4,279
MINA II	Felix Bulnes Hospital*	Healthcare	Chile	Operational	4,113
MINA II	Long Beach Court Building	Other	USA	Operational	3,696
MINA II	North Anthony Henday Drive	Roads	Canada	Operational	2,952
MINA II	Presidio Parkway	Roads	USA	Operational	1,988
MINA II	Central 70	Roads	USA	Operational	1,655
MINA II	CRCHUM	Healthcare	Canada	Operational	743
MINA II	Southwest Calgary Ring Road	Roads	Canada	Operational	572
MINA II	Waterloo LRT	Rail	Canada	Operational	281

Source: London CIV based on underlying reports as at 30 June 2024.

LCIV Private Debt Fund

Quarterly Summary as at 30 June 2024

Total Fund Value:

£506.8m

Inception date:	29/03/2021
Total Fund commitments:	£625.0m
Total contributed since inception:	£420.1m
Total contributed in the quarter:	-
Total distributed since inception:	-
Total distributed in the quarter:	-

Investment Objective

The Fund's objective is to target an internal rate of return (net of any fees) of 6-8% for the life of the Fund.

Key Dates and Timelines:

The Fund has a fixed life, the investment period will end four years after the first close on 29 March 2025 and the trust period will continue for eight years after the final close (plus two successive one year extensions at discretion of the manager).

Note: Total contributed amounts include equalisation payments/receipts.

Hillingdon Valuation:

£56.8m

Hillingdon commitment date:	29/10/2021
Hillingdon commitment:	£70.0m
Total contributed since inception:	£47.1m
Total contributed in the quarter:	-
Total distributed since inception:	-
Total distributed in the quarter:	-

This is equivalent to 11.20% of the Fund

Executive Summary

The LCIV Private Debt Fund (the "Fund") NAV increased to £506.8m in Q2 2024 from £498.0m in Q1 2024. This is due to income distributions of £7.2m. There were capital calls of £11.5m, distributions of £23.5m and an FX loss of (£2.2m) due to Sterling appreciation in Q2. Income distributions into the Fund are used to offset capital calls.

The performance of the Fund is not formally assessed against its objective until after the fourth year of the investment period. However, the inception to date IRR is 8.4% above the target of 6-8% and the Fund valuation is ahead of the total contributed capital since inception of £420.1m, reflecting the initial strong performance from the portfolio.

The fund's investment period runs until March 2025, there is approximately £120 million in uncommitted capital reserves after netting capital calls with distributions during the ramp-up phase. We plan to commit an additional £80 million to the Pemberton Mid-Market Debt Fund IV and £80 million to the Churchill Middle Market Senior Loan Fund V, maintaining a 50:50 regional split between European and US markets.

Current Investments

Investments	Abbreviation	Investment Date	Vintage	Total Commitments (Local)	LCIV Fund Commitments (Local '000)	Unfunded GBP (£ '000)
Primary						
Churchill Middle Market Senior Loan Fund IV	MSF IV	Mar-21	2021	$1,934m	$355,000	63,682
Pemberton Mid-Market Debt Fund III	MDF III	Jun-21	2020	€3,800m	€298,000	49,019
Pemberton Mid-Market Debt Fund IV	MDF IV	Sep-22	2022	€2,006m	€68,172	39,632
Total Committed to Investments						**152,333**
Drawn Capital						420,091
Funds available for investment						52,576
Total Fund Commitments						**625,000**

Source: London CIV as at 30 June 2024.
LCIV Fund GBP Commitment is calculated as GBP cost plus undrawn commitments multiplied by FX rate as at 30 June 2024.

Cashflow Activity

During the quarter ended 30 June 2024, the Fund made no capital calls to investors.

During the quarter, the Fund received three distributions and one capital call, which was funded by cash in bank.

The cash flows from the underlying investments were as follows:

Investment	Amount	Due Date	Comments
MDF IV	(€4.6m)	22 April 2024	Net capital call – Rebalancing contribution and capital call, return of capital call, income distribution equalisation amount
MSF IV	$9.0m	22 April 2024	Distribution – Return of capital (recallable)
MSF III	$9.4m	7 May 2024	Net Distribution – Return of capital (recallable), call for investments and income distribution
MSF IV	$7.9m	17 May 2024	Distribution – income

Investment Activity

During the quarter ended 30 June 2024, there were no new investments made by the Fund. However, in H2 we plan to commit an additional £80m to the Pemberton Mid-Market Debt Fund IV and £80m to the Churchill Middle Market Senior Loan Fund V, maintaining a 50:50 regional split between European and US markets.

The Fund is now closed to new commitments. However further investments are permitted during the investment period to 29 March 2025.

Fund Monitoring

Throughout the second quarter stabilisation of interest rates and improved economic clarity spurred increased deal flow in the middle market. Although the LBO market has not fully rebounded, private equity funds are eager to make distributions and capture solid exits. Whilst deal flow has remained slower, refinancings and add-on acquisitions from scaled portfolios at both Churchill and Pemberton have provided uninterrupted access to robust deal flow.

The Churchill platform closed or committed $4.8 billion across 124 transactions, up 63% year-over-year. This resulted in a record first half in 2024. Sponsored middle-market direct lending volume surged by 90% year-over-year. Churchill's traditional middle-market senior lending business closed or committed $3.8 billion across 53 different investments, marking a 125% increase from the previous year.

Credit quality remains strong amongst the holdings despite the higher-for-longer rate environment. While spreads compressed modestly during the quarter, the focus on the core middle market enables us to remain insulated from the pricing pressure, increased volatility, and weaker terms seen in the upper middle and Broadly Syndicated Loan markets.

Both managers continue to see investors gravitate towards private capital as it offers income generation, risk adjusted total returns, and diversification away from public market volatility. This makes it a compelling and attractive investment opportunity, especially in the current economic environment.

The U.S. economic environment remains healthy and resilient, and this is set to continue in the near term. There is no evidence in the core middle market portfolio of an imminent recession or pullback in spending and capex investment. The liquidity of borrowers in the underlying manager portfolios are monitored daily and they have been pleased to see how companies have navigated the higher rate environment quite well. Moreover, they believe interest coverage is going to be a tailwind going into the back half of the year as the Fed move to reduce interest rates as inflation pressures subside.

In Europe, the opportunities from the core mid-market remain attractive with yield premia at 250-300bps over equivalent rated loans in the syndicated markets. European mid-market companies have outperformed their US equivalents this year, with average revenue growth of 13.3% and EBITDA growth of 10.6%, compared with 6.6% and 5.6% percent respectively in the US (based on a study by Lincoln International).

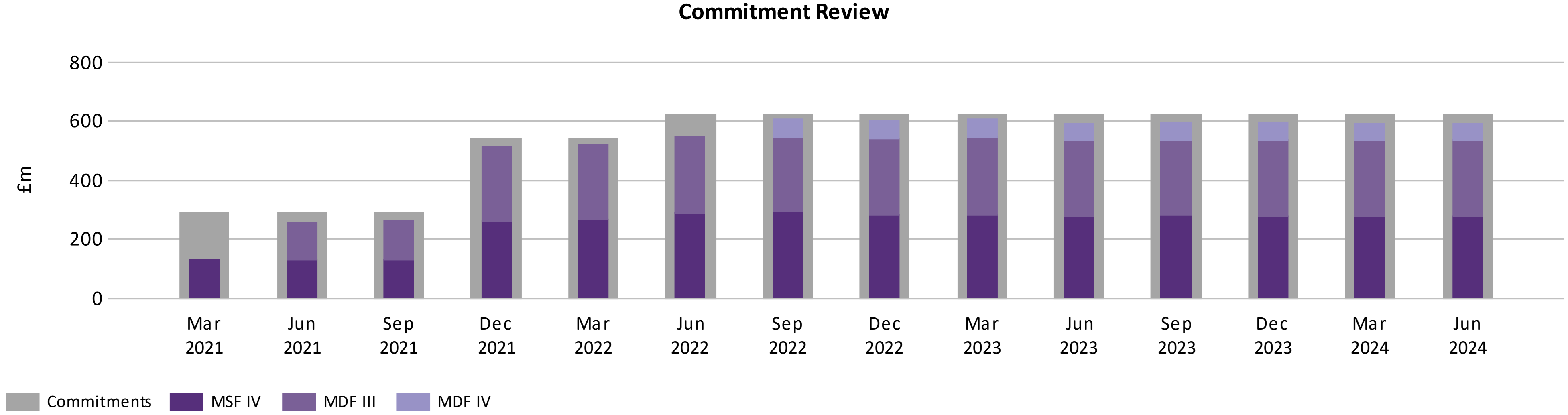
The Fund focuses on achieving its objective by investing in middle-market direct lending funds across Europe and the U.S. At the quarter-end date of 30 June 2024, the Fund's NAV had a 51/49 split between Europe and the U.S. Due to currency fluctuations and cashflows, an immaterial divergence from the initial 50/50 split occurred over time.

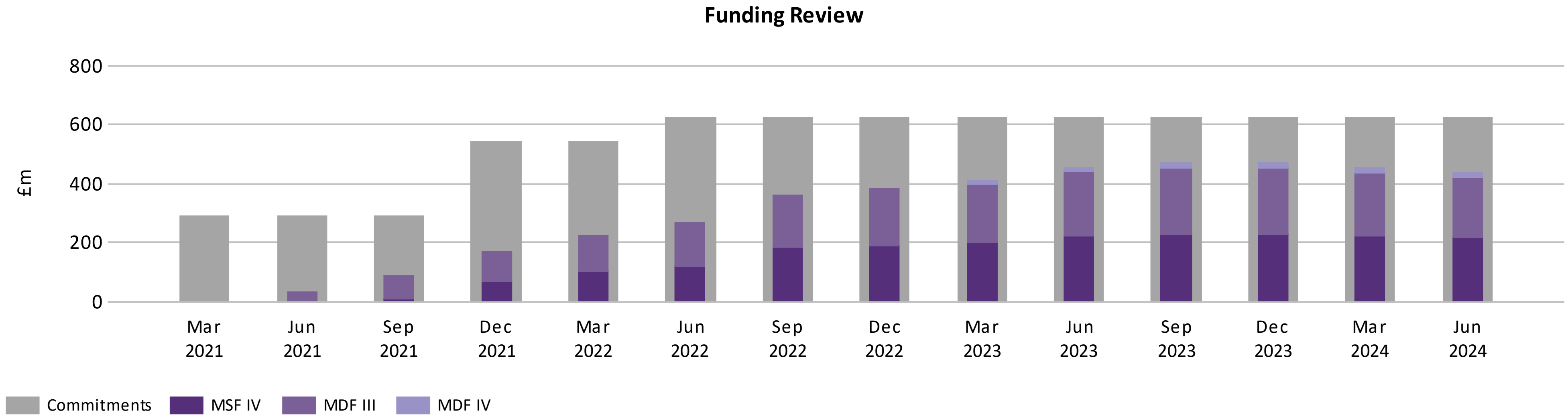
Performance

	Current Quarter %	One Year %	Three Years p.a. %	5 Years Years p.a. %	ITD %
Net Return - IRR	**1.8%**	**9.2%**	**8.5%**	**N/A**	**8.4%**
Investment Objective	1.5%	6.0%	6.0%	6.0%	6.0%
Yield	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Investment Objective	N/A	N/A	N/A	N/A	N/A

Source: London CIV as at 30 June 2024

LCIV Private Debt Fund





Source: London CIV as at 30 June 2024.

LCIV Private Debt Fund

Quarterly Investment Reconciliation

				Movements in the quarter				Realisations				
	Current Cost	30 Jun 24 Fair Value	31 Mar 24 Fair Value	Capital Calls	Capital Returns	FX Gain/Loss	Unrealised Gain/Loss	Realised Gains	Income Distributions	Target Net IRR	Target Yield	Current Net IRR
	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	(£ '000)	%	%	%
Primary												
MSF IV	216,568	219,217	227,481	-	(7,284)	(226)	(754)	-	6,232	6.0	-	9.4
MDF III	205,143	203,206	214,492	6,854	(15,799)	(1,771)	(571)	-	5,868	6.0	-	9.2
MDF IV	18,758	19,503	15,316	4,699	(386)	(213)	88	-	227	6.0	-	9.1
Investment Total	**440,469**	**441,925**	**457,289**	**11,552**	**(23,470)**	**(2,210)**	**(1,236)**	**-**	**12,327**			

Source: London CIV as at 30 June 2024.

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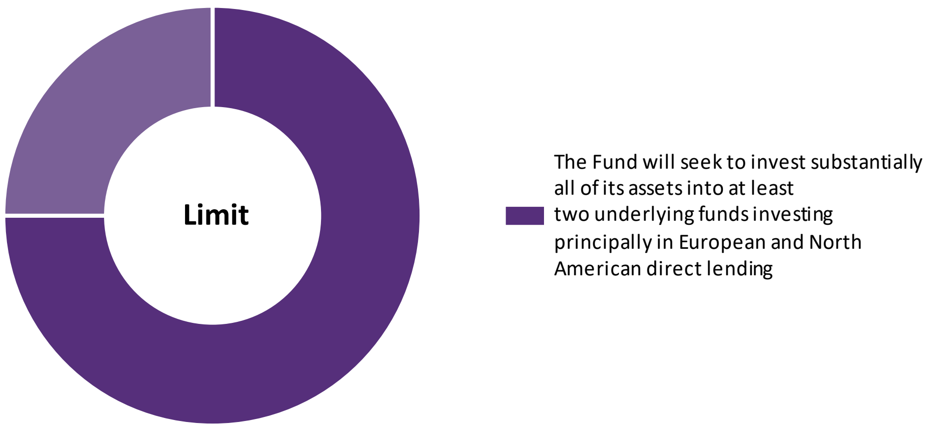
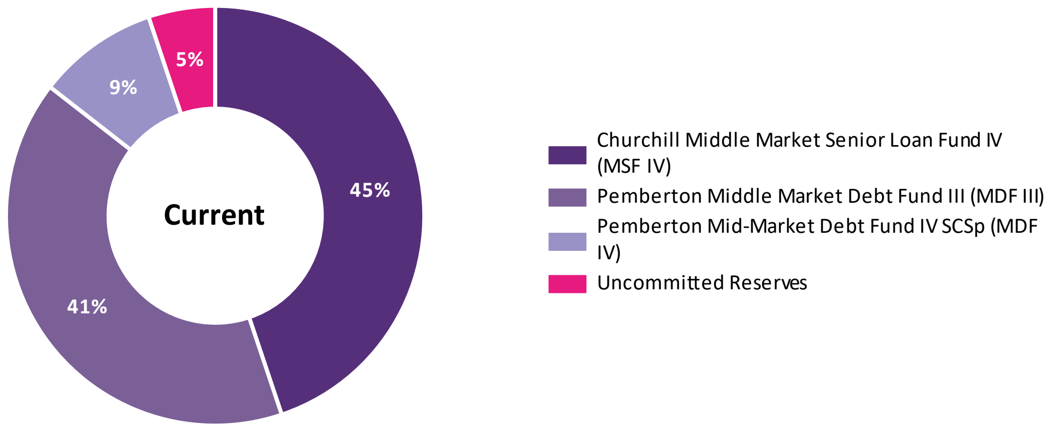
	QTD
	(£ '000)
Opening NAV	498,034
Drawdowns	0
Distributions	-
Gains/Losses	8,798
Closing NAV	506,832

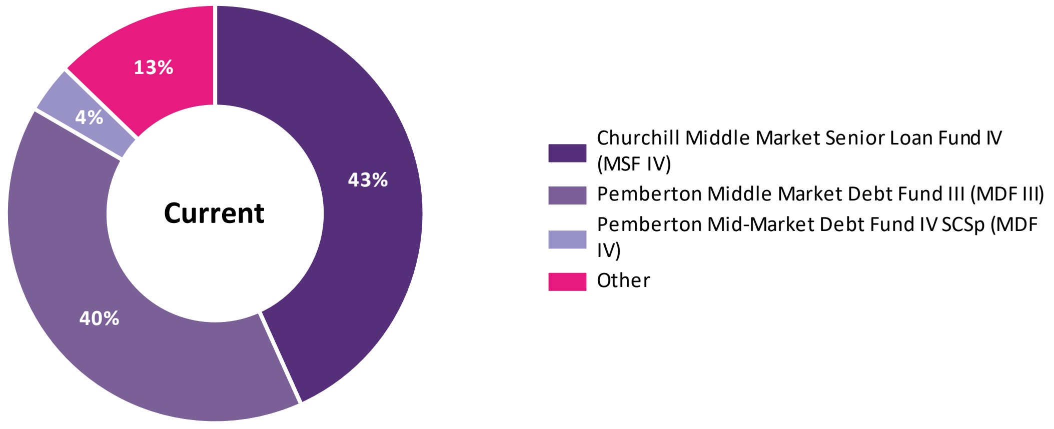
Mandate Design Review

Fund Allocation of Commitments





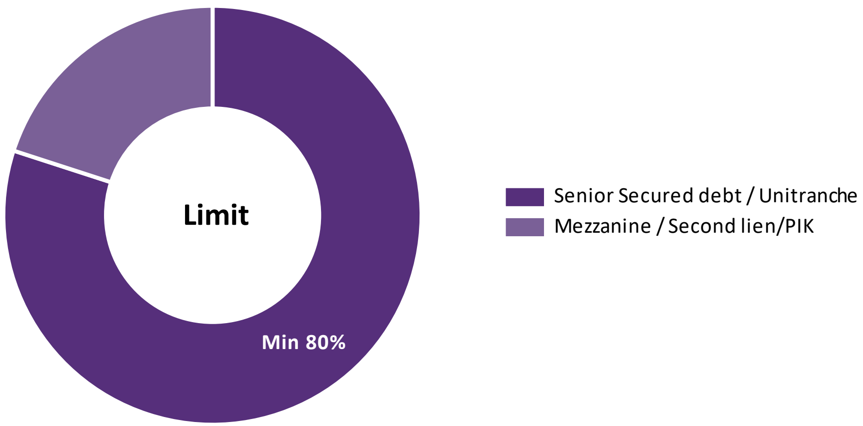
Fund Allocation of NAV

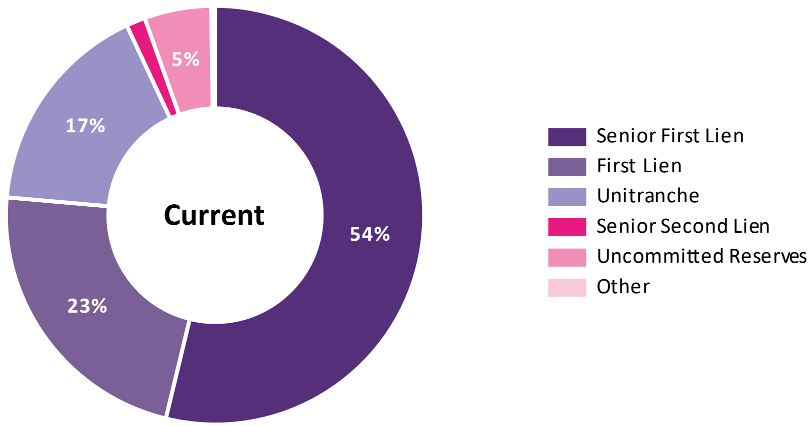


Note where an allocation is below 3% the data label is not shown.
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV as at 30 June 2024.

Mandate Design Review

Portfolio Investment Type of Commitments





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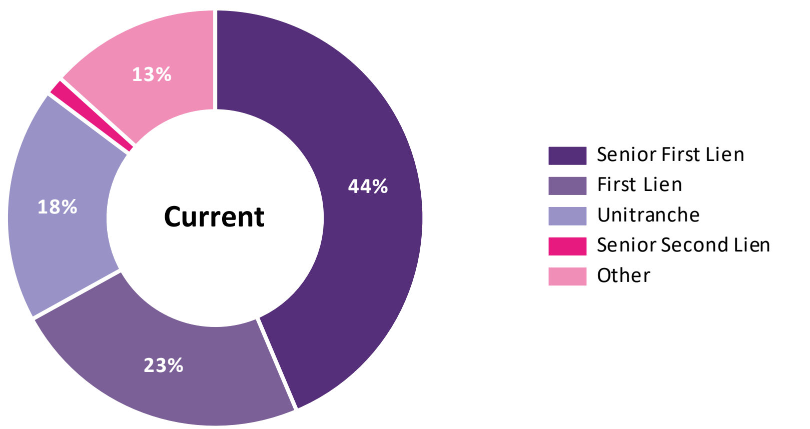
Portfolio Investment Type of NAV



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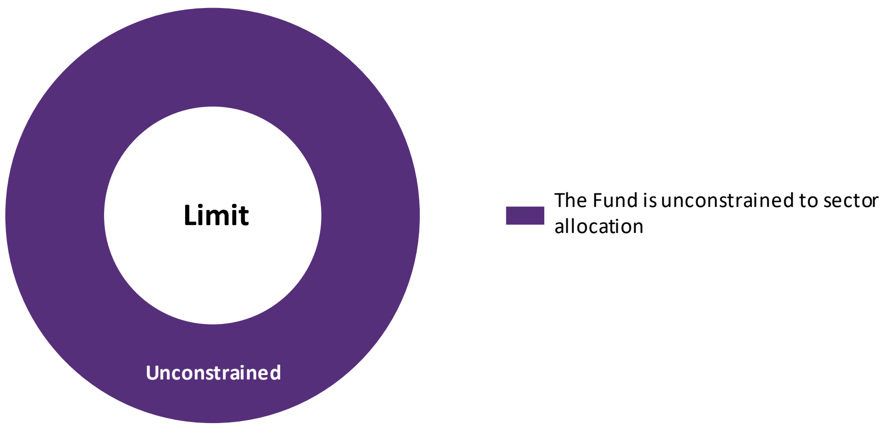
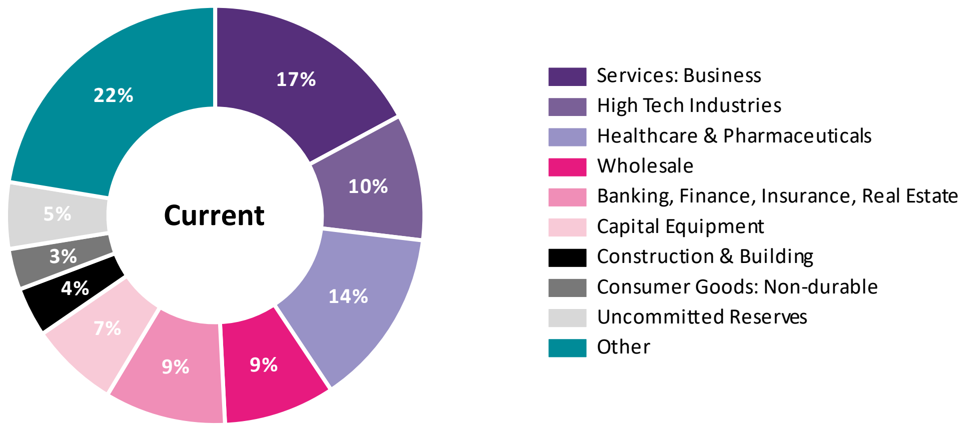
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV as at 30 June 2024.

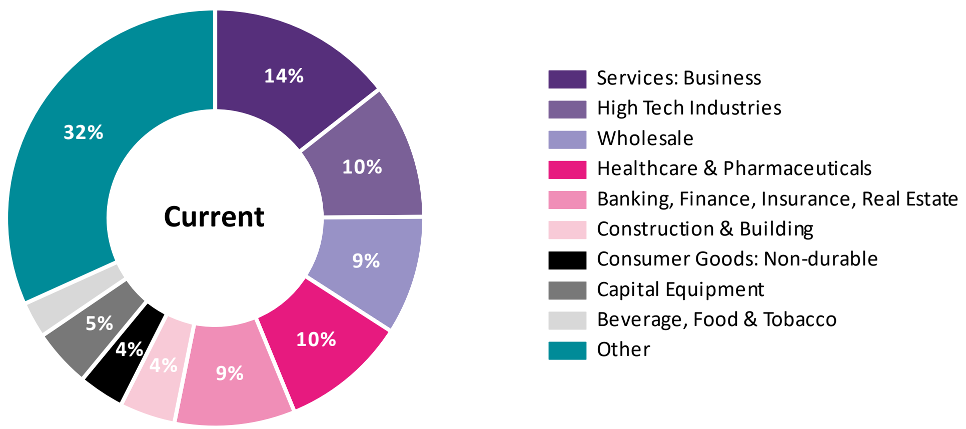
Mandate Design Review

Sector Allocation of Commitments





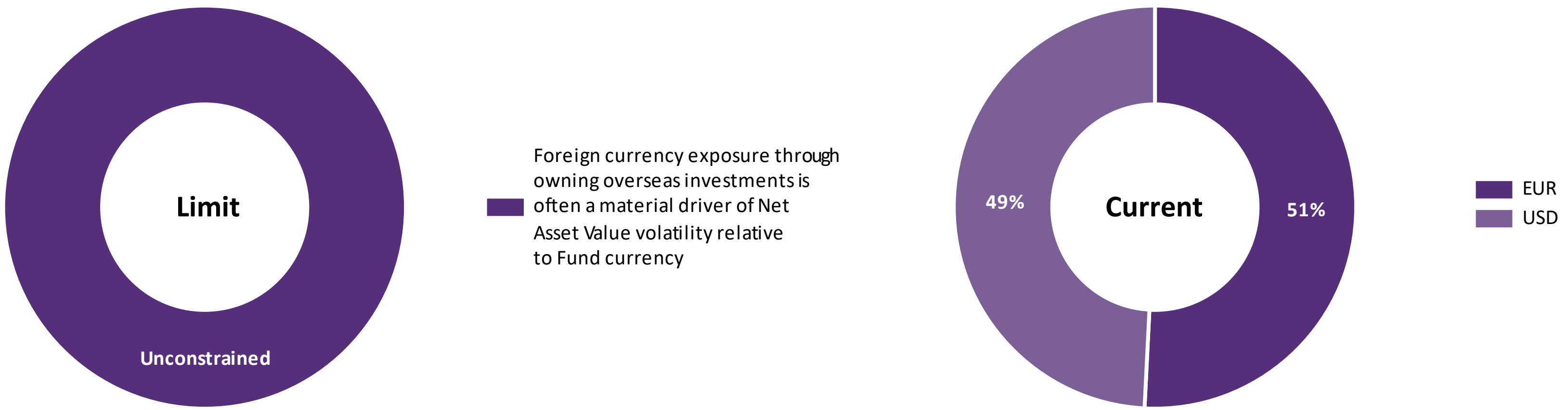
Sector Allocation of NAV



Note where an allocation is below 3% the data label is not shown.
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV as at 30 June 2024.

Mandate Design Review

Currency of Drawn NAV



Note where an allocation is below 3% the data label is not shown.
The above information is a summary and does not represent the full fund terms. For further information please contact your Client Relations Manager.
Source: London CIV as at 30 June 2024.

Churchill Middle Market Senior Loan Fund IV (MSF IV)

Summary

Vintage:	2021	Fund Size:	$1.9 billion
Sponsor:	Churchill Asset Management	Currency:	USD
Sector:	Diversified	Geography:	North America
Investment Period End:	13 September 2025	Term End:	13 September 2028
IP Extension:	n/a	Term Extension:	2

Investment Overview

Churchill seeks to build a portfolio of 50 to 100 senior secured loans to primarily sponsor-backed US mid-market companies with EBITDA of $10m - $50m and will target a net IRR of 6% to 7% and quarterly income distributions.

Investment Diversification

Commitments by Industry

Source: London CIV based upon MSF IV quarterly report as at 30 June 2024

Key Developments

- As of 30 June 2024, MSLF IV had total capital commitments of $1.93bn. To date they have made total loan commitments of $1.64bn across 141 investments representing 85% of committed capital.
- The Fund realised four investments in Q2 totalling $37m. The total realised asset level IRR stands at 10.06% with a MOIC of 1.14x.
- The Fund closed on 12 new investments and six add-ons in Q1, totalling $96.9m.
- The investment team reviewed 303 deals from 158 different sponsors and closed on 12 (4%) of them in the period. Over the last twelve months the manager reviewed over 1095 opportunities from more than 282 sponsors, investing in only 3%. This selectivity kept the investment size at only 0.7% of the total portfolio.
- Investment volume increased from last quarter, and spreads continued to tighten. Churchill acted as lead or co-lead agent on 83% of the new investments.
- The portfolio has a weighted average risk rating of 4.3 on Churchill's internal scale (4.0 being the initial rating assigned to investments at origination), with approx. 93% of investments rated 5 or better.
- There are currently 11 investments on watch in the portfolio, 7 requiring low, 2 medium and 1 high maintenance. The remaining on watch investment is set to experience a probable loss.
- The fund net IRR inception to date was 9.07% ahead of the target.
- The NAV (Lux RAIF) fell from $1.291bn in Q1 2024 to $1.246bn in Q1 2024.
- There are two investments in the portfolio with a risk rating of 8 or higher (out of 10)
- New You Bariatric Group – $26.7M Outstanding – Risk Rating: 8

- The largest bariatric platform in the US, the company was impacted by a major payer rate cut and competition from new weight loss drugs. In April 2024, an amendment saw new capital from the sponsor and management, with lenders agreeing to PIK interest until year-end. Lenders also received minority equity, a board seat, increased reporting, and the right to appoint a financial advisor. Since then, liquidity and performance have stabilised. Lenders are monitoring key metrics, such as new patient visits, ahead of the April 2025 maturity.
- JEGS Automotive – $9.5M Outstanding – Risk Rating: 10 – Non-Accrual
- A leading e-commerce platform for automotive aftermarket parts, JEGS encountered demand, working capital, and management issues post-2021. Despite management changes and cost-cutting measures, the company faced cash shortfalls, with the sponsor making equity contributions. Lenders and the company are now in restructuring discussions, with potential new investment from the sponsor and partial debt equitisation by 1st lien lenders. The loan went into non-accrual as of 30 June 2024.

ESG Activity

- The Churchill 2023 Sustainability Report, titled "Advancing Transparent and Sustainable Investment Practices," was released in Q2. It highlights the company's commitment to responsible investment, corporate sustainability, diversity, and community engagement. Here is a summary of the key sections:

  1. Responsible Investing:
     - ESG Integration: Churchill integrates Environmental, Social, and Governance (ESG) principles into their investment processes to mitigate risks and drive sustainability.
     - Proprietary ESG Rating Tool: They developed a new tool that combines ESG data to better assess investment opportunities.
     - Transparency: Churchill advocates for improved disclosure standards in private markets through collaborations like the ESG Integrated Disclosure Project.

  2. Corporate Sustainability:
     - Carbon Emissions: The report notes the second year of measuring operational emissions (2,079 tCO_2e), including Scope 1, 2, and 3 emissions.
     - Sustainability Leadership: The firm focuses on transparency, operational improvements, and sustainable practices, aiming for net-zero carbon goals by 2050.
     - Workplace Culture: Recognized as a "Great Place to Work" for the fourth year in a row with a low employee turnover rate (2.6%).

  3. Diversity, Equity, and Inclusion (DEI):
     - Churchill has a dedicated DEI program, committing to fostering a diverse and inclusive work environment.
     - Diverse Managers Program: The Private Equity team invested in firms owned by women and people of colour, with 85% of allocations committed to 12 general partners across 13 funds.

  4. Community Engagement:
     - The firm is engaged in various community-focused initiatives, including partnering with educational nonprofits like Teach for America and environmental groups like the National Forest Foundation.

- Overall, the report emphasizes Churchill's dedication to advancing sustainability in its investment practices while promoting diversity, transparency, and community involvement.

Pemberton Mid-Market Debt Fund III (MDF III)

Summary

Vintage:	2020	Fund Size:	€3.8 billion
Sponsor:	Pemberton Asset Management	Currency:	EUR
Sector:	Diversified	Geography:	Europe
Investment Period End:	22 December 2024	Term End:	22 December 2029
IP Extension:	n/a	Term Extension:	1+1

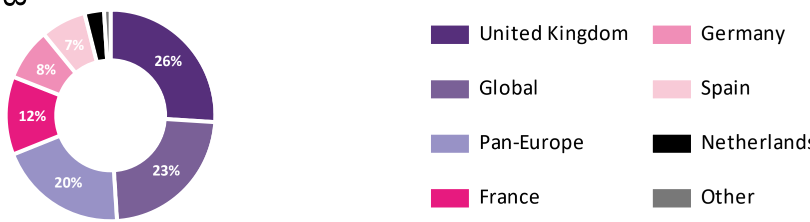
Investment Overview

Pemberton seeks to build a portfolio of 30 to 40 senior secured loans to European midmarket companies with EBITDA EUR15m - EUR75m and will target a net IRR of 6% to 7% (EUR) and quarterly income distributions.

Note: allocated commitments are higher than total commitments due to FX changes and capital returns during the investment period being retained for new investment.

Investment Diversification

Commitments by Geographical Area of Risk



Commitments by Industry

Source: London CIV based upon MDF III quarterly report as at 30 June 2024

Key Developments

- As of 30 June 2024, MDF III (across co-mingled and parallel funds) had €2.9bn in unrealised commitments across 37 investments.
- There was one realisation in Q2 - Exosens (fka Photonis) which was realised with a gross IRR of 10.1% and a gross MOIC of 1.2x. There have been six realisations to date, totalling €702m, with a weighted average Gross IRR of 14.2%.
- There were four new commitments and one new funding and in the period. The portfolio is highly diversified across regions and sectors, and Pemberton was the Sole and Lead Arranger on 88% of the investments.
- Summary portfolio statistics are displayed below:
  - Average leverage: 5x
  - Average LTV: 42%
  - Average margin (excl. base rate): 6.59%
  - Average upfront fee: 3.28%
- The current fund net IRR is 9.3%. The expected estimated lifetime net IRR is 9.4%, ahead of the Fund's target of 6-7% net.
- The NAV (Compartment A) reduced from €622.9m in Q1 2024 to €595.2m in Q2 2024.
- There is one underperforming credit in the portfolio –Neolith
  - A global leader in sintered stone slabs for premium markets, is progressing with Wave 2 of its turnaround plan. This includes pricing optimisation, commercial strategy, factory efficiency (SKU trimming, OEE), purchasing, and workforce adjustments, targeting a €11.2m EBITDA boost, partly reflected in the FY24 budget. As of YTD Feb-24, revenue was 7.7% ahead of budget but 6.5% below the previous year, showing varied geographical performance. By Jun-24, Neolith's cash stood at €43.8m, bolstered by a €25m equity injection from sponsor CVC and senior debt interest PIKing.

ESG Activity

17 of 37 (46%) active investments include ESG margin ratchets.

Pemberton Mid-Market Debt Fund IV (MDF IV)

Summary

Vintage:	2022	Fund Size:	€2.0 billion
Sponsor:	Pemberton Asset Management	Currency:	EUR
Sector:	Diversified	Geography:	Europe
Investment Period End:	4 years from final close	Term End:	8 years after final close
IP Extension:	n/a	Term Extension:	1+1

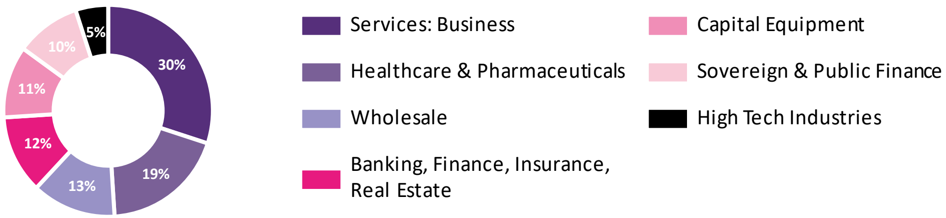
Investment Overview

The strategy is a continuation of the previous vintages whereby Pemberton aim to provide senior debt to sponsor-backed European companies with EBITDA of EUR15m - EUR75m, targeting a return of 6.5% to 8% net IRR (EUR), which is in line with the previous vintage and similar funds in the market.

Investment Diversification

Commitments by Geographical Area of Risk

Commitments by Industry



Source: London CIV based upon MDF IV quarterly report as at 30 June 2024

Key Developments

- MDF IV is still in the fundraising stage and has raised €2.0bn, with a final close in October 2024. As of 30 June 2024, €902m has been committed to 19 investments (across co-mingled and parallel funds).
- There were five new commitments and one new funding and in the period.
- There have been no realisations.
- Summary portfolio statistics are displayed below:
  - Average leverage: 4.5x
  - Average LTV: 43%
  - Average margin (excl. base rate): 6.34%
  - Average upfront fee: 3.42%
- IRR data for the fund is not yet available due to it being early in the fund life.
- The NAV (EUR Compartment) grew from €136.8m in Q1 2024 to €223.6m in Q2 2024 as the portfolio continued to invest through the ramp up period.
- All credits in the portfolio are performing.

ESG Activity

- 10 of the 19 (53%) investments include ESG margin ratchets.

Glossary of Terms

- **APAC** Asia-Pacific is the part of the world near the western Pacific Ocean.
- **Asset-backed lending (ABL)** is a type of financing where a borrower obtains a loan using their assets as collateral.
- **BESS** Battery Energy Storage System
- **BREEAM** is the world's leading sustainability assessment method for master planning projects, infrastructure and buildings. It recognises and reflects the value in higher performing assets across the built environment lifecycle, from new construction to in-use and refurbishment. BREEAM does this through third party certification of the assessment of an asset's environmental, social and economic sustainability performance, using standards developed by BRE. This means BREEAM-rated developments are sustainable environments that enhance the well-being of the people who live and work in them, help protect natural resources and make for more attractive property investments.
- **Brownfield** in the context of property these are assets that are built on land that has previously been developed. In the context of infrastructure these are projects which are operational.
- **Cash Yield** The return of an investment's net cash flow as a percentage of the amount invested
- **C&I** commercial and industrial
- **Called Amount** The part of a unitholder's commitment that has been drawn/called.
- **Closed Ended Fund** A closed-end fund raises a fixed amount of capital through one or more closings and will have a limited life after which the fund is wound up.
- **Commitment** The total amount a unitholder has irrevocably committed to invest in the Sub-fund and includes both drawn ("called") and undrawn commitments and may include commitments made by a single unitholder at different closings (each a "Separate Commitment").
- **CPI** Consumer Price Index
- **Delayed draw term loan (DDTL)** is a special feature in a term loan that lets a borrower withdraw predefined amounts of a total pre-approved loan amount.
- **Distribution** The money paid out to LPs of a fund
- **Distribution to Paid In "DPI"** The ratio of money distributed to LPs relative to total contributions of the LPs into the fund
- **Drawdown** A Called Amount that London CIV requires to be paid against the unitholder's Commitment.
- **EBITDA** earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance.
- **EPC** Engineering, procurement, and construction
- **ESG** Environmental, Social, and Governance
- **EUUT** Exempt Unauthorized Unit Trust
- **EV** Electric Vehicle
- **Evergreen fund** is a type of investment fund that has an indefinite life and is designed to reinvest its returns into the fund rather than distributing them to investors.
- **First Closing Date** is the first date on which the GP accepts Commitments to a Fund.
- **Final Closing Date** is the last date on which the GP accepts Commitments to a Closed Ended Fund.
- **GHG** Greenhouse Gas
- **GP** General Partner
- **GRESB** The Global ESG Benchmark for Real Assets. GRESB is a mission driven and investor led organization providing standardized and validated Environmental, Social and Governance (ESG) data to the capital markets. Established in 2009, GRESB has become a leading ESG benchmark for real estate and infrastructure investments across the world.
- **GW** Gigawatt
- **LP** Limited Partner
- **Greenfield** in the context of property these are assets that are built on land that has not previously been developed. In the context of infrastructure this means a project which is either in development or construction

Glossary of Terms

- **Income Strip** A type of real estate transaction whereby an investor acquires a property asset which is then sold back to the occupier at the end of the lease term, typically for a nominal amount
- **Inflation** A general increase in prices of goods and services, typically measured by CPI and RPI
- **Infrastructure** An asset class that encompasses investments in facilities, services, and installations considered essential to the functioning and economic productivity of a society
- **Initial Subscription Period** is the period starting on the first closing date and ending on the date that falls a specified period after the first closing date, provided that the manager may, in its discretion, be permitted to extend such a period.
- **Internal Rate of Return "IRR"** is the rate of return at which the net present value of the investment is equal to zero.
- **Investment** This refers to investments, including the sub definitions of Primary Investment, Secondary Investment, Co-investment, and Direct Investment, into private market assets.
- **Investment Period** The period of time in which the GP can source and make investments
- **J-curve** The typical returns of a fund which shows an initial loss immediately followed by a dramatic gain
- **JV** A joint venture is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task.
- **Lock-Up Period** is the period of time in respect of a Commitment made by a unitholder at a closing, when they cannot request redemption.
- **LPAC** A Limited Partner Advisory Committee of a primary fund which gives views to the GP on specified matters related to the operation of the primary fund
- **MW** Megawatt
- **Net Asset Value "NAV"** The value of an entity's assets minus the value of its liabilities
- **Net Invested Capital** The cost basis of the relevant Investments, less distributions constituting return of capital (as determined in good faith by the Investment Manager) and write-offs with respect to such Investments, plus unfunded commitments to such investments.
- **Original Issue Discount** Discount in price from a bond's face value at a time a bond or other debt instrument is first issued.
- **PPA** power purchase agreement, is a contract between a government agency and a private utility company. The private company agrees to produce electricity, or some other power source, for the government agency over a long period of time.
- **PPP** Public Private Partnership
- **Primary Fund** A fund which to London CIV has made a commitment and which will draw down amounts to invest.
- **Private Debt** The investment of capital to acquire debt of private companies
- **Real Estate Long Income** A real estate investment strategy that involves generating secure and inflation-linked income through investments in properties with long leases, strong tenants, and annual inflation-linked uplifts
- **Renewable Infrastructure** A sub-sector of Infrastructure specifically focusing on the Renewables sector
- **Residual Value to Paid In "RVPI"** The ratio of the current value of all remaining investments to the total contributions of LPs into the fund
- **Ramp Up Period** A time period from the First Closing Date over which the Fund should be fully invested.
- **RPI** Retail Price Index
- **Sale and Leaseback** A type of real estate transaction whereby an investor acquires a property asset which is then leased back to the original owner
- **Senior Debt** is borrowed money that a company must repay first if it goes out of business. Each type of financing has a different priority level in being repaid if the company goes out of business. If a company goes bankrupt, the issuers of senior debt, are most likely to be repaid.
- **SLP** Scottish Limited Partnership

Glossary of Terms

- **Sponsor** Typically the manager, or general partner of a private equity or venture capital firm. In project finance, the sponsor is the entity (or entities) that owns the ultimate equity interest in the project
- **Subscription Price** is the price in respect of which units will be issued.
- **Subsequent Closing Date** means a date on which the Manager admits Unitholders to the Fund or allows existing Unitholders to increase their Commitments, which date(s) shall take place after the First Closing Date.
- **TL** A term loan is a loan from a bank for a specific amount that has a specified repayment schedule and a fixed or floating interest rate.
- **Trust Deed** A legal document that lists the terms of the contract between a fund and its investors
- **TVM** Time Value of Money or as present discounted value
- **Total Value to Paid In "TVPI"** The ratio of the current value pf remaining investments plus the total value of all distributions to date, relative to total contributions of LPs into the fund
- **Undrawn Commitment** a unitholder's undrawn commitment is the amount of its Commitment which, at the relevant time, remains available for Drawdown.
- **Unitholder** a person who is registered as the unitholder of units of a fund in the register and includes persons registered as joint unitholders.
- **Unitranche** is a flexible form of financing often used by mid-sized companies to help fund acquisitions or ownership transitions. It combines different types of secured and unsecured debt in a single loan with a blended interest rate and a predictable repayment schedule that gives a business maximum flexibility.
- **UN's Sustainable Development Goals** Collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all" which were set up in 2015 by the United Nations and are intended to be achieved by the year 2030
- **Unallocated Commitments** are amounts committed by a London CIV Fund to a Primary Fund which have not been allocated to an investment
- **Uncommitted Reserves** are amounts committed to a London CIV Fund which have not been committed to a Primary Fund or an investment
- **UNPRI** is the United Nations Principle for Responsible Investing
- **Vintage** The year in which a fund began making investments
- **WAULT** Weighted Average Unexpired Lease Term

Disclaimer

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HILLINGDON
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London CIV

London CIV Quarterly ACS Investment Report

30 September 2024

Introduction

We are pleased to present the London CIV Quarterly Investment Report for the London Borough of Hillingdon Pension Fund for the quarter to 30 September 2024.

The Report provides an Investment Summary with valuation and performance data of your Pension Fund's holdings. It includes an update on activities at London CIV, a market update and Fund commentary from the London CIV Investment Team as well as key portfolio data and a summary of ESG activity during the quarter.

Investment Summary

ACS	**30 June 2024**	**Net Subscriptions / (Redemptions)**	**Cash Distributions Paid**	**Net Market Move**	**30 September 2024**
Active Investments	**£**	**£**	**£**	**£**	**£**
Global Equities					
LCIV Global Alpha Growth Paris Aligned Fund	62,721,430	-	-	420,945	63,142,375
Fixed Income					
LCIV MAC Fund	125,839,075	-	-	4,656,795	130,495,870
Multi Asset					
LCIV Absolute Return Fund	44,736,697	(6,800,000)	-	1,160,323	39,097,020
Total	**233,297,202**	**(6,800,000)**	**-**	**6,238,063**	**232,735,265**

The table below outlines the valuation of investments held per passive manager at the beginning and end of the quarter. A listing of the individual funds held can be found at the end of the Funds section of this report.

	30 June 2024	**30 September 2024**
Passive Investments †	**£**	**£**
LGIM	783,397,288	797,500,114

† Passive investments are managed in investment funds for which London CIV has no management or advisory responsibility and are shown for information purposes only.

Performance Summary

Net Performance	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since CF Inception p.a. %	CF Inception Date
LCIV Global Alpha Growth Paris Aligned Fund	**0.67**	**19.81**	**(1.23)**	**n/a**	**(0.41)**	**22/04/2021**
Investment Objective: MSCI All Country World Gross Index (in GBP)+2%	*1.16*	*22.91*	*10.92*	*n/a*	*11.46*	
Relative to Investment Objective	**(0.49)**	**(3.10)**	**(12.15)**	**n/a**	**(11.87)**	
Benchmark: MSCI All Country World Gross Index (in GBP)	*0.67*	*20.54*	*8.76*	*n/a*	*9.27*	
Relative to Benchmark	**0.00**	**(0.73)**	**(9.99)**	**n/a**	**(9.68)**	
LCIV Absolute Return Fund	**2.56**	**4.34**	**1.26**	**4.62**	**4.53**	**21/06/2016**
Target: SONIA (30 day compounded) +3% (from 1 January 2022, previously 1m	*2.05*	*8.46*	*6.44*	*5.16*	*4.51*	
Relative to Target	**0.51**	**(4.12)**	**(5.18)**	**(0.54)**	**0.02**	
LCIV MAC Fund	**3.82**	**14.35**	**n/a**	**n/a**	**6.56**	**31/05/2022**
Investment Objective: SONIA (30 day compounded) +4.5% (from 1 January	*2.42*	*10.04*	*n/a*	*n/a*	*8.90*	
Relative to Investment Objective	**1.40**	**4.31**	**n/a**	**n/a**	**(2.34)**	

Client Relations Team Report

During the third quarter we hosted our Annual Conference. London's LGPS community gathered to discuss how it will work more collegiately to drive further growth, savings and security. This two-day conference took place on 5 and 6 September in the Royal Borough of Greenwich at one of the capital's newest cultural hubs, Woolwich Works, with more than 120 councillors and pension officials from London boroughs in attendance.

Keynote and panel session topics that were covered included the government's calls for evidence, investing in affordable housing, views from the private sector, nature-based, credit and infrastructure investment solutions, the impact of geo-political events, market movements and net-zero targets.

Key highlights

With further pooling and savings, as well as more UK investment, at the top of the Pensions Review's agenda, conference delegates highlighted that London's LGPS community, through London CIV, is already taking the initiative to address these matters. It was noted that:

- Assets pooled and deemed pooled at 31st March 2024 increased in value to £31.6bn, an 18 per cent year on year increase.
- £79m in savings has been generated for the London LGPS community since London CIV's inception.
- 43% of assets in London CIV private market funds are invested in the UK.
- LGPS investment into London CIV private market funds saw the largest rise between 31 March 2023/2024, an increase of 26 per cent to £3.1bn over the year.

Going forward

It was agreed that the most effective LGPS model is one where each pool can evolve organically. Convergence rather than forced mergers are most likely to deliver value in a timely manner and over time.

Choice, collaboration and compromise must sit at the heart of London's LGPS strategy for the future. The more we act in the manner of a homogenous entity and operate as a collegiate community across London, the more we can showcase that we are already doing what is required.

It was also agreed that any future strategy cannot just focus on the pooling of LGPS assets, rather it's about working together to improve the management of all aspects of London's LGPS, whether that's:

Continuing to pool LGPS assets through vehicles built together within the London LGPS community, which also includes place-based criteria. London CIV already has experience in this area through our UK Housing Fund and The London Fund.

- Further utilising our enhanced regulatory permissions, having already started to offer a number of additional services, including advisory reviews of existing portfolios of partner funds, and manager selection for model portfolio services (effectively pooling without a fund wrapper).
- Launching an outsourced pension officer service, which can deliver investment strategies, cash flow analysis, and reporting activities, usually undertaken by officers in administering authorities (or indeed conflicted 3rd party consultants). Partner funds will have the option to take some or all of the service, with the aim that this becomes the full model for all funds in the future.
- Exploring new, innovative ways that London CIV can help partner funds deliver further savings and efficiencies in the long-term.

Reactions

The mood from conference delegates was positive and most effectively summed up by Tim Mpofu, Head of Pensions and Treasury at the London Borough of Haringey: "In the past, it has sometimes felt as though the London funds were all pulling in 32 different directions, this time around it certainly felt like there was a shared sense of purpose and togetherness...while each fund will have its own unique set of objectives and strategy ideas, there does seem to be an increasing need for funds to work more closely together – both among themselves and with the pool.

I've got to say, the London CIV has really come up with some innovative proposals here and it is encouraging to see the pool evolving in terms of supporting the investment needs of its partner funds."

Pooling Position

As of 30 September 2024, pooled assets stood at £32.5 billion, of which £17.7 billion are in funds managed by London CIV. Assets under management via the London CIV Authorised Contractual Scheme ("ACS") stood at £15.97 billion, and assets invested in our private market funds stood at £1.7 billion, with £3.1 billion in total commitments. The aggregate value of 'pooled' passive assets held by Legal and General Investment Management ("LGIM") and Blackrock was £14.8billion, with £10.8 billion managed by LGIM and £4 billion managed by BlackRock.

Fund Activity

We had a negative net flow across all ACS sub-funds in Q3 2024 of £134 million. The largest redemption is attributed to the LCIV Real Return Fund. During the quarter we have reinvested £102 million in dividend income across our ACS sub-funds and distributed a further £42 million.

Group Engagements

As part of our investment manager monitoring programme, we had calls to share the recent findings of the annual investment due diligence and update investors on the monitoring status of five ACS sub-funds. A list of these calls is provided below:

ACS sub-funds:

- 10 July – LCIV MAC Fund and LCIV Alternative Credit Fund
- 11 July – LCIV Absolute Return Fund
- 6 August – LCIV Global Equity Focus Fund
- 20 August – LCIV Emerging Market Equity Fund

We record these group calls and make them available in our client portal, so if you did not have a chance to participate and wish to hear these discussions, please contact your designated Client Relations Manager at clientservice@londonciv.org.uk and we would be happy to grant you access to our portal.

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ACS	Size	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Inception p.a. %	Inception Date	No. of Investors
Global Equities								
LCIV Global Alpha Growth Fund	**£1,442m**	**0.38**	**19.44**	**(0.35)**	**8.47**	**12.44**	**11/04/2016**	**5**
Investment Objective: MSCI All Country World Gross Index (in GBP)+2%		1.16	22.91	10.92	12.98	15.15		
Performance Against Investment Objective		**(0.78)**	**(3.47)**	**(11.27)**	**(4.51)**	**(2.71)**		
Benchmark: MSCI All Country World Gross Index (in GBP)		0.67	20.54	8.76	10.78	12.90		
Performance Against Benchmark		**(0.29)**	**(1.10)**	**(9.11)**	**(2.31)**	**(0.46)**		
LCIV Global Alpha Growth Paris Aligned Fund	**£2,347m**	**0.67**	**19.81**	**(1.23)**	**n/a**	**(0.67)**	**13/04/2021**	**11**
Investment Objective: MSCI All Country World Gross Index (in GBP)+2%		1.16	22.91	10.92	n/a	11.25		
Performance Against Investment Objective		**(0.49)**	**(3.10)**	**(12.15)**	**n/a**	**(11.92)**		
Benchmark: MSCI All Country World Gross Index (in GBP)		0.67	20.54	8.76	n/a	9.09		
Performance Against Benchmark		**0.00**	**(0.73)**	**(9.99)**	**n/a**	**(9.76)**		
LCIV Global Equity Fund	**£621m**	**0.33**	**22.59**	**9.56**	**11.66**	**11.26**	**22/05/2017**	**3**
Investment Objective: MSCI All Country World Index Total Return (Gross)+1.5%		0.95	22.21	10.41	12.47	12.32		
Performance Against Investment Objective		**(0.62)**	**0.38**	**(0.85)**	**(0.81)**	**(1.06)**		
Benchmark: MSCI All Country World Index Total Return (Gross)		0.57	20.43	8.79	10.82	10.68		
Performance Against Benchmark		**(0.24)**	**2.16**	**0.77**	**0.84**	**0.58**		
LCIV Global Equity Quality Fund	**£577m**	**3.50**	**17.99**	**7.47**	**n/a**	**8.42**	**21/08/2020**	**2**
Benchmark: MSCI All Country World Index (with net dividends reinvested)		0.47	19.89	8.28	n/a	11.34		
Performance Against Benchmark		**3.03**	**(1.90)**	**(0.81)**	**n/a**	**(2.92)**		
LCIV Global Equity Focus Fund	**£1,269m**	**1.33**	**15.81**	**9.21**	**9.31**	**9.97**	**17/07/2017**	**6**
Target: MSCI World (GBP)(TRNet)+2.5%		0.86	23.47	11.98	13.90	13.58		
Performance Against Target		**0.47**	**(7.66)**	**(2.77)**	**(4.59)**	**(3.61)**		
Benchmark: MSCI World (GBP)(TRNet)		0.24	20.50	9.27	11.14	10.84		
Performance Against Benchmark		**1.09**	**(4.69)**	**(0.06)**	**(1.83)**	**(0.87)**		
LCIV Emerging Market Equity Fund	**£606m**	**2.98**	**8.11**	**(2.80)**	**3.04**	**0.92**	**11/01/2018**	**8**
Investment Objective: MSCI Emerging Market Index (TR) Net+2.5%		3.09	17.54	3.09	6.56	4.89		
Performance Against Investment Objective		**(0.11)**	**(9.43)**	**(5.89)**	**(3.52)**	**(3.97)**		
Benchmark: MSCI Emerging Market Index (TR) Net		2.46	14.70	0.58	3.97	2.34		
Performance Against Benchmark		**0.52**	**(6.59)**	**(3.38)**	**(0.93)**	**(1.42)**		

ACS	Size	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Inception p.a. %	Inception Date	No. of Investors
Global Equities								
LCIV Sustainable Equity Fund	**£1,438m**	**(0.30)**	**19.42**	**2.08**	**8.88**	**10.22**	**18/04/2018**	**8**
Investment Objective: MSCI World Index Total Return (Net) in GBP+2%		0.74	22.87	11.44	13.35	14.15		
Performance Against Investment Objective		**(1.04)**	**(3.45)**	**(9.36)**	**(4.47)**	**(3.93)**		
Benchmark: MSCI World (GBP)(TRNet)		0.24	20.50	9.27	11.14	11.94		
Performance Against Benchmark		**(0.54)**	**(1.08)**	**(7.19)**	**(2.26)**	**(1.72)**		
LCIV Sustainable Equity Exclusion Fund	**£751m**	**0.32**	**22.73**	**2.60**	**n/a**	**15.52**	**11/03/2020**	**5**
Investment Objective: MSCI World Index Total Return (Net) in GBP+2%		0.74	22.87	11.44	n/a	18.03		
Performance Against Investment Objective		**(0.42)**	**(0.14)**	**(8.84)**	**n/a**	**(2.51)**		
Benchmark: MSCI World (GBP)(TRNet)		0.24	20.50	9.27	n/a	15.75		
Performance Against Benchmark		**0.08**	**2.23**	**(6.67)**	**n/a**	**(0.23)**		
LCIV Passive Equity Progressive Paris Aligned Fund	**£975m**	**0.35**	**24.19**	**n/a**	**n/a**	**8.29**	**01/12/2021**	**4**
Index: S&P World Net Zero 2050 Paris Aligned ESG Index		0.30	23.88	n/a	n/a	7.98		
Performance Against Index		**0.05**	**0.31**	**n/a**	**n/a**	**0.31**		
Multi Asset								
LCIV Global Total Return Fund	**£104m**	**3.10**	**8.86**	**4.22**	**3.66**	**3.60**	**17/06/2016**	**1**
Target: RPI + 5%		2.14	8.69	13.62	11.25	10.15		
Performance Against Target		**0.96**	**0.17**	**(9.40)**	**(7.59)**	**(6.55)**		
LCIV Diversified Growth Fund	**£296m**	**5.63**	**15.83**	**(0.33)**	**1.82**	**3.63**	**15/02/2016**	**4**
Target: UK Base Rate +3.5%		2.12	8.87	6.99	5.68	4.96		
Performance Against Target		**3.51**	**6.96**	**(7.32)**	**(3.86)**	**(1.33)**		
LCIV Absolute Return Fund	**£1,003m**	**2.56**	**4.34**	**1.26**	**4.62**	**4.53**	**21/06/2016**	**10**
Target: SONIA (30 day compounded) +3% (from 1 January 2022, previously 1m LIBOR +3%)		2.05	8.46	6.44	5.16	4.51		
Performance Against Target		**0.51**	**(4.12)**	**(5.18)**	**(0.54)**	**0.02**		
LCIV Real Return Fund	**£114m**	**1.76**	**11.80**	**1.60**	**3.37**	**4.00**	**16/12/2016**	**2**
Investment Objective: SONIA (30 day compounded) + 3% (from 1 October 2021, previously 1m LIBOR +3%)		2.05	8.46	6.44	5.16	4.58		
Performance Against Investment Objective		**(0.29)**	**3.34**	**(4.84)**	**(1.79)**	**(0.58)**		

ACS	Size	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Inception p.a. %	Inception Date	No. of Investors
Fixed Income								
LCIV Global Bond Fund	**£929m**	**4.86**	**13.48**	**(1.25)**	**0.43**	**2.31**	**30/11/2018**	**10**
Benchmark: Bloomberg Global Aggregate Credit Index – GBP Hedged		4.70	12.11	(1.54)	0.21	1.97		
Performance Against Benchmark		**0.16**	**1.37**	**0.29**	**0.22**	**0.34**		
LCIV Short Duration Buy and Maintain Credit Fund	**£139m**	**2.14**	**n/a**	**n/a**	**n/a**	**5.83**	**06/12/2023**	**2**
Reference Index: iBoxx GBP Coll & Corp 0-5		2.19	n/a	n/a	n/a	6.07		
Performance Against Reference Index		**(0.05)**	**n/a**	**n/a**	**n/a**	**(0.24)**		
LCIV Long Duration Buy and Maintain Credit Fund	**£806m**	**2.74**	**n/a**	**n/a**	**n/a**	**4.15**	**06/12/2023**	**6**
Reference Index: iBoxx GBP Coll Corp 10+		1.99	n/a	n/a	n/a	4.31		
Performance Against Reference Index		**0.75**	**n/a**	**n/a**	**n/a**	**(0.16)**		
LCIV MAC Fund	**£1,965m**	**3.82**	**14.35**	**3.75**	**3.97**	**3.82**	**31/05/2018**	**18**
Investment Objective: SONIA (30 day compounded) +4.5% (from 1 January 2022, previously 3m LIBOR +4.5%)		2.42	10.04	7.98	6.77	6.50		
Performance Against Investment Objective		**1.40**	**4.31**	**(4.23)**	**(2.80)**	**(2.68)**		
LCIV Alternative Credit Fund	**£590m**	**2.69**	**13.09**	**n/a**	**n/a**	**4.37**	**31/01/2022**	**5**
Investment Objective: SONIA (30 day compounded) +4.5%		2.42	10.04	n/a	n/a	8.41		
Performance Against Investment Objective		**0.27**	**3.05**	**n/a**	**n/a**	**(4.04)**		
Total LCIV ACS Assets Under Management	**£15,972m**							

Markets Backdrop

	3 months %	YTD %	1 Year %	Annualised 3 Years	Annualised 5 Years
Global equities and equity styles (GBP, unhedged)					
MSCI World Index	0.2	13.0	20.5	9.3	11.1
MSCI World Value Index	2.8	8.8	13.2	6.7	5.0
MSCI World Growth Index	(2.6)	14.9	24.4	7.7	13.1
MSCI Emerging Markets Index	2.5	0.6	14.7	0.6	4.0
Global fixed income indices (hedged to GBP)					
Bloomberg Global Aggregate Bond Index	4.1	4.1	10.1	(1.0)	(0.1)
Bloomberg Global Aggregate Credit Index	4.7	4.8	12.1	(1.5)	0.2
Bloomberg Global High Yield Index	5.3	9.3	17.4	2.4	3.3
Currencies					
Sterling vs Dollar	5.8	5.1	9.6	(0.2)	1.7
Sterling vs Euro	1.8	4.1	4.1	1.1	1.3
Sterling vs Yen	(5.5)	7.0	5.4	8.6	7.7
Commodities (U.S. Dollars)					
Copper LME 3 Month Rolling Forward	2.4	14.8	18.8	3.2	11.4
Crude Oil Brent Future	(16.9)	(6.8)	(24.7)	(3.0)	3.4
Gold Spot	13.2	27.7	42.5	14.5	12.3

Source: Bloomberg, monthly data. TR=Total Return.

Markets backdrop commentary

The third quarter of 2024 was a topsy turvy period in the capital markets. There was a sharp decline in equity markets at the beginning of August, with Japanese stocks at the forefront of the sell off. With inflation trending down, bonds fulfilled their traditional role in helping to offset losses in equity markets. Gold also performed strongly and has continued its strong run. Markets regained their poise quickly, and the early August storm did not have a lasting impact.

In September, the U.S. Federal Reserve (the 'Fed') cut interest rates for the first time in this monetary policy cycle. This 'pivot' was anticipated, but the 0.5% reduction in the reference rate was larger than some had expected. Although the Bank of England decided to hold fire on further cuts in rates in Q3, other central banks did reduce rates by small margins.

Late in the quarter, the Chinese government announced a series of policies intended to encourage investment and consumption and help unlock the capital tied up in the property sector. The first announcements didn't have much of an impact, but momentum grew and the CSI 300 Index of leading Chinese companies surged to a gain of 20% in Sterling terms in September.

For the quarter as a whole, sovereign and investment grade bonds performed strongly. Global equities (based on the MSCI World Index) made small gains in Sterling terms, and leadership of the markets shifted away from U.S. technology companies to other sectors and regions, particularly Asia Pacific, and to value stocks. This was a better environment for stock pickers, and the performance of our actively managed equity funds has improved (see next section).

The positive outcomes in financial markets in the last 12 months mask the human cost of armed conflict in the Middle East and Europe. There are other geopolitical flash points to monitor, and the period leading up to, and following, the U.S. Presidential election could be volatile. The risk of sharp, but hopefully short, bursts of volatility was one of the themes highlighted by expert panellists at the London CIV Annual Conference in September.

London CIV - Fund Performance Q2 2024

Equity funds

The big American technology companies which are perceived to be the biggest beneficiaries of the proliferation of applications based on artificial intelligence came off the boil in Q3. Given the extent to which these companies had been the key drivers of the 20.5% gain in the MSCI World Index in the year to the end of June 2024, this was an important development.

Companies which are more sensitive to the positive trend in interest rates, such as financials, industrials and consumer-facing businesses, outperformed technology companies. Value came back into favour, and emerging markets stocks outpaced 'Western' stocks by a big margin, mainly because of the momentum generated by stimulus measures announced by the Chinese government.

This rotation in leadership is important because it helps to level the playing field for active managers who must be careful to diversify the sources of exposure to thematic, economic and other drivers when building portfolios. In short, building an active portfolio which is dominated by a small number of stocks which are likely to move in tandem based on news flow and/or shifts in sentiment is not good practice in managing mainstream active strategies.

The strongest performing Sub-funds in the third quarter were those which target companies displaying strong 'quality' characteristics, such as high returns on capital and strong balance sheets. LCIV Global Equity Quality Fund was the standout performer in absolute and relative terms, with a gain of 3.5% (+3% vs the benchmark index). LCIV Global Equity Focus Fund also outperformed, as did the LCIV Emerging Market Equity Fund, which is encouraging given the weak trend in the performance of that Sub-fund in the year to the end of Q2.

Most of the growth-oriented Sub-funds made small gains. We note, however, that LCIV Global Alpha Growth Fund, LCIV Global Alpha Growth Paris Aligned Fund, LCIV Sustainable Equity Fund and LCIV Sustainable Equity Exclusion Fund outperformed the MSCI World Growth Index by more than 2% each in the third quarter. These funds have made gains of more than 19% and reduced the shortfalls in performance against their benchmarks over 12 months.

The strongest performers in the most recent one-year period are the LCIV Sustainable Equity Exclusion Fund and the LCIV Global Equity Fund, with gains of 22.7% and 22.6% respectively, circa 2% more than their benchmark indices. We are pleased to highlight the LCIV PEPPA Fund as well. The Sub-fund has continued to track its benchmark index within the tolerance range for tracking error, and the investment manager has managed index rebalancing events effectively. The Sub-fund gained 24.2% in the year to the end of September, 0.3% more than its benchmark, helped by the comparison to an index which is calculated net of withholding taxes on dividends.

Fixed income funds

Sovereign and investment grade credit were strong in the third quarter, benefitting from the decline in yields linked to the improved outlook for inflation, evidenced by the decision by the U.S. Federal Reserve to reduce its reference rate by a full 0.5% in a single move. Spreads on credit instruments, a key indicator of risk in these markets, declined or remained stable after a wobble early in August.

The Bloomberg Global Aggregate Credit Index, a good proxy for the performance of high-quality debt, gained 4.7% in Sterling terms in Q3. The Index is up 12.1% over one year, but down 1.5% per annum over three years. This highlights the magnitude of the impact on bond markets of the transition to a new regime for inflation and interest rates which began late in 2021.

The LCIV Global Bond Fund has outperformed consistently in the past 12 months. The investment manager has managed interest rate (duration) and credit risk effectively. In the 12 months to the end of September 2024, the Sub-fund has gained 13.5%, 1.4% more than the benchmark Index.

The LCIV Long Duration Buy and Maintain Credit Fund lagged in the second quarter of this year when an unusually large gap emerged between spreads on long-dated bonds denominated in Sterling and U.S. Dollars. These anomalies are often caused by imbalances in demand for, and supply of, bonds and generally do not persist for long periods. This was illustrated in Q3 when the Sub-fund outperformed its reference index by 0.75% (+2.7% versus +2%). The Sub-fund is now only slightly behind the reference index in the period since inception. The LCIV Short Duration Buy and Maintain Credit Fund is in a similar position. In both cases, the investment manager is meeting our expectations. We will complete an in-depth review of these Sub-funds in the fourth quarter.

The LCIV MAC Fund captures exposure to all segments of the credit markets through investment managers offering complementary strategies. This Sub-fund benefitted from the interest rate risk embedded in the investment grade debt held by one of the managers, and by the solid performance of both investment grade and high yield bonds and loans. The 3.8% gain for the LCIV MAC Fund in Q3 pushed the one year return up to 14.35%, 4.3% more than the Sonia +4.5% target. The LCIV Alternative Credit Fund, which has a purer focus on sub-investment grade debt, returned 2.7% in Q3 and more than 13% over one year, 3.1% more than its target (also Sonia + 4.5%).

Multi asset funds

All of the multi asset funds posted gains in Q3. These Sub-funds demonstrated the value of targeting a wide range of opportunities and adjusting positioning relatively quickly. Exposure to interest rate risk was an important source of profits during the quarter, through direct exposure to sovereign bonds and credit, and indirect exposure from investments in interest rate sensitive assets, such as infrastructure and property. The other sources of profits varied across the range of Sub-funds, but included commodities, especially gold, defensive equities and currencies.

The LCIV Diversified Growth Fund was the standout performer in Q3 with a gain of 5.6%. This Sub-fund is up 15.8% over one year. The investment manager has played the interest rate and credit cycles well during that period, profiting from allocations to higher risk and alternative forms of credit, and better results from the infrastructure segment of the Sub-fund.

LCIV Global Total Return Fund had a solid quarter and is up 8.9% over one year. The tilt in the equity portfolio to value stocks and Western European companies was beneficial. Bonds also made money, although profits were diluted by the investment manager's preference to keep duration low.

LCIV Absolute Return Fund performed well in late July and early August, when the surge in volatility drove up the value of protection strategies. The Sub-fund also benefited from gains in the Yen and gold. These gains were diluted when markets recovered, but the Sub-fund was up 2.6% in Q3. We are encouraged to see a better trend in performance, but there is still a lot to do to get the three-year (+1.3% per annum) performance record back on track.

The investment manager of LCIV Real Return Fund has adjusted the risk profile of the Sub-fund dynamically this year. The Sub-fund was cautiously positioned at the beginning of Q3, both in terms of allocations to higher risk assets and exposure to changes in interest rates. The return earned in Q3 (+1.8%) was at the low end of the range for our funds, but LCIV Real Return Fund has generated a gain of 11.8% over one year.

Fund development and Investment Manager Monitoring

Expanding the range of products and services offered to Partner Funds was an important theme at the LCIV Annual Conference. We will achieve important milestones on that journey in Q4, with the continued development of the LCIV Nature Based Solutions Fund, LCIV Private Debt II Fund, the Indirect Real Estate Pooling service and the launch of two new public markets funds.

We will complete the lineup of buy and maintain credit strategies with the launch of the LCIV All Maturities Buy and Maintain Credit Fund. We anticipate that the Sub-fund will receive inflows of £450 to £500 million from three Partner Funds in October. This will increase the capital invested in the LCIV family of Buy and Maintain Credit strategies to circa £1.5 billion.

The LCIV Global Equity Value Fund will be funded late in October or early in November with initial capital of £250 million to £300 million provided by three investors. We hosted a Meet the Manager event with Wellington, the investment manager of the Sub-fund, on the 1st of October. The event was well attended. Please contact your Client team representative if you would like to listen to the recording of the event.

These new funds target different markets, but share important features, such as strong responsible investment parameters, alignment to our net zero ambitions and strong value propositions. We are grateful to Partner Funds for their support in designing and launching these funds.

The process of realigning the LCIV Global Bond Fund and the LCIV MAC Fund (Pimco-managed portion) to more stringent ESG and emissions tests has started. This realignment will be completed in the fourth quarter unless a deterioration in liquidity conditions in the credit markets prompts us to slow the process down to contain trading costs.

We are continuing our work on Prospects, or reserves, lists for our active equity funds. Growth equity strategies are our first priority, but we are also considering options to strengthen the EM Equity Fund by expanding the range of opportunities captured by the Sub-fund. We will engage with investors in the Sub-fund in Q4.

We will also work with investors in our range of multi asset funds in Q4. We have developed a long list of strategies to research based on their potential to contribute to the return requirements of your funds, complement equities and credit and support your RI goals.

The only change in the monitoring status of ACS Sub-funds in the 3rd quarter was a downgrade in the status of the LCIV Emerging Market Equity Fund to 'Enhanced Monitoring'. Stock selection has been poor, and action was needed to refresh the research and stock valuation processes. Monitoring framework scores for Resourcing and Process/strategy have been reduced to 'amber', and Performance is scored 'red'. Investors in the Sub-fund were updated on the 20th of August.

We are monitoring the Sub-fund closely, and we will complete another in-depth review no later than February 2025. We are also considering options to strengthen the performance potential of the Sub-fund, for example by introducing a strategy which is complementary to the approach applied by the current team. We will consult with investors on this point before the end of this year.

As reported in our previous update, our recommendation to keep the LCIV Global Equity Focus Fund on 'Enhanced Monitoring' was approved. We updated investors on the 6th of August.

The agenda for the rest of 2024 includes updates of the monitoring status of the LCIV Global Equity Fund (currently 'Enhanced), LCIV Global Equity Quality Fund ('Normal'), LCIV Passive Equity Progressive Paris Aligned Fund ('Normal'), LCIV Diversified Growth Fund ('Enhanced') and LCIV Real Return Fund ('Normal'). We will also complete our first reviews of the LCIV Long Duration Buy and Maintain Credit Funds and the LCIV Short Duration Buy and Maintain Credit Funds.

Economies and markets

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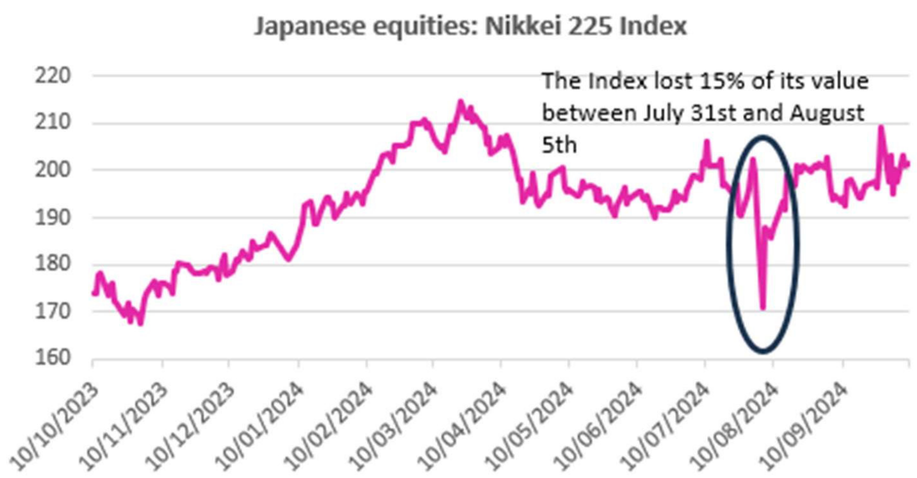
So much for the lazy days of summer! The 2024 holiday season kicked off with a severe bout of turbulence in the first week of August, when a series of actions and new data points prompted a surge in risk aversion.

Concerns about employment and economic growth in the US and the poor performance of the Chinese economy, combined with the Bank of Japan's ('BOJ') latest move to nudge interest rates up and an escalation of geopolitical tensions were the main drivers of a wave of selling which spread quickly across global markets.

Japan was at the heart of the storm. The Nikkei 225 index of leading companies lost more than 15% of its value (in Sterling terms) between the 31st of July and the 5th of August (-11% on the 5th of August alone). The shares of big Japanese banks lost about 25% of their value during that period.

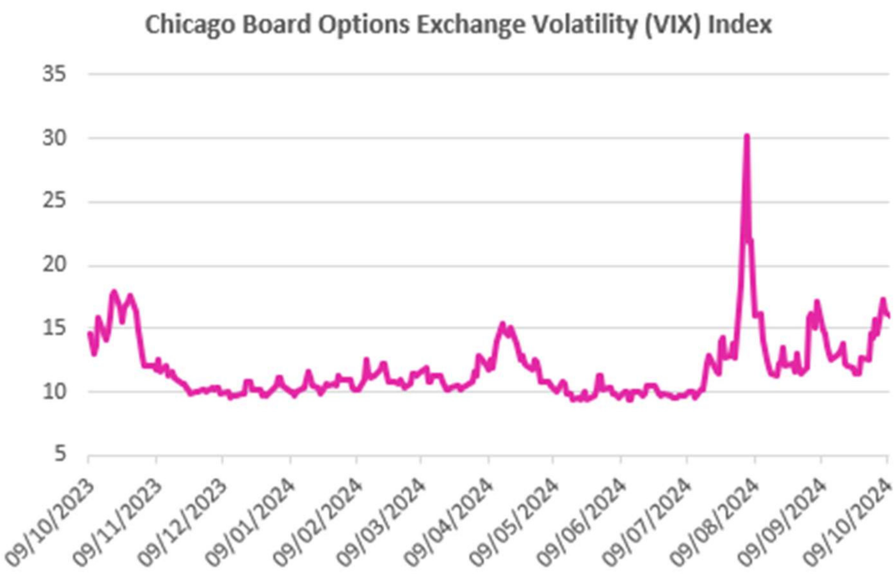
Figure 1: Summer storm in Japan



Source: Bloomberg. Index values in GBP

The S&P 500 and NASDAQ indices dropped by 6% and 8% respectively in the first week of August. Volatility indicators in the equity and U.S. Treasury bond markets spiked.

Figure 2: Storm clouds in the U.S. and global equity markets



Bonds did their job: declining yields helped to offset the losses in equities and other economically sensitive assets. The value of gold surged, and the escalation of conflict in the Middle East later in Q3 was one of the catalysts for gold setting new highs above £2,000 per ounce.

The big moves in equity markets raised the spectre of a more severe downturn, possibly amplified in the case of equities by a reversal in the fortunes of the small group of relatively highly valued technology and tech-related companies which were the dominant drivers of equity market performance in the year to the end of Q2 2024.

One of the potential triggers for a severe sell off is the repatriation of capital to Japan as the BOJ continues to normalise monetary policy. Investors have borrowed in Yen at exceptionally low cost and reinvested in foreign assets, particularly US Treasury bonds, credit instruments and stocks. The risk is that a disorderly unwinding of this 'carry trade', which is a risk we have highlighted regularly in these reports, will result in intense selling pressure and the withdrawal of liquidity from key markets.

Source: Bloomberg. Index values in GBP

This did not come to pass, and the summer crisis was averted. Investors decided that the risk of aggressive action by the BoJ was low, and that the prospect of a sharp deceleration in the US economy was overstated. In the end, the recovery was remarkably swift, and by the end of August, it didn't look like much had happened at all.

Turning back to fundamentals, the big focus was on prospects for the U.S. economy in light of the deterioration in employment data, and the risks to personal finances and consumer spending. The US Federal Reserve ('Fed') was worried enough about the trend, and confident enough in the path of inflation, to cut interest rates by 0.5% in mid-September (to a range of 4.75% to 5%). This is expected to be the first of a series of cuts which will reduce rates by a further 1.5% by the end of 2025.

The European Central Bank also reduced rates in Q3, by 0.25% to 3.5%, and is expected to cut again in October. The Bank of England ('BoE') met after the Fed decision and kept rates on hold, reflecting concerns about persistent price inflation in the services sector. This helped push Sterling above the $1.34 mark, before the positive trend reversed in response to comments made by BoE Governor Andrew Bailey suggesting that policy rates could be reduced more quickly than previously expected.

The odds of a soft landing in the US and Western Europe, with moderate to low growth and inflation stabilising in a range around central bank targets, appear to have improved. The big news late in Q3 was a series of policy announcements by the Chinese government which aim to stimulate investment and consumption activity. This could provide another source of growth across the globe, although the effects on inflation would have to be considered.

Figure 3: Autumn renaissance in China?

Source: Bloomberg. Index values in GBP

Outlook

The sharp, but short, sell off in equity markets in August was one of the topics of conversation at the LCIV Annual Conference. The view of our expert panellists is that regular bursts of volatility will be a feature of markets going forward as economies and capital markets adjust to new economic and policy regimes.

There will certainly be swings in sentiment, sometimes sharp, as new data is released. Geopolitical tensions are high, risks to global supply chains have increased and the U.S. Presidential election in November could have important consequences. It is too early to assess the impact on the real economy of policy initiatives in China. We would also note the potential effects on liquidity and capital flows of a disorderly unwinding of the Yen carry trade.

On a positive note, periods of transition drive divergences in the performance of economies and markets which can be profitable for funds which are positioned to capitalise on large opportunity sets and complementary approaches to investing. This is another theme highlighted at our conference, and in previous quarterly updates.

As long term investors, it is challenging, and probably unproductive, to respond to episodes of risk aversion. However, they do highlight the importance of building resilience into portfolios through diversification of return drivers, exposure within asset classes and style of investing.

London CIV Team

LCIV Global Alpha Growth Paris Aligned Fund

Quarterly Summary as at 30 September 2024

Total Fund Value:

£2,347.3m

Inception date:	13/04/2021
Price:	96.29p
Distribution frequency:	Quarterly
Next XD date:	01/10/2024
Pay date:	29/11/2024
Dealing frequency:	Daily

This is a segregated Sub-fund of the London CIV ACS administered by Northern Trust. The delegated investment manager has been Baillie Gifford & Co since the Sub-fund's inception date.

Investment Objective

The objective of the Sub-fund is to exceed the rate of return of the MSCI All Country World Index by 2-3% per annum on a gross fee basis over rolling five year periods. The Sub-fund also aims to have a weighted average greenhouse gas intensity that is lower than that of the MSCI ACWI EU Paris Aligned Requirements Index.

Hillingdon Valuation:

£63.1m

Hillingdon investment date: 22/04/2021

This is equivalent to 2.69% of the Fund

Distribution option: INC share class (Reinvest)

Estimated distribution: £72,649

Net Performance	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Fund Inception p.a. %†	Since CF Inception p.a. %†
Fund	0.67	19.81	(1.23)	n/a	(0.67)	(0.41)
Investment Objective*	1.16	22.91	10.92	n/a	11.25	11.46
Relative to Investment Objective	(0.49)	(3.10)	(12.15)	n/a	(11.92)	(11.87)
Benchmark**	0.67	20.54	8.76	n/a	9.09	9.27
Relative to Benchmark	0.00	(0.73)	(9.99)	n/a	(9.76)	(9.68)

** Investment Objective: MSCI All Country World Gross Index (in GBP)+2%*
*** Benchmark: MSCI All Country World Gross Index (in GBP)*

† The investment objective is compounded daily therefore the benchmark return plus the outperformance target may not equal the investment objective.

Performance

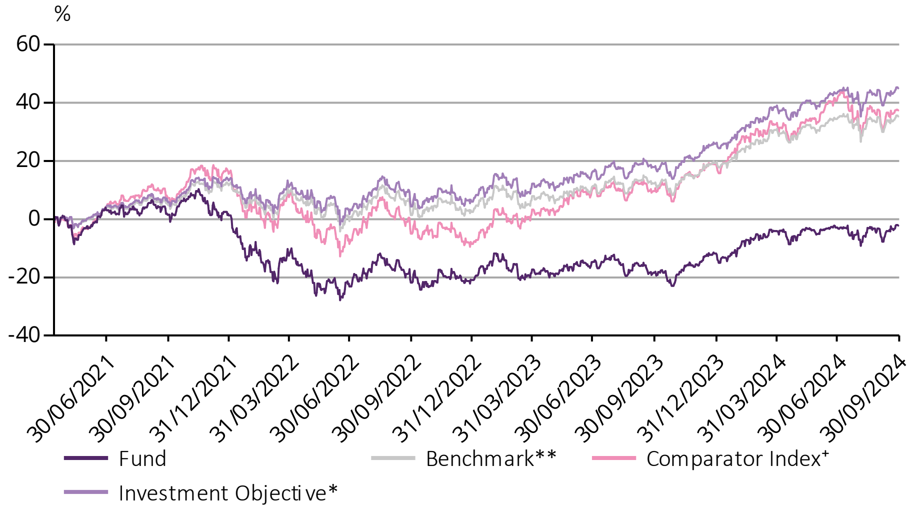
The Sub-fund returned +0.7% in Q3 against +0.7% for the MSCI All Country World benchmark index thus posting a flat relative performance. Over the 12-month period to the end of September 2024 the Sub-fund returned +19.8%, 0.7% less than the benchmark. The Sub-fund has generated -0.7% on an annualised basis since inception, underperforming the benchmark by 9.8% per annum.

This was a flat quarter for the Sub-fund which exhibited decent downside protection characteristics without sacrificing participation in the upside in what proved to be a roller coaster quarter. The more stable performance is now also reflected in the 12-month relative performance figure of -0.7% which while still negative, indicates that performance has stabilised. The main driver of returns was the 'capital allocators' basket, a selection of companies skilful in deploying capital into cyclical opportunities. This segment has proven to be the workhorse of the portfolio over the last 18-months. At the stock level the three top contributors were CATL, DoorDash and Prosus.

CATL is one of the world's leading lithium battery manufacturers. Its shares have made good progress throughout the first half of 2024 reflecting strong fundamental progress in unit sales, revenues, and margins. The latest financial results showed revenues growing in the region of +20% year-on-year while EBITDA margins grew from 14% to 18% (source: Baillie Gifford). As with Prosus below, CATL was a significant beneficiary of the Chinese government's liquidity support and its shares inflected sharply (+40%) throughout September.

DoorDash, the US food delivery business, has delivered strong share price performance underpinned by continued operational progress. Revenue grew +23% y/y, and total orders grew +19% y/y in the latest reported quarter (source: Baillie Gifford). The investment manager retain high conviction that DoorDash's focus on operational excellence underpins its growth prospects and has added to the position. Prosus is a holding company for the overseas (non-African) assets of Naspers. These are a collection of online businesses operating across a range of sectors from food delivery, online classified advertising and payments. This includes a significant stake in Chinese internet giant, Tencent which rose sharply after the Chinese government announced a series of stimulus measures.

Performance since LCIV inception



Source: Fund prices calculated based on published prices. Benchmarks obtained from Bloomberg. All performance reported net of fees and charges with distributions reinvested.
** Investment Objective: MSCI All Country World Gross Index (in GBP)+2%*
*** Benchmark: MSCI All Country World Gross Index (in GBP)*
+ The Comparator Index MSCI Growth Index Net Total Return is not the stated fund objective, but has been selected as an appropriate index given the style of the Sub-fund. For further details, please refer to the Glossary.

The three top detractors from relative performance at the stock level were Novo Nordisk, Elevance Health and Moderna. Novo Nordisk is a rapidly growing Danish pharmaceutical business. Its Wegovy weight-loss drug is driving strong growth for the business. Despite the shares being up +15% year to date (source: Baillie Gifford), they were weak through the quarter owing to a disappointing result from an early phase 2 trial of an oral weight loss alternative to Wegovy. Elevance is one of America's largest health insurance businesses, operating in a range of commercial and state insurance offerings. It is one of the portfolio's largest holdings and therefore even modest falls in the share price can lead it to be a significant detractor. While over the quarter there was no fundamental change to the business, the investment manager observes that share prices of health insurance companies are typically subject to volatility around elections in the U.S.

Moderna is a vaccine business that specialises in messenger RNA vaccines. It delivered explosive growth during the pandemic as it supplied vaccines for Covid-19. However, over the past year, revenues have fallen -64%, including -30% in the past quarter (source: Baillie Gifford) leading to the stock's underperformance. The investment manager retains their conviction in the company's prospects but have become more sceptical over its execution capabilities in the last months.

Positioning

Forecast tracking error at the end of Q3 was broadly in line with the last quarter at 4.6 (source: Bloomberg Enterprise). About 48% of the active risk is stock specific. Most of the balance is attributed to style, 'growth' specifically, and sector factors. Variances in Sub-fund sector positioning relative to the benchmark are large.

At the regional level, as of the end of September 2024, the Sub-fund's largest exposure remained North America at 65.1%. At the sector level, the Sub-fund maintained its large exposure to the consumer discretionary sector at 22.3%. This sector remains the largest exposure followed by IT at 18.9% and financials at 12.9%.

The number of positions has decreased to 83 from 90 in the previous quarter. As previously commented, we were anticipating this number to decrease as the investment manager continues to actively assess the role that some of the smaller positions play in the portfolio. Their focus is on bringing the number of positions in the Sub-fund down in order to free up capital for new ideas or to build bigger positions in high conviction holdings. We expect this process to continue.

A number of 'incubator' new positions were added in the quarter in the 'Disruptors' and 'Capital Allocators' segments of the portfolio. Three characteristic examples are Dutch Bros, Builders FirstSource and Ryanair.

Dutch Bros is a drive-through coffee chain operating in the U.S. According to the investment manager, the company's long-term goal of reaching over 4,000 outlets over the next 10-15 years (from a base of around 900 today), introduce mobile order & pay, and add more food products to its menu, makes this a compelling investment case. Builders FirstSource is the largest supplier of building products, prefabricated components and value-added services to the professional builder space in the US. The investment manager expects Builders FirstSource to continue to invest organically to build strength and resilience through value-added products, to consolidate the industry through disciplined M&A, and return excess capital to shareholders through buybacks.

Ryanair, Europe's leading short-haul airline, stands out for its capital allocation discipline and focus on cost efficiency among low-cost carriers, which in the investment manager's opinion, will support the company in gaining market share and strengthening its already robust competitive position. Ryanair was already a holding in the non-Paris-Aligned version of the strategy. The inclusion of this stock in the Sub-fund reflects an improvement in the company's qualitative assessment regarding the essentiality of the service it provides and a recognition of the company's efforts to reduce its carbon footprint. According to Baillie Gifford, Ryanair has emerged as a leader in the aviation sector's transition towards sustainability, demonstrated by its Net Zero 2050 target and its ambition and willingness to lead within the sustainable aviation fuel (SAF) market. Additional commentary regarding Ryanair's addition in the portfolio can be found in the 'ESG Activity' section below.

Ten positions were fully liquidated over the quarter. Sells were spread across the three portfolio segments, Compounders, Disruptors and Capital Allocators with characteristic examples including Adobe Systems, HDFC Bank and SPC Pool Corporation ('Pool Corp') respectively. Adobe is a software business with products that help its customers with digital creativity and to develop superior digital experiences. The investment manager believes the boom in the adoption of generative artificial intelligence (AI) tools has catalysed a paradigm shift, in which a proliferation of creative AI tools is materially lowering barriers to entry, diminishing the value of design, and enabling competitors to gain ground in Adobe's core and adjacent markets. This poses material challenges to the investment case for Adobe and they have decided to move on from this holding.

In July 2023, HDFC Corp merged with HDFC Bank, creating the world's fourth-largest bank by market capitalisation. Operating mainly in their home market of India, HDFC provides retail banking, wholesale banking and treasury services. The original investment case for HDFC was based on its potential to strengthen its leading position in a fast-growing economy. However, operational progress has been disappointing, making it more difficult for the company to achieve the portfolio's growth hurdle. With the share price appreciating around 10% over the last three months, the investment manager has taken the opportunity to sell the position and move on.

Cyclical and operational factors have influenced the investment manager's decision to sell out of the holding in America's largest wholesale distributor of swimming pool supplies, Pool Corp. According to Baillie Gifford, the outlook for new pool construction is weak, as volumes of new family homes sold are declining and the migration trend that was experienced during the pandemic (people moving from frost-belt to sun-belt states) has now tapered off. When considering these headwinds against a forward P/E of 30, they believe this to be too high for the growth outlook, and as such have chosen to focus on higher conviction ideas.

London CIV Summary

The investment manager's efforts to diversify the sources of investment return for the Sub-fund have paid dividends over the reporting period as the portfolio has shown resilience, delivering a flat relative return over what proved to be a roller coaster quarter. The vast majority of Sub-fund holdings (around 98%) are profitable or free cashflow positive and the portfolio overall is much less reliant on debt funding than the broader market, with net debt-to-equity at around 20% compared to 50% for the index (source: Baillie Gifford). Additionally, the three-year earnings growth forecast for the portfolio in aggregate remains ahead of that of the index.

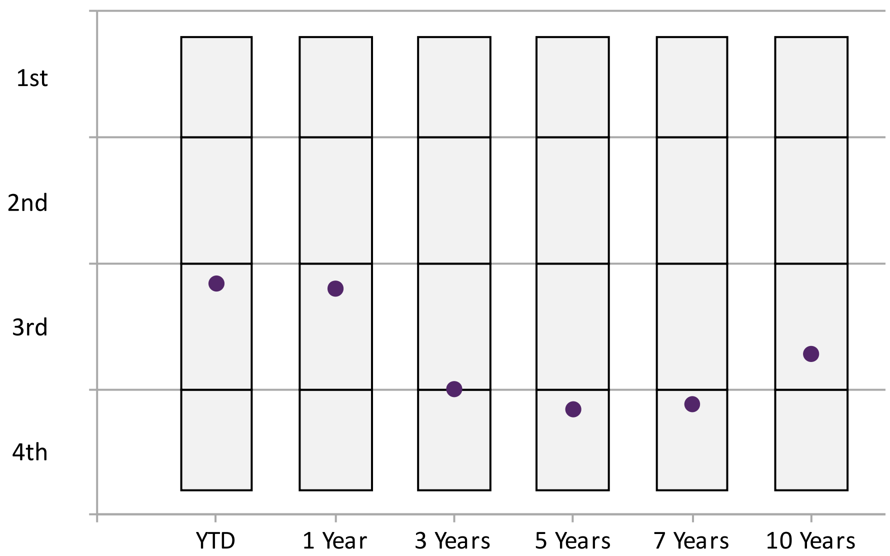
Provided that the encouraging signs of a broadening market environment we saw in Q3 persist, then we expect these underpinnings to position the Sub-fund well to deliver long-term outperformance.

Peer Analysis

The peer group is **Global All Cap Growth Equity**. Over the short-term (up to 1 year) and longer-term (10 years) to the end of June 2024, the Sub-fund is in the third quartile of the peer group. Over three, five and seven-year periods, the Sub-fund remains in the bottom quartile. Tracking error over three years is lower than the median of the peer group, and the information ratio remains in the bottom quartile. Absolute risk, as measured by the standard deviation of returns, is slightly lower than the median but the maximum drawdown is higher.

The Global Alpha Growth Paris Aligned portfolio has insufficient history required to perform meaningful peer analysis, which is based on three years of historic returns. We have in this case used the Global Alpha Growth portfolio as a proxy as it is closely aligned to the Paris Aligned fund in terms of investing style and is managed by the same team. Note, however, that the Paris Aligned fund pursues objectives relating to greenhouse gas intensity which may result in significant differences in the performance of the Global Alpha Growth and Global Alpha Growth Paris Aligned funds over time.

Returns

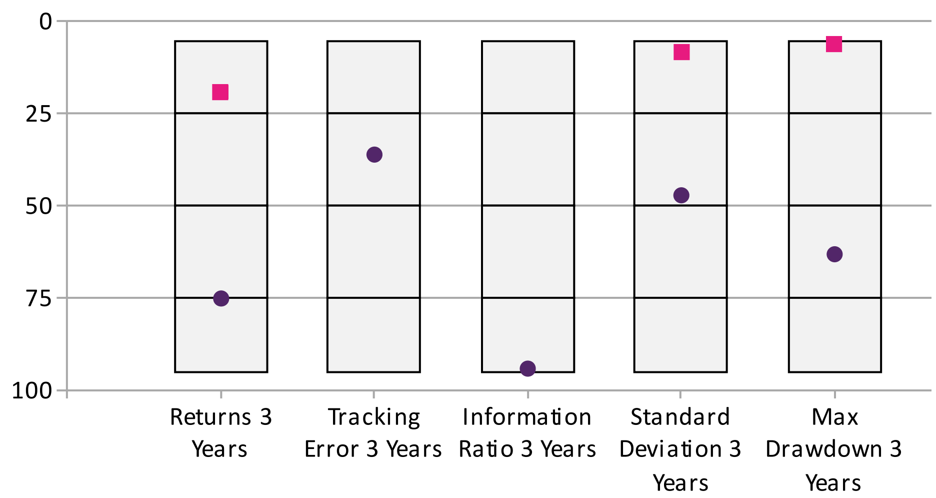


	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
Sub-Fund proxy	**9.42%**	**14.38%**	**-0.30%**	**8.93%**	**10.07%**	**12.63%**
Peer group median	10.20%	16.25%	4.84%	11.53%	12.26%	13.78%

● Baillie Gifford & Co Global Alpha

Source: eVestment as at 30 June 2024

Key Risk Statistics



	Returns 3 Years	Tracking Error 3 Years	Information Ratio 3 Years	Standard Deviation 3 Years	Max Drawdown 3 Years
Sub-Fund proxy	**-0.30%**	**7.20%**	**-1.31**	**15.63%**	**26.24%**
Peer group median	4.84%	8.20%	-0.58	15.75%	23.03%
Index	9.12%	-	-	11.14%	10.74%

● Baillie Gifford & Co Global Alpha ■ MSCI Index MSCI ACWI-GD

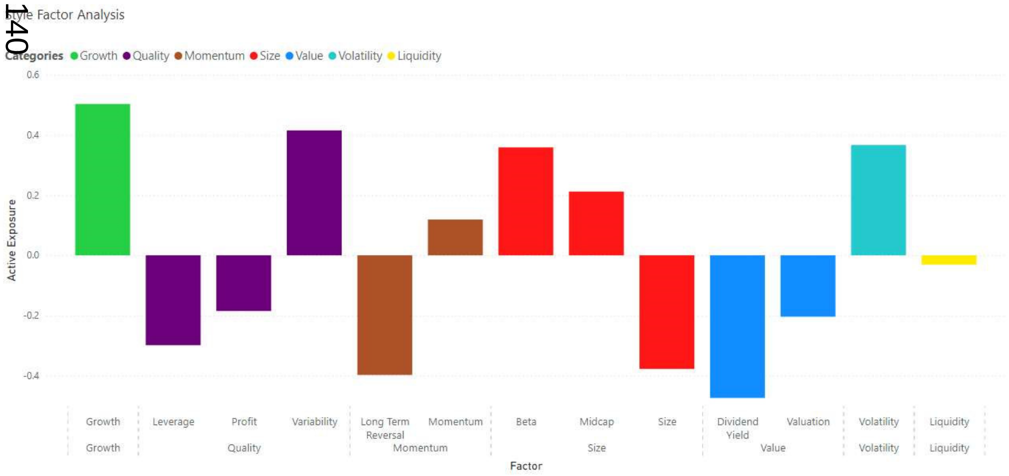
Source: eVestment as at 30 June 2024

This analysis is based on the performance of a representative account managed by the investment manager which is most closely aligned to the Sub-fund in terms of investment objective and policy. Data is reported gross of management fees.

Style Analysis

This quarter we are changing the source of the style analysis from Style Analytics to Bloomberg. This gives the advantage of being more up to date (to the current quarter end) and aligns with the factor model we use in risk monitoring. Broadly the factors remain the same at the high level and are categorised into value, growth, size, momentum and quality with some additional factors available. Some of the individual factors, particularly for value and growth are less granular, but overall the picture of the style tilts of the sub-fund remains consistent. Definitions of the factors can be found in the glossary.

The style of the Sub-fund remains consistent. The portfolio is tilted away from value factors and towards growth and quality (variability) factors. The Sub-fund is also biased towards companies with strong balance sheets (low leverage). There is a tilt to small and mid-cap stocks and a bias towards high beta stocks. The positive momentum tilt remains consistent from last quarter.



Source: Bloomberg as at 30th September 2024

This analysis is based on a representative account managed by the investment manager which is most closely aligned to the Sub-fund in terms of investment objective and policy. Please click here to refer to the Appendix for more information about the Style Analysis methodology.

LCIV Global Alpha Growth Paris Aligned Fund: Portfolio Characteristics

Key Statistics	30 Sep 2024	30 Jun 2024
Number of Holdings	83	90
Number of Countries	18	19
Number of Sectors	9	9
Number of Industries	36	38
Yield %	0.80	0.86

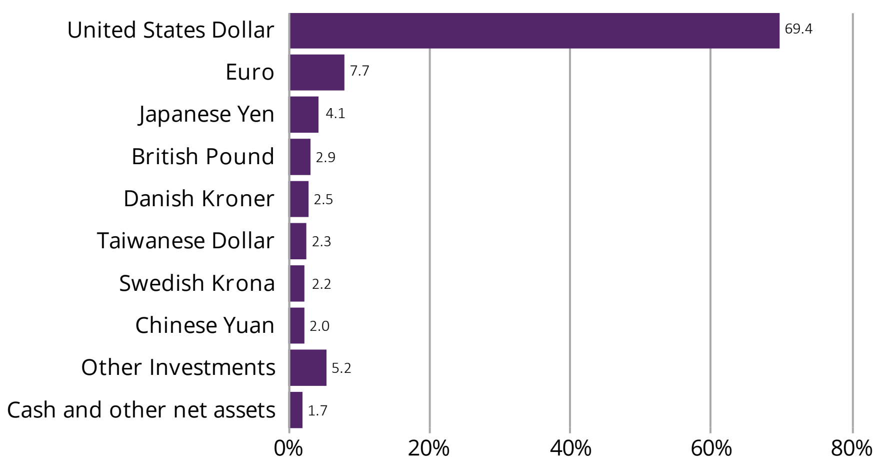
Source: London CIV data as at 30 September 2024

Risk Statistics	30 Sep 2024	30 Jun 2024
Tracking Error (%)	4.57	4.30
Beta to Benchmark	1.12	1.13

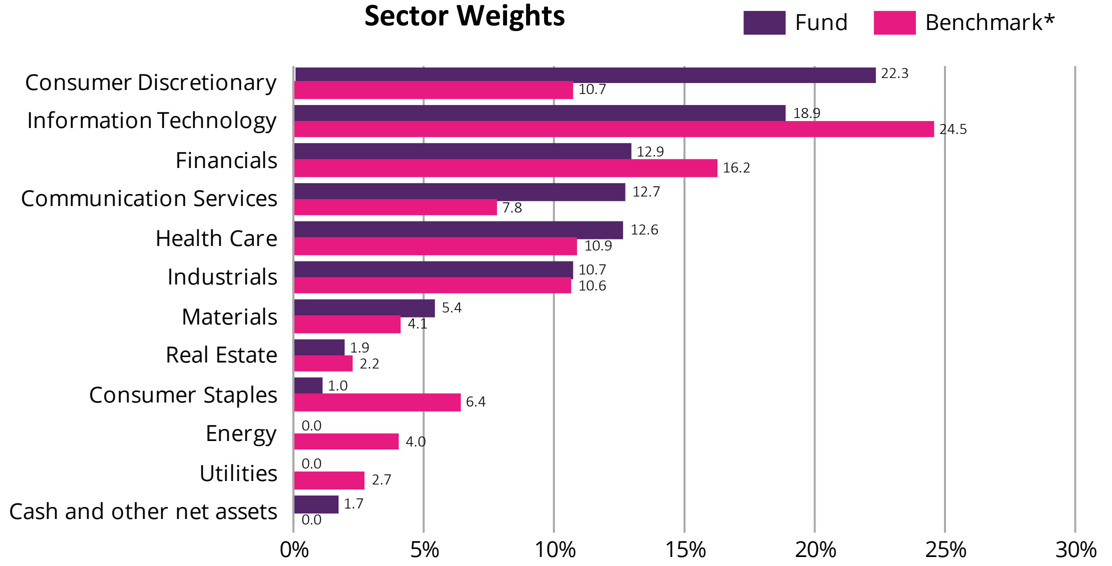
Source: London CIV

Risk statistics: forecast based on the composition of the portfolio and reference Index at the end of the reporting period (see Glossary of Terms for more information). The model used in the calculation of tracking error was changed as of 31st July 2024 from a monthly prediction horizon to quarterly to better reflect the longer term nature of the funds.

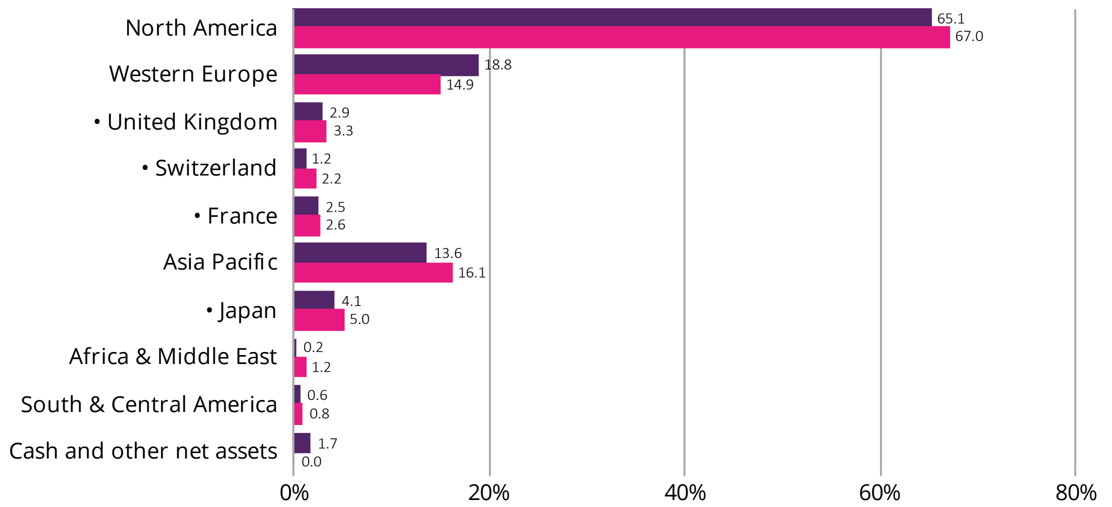
Currency Weights



Sector Weights



Region/Country Weights



Source: London CIV data as at 30 September 2024

**MSCI All Country World Gross Index (in GBP)*

LCIV Global Alpha Growth Paris Aligned Fund: Portfolio Characteristics

Top Ten Equity Holdings

Security Name	% of NAV
Microsoft	4.61
Meta Platforms	4.25
Amazon	4.09
Nvidia Corp	3.56
Elevance Health Inc	3.35
Prosus NV	2.87
Mastercard Inc	2.49
Doordash Inc	2.45
Moodys Corp	2.36
CRH Plc.	2.33

Top Ten Contributors

Security Name	% Contribution
Doordash Inc	+0.44
Contemporary Amperex Technology Co.	+0.44
Prosus	+0.41
CRH Plc.	+0.37
Adyen	+0.35
CBRE Group Inc	+0.33
Meta Platforms	+0.30
Mercadolibre	+0.28
AIA Group	+0.25
Nexans SA	+0.23

Top Ten Detractors

Security Name	% Detraction
Microsoft	(0.59)
Novo Nordisk	(0.56)
Amazon	(0.52)
Moderna Inc	(0.39)
Alphabet Inc Class C	(0.39)
Elevance Health Inc	(0.29)
Mobileye Global Inc	(0.28)
Samsung Electronic Gdr	(0.26)
Entegris Inc	(0.19)
ASM International	(0.18)

New Positions During Quarter

Security Name
ADR Ryanair Holdings Plc
Builders Firstsource Inc
Dutch Bros Inc
Soitec S.A

Completed Sales During Quarter

Security Name
Adobe Inc
Advanced Micro Devices Inc
Certara Inc
HDFC Bank 'ADR'
Hoshizaki Corp
Pernod Ricard NPV
Pool Corp
Sands China Limited
Staar Surgical Co
Sysmex Corp

Source: London CIV data as at 30 September 2024

LCIV Global Alpha Growth Paris Aligned Fund: ESG Summary

ESG Activity for the Quarter

EOS engaged with 15 companies held in the portfolio on a range of 37 environmental, social and governance issues and objectives over the quarter. Out of those engagements, 16% were on environmental, 22% on governance, 54% on social and 8% on strategy, risk and communications.

During the quarter Baillie Gifford invested in Ryanair, we challenged the managers on their rationale behind the addition to the portfolio specifically around the environmental impact of the airline industry. They explained to us the emergence of a more credible decarbonisation pathway for the airline industry and the fuel suppliers building out their sustainable aviation fuel supplies in recent years. The investment manager also explained Ryanair's disruption in the airline industry and their own emissions targets. Last year the company improved its sustainable aviation fuel targets to 12.5% by 2030 which is more ambitious than the EU mandates. They believe Ryanair will continue to enhance its fuel efficiency as it aligns with its financial strategy.

Baillie Gifford met with Coupang to better understand its climate exposure and material risks, and to encourage the company to report scope 1 and 2 emissions. Coupang operates in densely populated areas of Korea, where 70% of the population lives within seven miles of a fulfilment centre. Seoul, known for its narrow streets and high vehicle usage, ranks among the worst cities globally for air pollution. Additionally, as a US-listed company, Coupang must adhere to new SEC requirements to disclose scope 1 and 2 emissions. The investment manager recommended the disclosure of scope 1 and 2 emissions, though advised against setting targets until the company has a clearer understanding of its carbon footprint. Baillie Gifford then offered the support of their Climate Team and agreed to provide examples of companies they believe to have best practice in similar sectors. Since then, the company has indicated it is evaluating whether to include scope 1 and 2 emissions in its forthcoming ESG report.

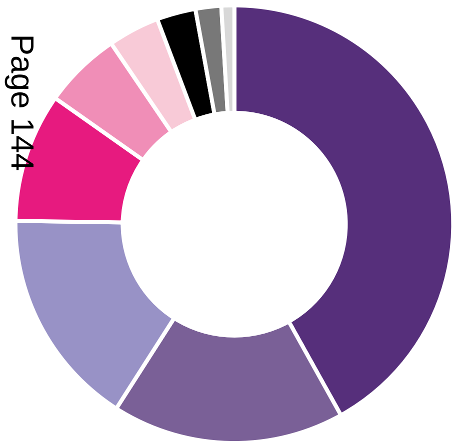
The investment manager visited Ryanair's headquarters for an update on the business, meeting with various departments. In their meeting with the Chair of the board, they gained a better understanding of the skills of the new board appointees. With the sustainability team, Baillie Gifford sought clarity on decarbonisation planning, especially regarding sustainable aviation fuel (SAF). They received clarity on SAF contracts and that other measures targeting emissions reductions are embedded in the company's 2050 Net Zero plan. With the chief operating officer, they explored the supply chain bottlenecks facing the company and were introduced to Ryanair Labs, an internal digital and IT innovation hub, which aims to improve customers' online travel booking experience. These meetings were insightful and helped the investment manager to better calibrate the opportunity in the coming years and increase their confidence that Ryanair has a tangible edge in sustainability versus its low-cost peers and long-haul carriers.

LCIV Global Alpha Growth Paris Aligned Fund: ESG Summary

Voting Summary

As stewards of capital, exercising voting rights is an important part of our responsibility towards our Client Funds' ESG objectives. We believe that voting on shareholder resolutions is a powerful part of our stewardship strategy as it helps communicate our views to companies. Being transparent about disclosing our voting records further supports this aim. London CIV's stewardship provider Hermes EOM and investment managers are expected to vote on all proxies considering the impact of ESG factors to ensure shareholder value is maximised. London CIV monitors voting records on a quarterly basis and expects Hermes EOS and managers to be able to provide a rationale for all voting activity on a "comply or explain" basis. The following charts give an overview of voting activity for this quarter (1 July 2024 - 30 September 2024).

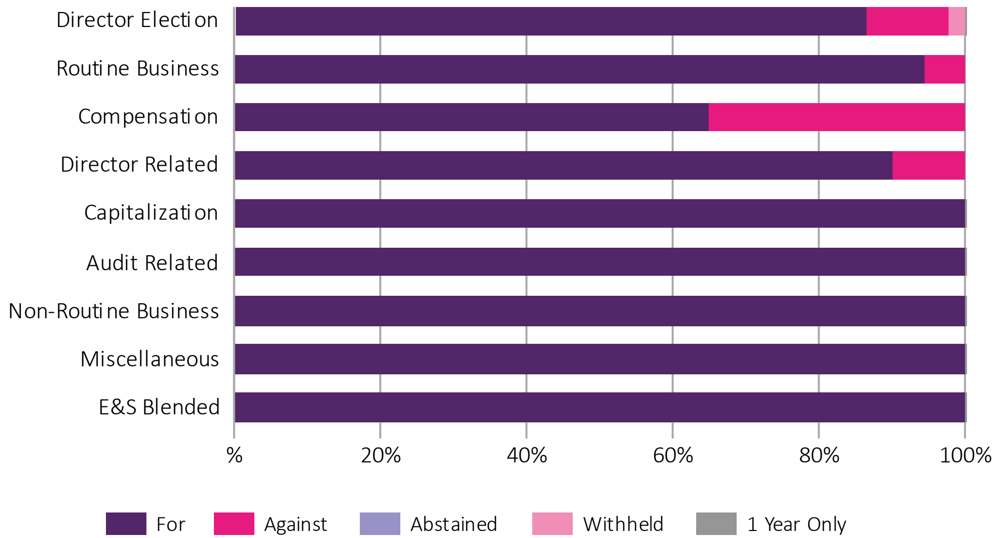
Proposals Breakdown



Proposals Breakdown	No.
Director Election	44
Routine Business	18
Compensation	17
Director Related	10
Capitalization	6
Audit Related	4
Non-Routine Business	3
Miscellaneous	2
E&S Blended	1
	105

Source: London CIV data as at 30 September 2024

Voting Instruction Breakdown



Source: London CIV data as at 30 September 2024

Link to Underlying Manager's Voting Report for the Quarter

londonciv.org.uk/portal/email/download/17133-LCIV-Global-Alpha-Growth-Paris-Aligned-Fund-Voting-Report-Q3-2024

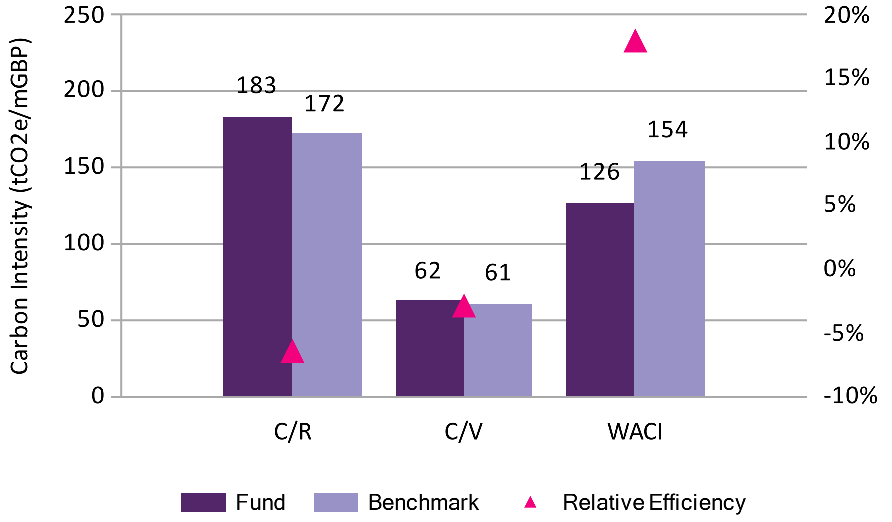
LCIV Global Alpha Growth Paris Aligned Fund: ESG Summary

Climate Risk Exposure

To enhance the understanding of climate risks and identify specific areas of exposure, London CIV periodically measures and reports the carbon footprint and fossil fuel exposure of listed equity and corporate fixed income instruments. The following charts produced using data from Trucost provide climate impact and risk exposure metrics that may be used to support climate related disclosures in line with TCFD recommendations and inform internal processes for risk management and strategy development.

Carbon Performance

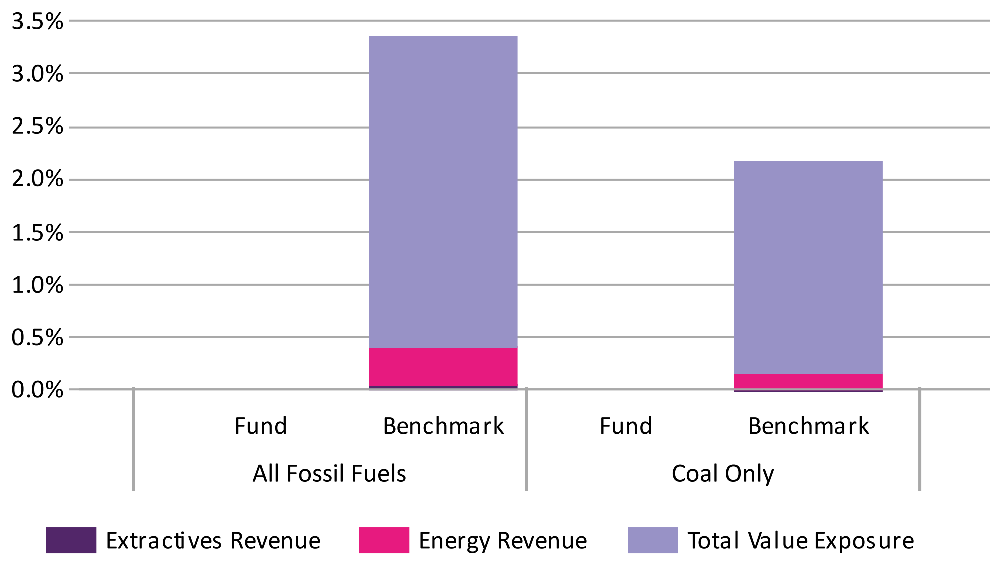
The chart shows the carbon intensity using the three main methodologies, carbon-to-revenue (C/R), carbon-to-value (C/V) and weighted-average carbon intensity (WACI). The scopes used were Direct and First Tier Indirect emissions. For more information, please consult the Appendix.



Source: London CIV based on Trucost data as at 30 September 2024

Fossil Fuel Exposure

The chart provides an indication of exposure to companies engaged in any fossil fuel activities (left-hand side), as well as coal only (right-hand side). For more information on the methodology please consult the Appendix.



Source: London CIV based on Trucost data as at 30 September 2024

The benchmark used in the above is MSCI ACWI EU Paris Aligned Requirements Index

LCIV Global Alpha Growth Paris Aligned Fund: ESG Summary

Climate Risk Exposure

Top Contributors - Weighted Average Carbon Intensity

The largest contributors to the portfolio's carbon intensity are shown below. The 'WACI Intensity Contribution' is the percentage change in the portfolio's intensity that would be caused by excluding the holding referenced. For more information, please consult the Appendix.

Name	Carbon Intensity (tCO2e/mGBP)	WACI Contribution	Climate 100+
CRH Plc	1,586.29	-28.07%	Yes
Martin Marietta Materials, Inc.	1,330.91	-10.07%	Yes
Ryanair Holdings Plc	1,602.72	-9.45%	No
Stella-Jones Inc.	600.85	-3.46%	No
Taiwan Semiconductor Manufacturing Company Limited	252.47	-2.38%	No
Eaton Corporation plc	229.12	-0.84%	No
Texas Instruments Incorporated	198.50	-0.69%	No
Contemporary Amperex Technology Co., Limited	178.40	-0.64%	No
Albemarle Corporation	239.14	-0.46%	No
Advanced Drainage Systems, Inc.	159.46	-0.28%	No

Source: London CIV based on Trucost data as at 30 September 2024

Link to Underlying Manager's Commentary for the Quarter

londonciv.org.uk/portal/email/download/17153-Manager-Quarterly-Report---Baillie-Gifford---Global-Alpha-Growth-Paris-Aligned-Fund---Q3-2024

LCIV Absolute Return Fund

Quarterly Summary as at 30 September 2024

Total Fund Value:

£1,002.6m

Inception date:	21/06/2016
Price:	128.50p
Distribution frequency:	Semi-Annually
Next XD date:	02/01/2025
Pay date:	28/02/2025
Dealing frequency:	Weekly (Wednesday and Month end)

Investment Objective

The Sub-fund's objective is to achieve low volatility and positive returns in all market conditions. Capital invested in the Sub-fund is at risk and there is no guarantee that a positive return will be delivered over any one or a number of twelve-month periods.

This is a pooled Sub-fund of the London CIV ACS administered by Northern Trust. The Sub-fund has invested in the collective investment vehicle WS Thames Absolute Return Fund since August 31 2023. Prior to that date, and in the period since the inception date, the Sub-fund invested in the collective investment vehicle LF Ruffer Absolute Return. Both of the collective investment vehicles are managed by Ruffer LLP.

Hillingdon Valuation:

£39.1m

Hillingdon investment date: 21/06/2016

This is equivalent to 3.90% of the Fund

Distribution option: INC share class (Reinvest)

Estimated distribution: Nil

Net Performance	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Fund Inception p.a. %†	Since CF Inception p.a. %†
Fund	2.56	4.34	1.26	4.62	4.53	4.53
Target*	2.05	8.46	6.44	5.16	4.51	4.51
Relative to Target	0.51	(4.12)	(5.18)	(0.54)	0.02	0.02

** The Target SONIA (30 day compounded) +3% (from 1 January 2022, previously 1m LIBOR +3%) is an absolute level of return which is deemed as the appropriate return which investors can expect for the level of risk taken within the Sub-fund. For further details, please refer to the Glossary.*

† Please note the benchmark is being changed from the London Interbank Offered Rate (LIBOR) to the Sterling Overnight Index Average (SONIA). This was completed with effective date 1 January 2022 all benchmark past performance prior to this date will continue to be calculated against LIBOR.

Performance

The value of the Sub-fund increased by 2.6% in Q3 2024 and by 4.3% in the one-year period ended September 30th. The performance target of SONIA (30 day compounded) plus 3% appreciated by 8.5% over one year. The annualised return of the Sub-fund over three years is +1.3%, 5.2% less than the performance target. The Sub-fund has returned 4.5% per annum since inception, almost exactly in line with the target.

The Sub-fund performed well during the turbulent period in markets at the beginning of August. The investment manager estimates that the value of the Sub-fund increased by about 4% at the peak of the decline in equities. They took the opportunity to lock in gains on some investments and adjust the risk profile of the portfolio, but without altering the overall defensive stance of the Sub-fund. Markets recovered quickly, and as a result, some of the profits earned in the first half of Q3 were diluted.

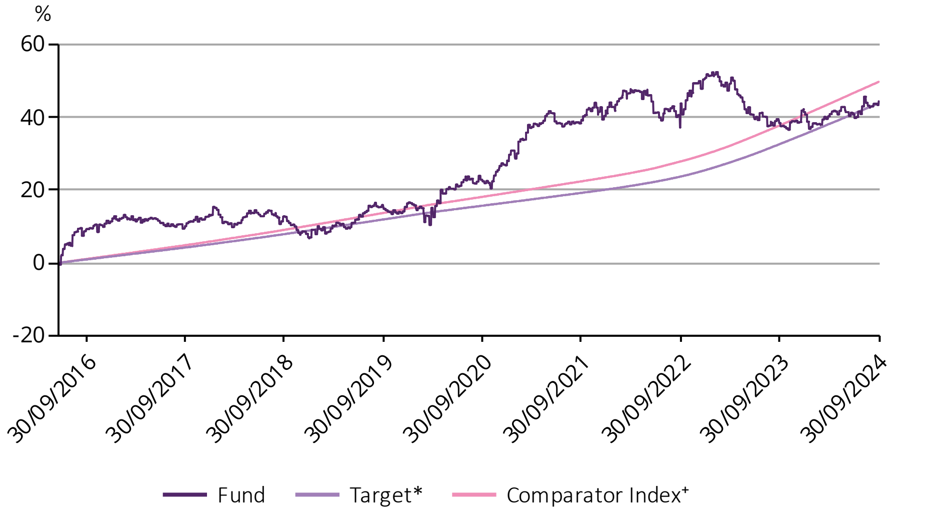
The investment manager's skill in putting capital to work after periods of risk aversion is a key success factor for the Sub-fund. This episode did not provide enough of a window, in terms of severity or duration of declines in equity and credit markets, to reinvest at high rates of return.

The drivers of performance shifted and broadened out in Q3. The biggest profits came from the equity portfolio, which has a pronounced bias in favour of commodity producing companies and value stocks, including Chinese companies listed on the domestic 'A shares' market. This worked well during the quarter, when the dominance of big U.S. technology companies reversed course. Gains from the equity investments accelerated late in Q3 when Chinese stocks surged after a series of policy announcements by the Chinese government.

The move by the Bank of Japan to increase interest rates was one of the catalysts for the surge in volatility in August. The investment manager is a strong proponent of a normalisation of monetary policy in Japan, and an increase in the value of the Yen. The long Yen position was an important source of profits in Q3 after a long period of sub-par performance.

The investment manager had allocated more than 11% of the Sub-fund to Treasury Inflation Protected Securities ('TIPS') issued by the U.S. government in Q2. Real yields on these bonds looked attractive in absolute terms, and relative to Inflation Linked Gilts.

Performance since LCIV inception



Source: Fund prices calculated based on published prices. All performance reported Net of fees and charges with distributions reinvested.

** Target: SONIA (30 day compounded) +3% (from 1 January 2022, previously 1m LIBOR +3%)*

⁺ The Comparator Index UK Base Rate +3.5% is not the stated fund objective, but has been selected as an appropriate index given the style of the Sub-fund. For further details, please refer to the Glossary.

The TIPS performed well in Q3 as inflation continued to moderate and concerns grew about the outlook for growth in the U.S. The entire position was sold in Q3.

Nominal bonds also made a positive contribution, mainly from the income generated by holdings in short-dated debt issued by the U.K. and U.S. governments.

The investment manager increased the allocation to gold early this year, and then replaced the investments in gold bullion with the shares of gold mining companies such as Newmont and Barrick. The allocation to gold was profitable in Q3, and this has been an important contributor to the Sub-fund over 12 months.

Positioning

The Sub-fund has been defensively positioned for more than a year, based on the investment manager's view that risk in equity and credit markets is skewed to the downside. They believe that investors are complacent about the outlook for inflation and risks to growth, especially in the U.S. Volatile inflation and slow growth are dangerous given the surge in government borrowing in recent years and the levels of debt carried by some groups of consumers and companies.

The 'shape' of the mini crisis early in August was aligned to the investment manager's expectations. Volatility surged in equity and credit markets, liquidity deteriorated, and investors started to pay more attention to the potential impact of a disorderly repatriation of capital back to Japan. This episode exposed vulnerabilities and provided clear evidence of fragility in global markets. However, this evidence was shrugged off quickly, too quickly in the investment manager's view.

They believe the decision by the U.S. Federal Reserve to reduce interest rates by a full 0.5% in September reflects a clear shift in focus away from fighting inflation to supporting the labour market. The investment manager thinks investors are being complacent in assuming that central banks can engineer a 'soft landing' without hitting potholes which could hurt, especially when geopolitical tensions are high, and a U.S. Presidential election is looming.

At a high level, they do not think that equity and credit risk is correctly priced in terms of the balance between expected returns and downside risk. The investment manager continues to search for pockets of value across and within markets, and to adjust the portfolio dynamically in response to market events.

The Sub-fund is made up of three blocks of exposure. The 'Deflation' segment, which protects the portfolio from downside risk, is the dominant component. This segment holds cash, short-dated Gilts and floating rate notes. The income from these investments helps offset some of the cost of derivatives used to protect the Sub-fund from losses. These bonds are also an important source of capital which can be reinvested quickly in riskier assets.

The size of the 'Deflation' block increased by about 10% to 56% of the Sub-fund in Q3. The increase came from the reinvestment of the proceeds of sale of U.S. TIPS in U.S. Dollar floating rate notes.

Japanese government debt is still a core component of the 'Deflation' sleeve and an important source of risk for the Sub-fund. The investment manager believes the Yen is undervalued relative to other major currencies. The short-dated Yen denominated debt (circa 15% of the Sub-fund) is held on an unhedged basis. The investment manager had supplemented this exposure with Yen cash and call options linked to the performance of the Yen against the U.S. Dollar, Euro and Swiss Franc. The Yen appreciated in Q3, and the options were closed. The success of this position now relies mainly on gains in the Yen against Sterling.

The final element of the 'Deflation' segment is the block of protection strategies. This includes options on major equity indices. Protection against falls in the S&P 500 Index, and call options on the VIX index of implied volatility on the S&P 500 Index, were reduced after the sell-off in August. Credit default swaps ("CDS") which profit if investment grade credit indices decline are still in place. The investment manager has a strong view that credit risk is mispriced. These swaps have been a significant drag on the performance of the Sub-fund over 12 months.

The 'Inflation' segment of the Sub-fund was reduced to about 16% of the Sub-fund, from circa 29% at the end of Q2. In addition to selling U.S. TIPS, the investment manager locked in some of the gains on precious metals, specifically silver. Most of the remaining investment in precious metals is in the shares of gold mining companies. The investment manager sees stronger upside in these stocks than in bullion after a period of exceptionally strong performance for gold which owes more to geopolitical concerns and central bank buying than fundamentals.

The final component of this segment is U.K. inflation linked debt accounting for about 10% of the Sub-fund. There is a small tilt in this allocation to short-dated debt. The investment manager has kept interest rate risk, or duration, steady in a range around 3 years. They are worried about risks to long-dated bonds linked to volatility in inflation, and they think the risk that bonds and stocks will move in tandem in periods of risk aversion is high.

The return-seeking 'Reflation' segment increased to circa 28% from about 25% at the end of Q2. This is still the low end of the historic range for this strategy. Although the allocation to cash equities increased again in Q3, to about 26% of the Sub-fund (slightly lower after accounting for the net impact of derivatives), the investment manager has not become more bullish. The equity risk premium is considered too low, and they believe that forecasts for earnings growth are too optimistic.

They are focused on identifying pockets of value, in the shares of selected producers of commodities for example. In Q3, investments in mining, oil and gas and paper products companies were supplemented with new positions in stocks which are geared to agricultural production. The investment manager is committed to engaging with commodities companies to ensure that they follow through with their emissions reduction strategies.

The investment manager also sees value in China and Europe. The investment in an exchange traded fund linked to the performance of China 'A' shares was topped up in Q2, and this holding performed strongly at the tail end of Q3. The investment manager locked in some of the gains from this investment after the end of the period to keep the position at circa 5% of the Sub-fund.

Net exposure to physical commodities, which is currently the only other component of the 'Reflation' sleeve, was about 2.5% at the end of Q3. The Sub-fund holds contracts linked to the price of copper, platinum and crude oil.

Sterling denominated and currency hedged assets account for 75% of the Sub-fund, about 5% lower than at the beginning of Q3. The biggest active currency position is in the Japanese Yen (circa 15%). The only other significant source of currency risk is the U.S. Dollar (6.7%).

London CIV Summary

We are encouraged by the resilience of the Sub-fund during the period of volatility in the third quarter. Profits came from multiple sources, including the investments in Japanese Yen, gold, Chinese equities and inflation-indexed debt which have been important sources of risk in the Sub-fund this year. The trend in performance has improved, but the shortfall against the target over one and three years is large.

The ability to reinvest quickly in periods of risk aversion at high projected rates of return has been a key success factor for this investment manager over the long-term. The most recent increase in volatility subsided very quickly, and the investment manager's view remains that this is not an opportune time for the Sub-fund to take more risk.

Success in the coming quarters will depend on whether leadership of the equity markets swings back in favour of highly valued growth stocks, especially in the U.S. This would be a headwind for the Sub-fund, both in terms of the drag from protective positions and the value tilt and pro-China stance in the equity portfolio. The performance of gold and commodities and the Yen will also be important drivers.

In the absence of a larger and longer sell-off in equity and credit markets, the investment manager will have to adjust the portfolio dynamically to supplement income earned from holdings in government bonds with profits which can offset the cost of protective positions.

We are satisfied that the investment manager is taking care to challenge their thinking and reassess positions, including by introducing alternative forms of analysis to their processes. We have continued to probe the investment manager on the rationale for their decisions.

Business risk is an important watching point. A transition to the next generation of leadership always presents risks. We are also concerned about the negative trend in assets under management. We are concerned that the decline in fee revenues will result in staff cuts or reduced spending on technology which will damage morale and/or impact execution of the investment strategy.

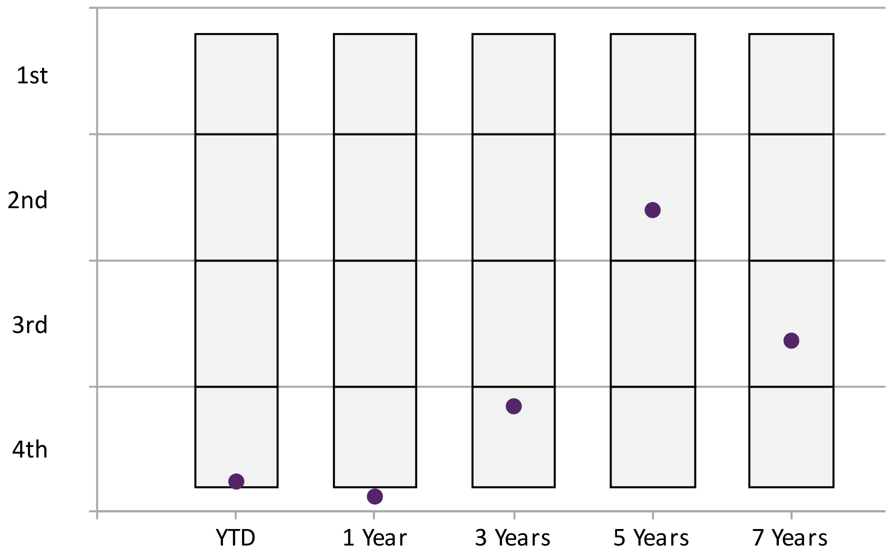
We are monitoring developments through regularly scheduled and ad-hoc meetings with the investment manager and will provide another update in December 2024.

Peer Analysis

The peer group is made up of **Diversified Growth Funds**. As of June 2024, returns over five years place the Sub-fund in the second quartile of the peer group. Poor performance in 2023/2024 has caused Sub-fund returns over one year and three years to fall to the bottom of the range of rankings for the peer group.

Using data over three years, the level of risk (based on the standard deviation of returns) is at the low end of the range for peers, and the maximum drawdown remains in the second quartile. The Sharpe ratio remains in the bottom quartile.

Returns

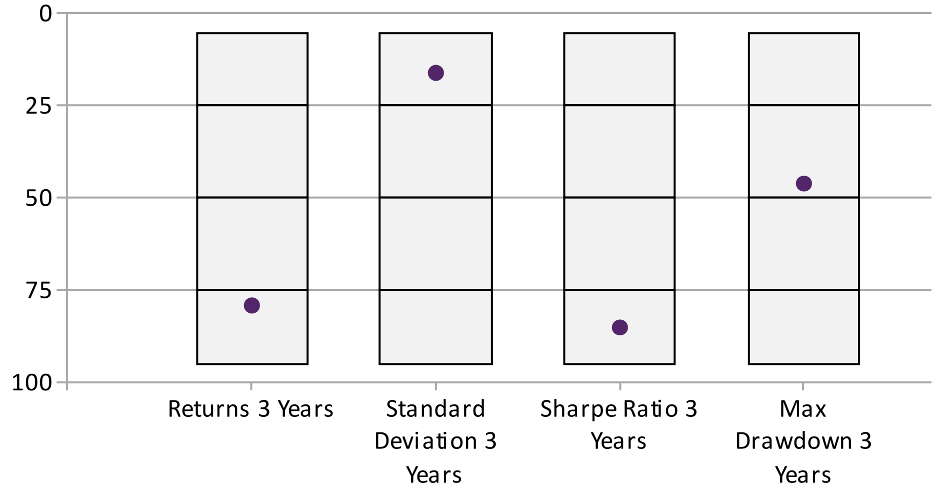


	YTD	1 Year	3 Years	5 Years	7 Years
Sub-Fund	**-0.43%**	**0.95%**	**0.59%**	**4.70%**	**3.46%**
Peer group median	4.12%	9.25%	3.08%	4.17%	4.21%

● Ruffer Absolute_Return_Net

Source: eVestment as at 30 June 2024

Key Risk Statistics



	Returns 3 Years	Standard Deviation 3 Years	Sharpe Ratio 3 Years	Max Drawdown 3 Years
Sub-Fund	**0.59%**	**5.39%**	**-0.43**	**9.47%**
Peer group median	3.08%	7.75%	0.03	9.94%

● Ruffer Absolute_Return_Net

Source: eVestment as at 30 June 2024

Sub-fund returns are reported net of fees and other costs: source Northern Trust and LCIV. Peer group returns are reported gross of management fees: source eVestment.

LCIV Absolute Return Fund: Portfolio Characteristics

Portfolio Exposures

	30 September 2024	30 June 2024
Fixed Income	**59.50**	**62.19**
Nominal government bonds	49.70	40.71
Inflation linked bonds	9.80	21.48
Equities	**25.70**	**22.51**
UK	8.80	9.09
Europe	6.60	5.12
United States	5.60	4.11
Asia Pacific ex Japan	4.70	4.19
Alternatives	**14.80**	**15.30**
Gold and precious metals	6.00	7.39
Cash	3.20	3.55
Options	3.10	2.29
Commodities	2.50	2.07
Total	**100.00**	**100.00**

	30 June 2024	30 September 2024
Interest Rate Duration (yrs)	3.05	2.00

Portfolio weights and exposure levels may differ because of the impact of derivatives positions.

Source: Ruffer LLP

Risk

	3 years	5 years
Standard Deviation (%)	5.48	6.27
Maximum Drawdown (%)		9.47
Beta - MSCI AC World	0.13	0.17

Efficiency

	3 years	5 years
Sharpe Ratio	(0.38)	0.40
Upside capture - MSCI AC World (%)	4.4	22.1
Downside capture - MSCI AC World (%)	15.3	11.2

Correlations

	3 years	5 years
Global equities (vs MSCI All Country World Index)	0.26	0.33
Global government bonds (vs Bloomberg Global Aggregate Index)	0.2	0.09
Global investment grade credit (vs Bloomberg Global Aggregate Credit Index)	0.25	0.15
Global high yield debt (vs ICE BofAML Global High Yield Index)	0.13	0.00

Source: eVestment.
Index returns in GBP, unhedged for Global Equities, hedged for Government Bond, Investment Grade Credit and High Yield Debt.

LCIV Absolute Return Fund: ESG Summary

ESG Activity for the Quarter

Ruffer informed us that they have added several agricultural stocks in Q3 2024. These comprised of Corteva, Archer-Daniels-Midland, CF Industries, Yara International, Deere, Mosaic and Nutrien. The investment manager states that the addition reflects their willingness to engage with sectors that may currently have carbon-intensive business models where they see long term value. Ruffer explains that ESG and NZAM analysis was conducted as part of the wider investment analysis. The investment manager believes that by holding these stocks, they can engage with companies to address the challenges highlighted in their analysis, such as the challenge of decoupling financial profit from the use of resources and environmental impacts. We note the impact on biodiversity that agriculture companies could have and arranged a separate meeting with Ruffer to discuss its engagement strategy.

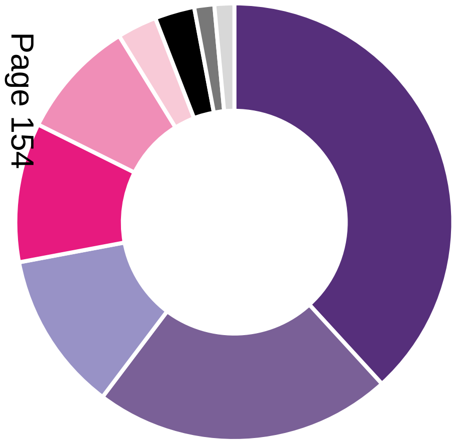
In Q2, Ruffer had a meeting with Newmont's Investor Relations team, the Group Head of Environment and the Group Head of Social Performance. The investment manager had an introductory discussion about Newmont's upcoming AGM, as well as employee health and safety. In the latest meeting this quarter, Ruffer uncovered more detail on the external investigation for the Cerro Negro mine fatalities, and the company's response to it, including an expected impact on executive compensation. Ruffer also pressed Newmont on incorporating the newly acquired Newcrest assets into emissions targets to help us assess the viability of their transition plan. Then they discussed the scale of the electrification of their machinery fleet in the process of decarbonisation.

LCIV Absolute Return Fund: ESG Summary

Voting Summary

As stewards of capital, exercising voting rights is an important part of our responsibility towards our Client Funds' ESG objectives. We believe that voting on shareholder resolutions is a powerful part of our stewardship strategy as it helps communicate our views to companies. Being transparent about disclosing our voting records further supports this aim. London CIV's stewardship provider Hermes EOM and investment managers are expected to vote on all proxies considering the impact of ESG factors to ensure shareholder value is maximised. London CIV monitors voting records on a quarterly basis and expects Hermes EOS and managers to be able to provide a rationale for all voting activity on a "comply or explain" basis. The following charts give an overview of voting activity for this quarter (1 July 2024 - 30 September 2024).

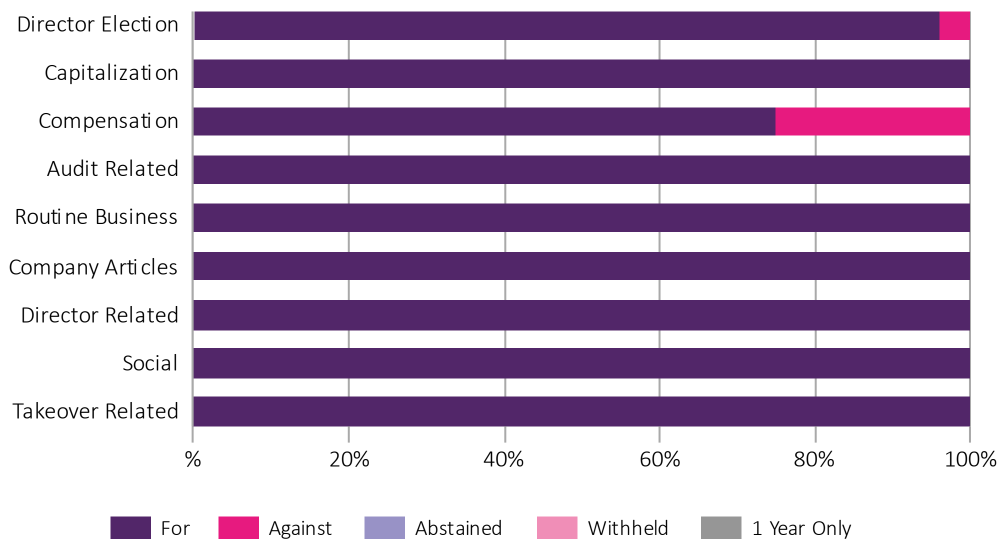
Proposals Breakdown



Proposals Breakdown	No.
Director Election	26
Capitalization	15
Compensation	8
Audit Related	7
Routine Business	6
Company Articles	2
Director Related	2
Social	1
Takeover Related	1
	68

Source: London CIV data as at 30 September 2024

Voting Instruction Breakdown



Source: London CIV data as at 30 September 2024

Link to Underlying Manager's Voting Report for the Quarter

londonciv.org.uk/portal/email/download/17132-LCIV-Absolute-Return-Fund-Voting-Report-Q3-2024

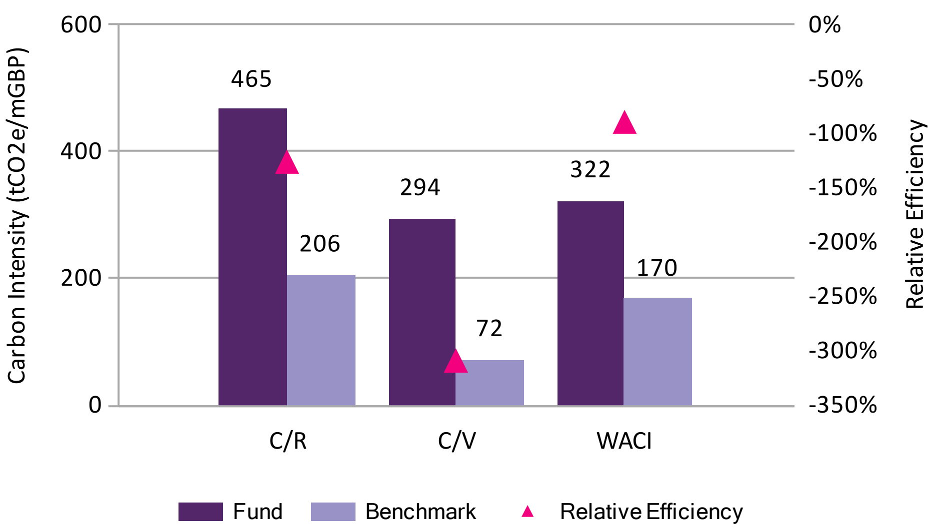
LCIV Absolute Return Fund: ESG Summary

Climate Risk Exposure

To enhance the understanding of climate risks and identify specific areas of exposure, London CIV periodically measures and reports the carbon footprint and fossil fuel exposure of listed equity and corporate fixed income instruments. The following charts produced using data from Trucost provide climate impact and risk exposure metrics that may be used to support climate related disclosures in line with TCFD recommendations and inform internal processes for risk management and strategy development.

Carbon Performance

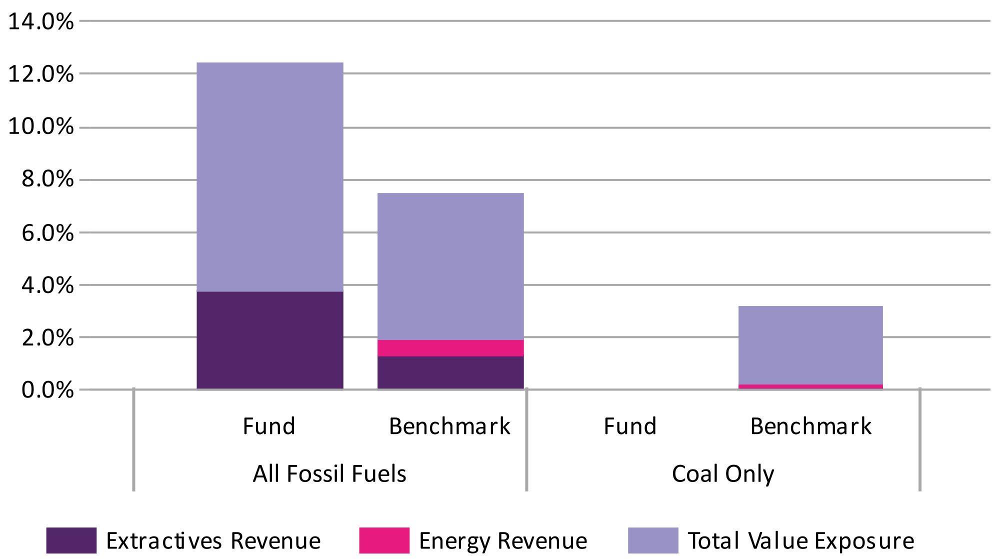
The chart shows the carbon intensity using the three main methodologies, carbon-to-revenue (C/R), carbon-to-value (C/V) and weighted-average carbon intensity (WACI). The scopes used were Direct and First Tier Indirect emissions. For more information, please consult the Appendix.



Source: London CIV based on Trucost data as at 30 September 2024

Fossil Fuel Exposure

The chart provides an indication of exposure to companies engaged in any fossil fuel activities (left-hand side), as well as coal only (right-hand side). For more information on the methodology please consult the Appendix.



Source: London CIV based on Trucost data as at 30 September 2024

The benchmark used in the above is MSCI World Index

LCIV Absolute Return Fund: ESG Summary

Climate Risk Exposure

Top Contributors - Weighted Average Carbon Intensity

The largest contributors to the portfolio's carbon intensity are shown below. The 'WACI Intensity Contribution' is the percentage change in the portfolio's intensity that would be caused by excluding the holding referenced. For more information, please consult the Appendix.

Name	Carbon Intensity (tCO2e/mGBP)	WACI Contribution	Climate 100+
ArcelorMittal S.A.	2,118.03	-10.70%	Yes
Ryanair Holdings Plc	1,602.72	-7.17%	No
Rio Tinto Group	854.59	-6.10%	Yes
Smurfit Westrock	752.16	-5.58%	No
CF Industries Holdings, Inc.	2,202.17	-5.22%	No
Barrick Gold Corporation	866.92	-3.66%	No
BP p.l.c.	394.00	-2.89%	Yes
Vallourec S.A.	1,033.72	-2.74%	No
Accor SA	846.25	-2.34%	No
Yara International ASA	1,072.28	-2.12%	No

Source: London CIV based on Trucost data as at 30 September 2024

Top Contributors - Fossil Fuel Revenues

The table below shows the companies with the most significant weighted average fossil fuel revenues. The degree to which the company's own revenues are derived from fossil fuel activities is also indicated. For more information, please consult the Appendix.

Name	Fossil Fuel Revenue	Portfolio Weighted Fossil Fuel Revenue	Climate 100+
BP p.l.c.	31.59%	3.624	Yes
Shell plc	13.93%	0.134	Yes

Source: London CIV based on Trucost data as at 30 September 2024

Link to Underlying Manager's Commentary for the Quarter

londonciv.org.uk/portal/email/download/17155-Manager-Quarterly-Report---Ruffer---Absolute-Return-Fund---Q3-2024

LCIV MAC Fund

Quarterly Summary as at 30 September 2024

Total Fund Value:

£1,964.6m

Inception date:	31/05/2018
Price:	101.90p
Distribution frequency:	Semi-Annually
Next XD date:	02/01/2025
Pay date:	28/02/2025
Dealing frequency:	Monthly

Investment Objective

The Sub-fund's objective is to seek to achieve a return of SONIA (30 day compounded) +4.5%, with a net asset value volatility of less than 8%, on an annualised basis over a rolling 4 year period, net of fees.

The ACS Manager currently intends to invest the Sub-fund through: i) a delegated arrangement with an investment manager, PIMCO Europe Ltd; and ii) fund of one, the CQS Alternative Credit Fund.

Hillingdon Valuation:

£130.5m

Hillingdon investment date: 31/05/2022

This is equivalent to 6.64% of the Fund

Distribution option: INC share class (Reinvest)

Estimated distribution: Nil

Net Performance	Current Quarter %	1 Year %	3 Years p.a. %	5 Years p.a. %	Since Fund Inception p.a. %†	Since CF Inception p.a. %†
Fund	3.82	14.35	3.75	3.97	3.82	6.56
Investment Objective*	2.42	10.04	7.98	6.77	6.50	8.90
Relative to Investment Objective	1.40	4.31	(4.23)	(2.80)	(2.68)	(2.34)

** Investment Objective: SONIA (30 day compounded) +4.5% (from 1 January 2022, previously 3m LIBOR +4.5%)*

† Please note the benchmark changed from the London Interbank Offered Rate (LIBOR) to the Sterling Overnight Index Average (SONIA) with an effective date 1 January 2022 all benchmark past performance prior to this date continues to be calculated against LIBOR.

Performance

In the third quarter of 2024, the Sub-fund returned 3.8%, resulting in an outperformance of 1.4% against its objective, SONIA (30-day compounded) + 4.5%. Over one year, the portfolio gained 14.4% and outperformed its target by 4.3%. In the period since inception, the Sub-fund has delivered a return of 3.8% per annum, 2.7% per annum below its absolute return target.

Credit markets posted strong gains over the third quarter, driven by declining yields and narrowing credit spreads within sub-investment grade credit. Credit asset classes with exposure to duration, or interest rate sensitivity, such as investment grade credit and high yield bonds outperformed floating rate credit such as loans, which has no exposure to duration. Nonetheless, all asset classes within the Sub-fund contributed positively over the quarter.

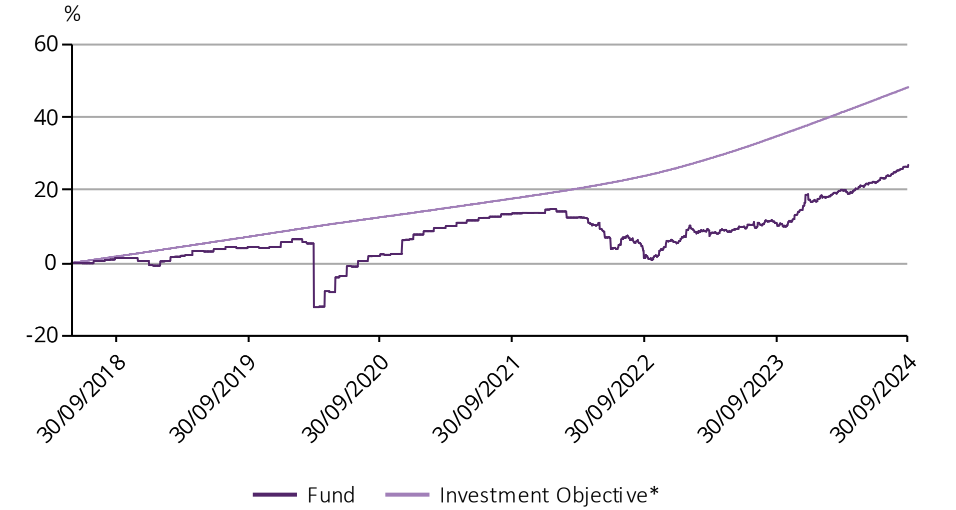
Credit spreads within sub-investment grade debt generally tightened more than investment grade credit. High yield bonds (including financials) made the biggest contribution to the Sub-fund in Q3. Returns within financials were boosted by spread tightness within bank debt, along with a regulatory backdrop which appears more open to M&A opportunities for European banks.

A decline in yields was beneficial for investment grade credit and emerging market debt as both asset classes contributed positively. Performance for emerging market debt was boosted by tightening of credit spreads, whereas investment grade credit spreads largely moved sideways over the quarter. Within emerging market debt, corporate credit lagged sovereign debt, which justified the portfolio’s larger weighting to government debt within emerging markets.

The Sub-fund’s holdings in loans lost some momentum from the prior quarter, but still delivered positive returns primarily driven by high income. The trend of high CLO issuance also continued to aid performance of the asset class in Q3. Lastly, asset backed securities (ABS) posted positive returns through high coupon and supportive supply and demand environment. Within ABS, credit risk transfers carried on their positive momentum from the prior quarter, however, agency mortgage-backed securities showed some weakness.

Despite rising defaults across the sub-investment grade credit market, the Sub-fund did not suffer any defaults over the quarter. However, as highlighted in our previous update, there were three defaults in Q1 leading to a 0.1% mark down of the portfolio. We expect at least part of these losses to be recovered through the debt restructuring processes.

Performance since LCIV inception



Source: Fund prices calculated based on published prices. All performance reported Net of fees and charges with distributions reinvested.
** Investment Objective: SONIA (30 day compounded) +4.5% (from 1 January 2022, previously 3m LIBOR +4.5%)*

Positioning

The Sub-fund invests across the credit spectrum, including both investment and sub-investment grade debt, focusing on avoidance of defaults and high income.

The yield to maturity of the Sub-fund marginally dropped from 7.5% to 6.7% on the back of positive returns and declining longer-term yields over the third quarter. A large proportion of the portfolio’s expected return is income-based as seen in the 6.6% current yield. This is significant, particularly in spread tightening scenarios where the high level of income earned by the Sub-fund can help offset the adverse impact on total returns.

The weighted average rating of the portfolio has remained unchanged at BB+. Overall exposure is largely tilted towards BB (25%) and B (33.7%) rated credit, followed by higher quality BBB (13.5%) bonds. CCC-rated debt offers very high yields currently due to higher default risk and represent 4.2% of the Sub-fund. However, both investment managers do not see value in these bonds in terms of expected return to downside risk. Most of the exposure within this rating band is a function of downgrades.

Across asset classes, the most notable change was the 2.7% decrease in senior secured loans (21.5%) to fund a 2.8% increase in high yield bonds (34.6%) in a shift from floating to fixed rate bonds. The increase reflects one of the underlying investment manager's views that given the expected rate cuts, the Sub-fund can benefit from higher exposure to duration (interest rate risk). Exposure to interest rate risk can also provide downside protection in the case of extreme drawdowns. Consequently, the Sub-fund's exposure to interest rate risk (duration) has increased slightly from 2.5 to 2.6 years. The Sub-fund's spread duration, a measure of the portfolio's sensitivity to changes in credit spreads, has largely remained unchanged at 3.6 years.

A large part of the increase was through U.S. high yield and a large part of the new allocation to high yield bonds was undertaken through 'portfolio trades', a growing phenomenon that we are observing across fixed income markets. These transactions allow investment managers to complete large volumes of orders through single trades in a highly cost-effective manner.

A portfolio transaction is an efficient way for the investment manager to add credit 'beta' in a targeted and diversified way. In this case, the investment manager targeted bonds rated 'BB' and 'B' issued by over 100 companies operating in less cyclical industries. Despite the 'block' nature of the trade, the bonds were selected individually, with an aim to reduce the issuer specific risk.

The Sub-fund's exposure to structured credit has slightly decreased over the quarter to 20.2%. Both investment managers continue to see exceptional risk-adjusted value in the asset class, which provides strong income and benefits from structural protection. Emerging market exposure has remained largely unchanged at 9.3% and a significant part of the portfolio is invested in emerging market sovereign debt.

London CIV Summary

The performance gap of the Sub-fund in the period since inception has narrowed over the last year, but still remains wide. The yield to maturity of the Sub-fund remains attractive at 7.5% and income is expected to be a key driver of overall expected returns (as seen in the current yield of 6.6%).

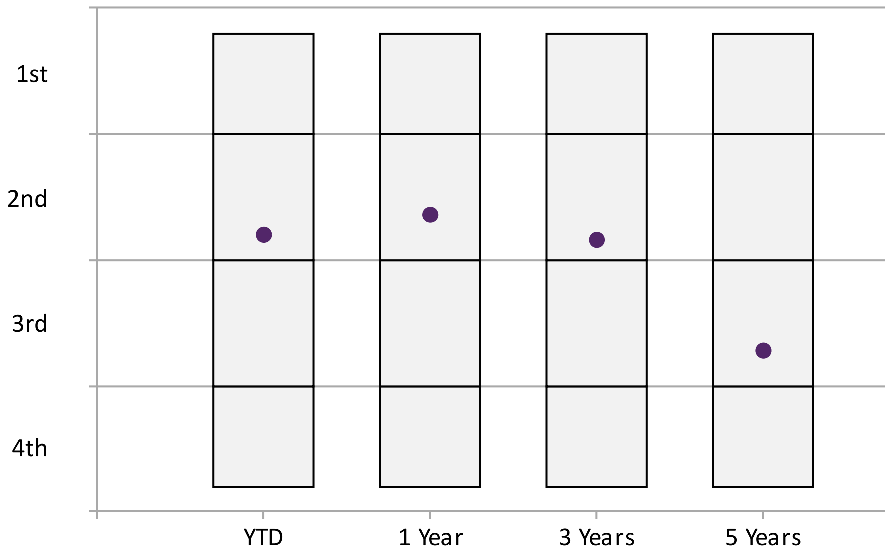
During Q3, the Sub-fund benefitted from its mix of longer dated asset classes, such as investment grade credit and emerging market debt, and higher credit spread asset classes, including high yield and loans. Overall, we expect the Sub-fund to recover the performance shortfall over the medium term by harvesting income and avoiding defaults. Both of the investment managers have strong track records in terms of avoiding defaults. The monitoring status of the investment managers within the Sub-fund ('Normal') has not changed.

The work on strengthening the ESG credentials (including alignment to achieving net zero by 2040) of PIMCO's portfolio, details of which were shared in an investor update in May '24, has concluded (at the time of writing). The implementation was initiated at the start of Q4 and concluded within a few days. The utilization of 'portfolio trades' was prevalent during these portfolio changes as well, leading to swift and cost-effective trading. We will summarise the results and cost of the realignment process when our analysis is complete.

Peer Analysis

The peer group is **Multi Asset Credit Fixed Income**. Performance over the year to June 2024 is above the median of the peer group. The three-year return is just above the median, whilst the five-year return is in the third quartile. Risk, based on the standard deviation of returns and maximum drawdown, are both higher than the median for the peer group. However, the Sharpe ratio ranks in the second quartile.

Returns

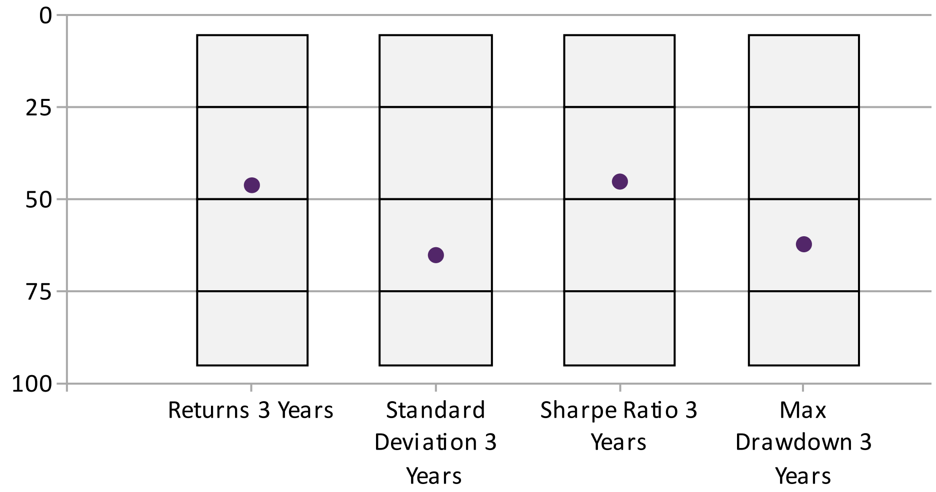


	YTD	1 Year	3 Years	5 Years
● **Sub-Fund**	**4.06%**	**11.29%**	**2.86%**	**3.33%**
Peer group median	3.87%	10.46%	2.39%	3.88%

● LCIV LCIV MAC Fund

Source: eVestment as at 30 June 2024

Key Risk Statistics



	Returns 3 Years	Standard Deviation 3 Years	Sharpe Ratio 3 Years	Max Drawdown 3 Years
● **Sub-Fund**	**2.86%**	**6.21%**	**-0.01**	**11.63%**
Peer group median	2.39%	5.83%	-0.08	9.97%

● LCIV LCIV MAC Fund

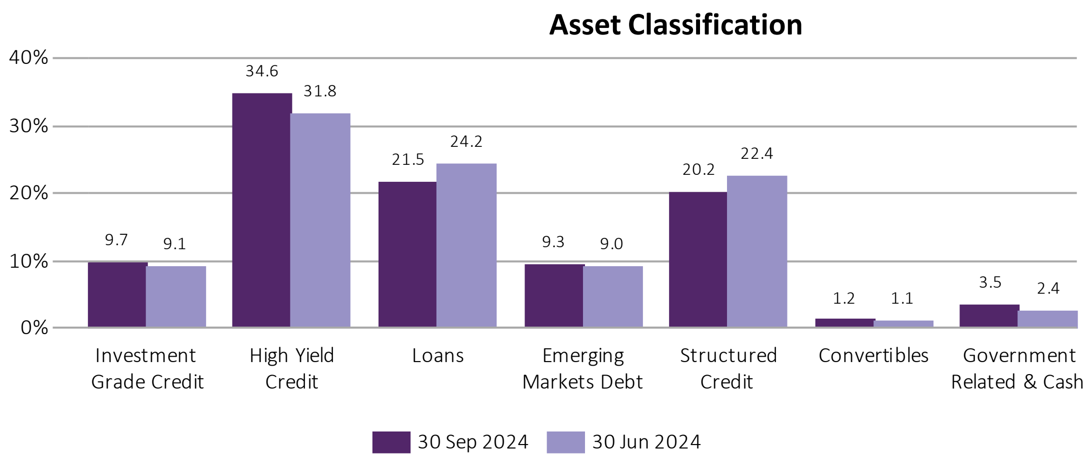
Source: eVestment as at 30 June 2024

Sub-fund returns are reported net of fees and other costs: source Northern Trust and LCIV. Peer group returns are reported gross of management fees: source eVestment.

Currency exposure in the Sub-fund is routinely hedged back to Sterling. The funds in the peer universe are denominated in multiple currencies and take different approaches to managing currency and interest rate risk. For the purposes of this analysis, eVestment has applied the Interest Rate Differentials methodology to simulate the effect of hedging the returns reported by funds in the peer group back to Sterling. This approach is commonly accepted but does not account for differences in how currency risk is treated within portfolios.

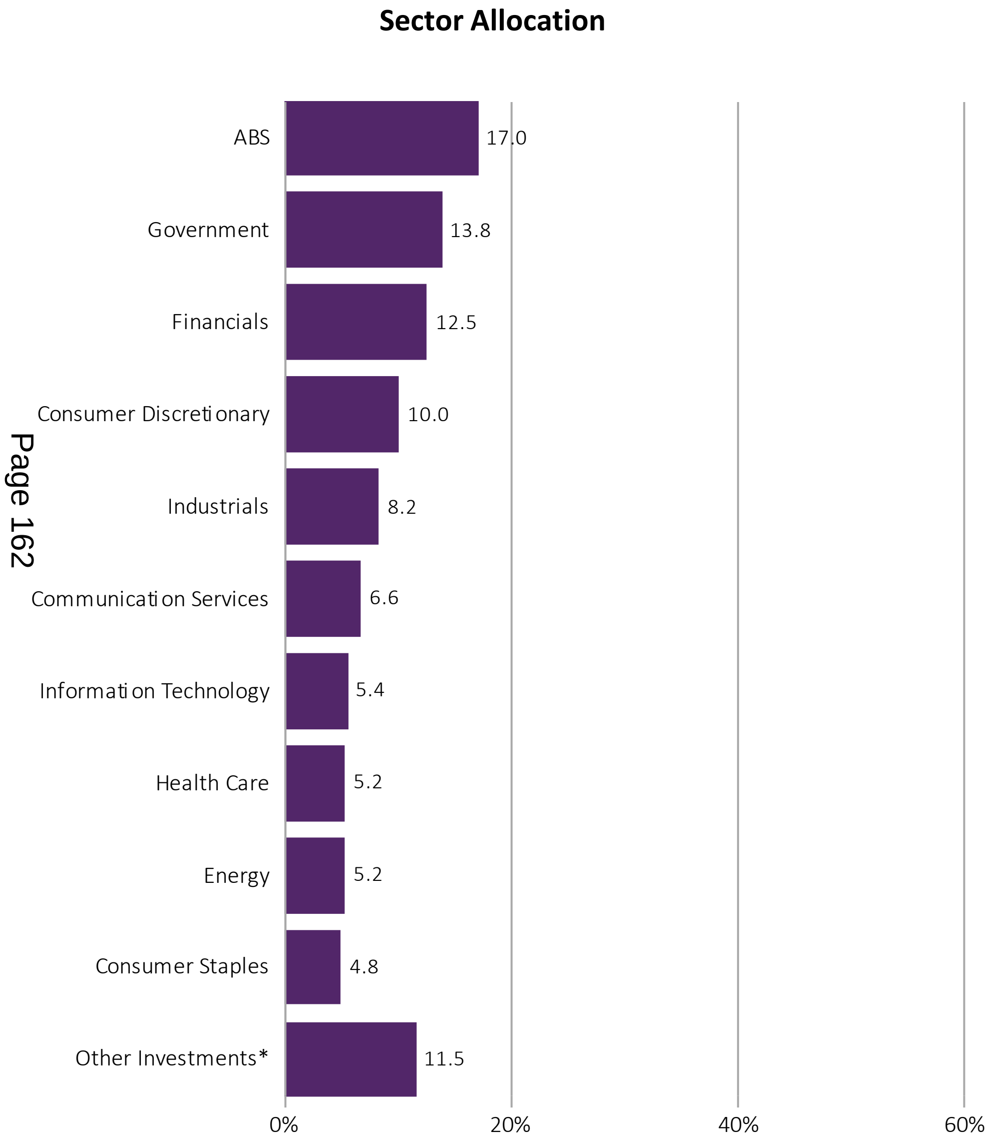
LCIV MAC Fund: Portfolio Characteristics

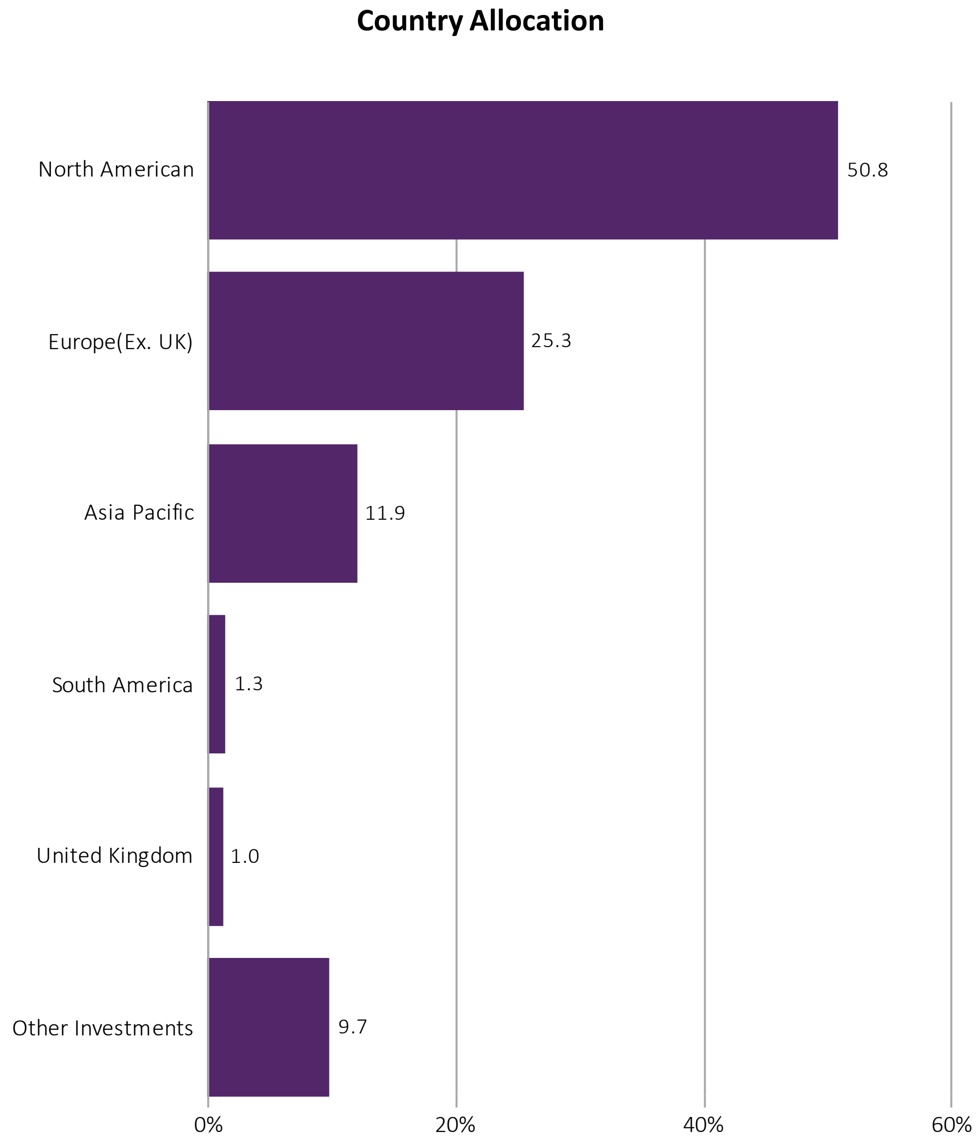
Key Statistics		
	30 Sep 2024	30 Jun 2024
Weighted Average Rating	BB+	BB+
Yield to Maturity (%)	6.71	7.45
Current Yield (%)	6.57	6.31
Interest Rate Duration (yrs)	2.60	2.54
Spread Duration (yrs)	3.55	3.57



Source: CQS and PIMCO. For definitions of key statistics, please refer to the glossary.
All graphs/figures are net exposures shown as a % of NAV.

LCIV MAC Fund: Portfolio Characteristics





Source: CQS and Pimco Europe Limited
All graphs/figures are net exposures shown as a % of NAV.
**Includes Cash & Cash Equivalents and Derivatives.*

LCIV MAC Fund: ESG Summary

ESG Activity for the Quarter

EOS engaged with 35 companies held in the portfolio on a range of 123 environmental, social and governance issues and objectives over the quarter. Out of those engagements 55% were on environmental, 13% on governance, 24% on social and 8% on strategy, risk and communications.

Last year, CQS engaged with Patagonia Bidco ltd as they had not published any Sustainability reporting since the issuance of the loan in late 2021. The firm admitted to being behind the curve and intends to report in FY24. This quarter, CQS followed up with this question in person and the CFO of Patagonia explained that due to difficult trading conditions, the company did not have enough time to report on their ESG efforts to date. CQS expressed to us that they find this unusual as it has been three years since the company accessed the loan market. CQS believes that the management team has prioritised day-to-day operations over its sustainability efforts. However, Patagonia has started investigating emissions reporting, targets, and the installation of solar panels, with confirmed measurements for Scope 1, 2 & 3 current emissions and reduction targets looking ahead. In the end, CQS found it discouraging to see a continued lack of measurable progress since their last engagement in 2023. Ultimately, CQS has decided to sell the holding.

During the quarter, PIMCO engaged with Mondelez on deforestation, biodiversity, responsible sourcing and climate strategy. PIMCO has previously engaged with Mondelez both bilaterally and collaboratively on high-risk commodities and responsible sourcing, to enhance the resilience of its supply chain. The investment manager explains that they have encouraged Mondelez to consider setting an explicit No Deforestation, No Peat and No Exploitation (NDPE) commitment, across the supply chain, with a focus on high-risk commodities. Since then, PIMCO informed us that Mondelez has now implemented a time-bound phase-out approach to end deforestation, starting with the European Business by December 2024 and rolling out to other regions by December 2025. The investment manager also discussed water strategy with Mondelez, particularly water-related targets, reporting and engagement. We were pleased to know that the company has committed to a 10% in water reduction usage at its priority sites. Lastly, PIMCO informed us that Mondelez has assessed a time-bound plan to conform to the SBTi, intending to achieve Net Zero across its supply chain by 2050. The company has also committed to updating its carbon accounting to the best current standards.

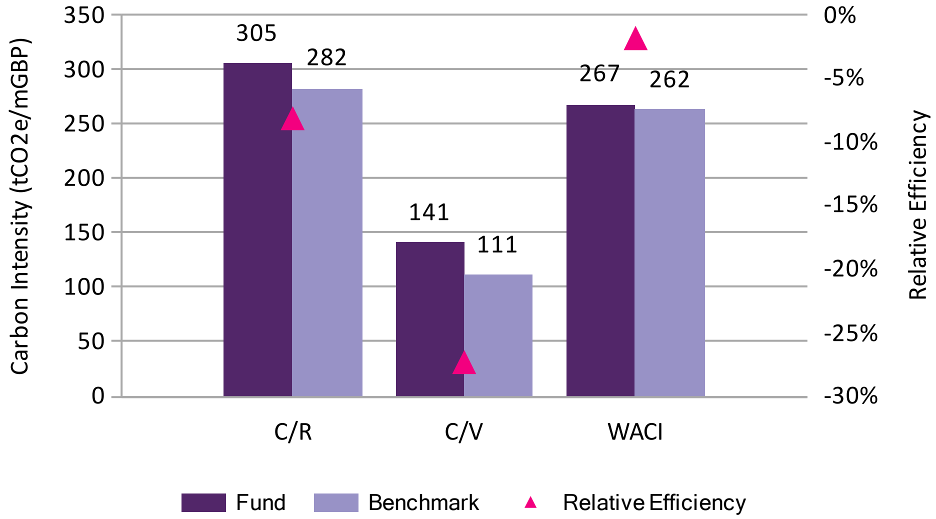
LCIV MAC Fund: ESG Summary

Climate Risk Exposure

To enhance the understanding of climate risks and identify specific areas of exposure, London CIV periodically measures and reports the carbon footprint and fossil fuel exposure of listed equity and corporate fixed income instruments. The following charts produced using data from Trucost provide climate impact and risk exposure metrics that may be used to support climate related disclosures in line with TCFD recommendations and inform internal processes for risk management and strategy development.

Carbon Performance

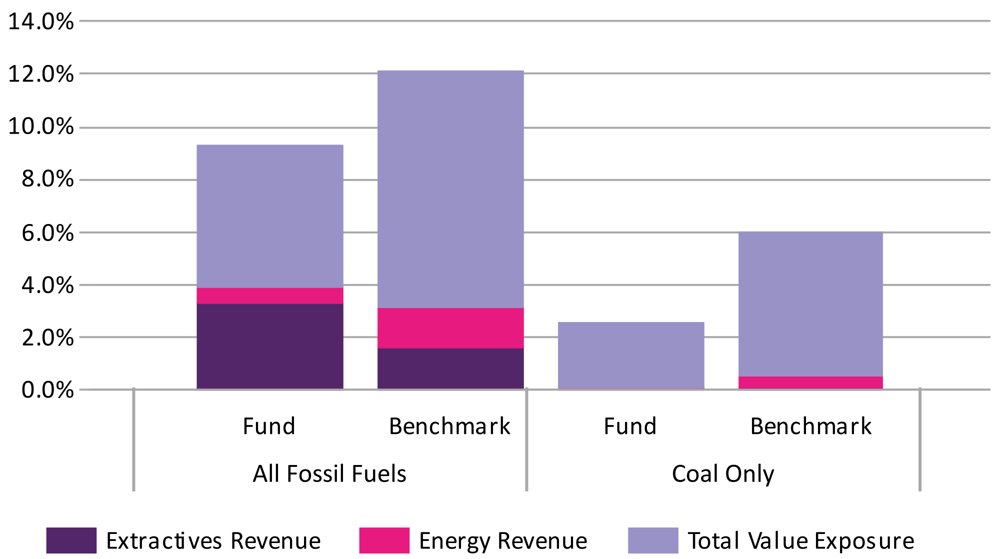
The chart shows the carbon intensity using the three main methodologies, carbon-to-revenue (C/R), carbon-to-value (C/V) and weighted-average carbon intensity (WACI). The scopes used were Direct and First Tier Indirect emissions. For more information, please consult the Appendix.



Estimated data as at 30 September 2024

Fossil Fuel Exposure

The chart provides an indication of exposure to companies engaged in any fossil fuel activities (left-hand side), as well as coal only (right-hand side). For more information on the methodology please consult the Appendix.



Estimated data as at 30 September 2024

The benchmark used in the above is Bloomberg Global Aggregate Corporate Total Return Index
* The figures provided are based on estimates from CQS as finalised quarter end holdings were not available at the time of analysis

LCIV MAC Fund: ESG Summary

Climate Risk Exposure

Top Contributors - Weighted Average Carbon Intensity

The largest contributors to the portfolio's carbon intensity are shown below. The 'WACI Intensity Contribution' is the percentage change in the portfolio's intensity that would be caused by excluding the holding referenced. For more information, please consult the Appendix.

Name	Carbon Intensity (tCO2e/mGBP)	WACI Contribution	Climate 100+
Abu Dhabi National Energy Company PJSC	5,141.00	-11.50%	No
Danaos Corporation	4,518.79	-9.94%	No
Pampa Energia S.A.	5,241.61	-6.20%	No
The AES Corporation	4,073.87	-4.01%	Yes
Duke Energy Corporation	3,564.51	-3.60%	Yes
Cleveland-Cliffs Inc.	1,890.59	-3.22%	No
Equitrans Midstream Corporation	2,306.05	-2.97%	No
Carnival Corporation & Plc	864.35	-2.97%	No
DT Midstream, Inc.	2,338.11	-2.73%	No
Cheniere Energy Partners, L.P.	851.44	-2.49%	No

Source: London CIV based on Trucost data as at 30 September 2024

Top Contributors - Fossil Fuel Revenues

The table below shows the companies with the most significant weighted average fossil fuel revenues. The degree to which the company's own revenues are derived from fossil fuel activities is also indicated. For more information, please consult the Appendix.

Name	Fossil Fuel Revenue	Portfolio Weighted Fossil Fuel Revenue	Climate 100+
Valaris Limited	100.00%	0.620	No
Occidental Petroleum Corporation	71.38%	0.558	Yes
Delek Group Ltd.	49.42%	0.453	No
Civitas Resources, Inc.	100.00%	0.268	No
Vital Energy, Inc.	93.78%	0.233	No
Santos Limited	100.00%	0.218	Yes
Pampa Energia S.A.	60.47%	0.201	No
Chesapeake Energy Corporation	70.04%	0.181	No
Matador Resources Company	93.73%	0.173	No
Harbour Energy Plc	100.00%	0.158	No

Source: London CIV based on Trucost data as at 30 September 2024

Link to Underlying Manager's Commentary for the Quarter

londonciv.org.uk/portal/email/download/17148-Manager-Quarterly-Report---PIMCO---MAC-Fund---Q3-2024

Passive Investment Summary

	30 June 2024	30 September 2024
LGIM	**£**	**£**
GPEV - FWGlobalEquityIndexGBPOFC	309,311,540	311,806,349
World Developed Equity Index Fund - GBP Currency Hedged	163,102,496	170,522,451
World Developed Equity Index Fund (OFC)	155,150,795	155,642,424
All Stocks Index-Linked GILTs (OFC) I	103,834,902	105,307,441
World Emerging Markets Equity Index	51,997,556	54,221,449
Total	**783,397,288**	**797,500,114**

Source: Passive Investment Manager LGIM

Glossary of Terms

Responsible Investment/ESG

- **Carbon Intensity** Carbon emissions can be 'normalized' by a financial indicator (for example annual revenue or value invested) to provide a measure of carbon intensity. The three most common approaches to normalization are:
  - Carbon to Revenue (C/R): Dividing the apportioned CO2e by the apportioned annual revenues
  - Carbon to Value Invested (C/V): Dividing the apportioned CO2e by the value invested.
  - Weighted Average Carbon Intensity (WACI): Summing the product of each holding's weight in the portfolio with the company level C/R intensity (no apportioning).

  C/R gives an indication of carbon efficiency with respect to output (as revenues are linked to productivity). C/V gives an indication of efficiency with respect to shareholder value creation. The WACI approach circumvents the need for apportioning ownership of carbon or revenues to individual holdings. Whilst the first two methods act as indicators of an investor's contribution to climate change, the weighted average method seeks only to show an investor's exposure to carbon intensive companies, i.e. is not an additive in terms of carbon budgets.

- **ClimateAction100+** An investor initiative to ensure the world’s largest corporate greenhouse gas emitters take necessary action on climate change. These include 100 ‘systemically important emitters’, alongside more than 60 others with significant opportunity to drive the clean energy transition. For more information see http://www.climateaction100.org.
- **CO2e** Carbon dioxide equivalent. The universal unit of measurement to indicate the global warming potential of different greenhouse gases, expressed in terms of the equivalent of one unit of carbon dioxide.
- **Carbon Emissions Scopes** A method for accounting for different greenhouse gas emissions, based on the Greenhouse Gas Protocol, developed by the World Resources Institute and World Business Council for Sustainable Development.
  - **Scope 1 (Direct):** GHG emissions generated from sources owned or controlled by a company.
  - **Scope 2 (Indirect electricity):** GHG emissions generated by purchased electricity, heat or steam.
  - **Scope 3 (Other indirect):** GHG emissions which result as a consequence of the activities of a company but occur from sources which it does not owned or controlled. This is usually sub-divided into further categories, covering both the upstream and downstream value chain.
  - **Direct + First Tier Indirect emissions:** Used to denote the total Scope 1 and Scope 2 emissions of a company plus the Scope 3 emissions associated with the first tier of its supply chain.
- **ESG** Environmental, Social and Governance. This refers to the three main areas of concern that have developed as central factors in measuring the sustainability and ethical impact of an investment in a company or business.
- **Fossil Fuel Exposure** London CIV assesses Fossil Fuel exposure by calculating the combined value of holdings with business activities in either fossil fuel extraction or fossil fuel energy generation industries. Company level exposure represents the combined weight in the portfolio or benchmark of companies deriving any revenues from fossil fuel related activities, while the Extractives Revenue and Energy revenue segments indicate the weighted average exposure to the revenues themselves.
- **Greenhouse gas (GHG)** Gases which trap heat in the atmosphere, raising the surface temperature of the earth. For the purposes of this report, this

Glossary of Terms

refers to the seven gases covered by the Kyoto Protocol. Quantities of greenhouse gas emissions are usually measured in kg or tonnes of CO2e.

- **Net Zero** A state in which the total quantity of greenhouse gases produced by human activity is balanced by removal from the atmosphere. In practice, this means reducing emissions over time to the lowest feasible level, in line with a global emissions reduction pathway which aligns to 1.5ºC of planetary warming by 2050, with any remaining emissions balanced out with high quality carbon removals.
- **NZAMI** Net Zero Asset Manager Initiative. This is a global group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius, and to supporting investing aligned with net zero emissions by 2050 or sooner.
- **Relative Efficiency** The percentage difference between the carbon intensity of a fund and the benchmark.
- **UK Stewardship Code** A code which aims to enhance the quality of engagement between investors and companies to help improve long-term risk-adjusted returns to shareholders. Details of all signatories, with links to the statements on their websites are available on the Financial Reporting Council website https://www.frc.org.uk/investors/uk-stewardship-code.

Performance and Risk

- **Alpha** The incremental return of an investment manager when the market is stationary. In other words, it is the extra return due to non-market factors. A positive alpha indicates that an investment manager has produced higher returns than expected for a given level of risk.
- **Benchmark** An index which is representative of the performance of a Sub-fund based on the nature of risks taken and instruments used within the Sub-fund.
- **Beta** A measure of the sensitivity of the investment portfolio to the stated benchmark. A Beta of 1.0 implies a high degree of correlation of movement in returns between the portfolio and the benchmark. A Beta above or below 1.0 implies that the portfolio is more or less volatile than the benchmark.
- **Comparator Benchmarks** Indices which represent a style-appropriate reference index to compare performance.
- **Correlation** A statistical term which defines the percent of time two variables, such as portfolios or benchmark indices, move in the same direction. Correlation coefficients range from -1 to +1, with +1 indicating that the variables are perfectly positively correlated and are expected to move by the same amount in the same direction.
- **Current Yield** The annual income expected from a bond, or portfolio of bonds, divided by the market price of the underlying securities. This measure will fluctuate as the market value of bonds changes. However, the income received, which is based on par values, is constant.
- **Duration/Interest rate duration** A measure of the sensitivity of the price of a bond, or a portfolio of bonds, to changes in interest rates. An accurate predictor of price changes only for small, parallel shifts of the yield curve. For every 1 basis point fall/ (rise) in interest rates, a portfolio with duration of 1 year is expected to rise /(fall) in price by 1 basis point.
- **Information Ratio** A measure of skill based on the value added by the investment manager per unit of active risk, or Tracking Error, relative to a benchmark index.
- **Maximum (Max) Drawdown**: The maximum peak to trough decline in the value of a portfolio during a specific period.

Glossary of Terms

- **Peer Analysis** Compares performance and risk measures for groups of funds sharing similar investment characteristics. Data is sourced from eVestment. London CIV does not choose the asset managers, or the funds used in this analysis. The fund analysed by eVestment may not be the London CIV Sub-fund – a representative account managed by the investment manager which is most closely aligned to the Sub-fund in terms of investment objective and policy may be used.
- **Sharpe Ratio** A measure of skill based on the value added by the investment manager per unit of absolute risk, or Standard Deviation, relative to a risk-free asset, such as SONIA (30 day compounded).
- **Spread** The difference between the yield of a security and the yield of a reference benchmark, usually a cash interest rate or yield on a government bond.
- **Spread Duration** A measure of the sensitivity of the price of a bond, or a portfolio of bonds, to changes in spreads. For every 1 year of spread duration, the value of a portfolio is expected to rise (fall) by 1 basis point with every 1 basis point change in spread.
- **Standard Deviation** Measures the average deviations of a return series from its mean. A high standard deviation implies that there have been large swings or volatility in the return series.
- **Style Analysis** The style of the equity funds is relative to their respective benchmarks and is generated using Bloomberg Port. A positive tilt indicates that the portfolio is more exposed to that factor than the benchmark. Details of the factors are provided in the table below.

Dividend Yield	Value indicator = positive relationship between stock returns and dividend yield
Earnings Yield	EY (comprises both historic and forecast)
Growth	Comprises of historical sales growth, historical earnings growth, analyst predicted MT growth, analyst predicted LT growth
Leverage	3 factors – asset leverage, book leverage, market leverage
Liquidity	Share turnover, Bid/Ask spread, modified Amihud (proxy of stock liquidity) measure
Long – Term Reversal (LTR)	Stocks performed badly over last 3-5 years tend to outperform over subsequent periods
Market Beta	Rick metric
Mid Cap	Return of mid cap segment
Momentum	Stocks that have performed well in the last 6-12 months
Profit	Quality factor – high profit = high quality. 3 factors: ROA, ROE, profit margin
Residual Volatility	Does high vol underperform low vol
Size	Market cap
Valuation (Value)	Comprises B/P, sales/P, CF/P
Variability	Quality signal – low variability = stability, 3 factors: variability net income, variability sales, variability cashflow

Glossary of Terms

- **Tracking Error** (TE) Measures the risk in an investment portfolio that is due to active management decisions. This is shown in percentage terms.
  - **Ex-ante or forecast** Predicted TE based on statistical analysis of the holdings in a portfolio at a point in time.
  - **Ex-post or realised** Actual TE calculated using the historic returns of portfolios and their benchmark indices.
- **Upside/Downside Capture** A measure of the performance of a portfolio relative to a specific market benchmark (usually an equity index) when the benchmark is rising/falling. Expressed as a percentage. A value above 100 implies that the portfolio captures more of the returns generated by the benchmark in up or down markets. For example, an upside capture ratio of 105% means that the portfolio has appreciated by 5% more than the benchmark index when the value of the index has risen during the selected time period.
- **Volatility** See **Standard Deviation**.
- **Weighted Average Rating** This is the weighted average credit rating of the bonds in the portfolio based on the ratings framework used by a leading supplier of credit ratings.
- **Yield to Maturity (YTM)** The expected percentage rate of return expected from a bond, or portfolio of bonds, if held until maturity. Assumes that all interest payments are made on time and then reinvested at the same interest rate. YTM fluctuates based on movements in market prices which reflect changes, or expected changes, in interest rates.
- **Yield %** As displayed in the Key Statistics table for the London CIV Equity Sub-funds is the estimated annual dividend yield of a portfolio of stocks. It represents an estimate of the dividend-only return on your investment.

Fund-related

- **Capacity** Please refer to the prospectus. Sub-funds may be limited in terms of capacity to accept subscriptions or total Sub-fund valuation size. For queries on remaining capacity as at a relevant date, please contact the Client Service Team at clientservice@londonciv.org.uk.
- **Completed Sales** For delegated portfolios any holdings held at the last quarter end which have been sold out of and are no longer held as at the reporting date shown. If there are more than ten it is limited to the largest ten as at the end of last quarter. This is not necessarily the largest ten sales for the quarter. Note if a position was bought and sold within the quarter this will not appear.
- **Country Weights** The value of holdings in different countries is based on the classification of all individual portfolio holdings within the Northern Trust fund accounting system. Note that the percentage of the portfolio calculations excludes the impact of any cash held within the Sub-fund.
- **New Positions** For delegated investment portfolios any new holdings entered into during the quarter that were not held at the last quarter end. If there are more than ten it is limited to the largest ten as at the end of the quarter. This is not necessarily the same as the largest ten purchases for the quarter if pre-existing holdings have been topped up. Note if a position was bought and sold within the quarter this will not appear.
- **Pay Date** The date on which the distribution amount will be paid in cash. If a reinvestment option is taken this will be reinvested on pay date –2 Business Days.
- **Performance Attribution** For delegated equity portfolios the top ten contributors and detractors to performance, in absolute terms, are shown. This is to show how the structure of the investment portfolio contributed to the total performance.

Glossary of Terms

- **Performance Calculation Basis** Performance is calculated net of all fees and expenses and is shown at Sub-fund level rather than at share class level. Where a Sub-fund has been open for less than a month the performance will show as "n/a" unless otherwise specified. Since 1 January 2020 the investment performance calculations use a time weighted rather than money weighted basis. The time-weighted rate of return ("TWR") is a measure of the compound rate of growth in a portfolio. The TWR measure eliminates the distorting effects on growth rates created by inflows and outflows of money.
- **Reporting Date** All data and content within this report is as per the date noted on the front cover, unless otherwise noted. Where the reporting end date falls on a weekend or Bank holiday, data from the previous business day will be used.
- **Securities Financing Transaction "SFT"** A transaction where securities are used to borrow or lend cash. They include repurchase agreements (repos), securities lending activities, and sell/buy-back transactions.
- **Sector Weights** The value of holdings in different sectors is based on the Global Industry Classification Standards (GICS) categories of all individual portfolio holdings within the Northern Trust fund accounting system.
- **Set up of the Sub–funds** London LGPS CIV Ltd (London CIV) is the Alternative Investment Fund Manager for the London LGPS CIV Authorised Contractual Scheme and manages the Sub-funds on either a delegated or pooled basis.
    - Delegated: The Sub-fund is structured as a delegated mandate with an appointed investment manager selecting individual securities overseen by the London CIV. The Sub-funds directly own the assets which are held by the custodian. This is the case for all of the Global Equities Sub-funds, the LCIV Emerging Markets Equity Fund and the LCIV Global Bond Fund.
    - Pooled: The Sub-fund holds units in collective investment schemes managed by other investment managers rather than directly holding the individual securities. This is the case for the four Multi-Asset Sub-funds and the LCIV Alternative Credit Fund.
    - Multi strategy: The LCIV MAC Fund invests through both a delegated arrangement with an investment manager and a collective investment scheme.
- **Since Inception Performance** For Sub-funds that have been live for a period exceeding 12 months, figures are annualised taking into account the period the fund has been open.
- **Top Ten Holdings** Largest ten holdings within the investment portfolio as at the reporting date. Note this excludes the impact of any cash held within the Sub-fund.
- **Share classes** Some of the LCIV Sub-funds have both an income (Inc) and an accumulation (Acc) share class set up. All assets are held at Sub-fund level, not at share class level, and there are no expense rate differences between the Inc and the Acc share class. Distributions in the Acc share class are accumulated, whereas in the Inc share class distributions are either paid out or reinvested. Note that where an Acc share class has been made available, the reinvestment option in the Inc share class will be removed going forward. For a full list of Sub-funds and available share classes please refer to the latest prospectus.
- **Underlying Investment Managers** for Delegated ACS Sub-funds:
    - Baillie Gifford & Co for LCIV Global Alpha Growth Fund and LCIV Global Alpha Growth Paris Aligned Fund
    - JPMorgan Asset Management (UK) Limited for LCIV Emerging Market Equity Fund
    - Longview Partners (Guernsey) Limited for LCIV Global Equity Focus Fund

Glossary of Terms

- Morgan Stanley for LCIV Global Equity Quality Fund
    - PIMCO Europe Limited for LCIV Global Bond Fund
    - RBC Global Asset Management (UK) Limited for LCIV Sustainable Equity Fund and the LCIV Sustainable Equity Exclusion Fund
    - Newton Investment Management Ltd for LCIV Global Equity Fund
    - State Street Global Advisors Limited for LCIV Passive Equity Progressive Paris Aligned Fund
- **Underlying Investment Managers** for Pooled ACS Sub-funds:
    - Baillie Gifford & Co for LCIV Diversified Growth Fund
    - Newton Investment Management Ltd for LCIV Real Return Fund
    - Pyrford International Limited for LCIV Global Total Return Fund
    - Ruffer LLP for LCIV Absolute Return Fund
    - CQS (UK) LLP for LCIV Alternative Credit Fund
- **Underlying Investment Managers** for Multi Strategy ACS Sub-funds:
    - CQS (UK) LLP and PIMCO Europe Limited for LCIV MAC Fund
- **XD Date** The date on which the distribution amount will be determined. Units purchased in the Sub-fund on its ex-dividend date or after, will not receive the next payment. Any units held in the Sub-fund before the ex-dividend date, receive the distribution.

Style Analysis Methodology

The Portfolio Style Skyline charts show how an equity portfolio is positioned relative to its reference Index in terms of investing Style. This is based on analysis of the stocks held in the portfolio at the end of the quarter preceding the current reporting period.

The Skyline includes 18 distinct style factors: the first six bars from the left are Value factors (Blue), the next six bars are Growth and Quality factors (Green) and the remaining six bars on the right cover Market Cap as a proxy for company size, Beta to measure relative volatility, Momentum (6 month and 12 month trend in total return), Debt/Equity, a measure of balance sheet strength, and Foreign Sales, an indicator of the sensitivity of the portfolio to global trade and currency movements.

Metrics are normalised to resolve scaling issues and adjusted to account for country and industry effects. This provides greater insight into whether the investment manager is pursuing a distinct style of investing, or whether tilts are caused by country or industry positions which are usually by-products of the stock selection process.

Positive/negative scores indicate that the portfolio style factor is higher/lower than the benchmark index. A Style Tilt greater than 1 or less than -1 is considered statistically significant and a Tilt greater than 2 or less than -2 is very significant.

Disclaimer

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NORTHERN
TRUST

London Borough of Hillingdon

Investment Risk & Analytical Services

September 30, 2024

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SECTION 1

London Borough of Hillingdon

Investment Risk & Analytical Services

September 30, 2024

Client Commentary

Total Scheme Commentary

Scheme Performance Commentary

London Borough of Hillingdon recorded a return of 1.29% during the quarter. The scheme has generated returns of 14.59%, 3.46% p.a. and 4.07% p.a., over the past one, three and five years respectively meanwhile the benchmark has registered a return of 13.96%, 4.61% p.a. and 5.66% p.a., for the same time periods respectively and since inception the mandate has returned 6.55% p.a., vs the benchmark's return of 6.74% p.a. Analysing the volatility of the mandate had standard deviation of 5.78% over the last year, compared to the benchmark's volatility of 4.69%, whereas the three year volatility of the group and benchmark is 7.09% and 6.61%, over five years the volatility is 7.87% and benchmark volatility is 7.12% and since inception the portfolio was less volatile than the benchmark, 9.52% vs 10.08%. Analysing the risk-return of the portfolio had a tracking error of 1.46% over the past year, compared to 1.54%, 1.58% and 6.09% over the last three and five years and since inception, whilst the information ratio for the same periods were 0.43, -0.74, -1.01 and -0.03.

Allocation

The market value of London Borough of Hillingdon was £1391.9M. This value has grown since the beginning of the quarter where the value was £1379.3M. Net contributions for the quarter were £-5.1M, whilst asset value appreciation was £10.6M. Income received on assets amounted to £7.1M. The largest holding in the plan is Legal & General 1 with a portfolio allocation of 27.25%.

Fund Performance

Adam Street

Adam Street registered a return of -21.97% during the quarter. The benchmark, MSCI ACWI +4%, returned 1.44% for the third quarter consequently leading to an excess return of -23.07%. Over a three year time frame the strategy has registered a -13.32% p.a. return and generated an excess return of -23.17% p.a. and an information ratio of -1.48 for the same period. Since inception, the fund has yielded 5.53%.

AEW UK

In the third quarter of the year, the AEW UK significantly underperformed its benchmark as it returned -5.56%, whereas the benchmark yielded 1.22% generating an excess return of -6.70%. In the past three years the strategy has recorded a -1.85% p.a. return and produced an excess return of -1.42% p.a. and an information ratio of -0.09 for the same period, this is a measure of excess returns relative to the incremental risk taken compared to its benchmark. Since inception, the account has registered a 5.74% return and a 0.72% excess return.

LCIV Global Alpha Growth Fund

LCIV Global Alpha Growth Fund registered an absolute return of 0.67%, failing to beat the benchmark return of 0.90% by -0.22%. Over a three year time frame the account has registered a -1.23% p.a. return and produced an excess return of -12.07% p.a. and a tracking error that is 8.34% over the same period. Since inception, the strategy has returned -0.39% and significantly underperformed showing an excess return of -11.88%.

Manager Commentary

LCIV Infrastructure Fund

The LCIV Infrastructure Fund recorded positive performance for the third quarter of the year returning 4.14%, furthermore, the benchmark returned 1.96% and therefore on a comparative basis the mandate outperformed the benchmark (2.14%). Over the past three years the account has registered a 10.19% p.a. return and generated an excess return of 3.45% p.a. and an information ratio of 0.58 for the same period. Going back to inception, the fund has registered a 5.82% return and a 0.48% excess return.

LCIV Mac Fund

The LCIV Mac Fund posted positive performance for the third quarter of the year returning 3.70%, additionally, the benchmark returned 2.31% and therefore on a comparative basis the account outperformed the benchmark (1.36%). Over a one year time frame the account has yielded 14.27%, with an excess return of 4.20% and an information ratio of 0.52. From inception, the fund has yielded 7.54% and underperformed showing an excess return of -1.22%.

LCIV Private Debt

The LCIV Private Debt recorded positive performance for Q3 returning 1.77%, furthermore, the benchmark returned 1.47% and therefore on a comparative basis the mandate outperformed the benchmark (0.29%). Extending the time horizon to the past year the account has returned 11.44%, with an excess return of 5.13% and an information ratio of 0.76. From inception, the fund has recorded a 7.18% return and a 1.12% excess return.

LCIV Ruffer

LCIV Ruffer had a positive quarter, returning 2.86%. The benchmark, LBH11003 Ruffer BM SONIA, returned 1.30% for the third quarter as a result generating an excess return of 1.54%. In the past three years the manager has recorded a 1.32% p.a. return and produced an excess return of -2.00% p.a. and an information ratio of -0.36 for the same period. Going back to inception, the portfolio has registered a 4.92% return and a 3.56% excess return.

Legal & General 1

Legal & General 1 had a positive quarter, yielding 2.49%. Composite benchmark yielded 2.81% in the third quarter of the year, therefore the mandate underperformed the benchmark this quarter. Over three years the manager has recorded a 8.38% p.a. return and generated an excess return of -0.30% p.a. and an information ratio of -1.06 for the same period. Going back to inception, the strategy has yielded 9.59% and underperformed showing an excess return of -0.18%.

Legal & General 2

During the course of Q3, Legal & General 2 returned 1.42%. Looking over a longer time horizon, the three year return for the manager is -11.82% p.a., with volatility measured by standard deviation comes in at 14.43%. The account has delivered a return of -1.89% since its inception.

Client Commentary (cntd)

Manager Commentary

LGIM - Future World Equity IND

LGIM - Future World Equity IND had a positive quarter, yielding 0.74%. Extending the time horizon, the three year return for the fund is 8.66% p.a., with volatility measured by standard deviation comes in at 10.79%. The strategy has posted a return of 10.48% since its inception.

LGIM LPI Income Property

During the course of the third quarter, LGIM LPI Income Property returned 1.22%. Comparing against the benchmark, the manager performed higher than the benchmark by 0.88% in Q3 as it registered a return of 0.34%. Over three years the fund has registered a -2.88% p.a. return and produced an excess return of -10.06% p.a. and an information ratio of -1.76 for the same period. From inception, the fund has yielded -1.03% and significantly underperformed showing an excess return of -7.03%.

LGT

LGT had a negative quarter, returning -0.24%. The benchmark, MSCI ACWI+4%, yielded 1.44% during the third quarter of the year consequently leading to an excess return of -1.68%. In the past three years the portfolio has registered a -0.54% p.a. return and generated an excess return of -11.84% p.a. and a tracking error that is 16.25% over the same period. Since inception, the strategy has registered a 10.04% return.

M&G Investments

M&G Investments recorded an absolute return of -30.61%, falling short of the benchmark return of 2.19% by -32.09%. Over the past three years the strategy has recorded a -0.36% p.a. return and produced an excess return of -7.33% p.a. and an information ratio of -0.19 for the same period. Since inception, the manager has returned 1.03% and significantly underperformed showing an excess return of -4.03%.

Macquarie

Macquarie registered an absolute return of -7.85%, underperforming the benchmark return of 1.96% by -9.62%. In the past three years the fund has recorded a 17.58% p.a. return and produced an excess return of 10.39% p.a. and a tracking error that is 18.27% over the same period. From inception, the manager has registered a 9.40% return and a 4.92% excess return.

Premira Credit

Premira Credit had a positive quarter, returning 0.45%. Relative to the benchmark, the account returned beneath the benchmark by -1.70% over the third quarter of the year as it yielded a return of 2.19%. In the past three years the fund has registered a 8.40% p.a. return and generated an excess return of 0.82% p.a. and an information ratio of 0.19 for the same period. From inception, the strategy has registered a 7.54% return and a 1.93% excess return.

ManagerCommentary

UBS Property

UBS Property registered an absolute return of 2.69%, surpassing the benchmark return of 1.22% by 1.45%. Over a three year time frame the manager has recorded a 0.01% p.a. return and generated an excess return of 0.45% p.a. and a tracking error that is 3.80% over the same period. Going back to inception, the portfolio has registered a 3.34% return and a 3.0bps excess return.

Investment Hierarchy

Account/Group -% Rate of Return	Ending Market Value GBP	Ending Weight	Three Months Port	Three Months Index	Three Months Relative Excess	Year to Date Port	Year to Date Index	Year to Date Relative Excess	One Year Port	One Year Index	One Year Relative Excess
London Borough of Hillingdon	**1,391,949,938**	**100.00**	**1.29**	**1.77**	**-0.47**	**8.24**	**8.91**	**-0.61**	**14.59**	**13.96**	**0.55**
Total Plan Benchmark											
AEW UK	**68,837,322**	**4.95**	**-5.56**	**1.22**	**-6.70**	**-2.98**	**2.91**	**-5.72**	**4.77**	**1.71**	**3.00**
LBH22 AEW Benchmark											
Legal & General 1	**379,260,207**	**27.25**	**2.49**	**2.81**	**-0.31**	**14.97**	**15.82**	**-0.73**	**23.39**	**24.26**	**-0.70**
LBH26 L&G Benchmark											
Legal & General 2	**105,307,441**	**7.57**	**1.42**	**1.42**	**-0.00**	**-2.50**	**-2.49**	**-0.01**	**5.98**	**6.01**	**-0.03**
LBH27 L&G Benchmark											
M&G Investments	**170,832**	**0.01**	**-30.61**	**2.19**	**-32.09**	**-43.12**	**6.82**	**-46.75**	**-44.08**	**9.17**	**-48.78**
LBH10 3M SONIA +4%pa											
Macquarie	**10,835,262**	**0.78**	**-7.85**	**1.96**	**-9.62**	**1.25**	**6.08**	**-4.55**	**-0.95**	**8.17**	**-8.44**
LBH14 Macquarie 3M SONIA +3%pa											
Premira Credit	**11,368,309**	**0.82**	**0.45**	**2.19**	**-1.70**	**8.20**	**6.82**	**1.29**	**12.24**	**9.17**	**2.81**
LBH24 Premira 3M SONIA +4%pa											
UBS Property	**75,193,696**	**5.40**	**2.69**	**1.22**	**1.45**	**1.58**	**2.91**	**-1.29**	**0.55**	**1.71**	**-1.15**
LBH06 UBS Property Benchmark											
Adam Street	**2,786,414**	**0.20**	**-21.97**	**1.44**	**-23.07**	**-20.73**	**16.15**	**-31.75**	**-25.70**	**24.46**	**-40.30**
Adam Street PE Bmark											
LGT	**1,515,013**	**0.11**	**-0.24**	**1.44**	**-1.66**	**-1.49**	**16.15**	**-15.19**	**-1.13**	**24.46**	**-20.56**
LGT PE Bmark											
LCIV Ruffer	**39,097,020**	**2.81**	**2.86**	**1.30**	**1.54**	**2.45**	**3.99**	**-1.48**	**4.69**	**5.38**	**-0.66**
LBH11003 Ruffer BM SONIA											
LCIV Infrastructure Fund	**59,452,128**	**4.27**	**4.14**	**1.96**	**2.14**	**8.13**	**6.08**	**1.94**	**13.29**	**8.17**	**4.73**
LBH11004 3M SONIA +3%											
LGIM LPI Income Property	**47,764,183**	**3.43**	**1.22**	**0.34**	**0.88**	**3.79**	**2.53**	**1.22**	**3.05**	**2.70**	**0.34**
LBH28 L&G RPI											
LCIV Global Alpha Growth Fund	**63,142,375**	**4.54**	**0.67**	**0.90**	**-0.22**	**10.87**	**15.20**	**-3.76**	**19.80**	**23.52**	**-3.01**
LBH11005 MSCI World ND+3%											
LGIM - Future World Equity IND	**311,412,713**	**22.37**	**0.74**	**0.74**	**-0.00**	**13.78**	**13.67**	**0.10**	**21.83**	**21.57**	**0.21**
LBH29 Solactive L&G ESG											

Category: **Total Fund Gross of Fees**

Account/Group -% Rate of Return	Ending Market Value GBP	Ending Weight	Three Months Port	Three Months Index	Three Months Relative Excess	Year to Date Port	Year to Date Index	Year to Date Relative Excess	One Year Port	One Year Index	One Year Relative Excess
LCIV Private Debt	**56,765,137**	**4.08**	**1.77**	**1.47**	**0.29**	**3.80**	**4.47**	**-0.64**	**11.44**	**6.00**	**5.13**
Absolute Return 6%											
LCIV Mac Fund	**130,495,870**	**9.38**	**3.70**	**2.31**	**1.36**	**7.91**	**7.19**	**0.66**	**14.27**	**9.67**	**4.20**
LBH30 3 Month SONIA +4.5%											
Blackstone Dislocation Fund	**24,949,438**	**1.79**	**-5.75**	**3.63**	**-9.05**	**-**	**-**	**-**	**-**	**-**	**-**
LBH31 15% Absolute return p.a.											

Investment Hierarchy(2)

Account/Group -% Rate of Return	Ending Market Value GBP	Ending Weight	Three Years			Five Years			Inception to Date			Inception Date
			Port	Index	Relative Excess	Port	Index	Relative Excess	Port	Index	Relative Excess	
London Borough of Hillingdon Total Plan Benchmark	1,391,949,938	100.00	3.46	4.61	-1.10	4.07	5.66	-1.51	6.55	6.74	-0.18	30/09/1995
AEW UK LBH22 AEW Benchmark	68,837,322	4.95	-1.85	-0.44	-1.42	0.86	1.66	-0.79	5.74	4.98	0.72	30/06/2014
Legal & General 1 LBH26 L&G Benchmark	379,260,207	27.25	8.38	8.71	-0.30	10.99	11.26	-0.24	9.59	9.79	-0.18	31/10/2016
Legal & General 2 LBH27 L&G Benchmark	105,307,441	7.57	-11.82	-11.81	-0.00	-6.90	-6.91	0.01	-1.89	-1.77	-0.13	22/02/2017
M&G Investments LBH10 3M SONIA +4%pa	170,832	0.01	-0.36	7.52	-7.33	-9.67	6.28	-15.01	1.03	5.27	-4.03	31/05/2010
Macquarie LBH14 Macquarie 3M SONIA +3%pa	10,835,262	0.78	17.58	6.52	10.39	14.33	5.28	8.59	9.40	4.27	4.92	30/09/2010
Premira Credit LBH24 Premira 3M SONIA +4%pa	11,368,309	0.82	8.40	7.52	0.82	6.80	6.28	0.49	7.54	5.50	1.93	30/11/2014
UBS Property LBH06 UBS Property Benchmark	75,193,696	5.40	0.01	-0.44	0.45	1.74	1.66	0.08	3.34	3.31	0.03	31/03/2006
Adam Street Adam Street PE Bmark	2,786,414	0.20	-13.32	12.82	-23.17	-1.46	14.83	-14.19	5.53	-	-	31/01/2005
LGT LGT PE Bmark	1,515,013	0.11	-0.54	12.82	-11.84	5.61	14.83	-8.03	10.04	-	-	31/05/2004
LCIV Ruffer LBH11003 Ruffer BM SONIA	39,097,020	2.81	1.32	3.39	-2.00	4.74	2.20	2.48	4.92	1.31	3.56	28/05/2010
LCIV Infrastructure Fund LBH11004 3M SONIA +3%	59,452,128	4.27	10.19	6.52	3.45	-	-	-	5.82	5.31	0.48	14/11/2019
LGIM LPI Income Property LBH28 L&G RPI	47,764,183	3.43	-2.88	7.99	-10.06	-	-	-	-1.03	6.45	-7.03	11/03/2020
LCIV Global Alpha Growth Fund LBH11005 MSCI World ND+3%	63,142,375	4.54	-1.23	12.33	-12.07	-	-	-	-0.39	13.04	-11.88	22/04/2021
LGIM - Future World Equity IND LBH29 Solactive L&G ESG	311,412,713	22.37	8.66	8.43	0.22	-	-	-	10.48	10.30	0.16	23/09/2020

Account/Group -% Rate of Return	Ending Market Value GBP	Ending Weight	Three Years Port	Three Years Index	Three Years Relative Excess	Five Years Port	Five Years Index	Five Years Relative Excess	Inception to Date Port	Inception to Date Index	Inception to Date Relative Excess	Inception Date
LCIV Private Debt	**56,765,137**	**4.08**	**-**	**-**	**-**	**-**	**-**	**-**	**7.18**	**5.99**	**1.12**	**16/11/2021**
Absolute Return 6%												
LCIV Mac Fund	**130,495,870**	**9.38**	**-**	**-**	**-**	**-**	**-**	**-**	**7.54**	**8.86**	**-1.22**	**26/05/2022**
LBH30 3 Month SONIA +4.5%												
Blackstone Dislocation Fund	**24,949,438**	**1.79**	**-**	**-**	**-**	**-**	**-**	**-**	**-4.22**	**7.51**	**-10.92**	**27/03/2024**
LBH31 15% Absolute return p.a.												

Category: **Total Fund Gross of Fees**

Market Value Summary - Three Months

Account/Group	30/06/2024 Market Value	30/06/2024 Weight	Net Contribution*	Income	Fees	Appreciation	30/09/2024 Market Value	30/09/2024 Weight	Change in Weight
London Borough of Hillingdon	**1,379,310**	**100.00**	**-5,075**	**7,104**	**75**	**10,610**	**1,391,950**	**100.00**	**0.00**
Adam Street	3,646	0.26	-62	0	0	-798	2,786	0.20	-0.06
AEW UK	73,622	5.34	-693	444	0	-4,536	68,837	4.95	-0.39
Blackstone Dislocation Fund	19,595	1.42	6,700	6	0	-1,352	24,949	1.79	0.37
Cash & Other Assets	6,279	0.46	-2,688	31	0	-26	3,596	0.26	-0.20
Cash & Other Assets	210	0.02	-212	2	0	-0	0	0.00	-0.02
LCIV Global Alpha Growth Fund	62,721	4.55	0	104	0	317	63,142	4.54	-0.01
LCIV Infrastructure Fund	51,189	3.71	5,923	435	0	1,904	59,452	4.27	0.56
LCIV Mac Fund	125,839	9.12	0	4,602	0	55	130,496	9.38	0.25
LCIV Private Debt	55,780	4.04	0	0	0	985	56,765	4.08	0.03
LCIV Ruffer	44,737	3.24	-6,800	239	0	921	39,097	2.81	-0.43
Legal & General 1	370,068	26.83	-20	0	20	9,212	379,260	27.25	0.42
Legal & General 2	103,835	7.53	-1	0	1	1,474	105,307	7.57	0.04
LGIM - Future World Equity IND	309,163	22.41	-24	0	24	2,273	311,413	22.37	-0.04
LGIM LPI Income Property	47,190	3.42	0	0	0	574	47,764	3.43	0.01
LGT	1,590	0.12	-71	0	0	-4	1,515	0.11	-0.01
M&G Investments	246	0.02	-0	0	0	-75	171	0.01	-0.01
Macquarie	14,968	1.09	-3,022	206	0	-1,316	10,835	0.78	-0.31
Premira Credit	14,738	1.07	-3,432	216	0	-154	11,368	0.82	-0.25
UBS Property	73,892	5.36	-673	820	29	1,155	75,194	5.40	0.04

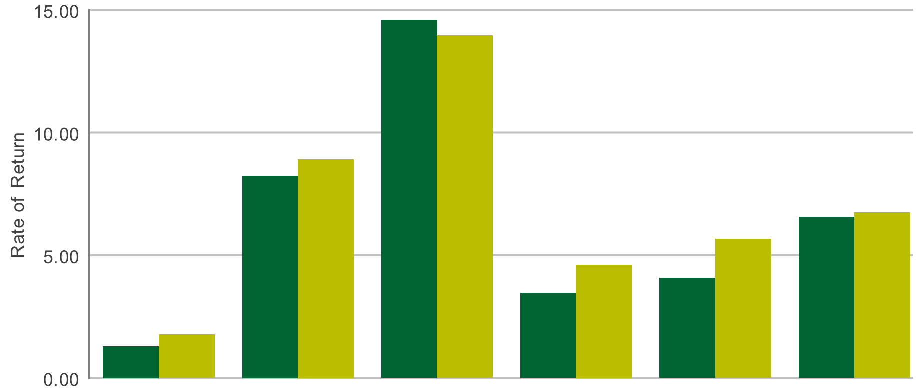
Min -0.43 0.56 Max

Market Values are represented in thousands.
**Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.*
Copied History or Backloaded Data may not display the correct Contributions/Withdrawals creating misrepresentation.

Category: **Total Fund Gross of Fees** • Currency: **GBP**

Executive Summary

LONDON BOROUGH OF HILLINGDON TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	1.29	8.24	14.59	3.46	4.07	6.55
Index	1.77	8.91	13.96	4.61	5.66	6.74

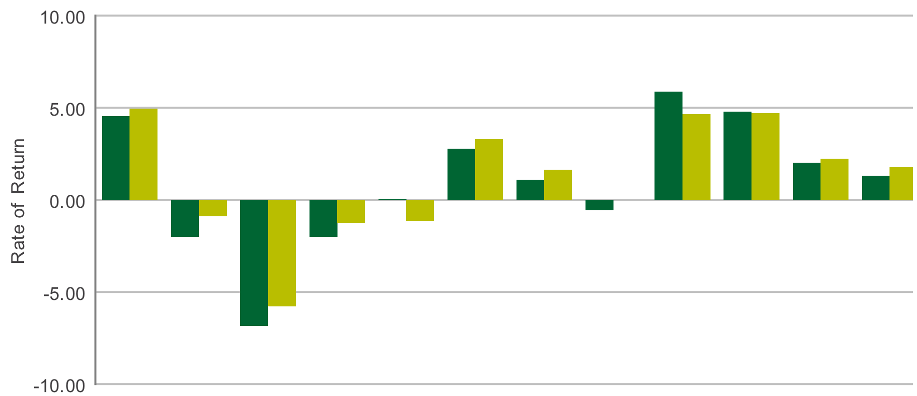
Index: Total Plan Benchmark

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	14.59	3.46	4.07
Index Return	13.96	4.61	5.66
Relative Excess Return	0.55	-1.10	-1.51
Standard Deviation	5.78	7.09	7.87
Index Standard Deviation	4.69	6.61	7.12
Tracking Error	1.46	1.54	1.58
Information Ratio	0.43	-0.74	-1.01
Sharpe Ratio	1.60	0.14	0.30
Index Sharpe Ratio	1.83	0.32	0.56
Sortino Ratio	3.39	0.20	0.43
Treynor Ratio	7.63	0.92	2.21
Jensen's Alpha	-1.06	-1.17	-1.80
Relative Volatility (Beta)	1.21	1.05	1.08
R Squared	0.97	0.95	0.97

Index: Total Plan Benchmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

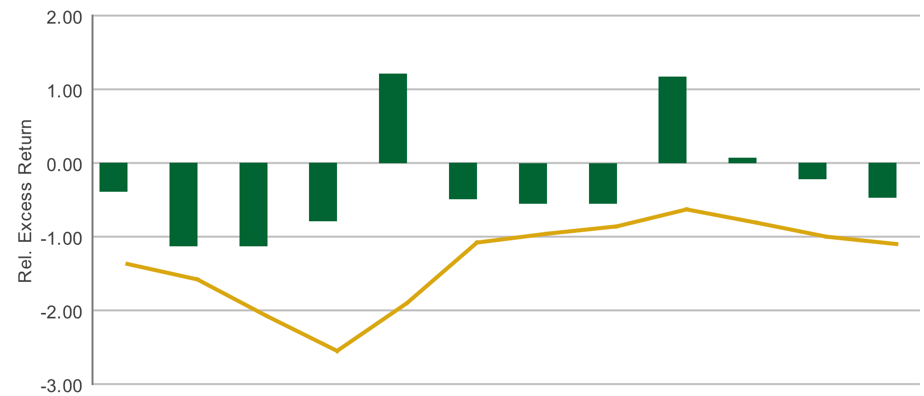
LONDON BOROUGH OF HILLINGDON ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	4.53	-2.01	-6.84	-2.01	0.05	2.78	1.08	-0.56	5.86	4.77	2.01	1.29
Index	4.94	-0.89	-5.78	-1.23	-1.14	3.28	1.64	-0.00	4.63	4.69	2.23	1.77

Index: Total Plan Benchmark

LONDON BOROUGH OF HILLINGDON ROLLING QUARTERS TOTAL FUND GROSS OF FEES

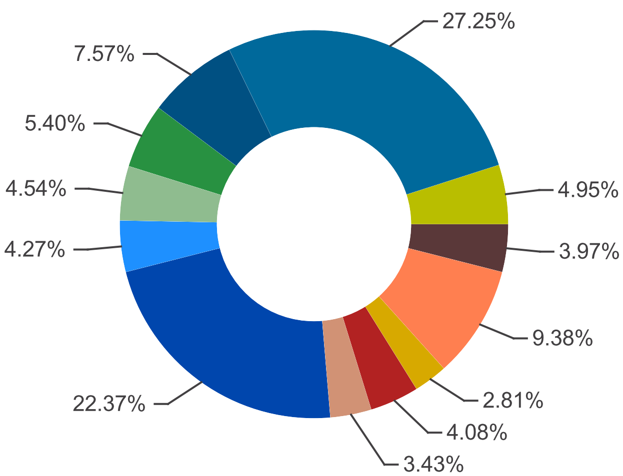


	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-0.39	-1.13	-1.13	-0.79	1.21	-0.49	-0.55	-0.55	1.17	0.07	-0.22	-0.47
3Y R.Excess	-1.37	-1.58	-2.08	-2.55	-1.90	-1.08	-0.96	-0.86	-0.63	-0.81	-1.00	-1.10

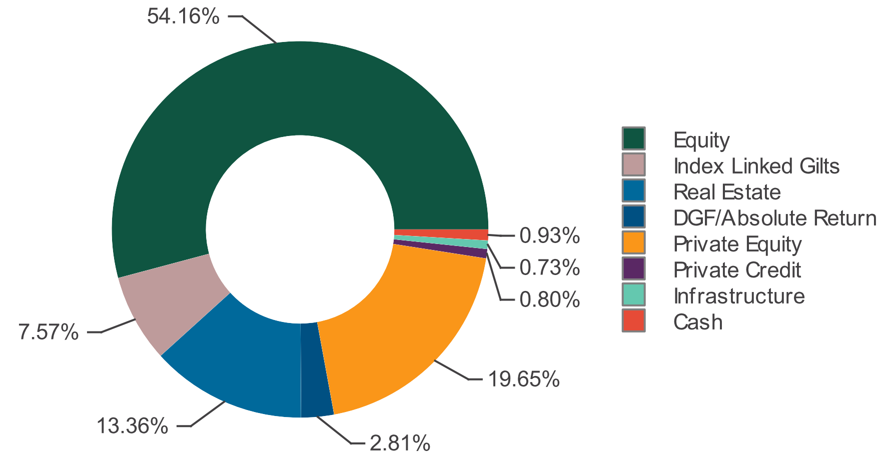
Index: Total Plan Benchmark

Asset Allocation by Manager

MANAGER WEIGHTS



LONDON BOROUGH OF HILLINGDON ASSET CLASS WEIGHTS



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*Manager weights less than 2% have been grouped together.

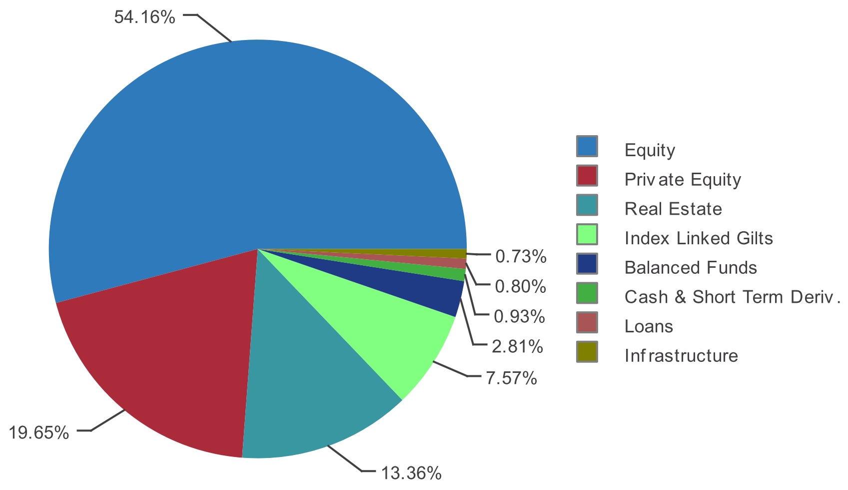
	Ending Market Value GOF GBP	Ending Weight	Equity	Fixed Income	Index Linked Gilts	Real Estate	DGF/ Absolute Return	Private Equity	Private Credit	Infrastructure	Cash
London Borough of Hillingdon	**1,391,950**	**100.00**	**753,822**		**105,307**	**185,966**	**39,097**	**273,476**	**11,091**	**10,177**	**13,012**
			54.16		**7.57**	**13.36**	**2.81**	**19.65**	**0.80**	**0.73**	**0.93**
AEW UK	68,837	4.95				68,835					2
						4.95					0.00
JP Morgan											
Legal & General 1	379,260	27.25	379,260								
			27.25								
Legal & General 2	105,307	7.57			105,307						
					7.57						
M&G Investments	171	0.01							171		
									0.01		
Macquarie	10,835	0.78								10,177	658
										0.73	0.05
Newton											

	Ending Market Value GOF GBP	Ending Weight	Equity	Fixed Income	Index Linked Gilts	Real Estate	DGF/ Absolute Return	Private Equity	Private Credit	Infrastructure	Cash
Premira Credit	11,368	0.82							10,920		448
									0.78		0.03
UBS Property	75,194	5.40				69,367					5,826
						4.98					0.42
Adam Street	2,786	0.20						2,786			
								0.20			
LGT	1,515	0.11						1,515			
								0.11			
Cash & Other Assets	3,596	0.26	7								3,589
			0.00								0.26
Transition											
Cash & Other Assets	0	0.00									0
											0.00
Epoch Investment P Income											
LCIV Global Alpha Growth Fund	63,142	4.54	63,142								
			4.54								
LCIV Infrastructure Fund	59,452	4.27						59,452			
								4.27			
LGIM - Future World Equity IND	311,413	22.37	311,413								
			22.37								
LGIM LPI Income Property	47,764	3.43				47,764					
						3.43					
LCIV Private Debt	56,765	4.08						56,765			
								4.08			
LCIV Ruffer	39,097	2.81					39,097				
							2.81				
LCIV Mac Fund	130,496	9.38						130,496			
								9.38			
Blackstone Dislocation Fund	24,949	1.79						22,462			2,488
								1.61			0.18

**Market Values are represented in thousands.*
**Underlying assets of the fund have been included in the market value and allocation.*

Asset Class Performance

ASSET CLASS ENDING WEIGHTS



MARKET VALUE SUMMARY OVER TIME

	3 Mos	1 Yr	YTD
Beginning Market Value	1,379,310	1,183,808	1,252,116
Net Contribution	-5,075	34,070	35,047
Income	7,104	19,680	16,132
Fees	75	171	194
Appreciation	10,610	154,393	88,655
Ending Market Value	1,391,950	1,391,950	1,391,950

**Market Values are in 000s.*

Asset Class	End MV	End Wt	3 Mos	YTD	1 Yr	3 Yrs	5 Yrs	ITD
Equity	**753,822,378**	**54.16**	**1.60**	**14.06**	**22.38**	**7.45**	**7.27**	
Common Stock	753,822,378	54.16	1.60	14.06	22.38	7.45	7.27	
Index Linked Gilts	**105,307,441**	**7.57**	**1.42**	**-2.50**	**5.98**	**-11.82**	**-7.08**	
Balanced Funds	**39,097,020**	**2.81**	**2.86**	**2.45**	**4.69**	**1.32**	**2.61**	
Real Estate	**185,966,496**	**13.36**	**-0.85**	**0.31**	**2.60**	**-1.42**	**0.56**	**6.97**
Private Equity	**273,476,356**	**19.65**	**2.18**	**5.66**	**11.73**	**6.48**	**6.89**	
Loans	**11,090,642**	**0.80**	**-0.18**	**6.79**	**10.59**	**8.68**	**6.41**	
Cash & Short Term Deriv.	**13,012,382**	**0.93**	**0.48**	**3.13**	**3.91**	**4.37**	**2.16**	
Pending Cash	**0**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign Exchange	**0**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**
Infrastructure	**10,177,224**	**0.73**	**-8.94**	**0.08**	**-2.07**	**17.14**	**14.28**	
Total Fund Gross of Fees	**1,391,949,938**	**100.00**	**1.29**	**8.24**	**14.59**	**3.46**	**4.07**	**6.55**
Total Plan Benchmark			1.77	8.91	13.96	4.61	5.66	6.74
Excess Return			*-0.47*	*-0.61*	*0.55*	*-1.10*	*-1.51*	*-0.18*

Excess is calculated using relative methodology

Regional Performance

Category - Base Rates of Return	Ending Market value GBP - GOF	Ending Weight	Three Months Portfolio	Three Months Index	Three Months Relative Excess	Year to Date Portfolio	Year to Date Index	Year to Date Relative Excess	One Year Portfolio	One Year Index	One Year Relative Excess
London Borough of Hillingdon	**1,391,949,938**	**100.00**	**1.29**	**1.77**	**-0.47**	**8.24**	**8.91**	**-0.61**	**14.59**	**13.96**	**0.55**
Equity	**753,822,378**	**54.16**	**1.60**	**0.56**	**1.04**	**14.06**	**13.18**	**0.78**	**22.38**	**20.68**	**1.41**
United Kingdom	**374,555,088**	**26.91**	**0.72**	**-**	**-**	**13.17**	**-**	**-**	**21.40**	**-**	**-**
Overseas Equities	**379,267,290**	**27.25**	**2.49**	**-**	**-**	**14.97**	**-**	**-**	**23.39**	**-**	**-**
Europe ex UK	7,082	0.00	-	-	-	-	-	-	-	-	-
Asia Pacific inc Japan	-		-	-	-	-	-	-	-	-	-
Emerging Markets	53,194,272	3.82	2.47	4.77	-2.20	11.43	14.56	-2.73	13.75	16.96	-2.74
L&G GPCT World Dev Eq Idx GBP Hdg	170,469,791	12.25	4.56	4.59	-0.02	18.54	19.01	-0.39	30.03	30.51	-0.37
World Developed Equity Index	155,596,144	11.18	0.32	0.32	-0.00	12.49	12.92	-0.38	20.14	20.59	-0.37
Fixed Income	**-**		**-**	**2.31**	**-**	**-**	**7.19**	**-**	**-**	**9.67**	**-**
UK Corporate Bonds	-		-	2.31	-	-	7.19	-	-	9.67	-
Global Corporate Bonds	-		-	-	-	-	-	-	-	-	-
Index Linked Gilts	**105,307,441**	**7.57**	**1.42**	**1.42**	**-0.00**	**-2.50**	**-2.49**	**-0.01**	**5.98**	**6.01**	**-0.03**
Real Estates	**185,966,496**	**13.36**	**-0.85**	**1.22**	**-2.05**	**0.31**	**2.91**	**-2.52**	**2.60**	**1.71**	**0.87**
Balanced funds	**39,097,020**	**2.81**	**2.86**	**-**	**-**	**2.45**	**-**	**-**	**4.69**	**-**	**-**
Epoch Investment	-		-	-	-	-	-	-	-	-	-
DGF/Absolute Return	39,097,020	2.81	2.86	1.30	1.54	2.45	3.99	-1.48	4.69	5.38	-0.66
Private Equity	**273,476,356**	**19.65**	**2.18**	**1.44**	**0.73**	**5.66**	**16.15**	**-9.03**	**11.73**	**24.46**	**-10.23**
Private Credit	**11,090,642**	**0.80**	**-0.18**	**2.19**	**-2.32**	**6.79**	**6.82**	**-0.03**	**10.59**	**9.17**	**1.30**
Infrastructure	**10,177,224**	**0.73**	**-8.94**	**1.96**	**-10.69**	**0.08**	**6.08**	**-5.66**	**-2.07**	**8.17**	**-9.47**
Cash & Synthetic Cash	**13,012,382**	**0.93**	**0.41**	**1.30**	**-0.88**	**3.05**	**3.99**	**-0.90**	**3.83**	**5.38**	**-1.47**
Foreign Exchange	**0**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Regional Performance(2)

	Three Years			Five Years			Inception to Date		
Category - Base Rates of Return	Portfolio	Index	Relative Excess	Portfolio	Index	Relative Excess	Portfolio	Index	Relative Excess
London Borough of Hillingdon	**3.46**	**4.61**	**-1.10**	**4.07**	**5.66**	**-1.51**	**6.55**	**6.74**	**-0.18**
Equity	**7.45**	**9.08**	**-1.50**	**7.27**	**9.06**	**-1.64**	**-**	**-**	**-**
United Kingdom	**6.46**	**-**	**-**	**-1.05**	**-**	**-**	**5.59**	**-**	**-**
Overseas Equities	**8.38**	**-**	**-**	**10.39**	**-**	**-**	**7.24**	**-**	**-**
Europe ex UK	-	-	-	-	-	-	-	-	-
Asia Pacific inc Japan	-	-	-	-	-	-	-	-	-
Emerging Markets	1.73	2.84	-1.08	4.57	5.34	-0.73	-	-	-
L&G GPCT World Dev Eq Idx GBP Hdg	9.50	9.65	-0.14	12.68	12.82	-0.13	-	-	-
World Developed Equity Index	9.30	9.48	-0.17	11.32	11.45	-0.12	-	-	-
Fixed Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
UK Corporate Bonds	-	-	-	-	-	-	-	-	-
Global Corporate Bonds	-	-	-	-	-	-	-	-	-
Index Linked Gilts	**-11.82**	**-11.81**	**-0.00**	**-7.08**	**-7.32**	**0.25**	**-**	**-**	**-**
Real Estates	**-1.42**	**-0.44**	**-0.99**	**0.56**	**1.66**	**-1.08**	**6.97**	**7.18**	**-0.20**
Balanced funds	**1.32**	**-**	**-**	**2.61**	**-**	**-**	**-**	**-**	**-**
Epoch Investment	-	-	-	-	-	-	-	-	-
DGF/Absolute Return	1.32	3.39	-2.00	4.74	2.20	2.48	-	-	-
Private Equity	**6.48**	**12.82**	**-5.62**	**6.89**	**14.83**	**-6.92**	**-**	**-**	**-**
Private Credit	**8.68**	**7.52**	**1.08**	**6.41**	**6.28**	**0.12**	**-**	**-**	**-**
Infrastructure	**17.14**	**6.52**	**9.97**	**14.28**	**5.28**	**8.55**	**-**	**-**	**-**
Cash & Synthetic Cash	**4.29**	**3.38**	**0.88**	**2.12**	**2.04**	**0.08**	**-**	**-**	**-**
Foreign Exchange	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Total Plan Benchmark

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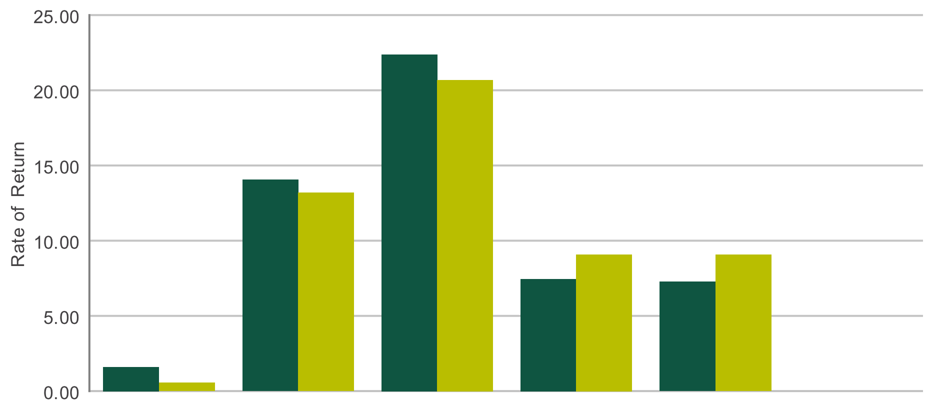
LB Hillingdon Overall Fund Benchmark as at 01 April 2024

Manager	Asset Allocation	Benchmark	Strategic Weight by Manager
LGIM – Future World Equity	Passive Equity	FTSE World Developed Equity Index – Currency Unhedged	20.50%
LGIM – World Developed Equity	Passive Equity	10.8% FTSE World Developed Equity Index – Currency Hedged	25.50%
	Passive Equity	10.8% FTSE World Developed Equity Index – Currency Unhedged	
	Passive Equity	3.9% FTSE Emerging Markets Index	
LCIV Baillie Gifford Global Alpha	Active Equity	FTSE World Developed Equity Index – Currency Unhedged	5.00%
AEW	Property	IPD UK PPFI All Balanced Funds Index	7.00%
UBS		IPD UK PPFI All Balanced Funds Index	0.00%
LGIM LPI		MSCI AREF Long Income Open Ended Property Funds Index	5.00%
Macquarie	Infrastructure Equity	3 month SONIA + 3%	3.00%
LCIV Stepstone		3 month SONIA + 3%	5.00%
M&G	Private Credit	3 month SONIA + 4%	0.00%
Permira		3 month SONIA + 4%	0.00%
LCIV Churchill/Pemberton		3 month SONIA + 4%	5.00%
LGIM	Index Linked Gilts	FTSE A Govt Index Linked Gilts All Stocks Index	7.00%
LCIV Ruffer	Diversified Growth	BM SONIA	0.00%
Blackstone	Opprtunitic Dislocation	15% net of Fees	5.00%
LCIV MAC Fund	Diversified Credit	3 month SONIA + 3%	12.00%

Historical Performance

EQUITY



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	1.60	14.06	22.38	7.45	7.27	-
Index	0.56	13.18	20.68	9.08	9.06	-

Index: Total Equity Benchmark

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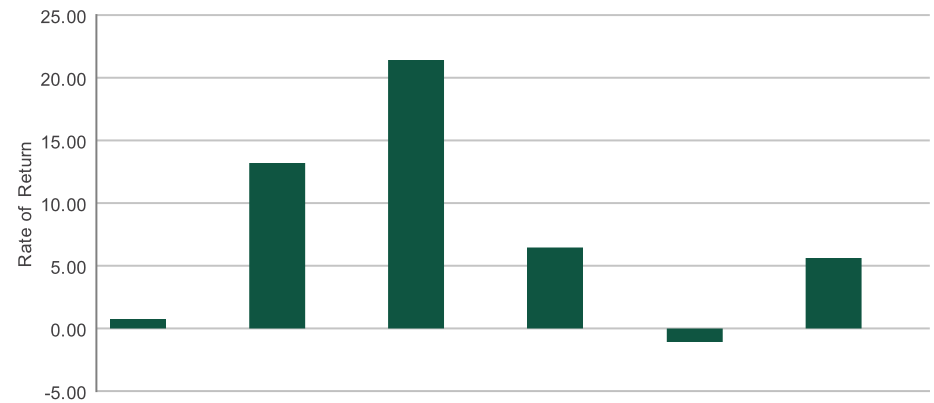
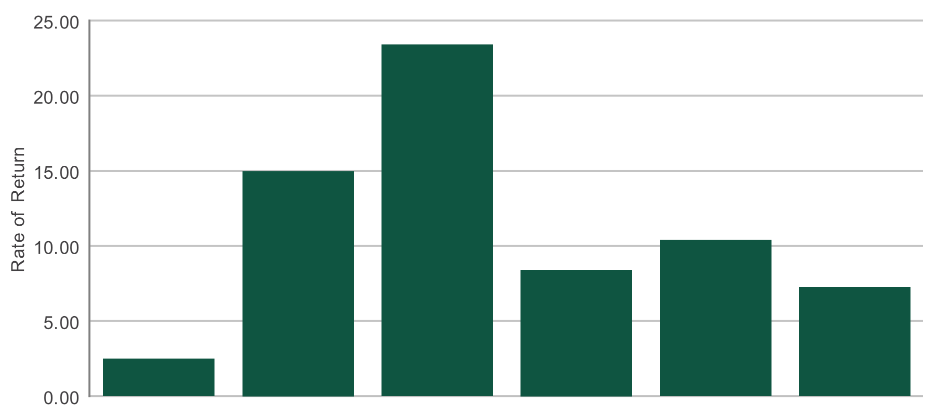
UNITED KINGDOM



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	0.72	13.17	21.40	6.46	-1.05	5.59
Index	-	-	-	-	-	-

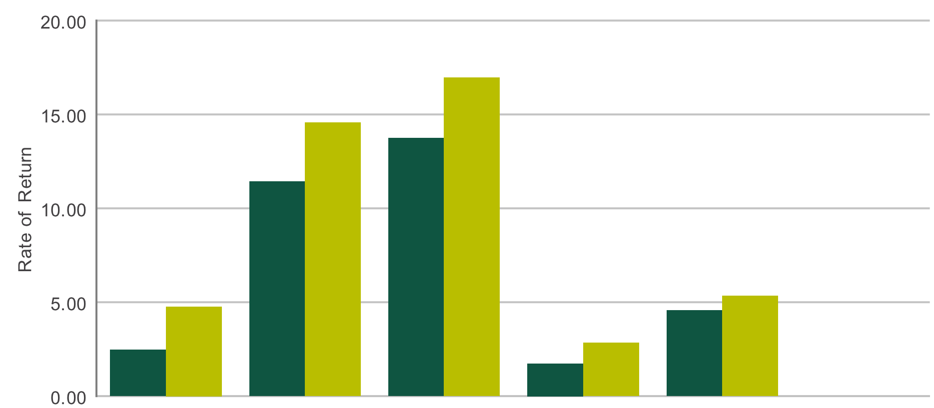
Index: FTSE All Share UK Equity

OVERSEAS EQUITIES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	2.49	14.97	23.39	8.38	10.39	7.24

EMERGING MARKETS

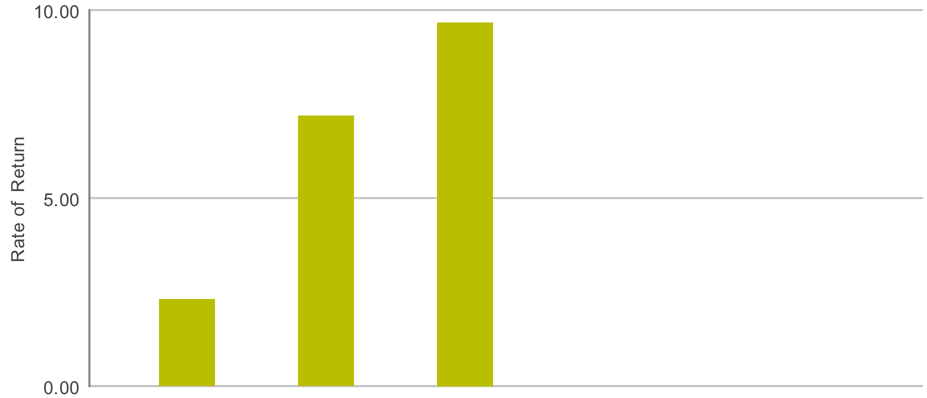


	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	2.47	11.43	13.75	1.73	4.57	-
Index	4.77	14.56	16.96	2.84	5.34	-

Index: LBH Emerging Markets

Historical Performance

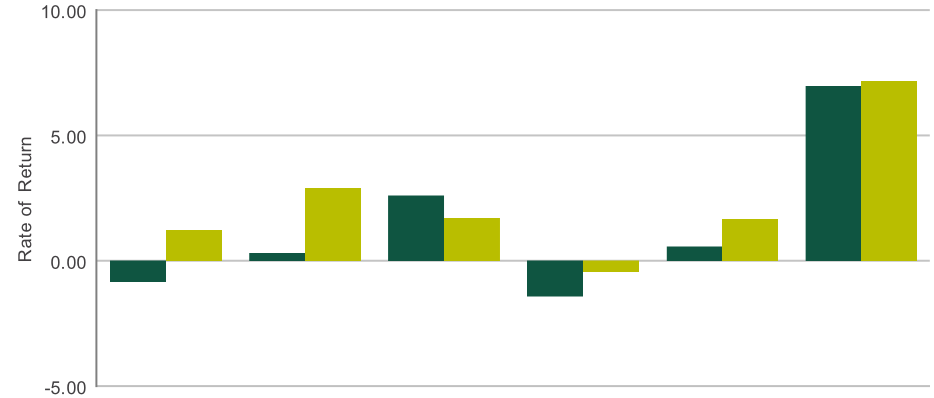
UK CORPORATE BONDS



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	-	-	-	-	-	-
Index	2.31	7.19	9.67	-	-	-

Index: LBH Non-Gilts Benchmark

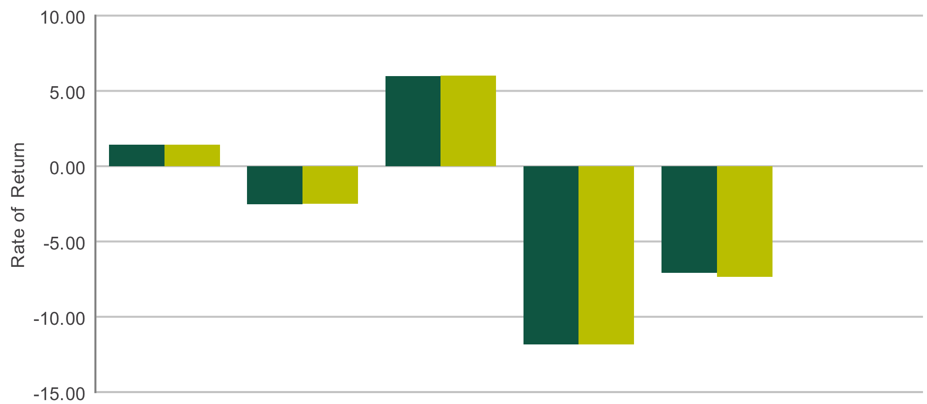
REAL ESTATES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	-0.85	0.31	2.60	-1.42	0.56	6.97
Index	1.22	2.91	1.71	-0.44	1.66	7.18

Index: IPD All Property Trusts (GBP)

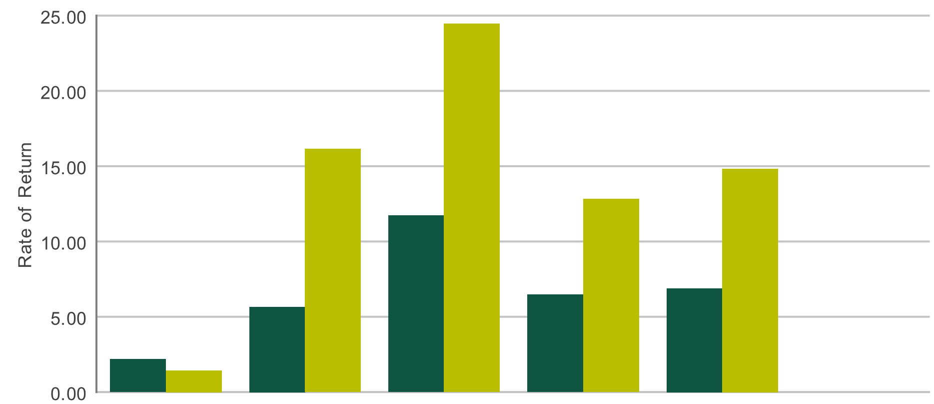
INDEX LINKED GILTS



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	1.42	-2.50	5.98	-11.82	-7.08	-
Index	1.42	-2.49	6.01	-11.81	-7.32	-

Index: LBH Index Linked Benchmark

PRIVATE EQUITY

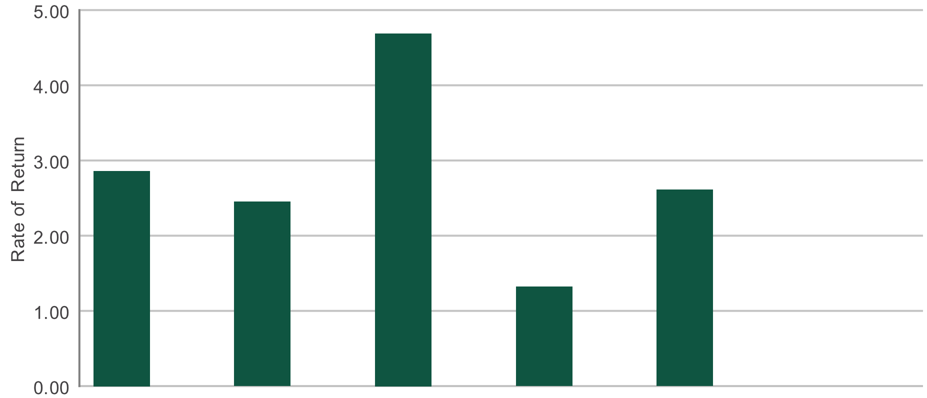


	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	2.18	5.66	11.73	6.48	6.89	-
Index	1.44	16.15	24.46	12.82	14.83	-

Index: MSCI ACWI +4% pa

Historical Performance

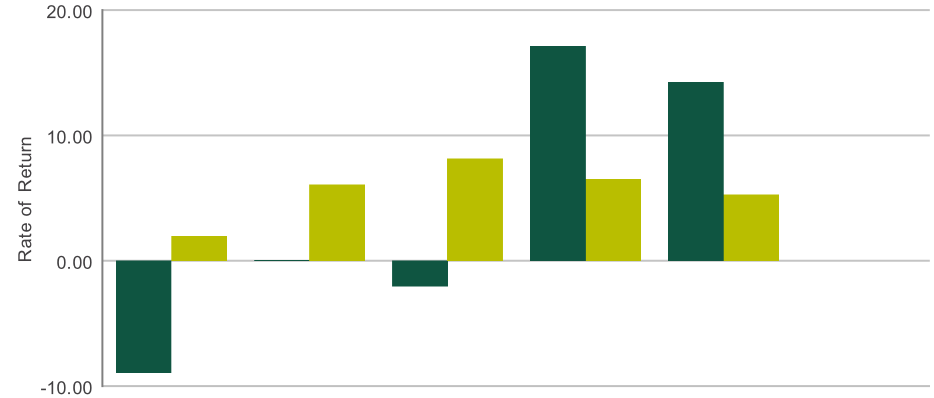
BALANCED FUNDS



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	2.86	2.45	4.69	1.32	2.61	-
Index	-	-	-	-	-	-

Index: Balanced Fund Benchmark

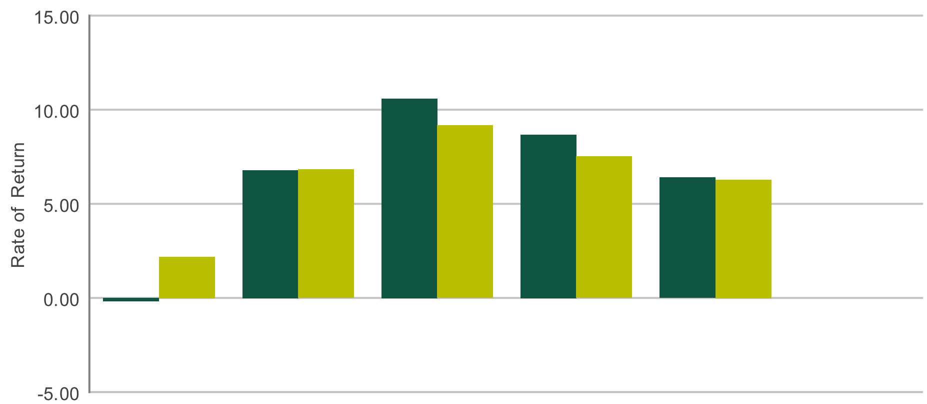
INFRASTRUCTURE



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	-8.94	0.08	-2.07	17.14	14.28	-
Index	1.96	6.08	8.17	6.52	5.28	-

Index: 3M SONIA +3% pa

PRIVATE CREDIT



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Category	-0.18	6.79	10.59	8.68	6.41	-
Index	2.19	6.82	9.17	7.52	6.28	-

Index: 3M SONIA +4% pa

SECTION 2

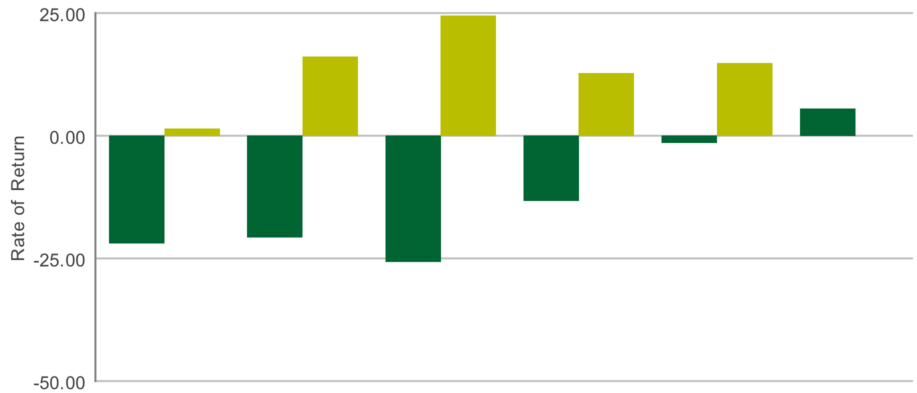
Adam Street

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

ADAM STREET TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	-21.97	-20.73	-25.70	-13.32	-1.46	5.53
Index	1.44	16.15	24.46	12.82	14.83	-

Index: Adam Street PE Bmark

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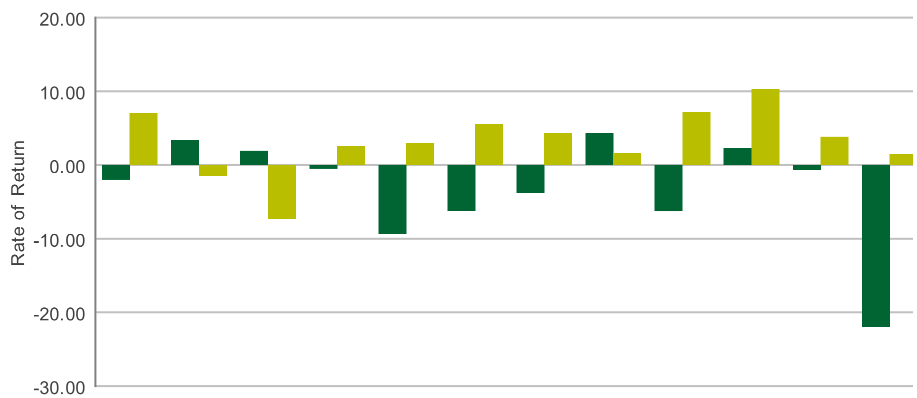
RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	-25.70	-13.32	-1.46
Index Return	24.46	12.82	14.83
Relative Excess Return	-40.30	-23.17	-14.19
Standard Deviation	18.26	13.62	20.08
Index Standard Deviation	8.38	10.54	12.30
Tracking Error	19.66	17.69	24.36
Information Ratio	-2.55	-1.48	-0.67
Sharpe Ratio	-1.70	-1.16	-0.16
Index Sharpe Ratio	2.28	0.98	1.07
Sortino Ratio	-1.51	-1.17	-0.24
Treynor Ratio	-228.74	243.63	28.18
Jensen's Alpha	-29.92	-14.02	0.29
Relative Volatility (Beta)	0.14	-0.06	-0.11
R Squared	0.00	0.00	0.00

Index: Adam Street PE Bmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

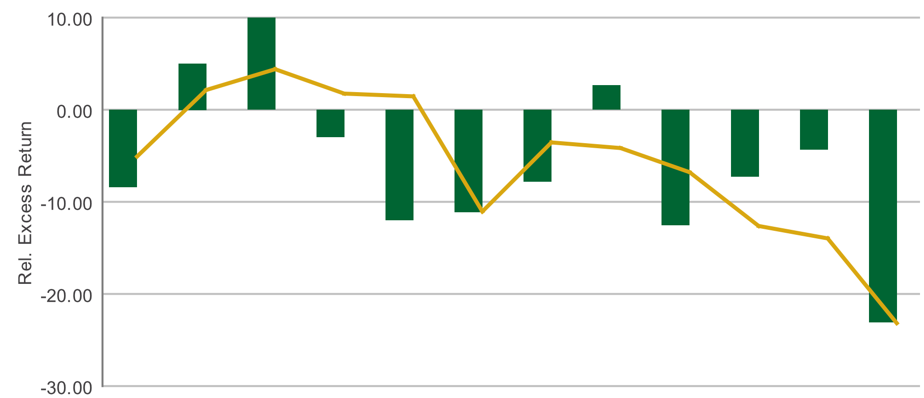
ADAM STREET ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	-2.01	3.39	1.92	-0.47	-9.35	-6.23	-3.81	4.29	-6.27	2.27	-0.67	-21.97
Index	7.00	-1.55	-7.32	2.56	2.99	5.51	4.34	1.62	7.15	10.29	3.82	1.44

Index: Adam Street PE Bmark

ADAM STREET ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-8.42	5.02	9.98	-2.95	-11.99	-11.13	-7.81	2.63	-12.53	-7.27	-4.33	-23.07
3Y R.Excess	-5.08	2.14	4.40	1.75	1.45	-11.05	-3.55	-4.16	-6.78	-12.62	-13.97	-23.17

Index: Adam Street PE Bmark

SECTION 3

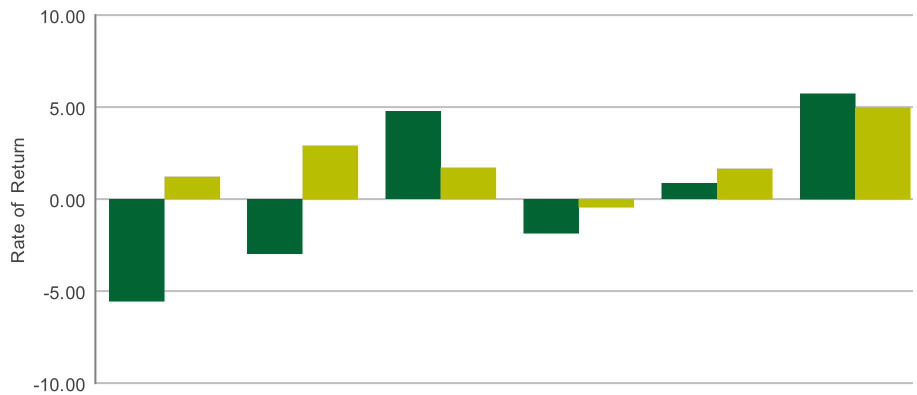
AEW UK

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

AEW UK TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	-5.56	-2.98	4.77	-1.85	0.86	5.74
Index	1.22	2.91	1.71	-0.44	1.66	4.98

Index: LBH22 AEW Benchmark

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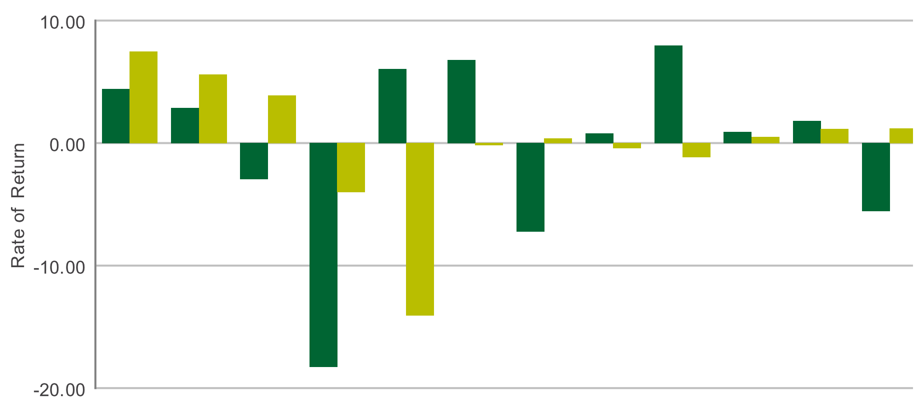
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	4.77	-1.85	0.86
Index Return	1.71	-0.44	1.66
Relative Excess Return	3.00	-1.42	-0.79
Standard Deviation	8.44	14.81	15.53
Index Standard Deviation	1.23	6.49	5.41
Tracking Error	9.11	15.19	15.07
Information Ratio	0.34	-0.09	-0.05
Sharpe Ratio	-0.07	-0.29	-0.05
Index Sharpe Ratio	-2.97	-0.45	-0.00
Sortino Ratio	-0.11	-0.37	-0.07
Treynor Ratio	0.17	-11.98	-1.07
Jensen's Alpha	-11.85	-2.20	0.36
Relative Volatility (Beta)	-3.50	0.36	0.75
R Squared	0.24	0.03	0.07

Index: LBH22 AEW Benchmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

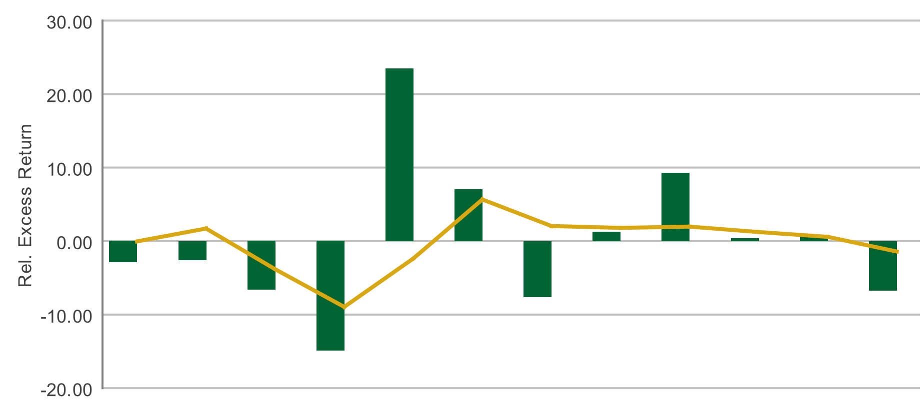
AEW UK ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	4.41	2.87	-2.96	-18.29	6.07	6.80	-7.22	0.81	7.98	0.91	1.81	-5.56
Index	7.50	5.60	3.90	-4.00	-14.10	-0.20	0.38	-0.42	-1.16	0.51	1.15	1.22

Index: LBH22 AEW Benchmark

AEW UK ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-2.88	-2.58	-6.60	-14.89	23.48	7.02	-7.57	1.23	9.25	0.39	0.65	-6.70
3Y R.Excess	-0.04	1.71	-3.83	-8.95	-2.37	5.66	2.05	1.80	1.97	1.23	0.58	-1.42

Index: LBH22 AEW Benchmark

Asset Level Performance

Asset Description	Country	Sector/Industry	30/09/2024 Market Value	30/09/2024 Weight	Rates of Return (Base) One Month	Three Months	Year to Date	One Year	Three Years	Five Years
British pound sterling	United Kingdom	Cash & Short Term Deriv.	2,357	0.00	0.36	0.54	1.98	2.95	-	-
GBP PENDING CASH	United Kingdom	Pending Cash	0	0.00	0.00	-	-	-	-	-
AEW UK INVESTMENT AEW UK C...	United Kingdom	Real Estate	58,971,730	85.67	0.21	-6.64	-3.56	4.41	-2.01	0.83
AEW UK URBAN REAL ESTATE F...	United Kingdom	Real Estate	9,863,236	14.33	0.00	1.33	0.50	6.90	-0.28	-
Total	**World**	**Total Fund Gross of Fees**	**68,837,322**	**100.00**	**0.18**	**-5.56**	**-2.98**	**4.77**	**-1.85**	**0.86**

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SECTION 4

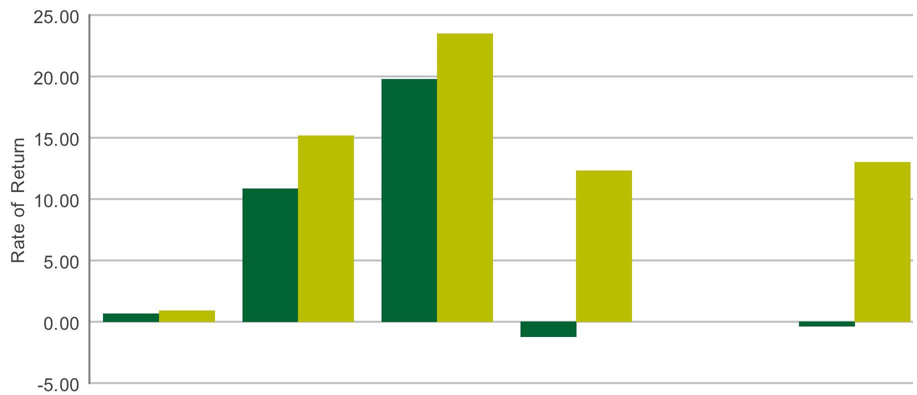
LCIV Global Alpha Growth Fund

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LCIV GLOBAL ALPHA GROWTH FUND TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	0.67	10.87	19.80	-1.23	-	-0.39
Index	0.90	15.20	23.52	12.33	-	13.04

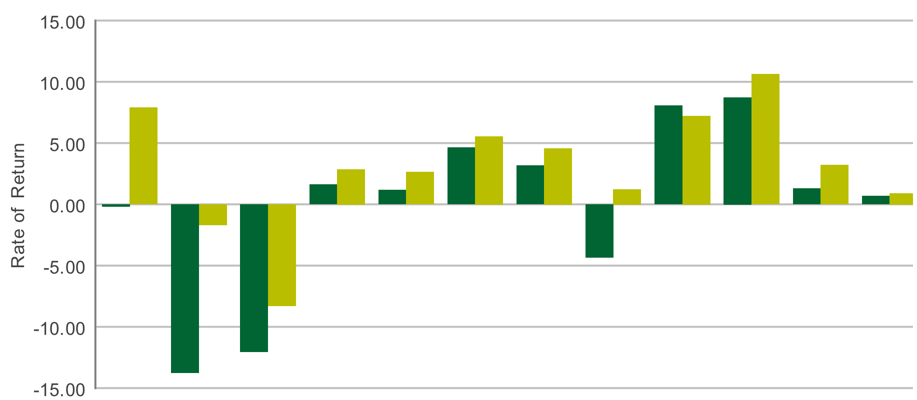
Index: LBH11005 MSCI World ND+3%

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	19.80	-1.23	-
Index Return	23.52	12.33	-
Relative Excess Return	-3.01	-12.07	-
Standard Deviation	12.69	15.79	-
Index Standard Deviation	8.65	11.08	-
Tracking Error	5.65	8.34	-
Information Ratio	-0.66	-1.63	-
Sharpe Ratio	1.14	-0.24	-
Index Sharpe Ratio	2.10	0.89	-
Sortino Ratio	2.22	-0.33	-
Treynor Ratio	10.61	-3.05	-
Jensen's Alpha	-8.30	-13.56	-
Relative Volatility (Beta)	1.36	1.22	-
R Squared	0.86	0.74	-

Index: LBH11005 MSCI World ND+3%. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

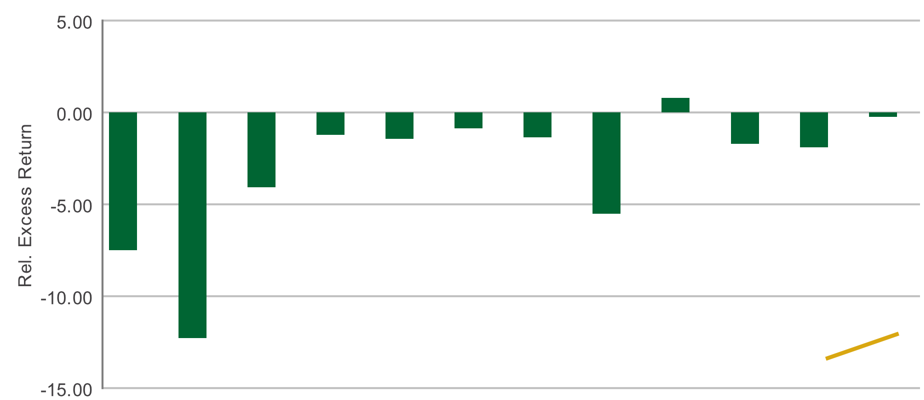
LCIV GLOBAL ALPHA GROWTH FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	-0.19	-13.75	-12.03	1.62	1.16	4.64	3.17	-4.33	8.06	8.73	1.28	0.67
Index	7.90	-1.69	-8.30	2.86	2.64	5.55	4.58	1.23	7.22	10.62	3.22	0.90

Index: LBH11005 MSCI World ND+3%

LCIV GLOBAL ALPHA GROWTH FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-7.50	-12.27	-4.06	-1.21	-1.43	-0.86	-1.34	-5.49	0.78	-1.70	-1.88	-0.22
3Y R.Excess	-	-	-	-	-	-	-	-	-	-	-13.37	-12.07

Index: LBH11005 MSCI World ND+3%

SECTION 5

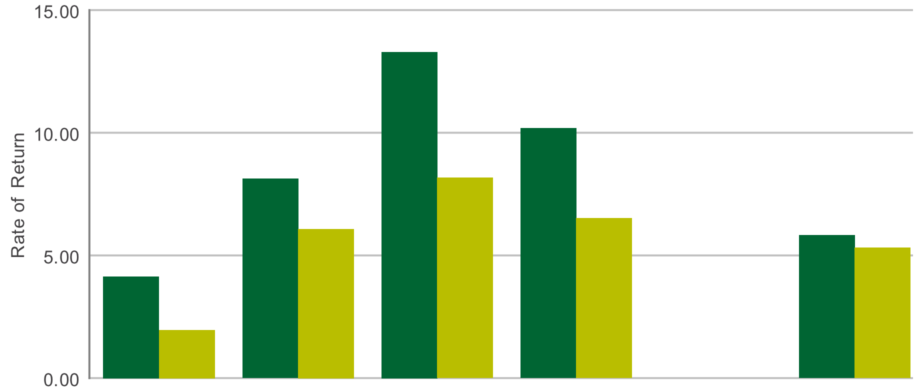
LCIV Infrastructure Fund

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LCIV INFRASTRUCTURE FUND TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	4.14	8.13	13.29	10.19	-	5.82
Index	1.96	6.08	8.17	6.52	-	5.31

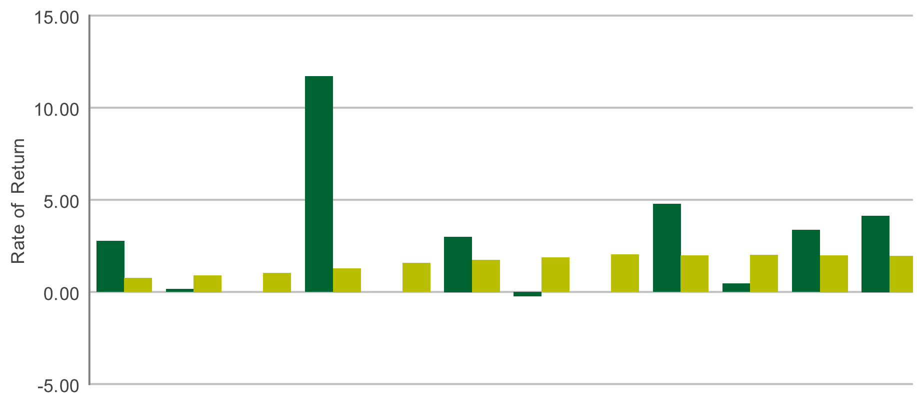
Index: LBH11004 3M SONIA +3%

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	13.29	10.19	-
Index Return	8.17	6.52	-
Relative Excess Return	4.73	3.45	-
Standard Deviation	6.86	6.31	-
Index Standard Deviation	0.09	0.52	-
Tracking Error	6.91	6.37	-
Information Ratio	0.74	0.58	-
Sharpe Ratio	1.16	1.22	-
Index Sharpe Ratio	31.39	7.66	-
Sortino Ratio	4.71	7.12	-
Treynor Ratio	-0.25	-17.47	-
Jensen's Alpha	141.90	9.57	-
Relative Volatility (Beta)	-31.75	-0.44	-
R Squared	0.17	0.00	-

Index: LBH11004 3M SONIA +3%. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

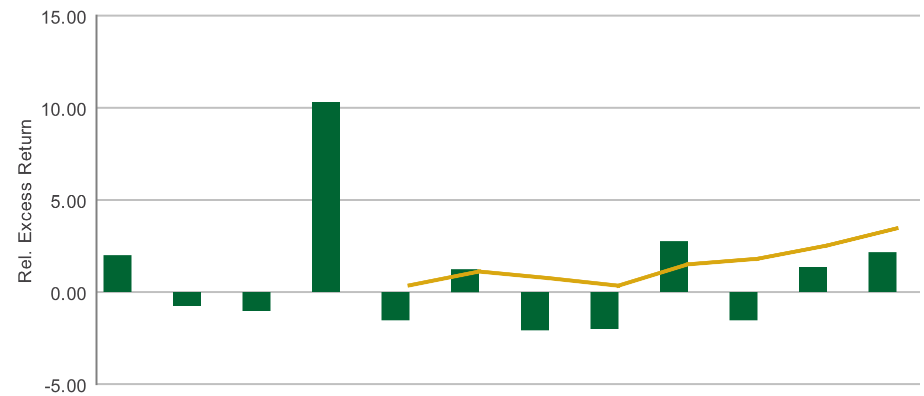
LCIV INFRASTRUCTURE FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	2.76	0.15	0.00	11.70	-0.00	2.99	-0.24	0.00	4.77	0.46	3.37	4.14
Index	0.76	0.90	1.04	1.28	1.56	1.74	1.87	2.03	1.97	2.01	1.99	1.96

Index: LBH11004 3M SONIA +3%

LCIV INFRASTRUCTURE FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	1.98	-0.74	-1.03	10.29	-1.54	1.23	-2.07	-1.99	2.74	-1.53	1.35	2.14
3Y R.Excess	-	-	-	-	0.36	1.11	0.75	0.34	1.50	1.80	2.52	3.45

Index: LBH11004 3M SONIA +3%

SECTION 6

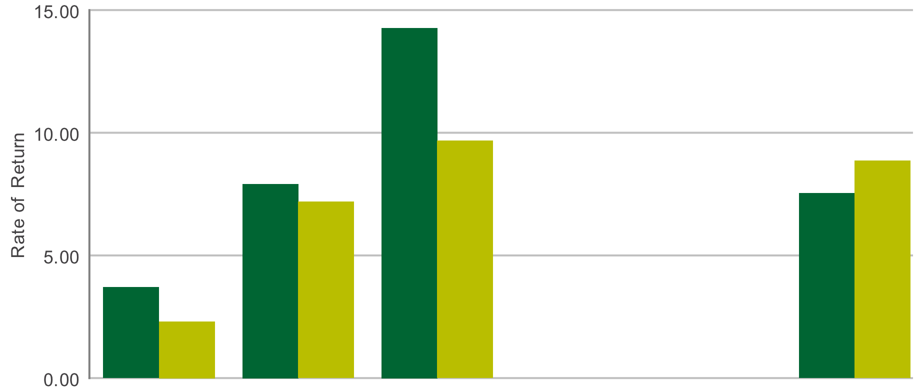
LCIV Mac Fund

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LCIV MAC FUND TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	3.70	7.91	14.27	-	-	7.54
Index	2.31	7.19	9.67	-	-	8.86

Index: LBH30 3 Month SONIA +4.5%

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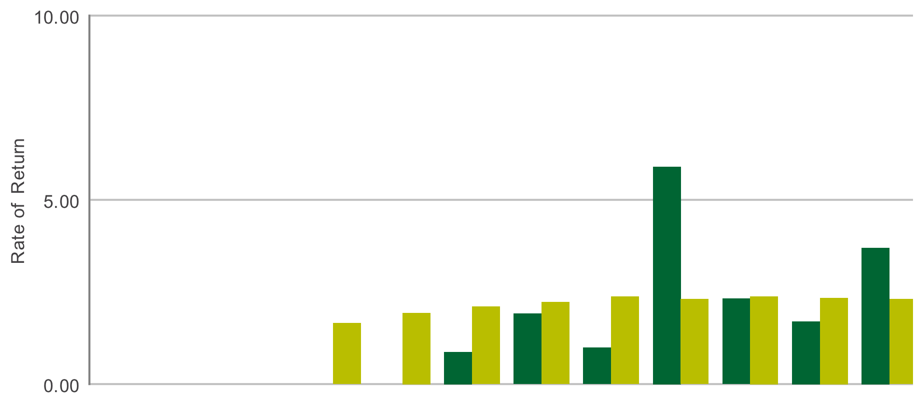
RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	14.27	-	-
Index Return	9.67	-	-
Relative Excess Return	4.20	-	-
Standard Deviation	8.73	-	-
Index Standard Deviation	0.09	-	-
Tracking Error	8.80	-	-
Information Ratio	0.52	-	-
Sharpe Ratio	1.02	-	-
Index Sharpe Ratio	45.69	-	-
Sortino Ratio	1.74	-	-
Treynor Ratio	-0.27	-	-
Jensen's Alpha	276.46	-	-
Relative Volatility (Beta)	-32.59	-	-
R Squared	0.12	-	-

Index: LBH30 3 Month SONIA +4.5%. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

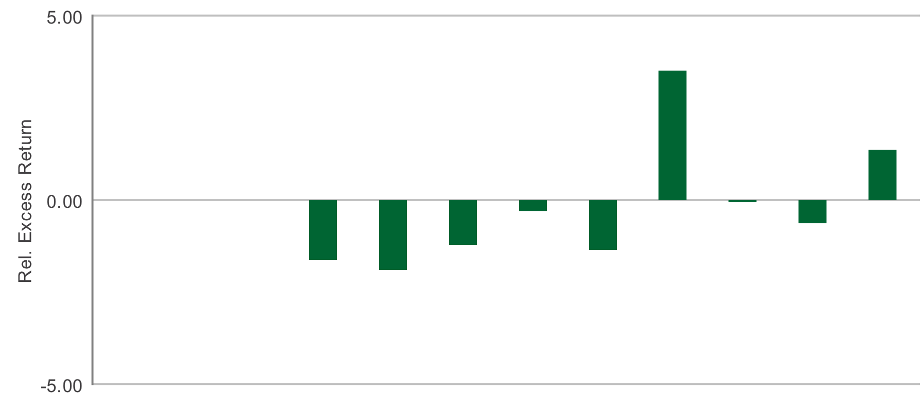
LCIV MAC FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	-	-	-	0.00	0.00	0.87	1.91	0.99	5.90	2.32	1.70	3.70
Index	-	-	-	1.65	1.93	2.10	2.22	2.37	2.31	2.38	2.34	2.31

Index: LBH30 3 Month SONIA +4.5%

LCIV MAC FUND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-	-	-	-1.62	-1.90	-1.21	-0.31	-1.35	3.51	-0.06	-0.63	1.36
3Y R.Excess	-	-	-	-	-	-	-	-	-	-	-	-

Index: LBH30 3 Month SONIA +4.5%

SECTION 7

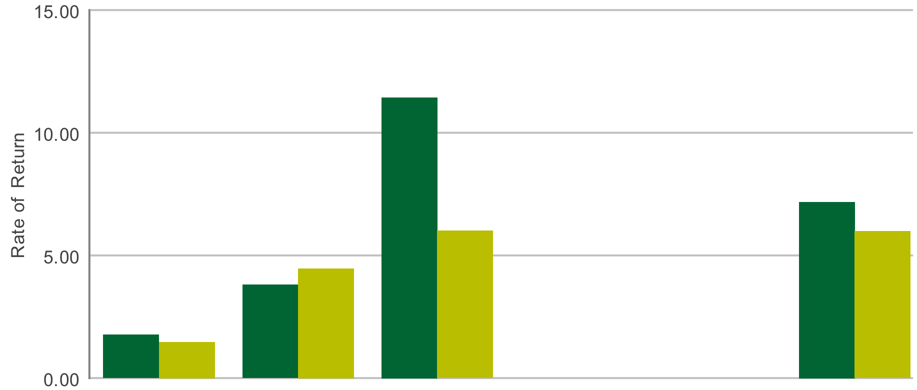
LCIV Private Debt

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LCIV PRIVATE DEBT TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	1.77	3.80	11.44	-	-	7.18
Index	1.47	4.47	6.00	-	-	5.99

Index: Absolute Return 6%

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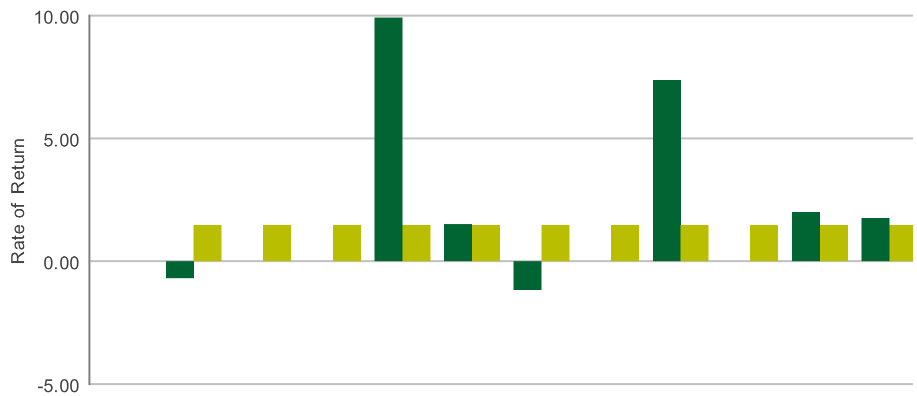
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	11.44	-	-
Index Return	6.00	-	-
Relative Excess Return	5.13	-	-
Standard Deviation	7.14	-	-
Index Standard Deviation	0.00	-	-
Tracking Error	7.14	-	-
Information Ratio	0.76	-	-
Sharpe Ratio	0.85	-	-
Index Sharpe Ratio		-	-
Sortino Ratio	4.61	-	-
Treynor Ratio	0.24	-	-
Jensen's Alpha	-9.08	-	-
Relative Volatility (Beta)	25.22	-	-
R Squared	0.10	-	-

Index: Absolute Return 6%. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

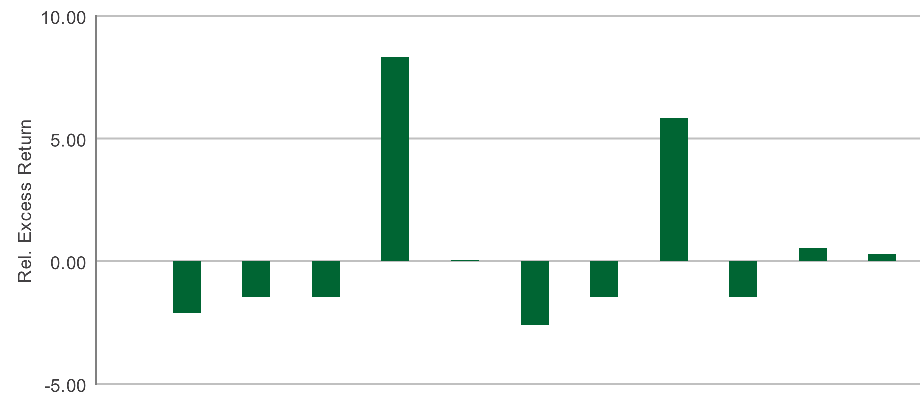
LCIV PRIVATE DEBT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	-	-0.68	-0.00	-0.00	9.91	1.50	-1.16	-0.00	7.36	0.00	2.00	1.77
Index	-	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47

Index: Absolute Return 6%

LCIV PRIVATE DEBT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-	-2.11	-1.45	-1.45	8.32	0.03	-2.59	-1.45	5.81	-1.45	0.52	0.29
3Y R.Excess	-	-	-	-	-	-	-	-	-	-	-	-

Index: Absolute Return 6%

SECTION 8

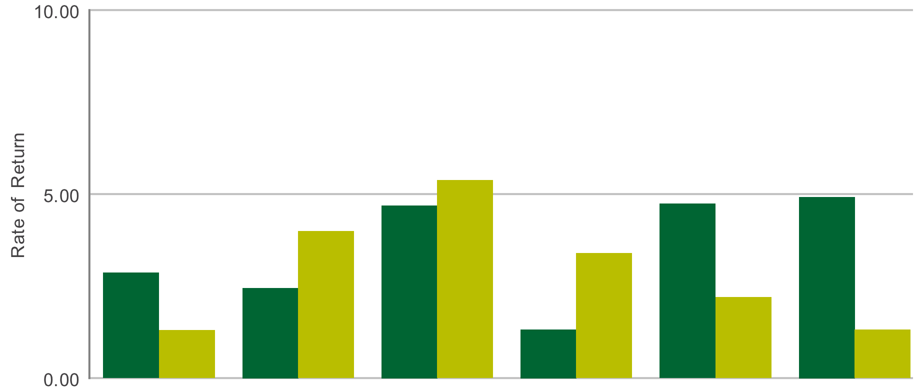
LCIV Ruffer

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LCIV RUFFER TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	2.86	2.45	4.69	1.32	4.74	4.92
Index	1.30	3.99	5.38	3.39	2.20	1.31

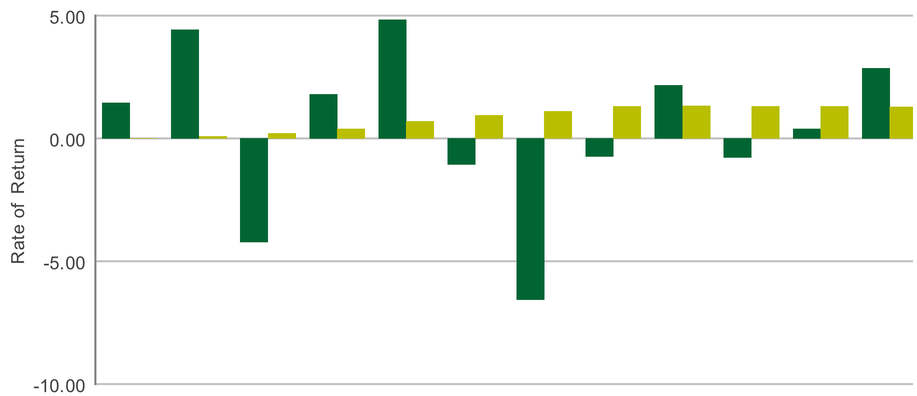
Index: LBH11003 Ruffer BM SONIA

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	4.69	1.32	4.74
Index Return	5.38	3.39	2.20
Relative Excess Return	-0.66	-2.00	2.48
Standard Deviation	3.95	5.64	6.36
Index Standard Deviation	0.04	0.58	0.62
Tracking Error	3.96	5.74	6.51
Information Ratio	-0.18	-0.36	0.39
Sharpe Ratio	-0.17	-0.21	0.48
Index Sharpe Ratio	0.46	1.53	0.87
Sortino Ratio	-0.21	-0.27	0.78
Treynor Ratio	-0.71	-3.06	-1.01
Jensen's Alpha	-0.58	-1.32	4.88
Relative Volatility (Beta)	0.94	0.38	-3.03
R Squared	0.00	0.00	0.01

Index: LBH11003 Ruffer BM SONIA. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

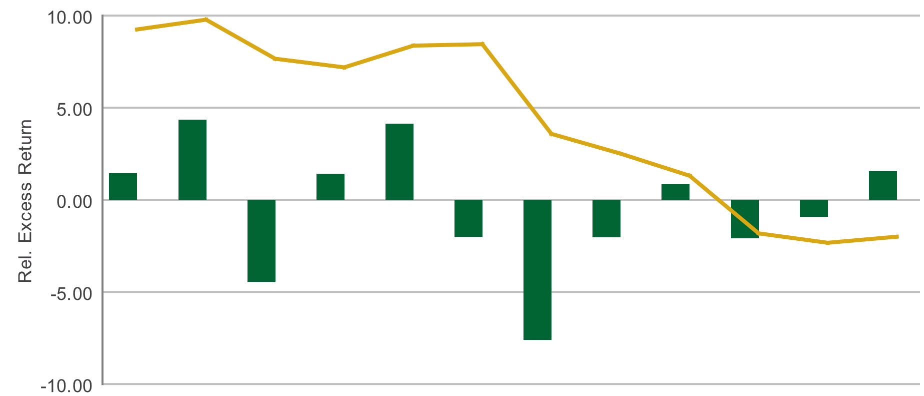
LCIV RUFFER ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	1.45	4.44	-4.22	1.80	4.84	-1.06	-6.58	-0.75	2.18	-0.79	0.40	2.86
Index	0.01	0.10	0.22	0.39	0.70	0.94	1.11	1.31	1.33	1.32	1.32	1.30

Index: LBH11003 Ruffer BM SONIA

LCIV RUFFER ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	1.44	4.34	-4.44	1.40	4.12	-1.99	-7.60	-2.03	0.84	-2.08	-0.91	1.54
3Y R.Excess	9.25	9.78	7.66	7.19	8.37	8.45	3.58	2.51	1.31	-1.82	-2.33	-2.00

Index: LBH11003 Ruffer BM SONIA

SECTION 9

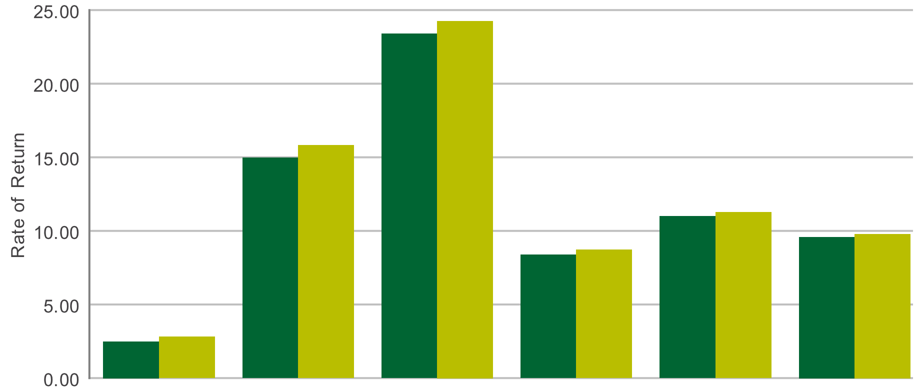
Legal & General 1

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LEGAL & GENERAL 1 TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	2.49	14.97	23.39	8.38	10.99	9.59
Index	2.81	15.82	24.26	8.71	11.26	9.79

Index: LBH26 L&G Benchmark

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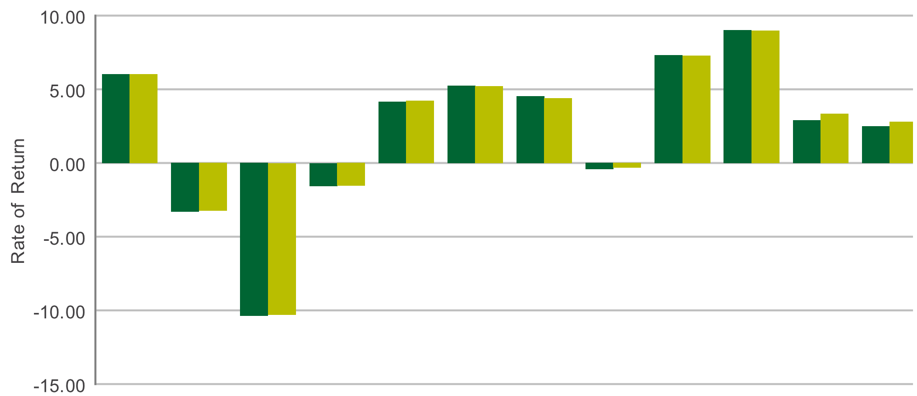
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	23.39	8.38	10.99
Index Return	24.26	8.71	11.26
Relative Excess Return	-0.70	-0.30	-0.24
Standard Deviation	8.61	11.83	13.41
Index Standard Deviation	8.54	11.78	13.37
Tracking Error	0.47	0.31	0.27
Information Ratio	-1.85	-1.06	-0.98
Sharpe Ratio	2.09	0.50	0.70
Index Sharpe Ratio	2.21	0.53	0.72
Sortino Ratio	4.47	0.77	1.07
Treynor Ratio	17.92	5.87	9.30
Jensen's Alpha	-0.82	-0.32	-0.26
Relative Volatility (Beta)	1.01	1.00	1.00
R Squared	1.00	1.00	1.00

Index: LBH26 L&G Benchmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

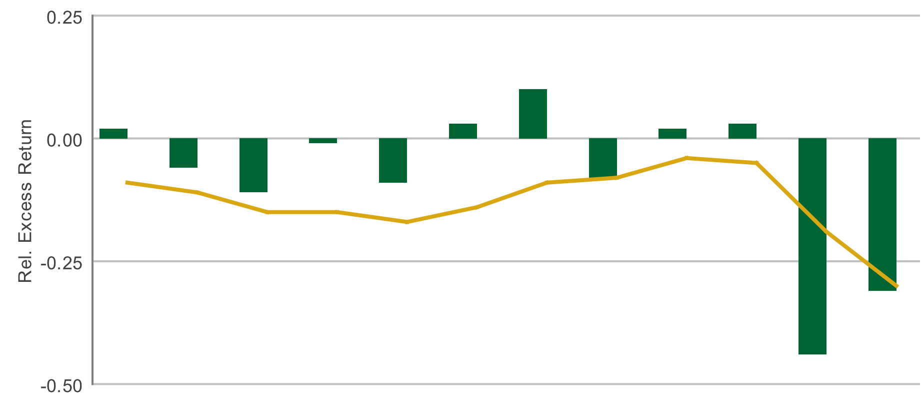
LEGAL & GENERAL 1 ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	6.04	-3.31	-10.38	-1.56	4.15	5.24	4.52	-0.42	7.32	9.02	2.90	2.49
Index	6.02	-3.25	-10.29	-1.55	4.23	5.20	4.41	-0.33	7.29	8.99	3.35	2.81

Index: LBH26 L&G Benchmark

LEGAL & GENERAL 1 ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	0.02	-0.06	-0.11	-0.01	-0.09	0.03	0.10	-0.08	0.02	0.03	-0.44	-0.31
3Y R.Excess	-0.09	-0.11	-0.15	-0.15	-0.17	-0.14	-0.09	-0.08	-0.04	-0.05	-0.19	-0.30

Index: LBH26 L&G Benchmark

Regional Performance

Category	Ending Market value GBP - GOF	Ending Weight	Base Rates of Return: Three Months	Year to Date	One Year	Three Years	Five Years	Inception to Date
Legal & General Inves Manageme	**379,260,207**	**100.00**	**2.49**	**14.97**	**23.39**	**8.38**	**10.99**	**9.59**
LBH26 L&G Benchmark			*2.81*	*15.82*	*24.26*	*8.71*	*11.26*	*9.79*
Excess Return			*-0.32*	*-0.84*	*-0.87*	*-0.33*	*-0.27*	*-0.20*
Total Fund - Foreign Exchange	**379,260,207**	**100.00**	**2.49**	**14.97**	**23.39**	**8.38**	**10.99**	**9.59**
LBH26 L&G Benchmark			*2.81*	*15.82*	*24.26*	*8.71*	*11.26*	*9.79*
Excess Return			*-0.32*	*-0.84*	*-0.87*	*-0.33*	*-0.27*	*-0.20*
Equity	**379,260,207**	**100.00**	**2.49**	**14.97**	**23.39**	**8.38**	**10.99**	**10.22**
Emerging Markets	53,194,272	14.03	2.47	11.43	13.75	1.73	4.57	4.93
FTSE Emerging			*4.77*	*14.56*	*16.96*	*2.84*	*5.34*	*5.53*
Excess Return			*-2.30*	*-3.13*	*-3.20*	*-1.11*	*-0.77*	*-0.60*
L&G GPCT World Dev Eq Idx GBP Hdg	170,469,791	44.95	4.56	18.54	30.03	9.50	12.68	-
FTSE Developed Hdg GBP			*4.59*	*19.01*	*30.51*	*9.65*	*12.82*	-
Excess Return			*-0.02*	*-0.47*	*-0.48*	*-0.16*	*-0.14*	-
World Developed Equity Index	155,596,144	41.03	0.32	12.49	20.14	9.30	11.32	-
FT Developed			*0.32*	*12.92*	*20.59*	*9.48*	*11.45*	*11.43*
Excess Return			*-0.00*	*-0.43*	*-0.45*	*-0.19*	*-0.13*	-

• Excess is calculated using arithmetic methodology

SECTION 10

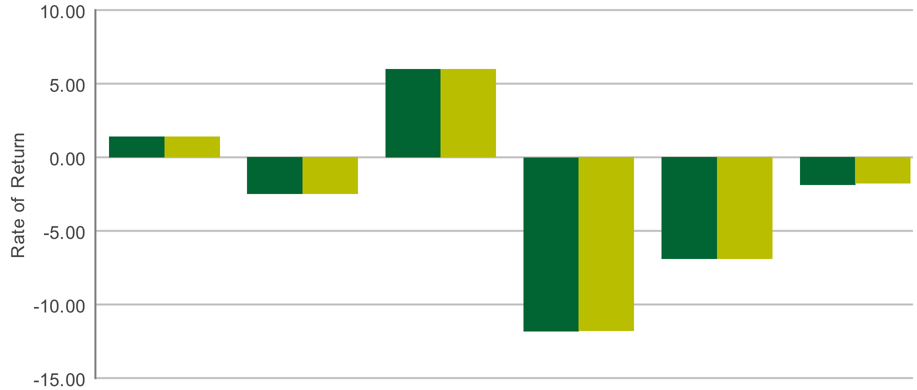
Legal & General 2

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LEGAL & GENERAL 2 TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	1.42	-2.50	5.98	-11.82	-6.90	-1.89
Index	1.42	-2.49	6.01	-11.81	-6.91	-1.77

Index: LBH27 L&G Benchmark

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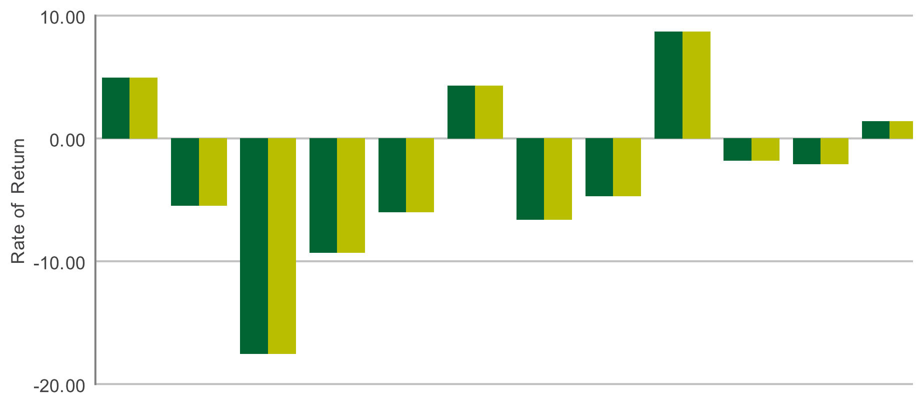
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	5.98	-11.82	-6.90
Index Return	6.01	-11.81	-6.91
Relative Excess Return	-0.03	-0.00	0.01
Standard Deviation	9.85	14.43	13.26
Index Standard Deviation	9.86	14.43	13.26
Tracking Error	0.01	0.02	0.21
Information Ratio	-2.23	-0.22	0.04
Sharpe Ratio	0.06	-0.99	-0.65
Index Sharpe Ratio	0.07	-0.99	-0.65
Sortino Ratio	0.09	-1.16	-0.80
Treynor Ratio	0.62	-14.32	-8.58
Jensen's Alpha	-0.03	-0.01	0.00
Relative Volatility (Beta)	1.00	1.00	1.00
R Squared	1.00	1.00	1.00

Index: LBH27 L&G Benchmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

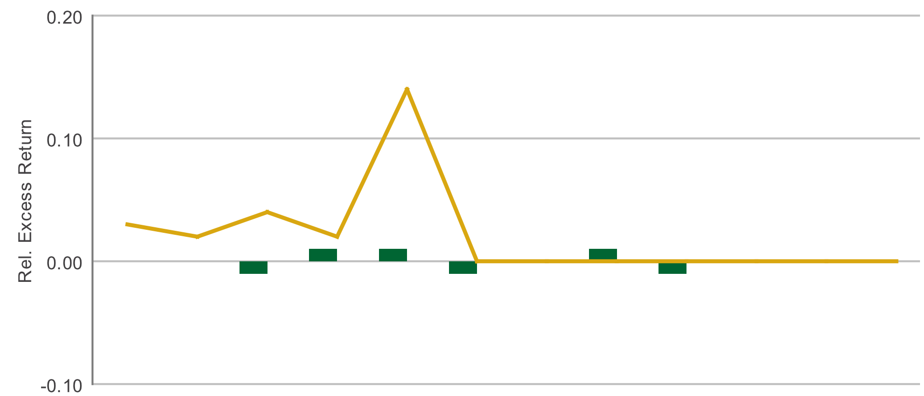
LEGAL & GENERAL 2 ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	4.94	-5.50	-17.55	-9.31	-6.01	4.30	-6.61	-4.69	8.70	-1.81	-2.09	1.42
Index	4.94	-5.50	-17.54	-9.33	-6.02	4.30	-6.61	-4.69	8.72	-1.81	-2.09	1.42

Index: LBH27 L&G Benchmark

LEGAL & GENERAL 2 ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-0.00	-0.00	-0.01	0.01	0.01	-0.01	-0.00	0.01	-0.01	-0.00	-0.00	-0.00
3Y R.Excess	0.03	0.02	0.04	0.02	0.14	-0.00	-0.00	0.00	-0.00	-0.00	-0.00	-0.00

Index: LBH27 L&G Benchmark

Regional Performance

Category	Ending Market value GBP - GOF	Ending Weight	Base Rates of Return Three Months	Year to Date	One Year	Three Years	Five Years	Inception to Date
Legal & General INV Mgmt	**105,307,441**	**100.00**	**1.42**	**-2.50**	**5.98**	**-11.82**	**-6.90**	**-1.89**
LBH27 L&G Benchmark			*1.42*	*-2.49*	*6.01*	*-11.81*	*-6.91*	*-1.77*
Excess Return			*-0.00*	*-0.01*	*-0.03*	*-0.00*	*0.01*	*-0.13*
Total Fund - Foreign Exchange	**105,307,441**	**100.00**	**1.42**	**-2.50**	**5.98**	**-11.82**	**-6.90**	**-1.89**
Index Linked Gilts	**105,307,441**	**100.00**	**1.42**	**-2.50**	**5.98**	**-11.82**	**-7.08**	**-2.03**
LBH27 Index Linked			*1.42*	*-2.49*	*6.01*	*-11.81*	*-7.05*	*-1.99*
Excess Return			*-0.00*	*-0.01*	*-0.03*	*-0.00*	*-0.03*	*-0.04*
Cash & Short Term Deriv.	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fixed Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CCAJ INVT Grade CP Bnd	-	-	-	-	-	-	-	-
Markit iBoxx £ Non - Gilt			*2.28*	*2.21*	*9.72*	*-2.87*	*-1.07*	*0.89*
Excess Return			-	-	-	-	-	-

• Excess is calculated using arithmetic methodology

SECTION 11

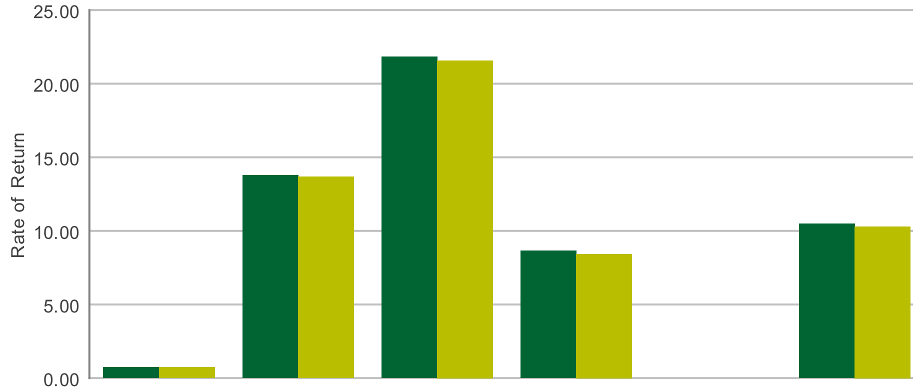
LGIM - Future World Equity IND

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LGIM - FUTURE WORLD EQUITY IND TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	0.74	13.78	21.83	8.66	-	10.48
Index	0.74	13.67	21.57	8.43	-	10.30

Index: LBH29 Solactive L&G ESG

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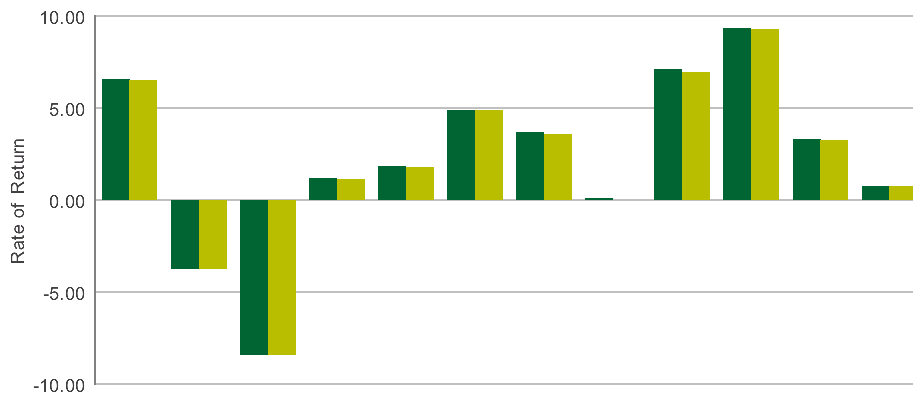
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	21.83	8.66	-
Index Return	21.57	8.43	-
Relative Excess Return	0.21	0.22	-
Standard Deviation	8.65	10.79	-
Index Standard Deviation	8.62	10.79	-
Tracking Error	0.13	0.14	-
Information Ratio	2.02	1.70	-
Sharpe Ratio	1.90	0.57	-
Index Sharpe Ratio	1.88	0.55	-
Sortino Ratio	4.05	0.91	-
Treynor Ratio	16.41	6.17	-
Jensen's Alpha	0.16	0.22	-
Relative Volatility (Beta)	1.00	1.00	-
R Squared	1.00	1.00	-

Index: LBH29 Solactive L&G ESG. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

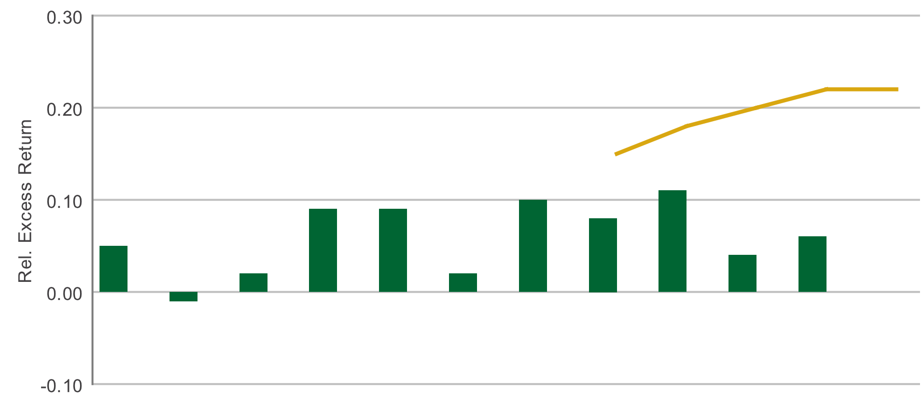
LGIM - FUTURE WORLD EQUITY IND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	6.55	-3.76	-8.42	1.20	1.84	4.88	3.67	0.07	7.08	9.32	3.32	0.74
Index	6.50	-3.76	-8.44	1.11	1.76	4.86	3.57	-0.01	6.96	9.28	3.25	0.74

Index: LBH29 Solactive L&G ESG

LGIM - FUTURE WORLD EQUITY IND ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	0.05	-0.01	0.02	0.09	0.09	0.02	0.10	0.08	0.11	0.04	0.06	-0.00
3Y R.Excess	-	-	-	-	-	-	-	0.15	0.18	0.20	0.22	0.22

Index: LBH29 Solactive L&G ESG

SECTION 12

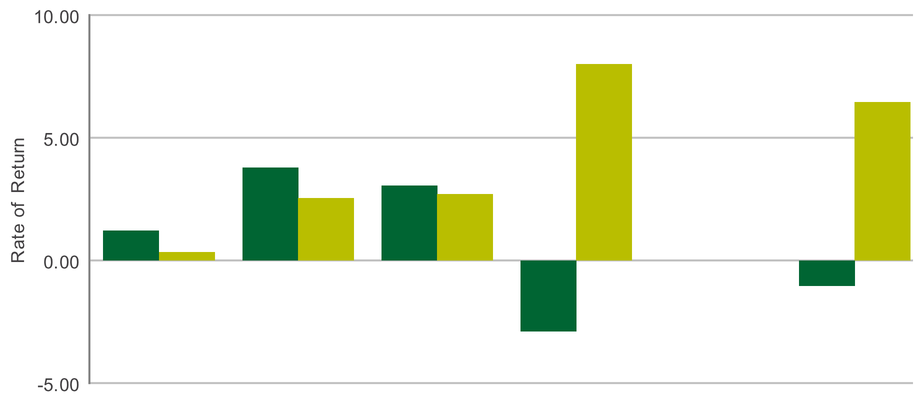
LGIM LPI Income Property

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LGIM LPI INCOME PROPERTY TOTAL FUND GROSS OF FEES



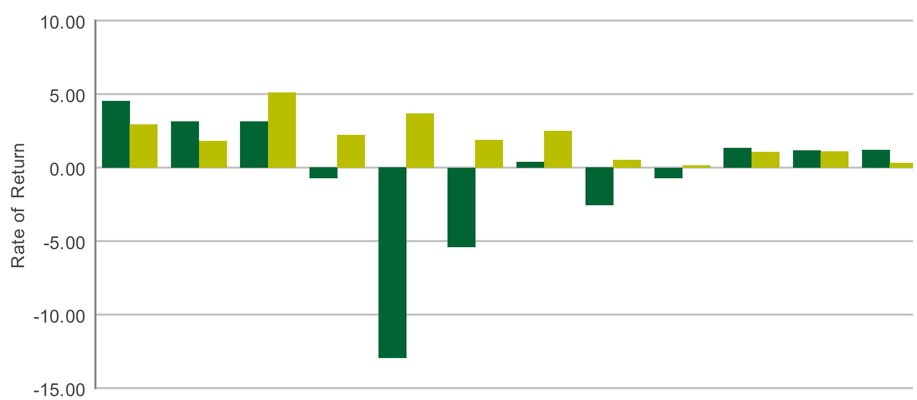
	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	1.22	3.79	3.05	-2.88	-	-1.03
Index	0.34	2.53	2.70	7.99	-	6.45

Index: LBH28 L&G RPI

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	3.05	-2.88	-
Index Return	2.70	7.99	-
Relative Excess Return	0.34	-10.06	-
Standard Deviation	1.31	5.53	-
Index Standard Deviation	1.26	2.53	-
Tracking Error	1.46	6.17	-
Information Ratio	0.24	-1.76	-
Sharpe Ratio	-1.77	-0.97	-
Index Sharpe Ratio	-2.12	2.17	-
Sortino Ratio	-1.63	-1.02	-
Treynor Ratio	-6.61	-116.47	-
Jensen's Alpha	-1.31	-5.34	-
Relative Volatility (Beta)	0.35	0.05	-
R Squared	0.13	0.00	-

Index: LBH28 L&G RPI. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

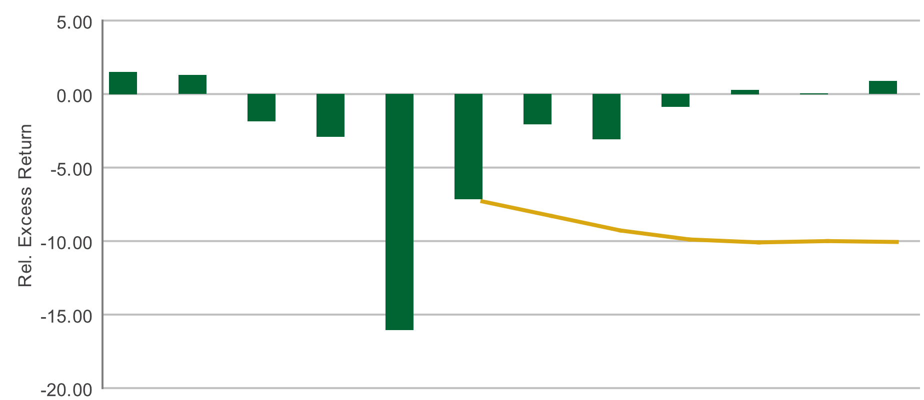
LGIM LPI INCOME PROPERTY ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	4.52	3.14	3.15	-0.73	-12.96	-5.40	0.40	-2.57	-0.71	1.34	1.18	1.22
Index	2.95	1.83	5.10	2.24	3.68	1.89	2.51	0.53	0.16	1.06	1.12	0.34

Index: LBH28 L&G RPI

LGIM LPI INCOME PROPERTY ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	1.52	1.29	-1.85	-2.91	-16.05	-7.15	-2.06	-3.09	-0.87	0.28	0.06	0.88
3Y R.Excess	-	-	-	-	-	-7.30	-8.29	-9.28	-9.89	-10.09	-10.00	-10.06

Index: LBH28 L&G RPI

SECTION 13

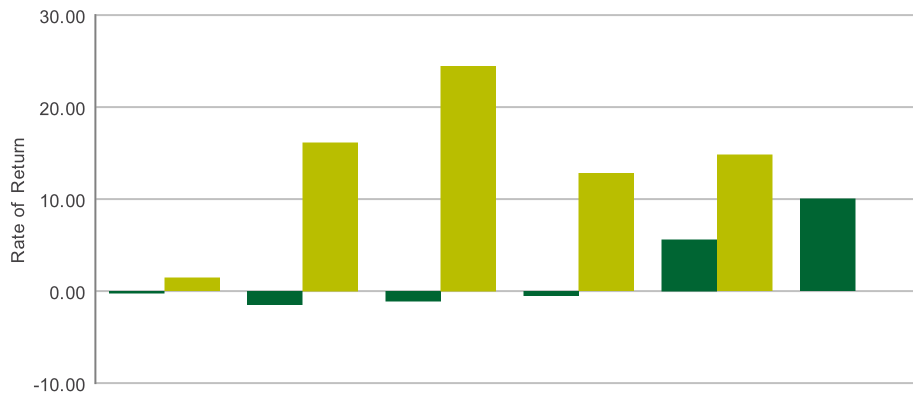
LGT

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

LGT TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	-0.24	-1.49	-1.13	-0.54	5.61	10.04
Index	1.44	16.15	24.46	12.82	14.83	-

Index: LGT PE Bmark

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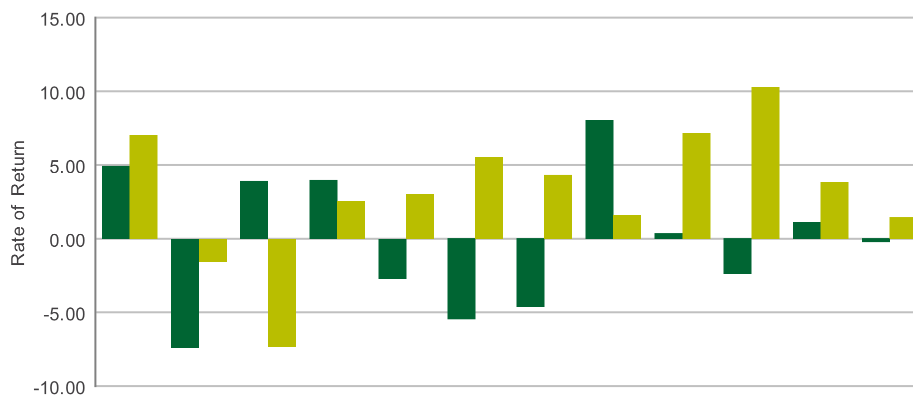
RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	-1.13	-0.54	5.61
Index Return	24.46	12.82	14.83
Relative Excess Return	-20.56	-11.84	-8.03
Standard Deviation	8.85	9.89	12.01
Index Standard Deviation	8.38	10.54	12.30
Tracking Error	14.07	16.25	18.14
Information Ratio	-1.82	-0.82	-0.51
Sharpe Ratio	-0.73	-0.31	0.33
Index Sharpe Ratio	2.28	0.98	1.07
Sortino Ratio	-0.92	-0.42	0.50
Treynor Ratio	19.04	11.57	-36.23
Jensen's Alpha	-0.12	0.16	6.11
Relative Volatility (Beta)	-0.34	-0.26	-0.11
R Squared	0.10	0.08	0.01

Index: LGT PE Bmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

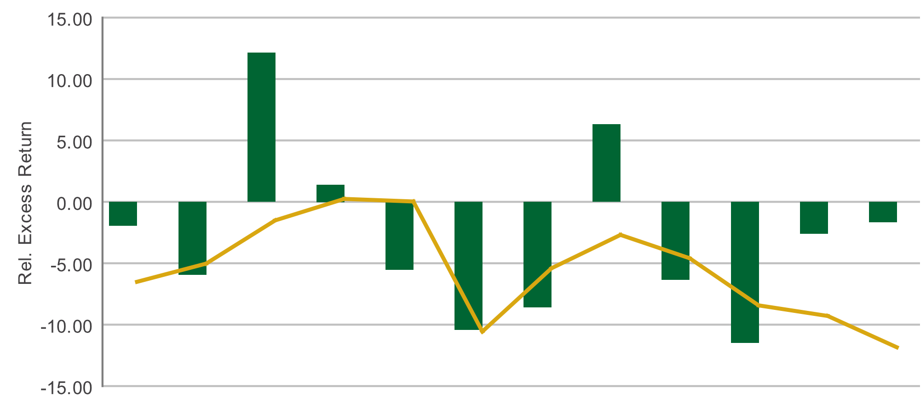
LGT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	4.95	-7.40	3.93	3.99	-2.71	-5.47	-4.63	8.04	0.36	-2.38	1.15	-0.24
Index	7.00	-1.55	-7.32	2.56	2.99	5.51	4.34	1.62	7.15	10.29	3.82	1.44

Index: LGT PE Bmark

LGT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	-1.92	-5.94	12.14	1.39	-5.54	-10.41	-8.60	6.31	-6.33	-11.49	-2.57	-1.66
3Y R.Excess	-6.51	-5.03	-1.51	0.24	0.03	-10.56	-5.41	-2.69	-4.59	-8.43	-9.29	-11.84

Index: LGT PE Bmark

SECTION 14

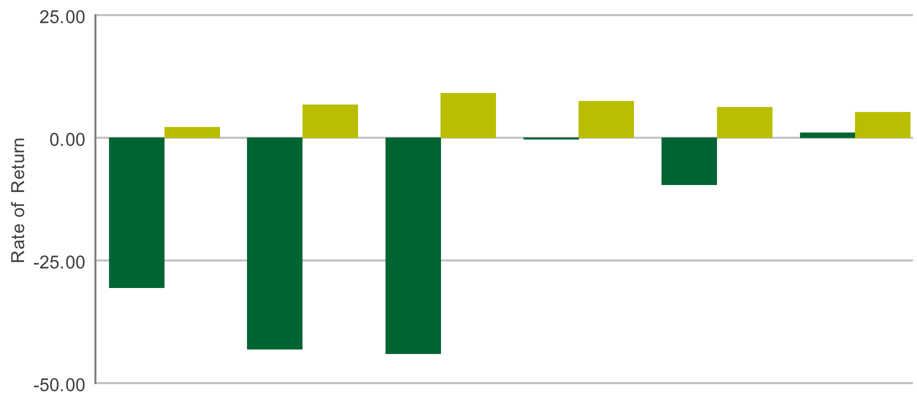
M&G Investments

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

M&G INVESTMENTS TOTAL FUND GROSS OF FEES



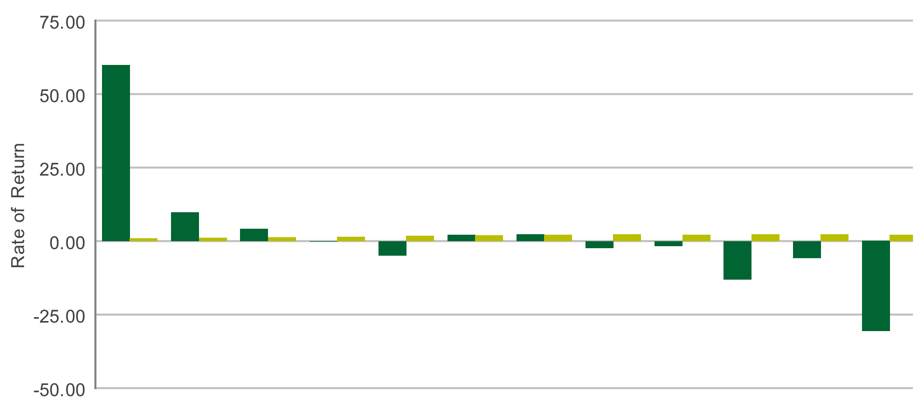
	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	-30.61	-43.12	-44.08	-0.36	-9.67	1.03
Index	2.19	6.82	9.17	7.52	6.28	5.27

Index: LBH10 3M SONIA +4%pa

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	-44.08	-0.36	-9.67
Index Return	9.17	7.52	6.28
Relative Excess Return	-48.78	-7.33	-15.01
Standard Deviation	25.36	40.83	32.91
Index Standard Deviation	0.09	0.52	0.58
Tracking Error	25.38	41.06	33.03
Information Ratio	-2.10	-0.19	-0.48
Sharpe Ratio	-1.95	-0.07	-0.34
Index Sharpe Ratio	41.13	9.66	7.91
Sortino Ratio	-1.62	-0.15	-0.65
Treynor Ratio	-0.38	-0.90	-1.32
Jensen's Alpha	-99.90	-10.60	-37.03
Relative Volatility (Beta)	131.08	3.17	8.57
R Squared	0.23	0.00	0.01

Index: LBH10 3M SONIA +4%pa. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

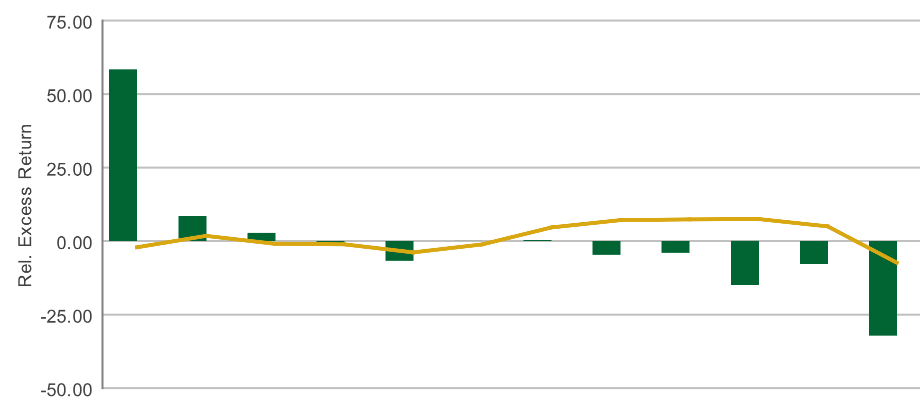
M&G INVESTMENTS ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	59.85	9.69	4.12	-0.12	-4.87	2.08	2.34	-2.38	-1.69	-13.06	-5.71	-30.61
Index	1.00	1.15	1.28	1.52	1.80	1.98	2.11	2.26	2.20	2.26	2.23	2.19

Index: LBH10 3M SONIA +4%pa

M&G INVESTMENTS ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	58.26	8.45	2.80	-1.62	-6.55	0.10	0.23	-4.54	-3.81	-14.98	-7.77	-32.09
3Y R.Excess	-2.10	1.78	-0.93	-1.10	-3.84	-1.12	4.65	7.13	7.38	7.50	5.00	-7.33

Index: LBH10 3M SONIA +4%pa

SECTION 15

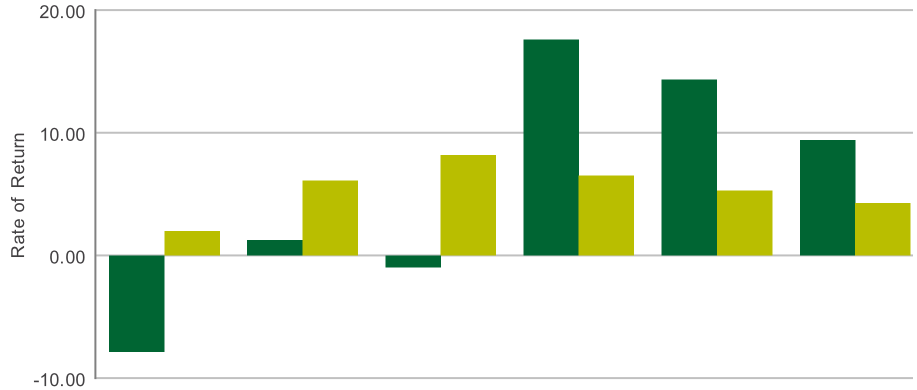
Macquarie

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

MACQUARIE TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	-7.85	1.25	-0.95	17.58	14.33	9.40
Index	1.96	6.08	8.17	6.52	5.28	4.27

Index: LBH14 Macquarie 3M SONIA +3%pa

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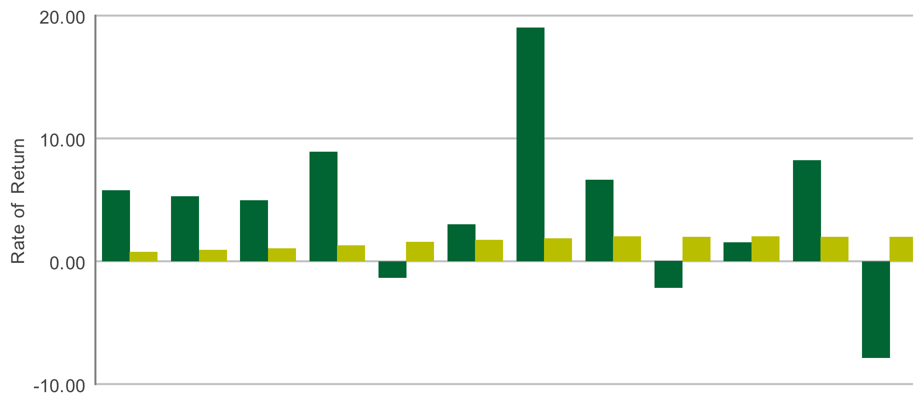
RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	-0.95	17.58	14.33
Index Return	8.17	6.52	5.28
Relative Excess Return	-8.44	10.39	8.59
Standard Deviation	11.60	18.24	15.44
Index Standard Deviation	0.09	0.52	0.59
Tracking Error	11.59	18.27	15.44
Information Ratio	-0.79	0.61	0.59
Sharpe Ratio	-0.54	0.83	0.82
Index Sharpe Ratio	31.39	7.66	6.14
Sortino Ratio	-0.73	2.14	2.07
Treynor Ratio	-0.11	2.07	1.77
Jensen's Alpha	-81.37	-12.06	-11.47
Relative Volatility (Beta)	57.09	7.29	7.16
R Squared	0.20	0.02	0.02

Index: LBH14 Macquarie 3M SONIA +3%pa. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

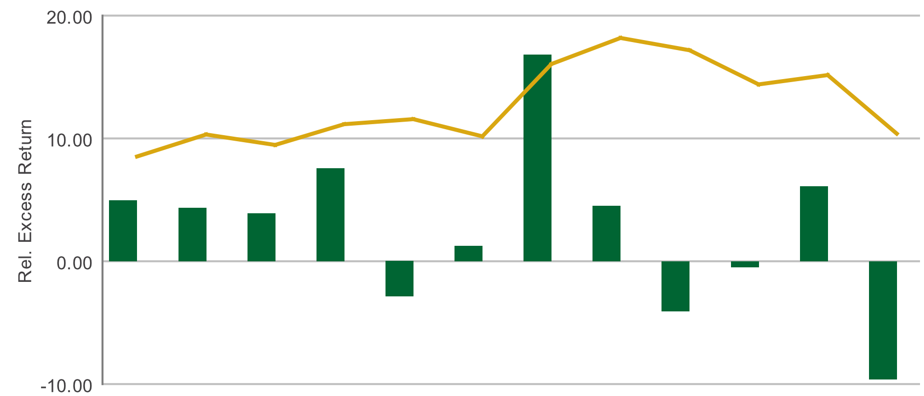
MACQUARIE ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	5.75	5.28	4.96	8.92	-1.34	3.00	19.01	6.62	-2.17	1.53	8.21	-7.85
Index	0.76	0.90	1.04	1.28	1.56	1.74	1.87	2.03	1.97	2.01	1.99	1.96

Index: LBH14 Macquarie 3M SONIA +3%pa

MACQUARIE ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	4.95	4.34	3.88	7.55	-2.86	1.24	16.83	4.50	-4.07	-0.47	6.10	-9.62
3Y R.Excess	8.53	10.32	9.47	11.16	11.57	10.17	16.06	18.18	17.18	14.40	15.16	10.39

Index: LBH14 Macquarie 3M SONIA +3%pa

SECTION 16

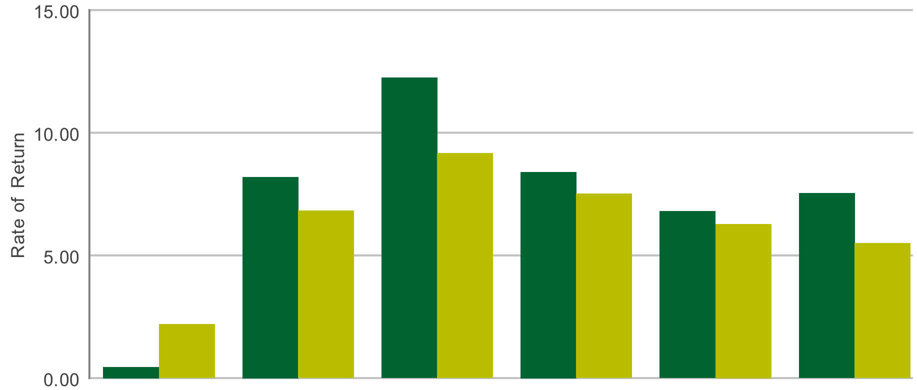
Premira Credit

Investment Risk & Analytical Services

September 30, 2024

Executive Summary

PREMIRA CREDIT TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	0.45	8.20	12.24	8.40	6.80	7.54
Index	2.19	6.82	9.17	7.52	6.28	5.50

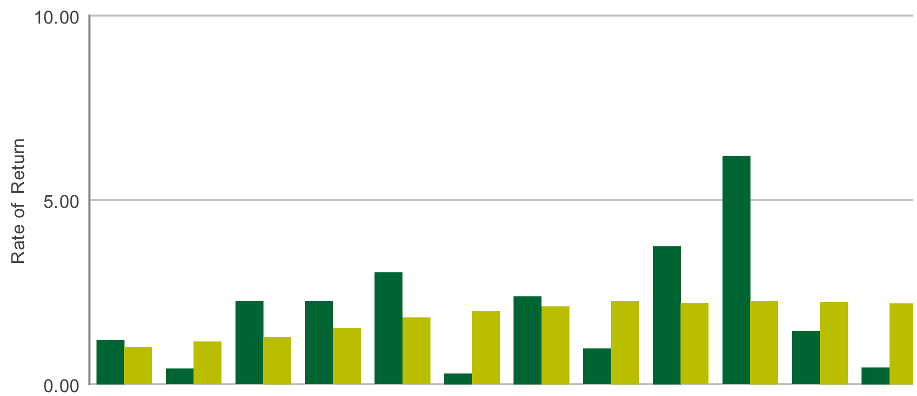
Index: LBH24 Premira 3M SONIA +4%pa

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	12.24	8.40	6.80
Index Return	9.17	7.52	6.28
Relative Excess Return	2.81	0.82	0.49
Standard Deviation	6.54	4.66	4.04
Index Standard Deviation	0.09	0.52	0.58
Tracking Error	6.55	4.63	4.00
Information Ratio	0.47	0.19	0.13
Sharpe Ratio	1.05	1.27	1.27
Index Sharpe Ratio	41.13	9.66	7.91
Sortino Ratio	5.60	7.49	5.52
Treynor Ratio	0.62	13.06	6.72
Jensen's Alpha	-28.50	3.62	1.63
Relative Volatility (Beta)	11.09	0.45	0.76
R Squared	0.02	0.00	0.00

Index: LBH24 Premira 3M SONIA +4%pa. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

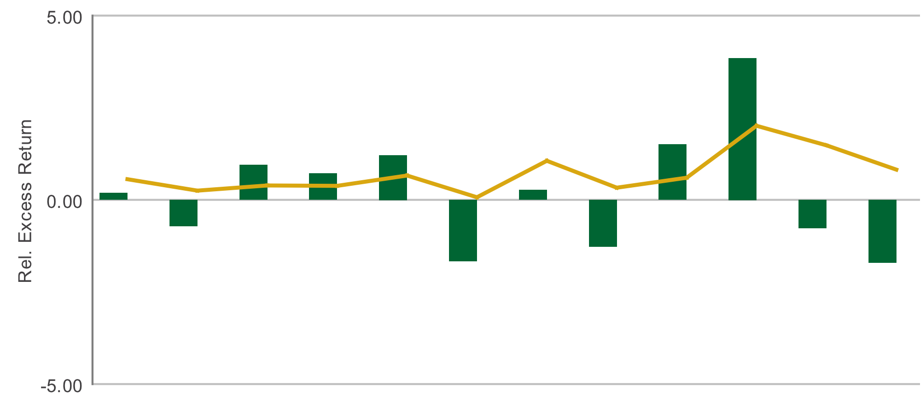
PREMIRA CREDIT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	1.20	0.42	2.25	2.25	3.03	0.29	2.38	0.96	3.74	6.19	1.44	0.45
Index	1.00	1.15	1.28	1.52	1.80	1.98	2.11	2.26	2.20	2.26	2.23	2.19

Index: LBH24 Premira 3M SONIA +4%pa

PREMIRA CREDIT ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	0.19	-0.72	0.95	0.72	1.21	-1.66	0.27	-1.27	1.50	3.85	-0.77	-1.70
3Y R.Excess	0.56	0.25	0.39	0.38	0.66	0.07	1.06	0.33	0.60	2.01	1.48	0.82

Index: LBH24 Premira 3M SONIA +4%pa

SECTION 17

UBS Property

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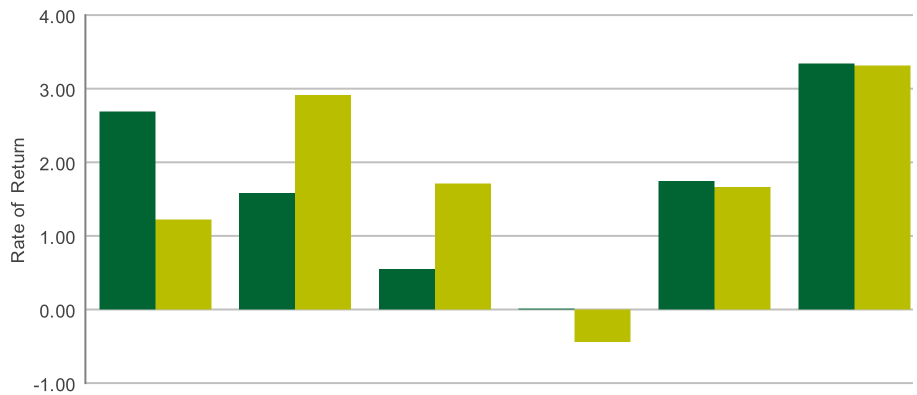
Investment Risk & Analytical Services

September 30, 2024

Executive Summary

UBS PROPERTY TOTAL FUND GROSS OF FEES



	Three Months	Year to Date	One Year	Three Years	Five Years	ITD
Fund	2.69	1.58	0.55	0.01	1.74	3.34
Index	1.22	2.91	1.71	-0.44	1.66	3.31

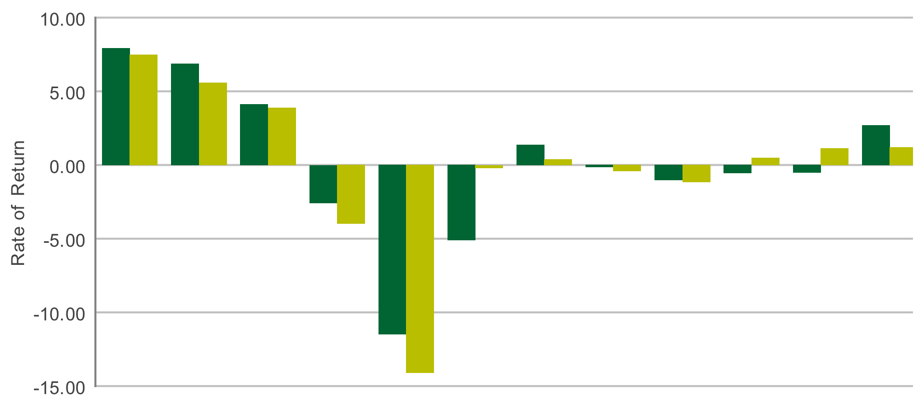
Index: LBH06 UBS Property Benchmark

RISK STATISTICS

RISK STATISTICS	1 Yr	3 Yrs	5 Yrs
Return	0.55	0.01	1.74
Index Return	1.71	-0.44	1.66
Relative Excess Return	-1.15	0.45	0.08
Standard Deviation	2.47	6.94	5.85
Index Standard Deviation	1.23	6.49	5.41
Tracking Error	2.07	3.80	3.09
Information Ratio	-0.56	0.12	0.03
Sharpe Ratio	-1.95	-0.36	0.01
Index Sharpe Ratio	-2.97	-0.45	-0.00
Sortino Ratio	-1.83	-0.46	0.02
Treynor Ratio	-4.65	-2.75	0.08
Jensen's Alpha	-1.00	0.22	0.11
Relative Volatility (Beta)	1.03	0.91	0.93
R Squared	0.26	0.71	0.73

Index: LBH06 UBS Property Benchmark. Risk Free Index: JP Morgan 3 month Cash (GBP)
Category: Total Fund Gross of Fees. Calculation Frequency: Monthly

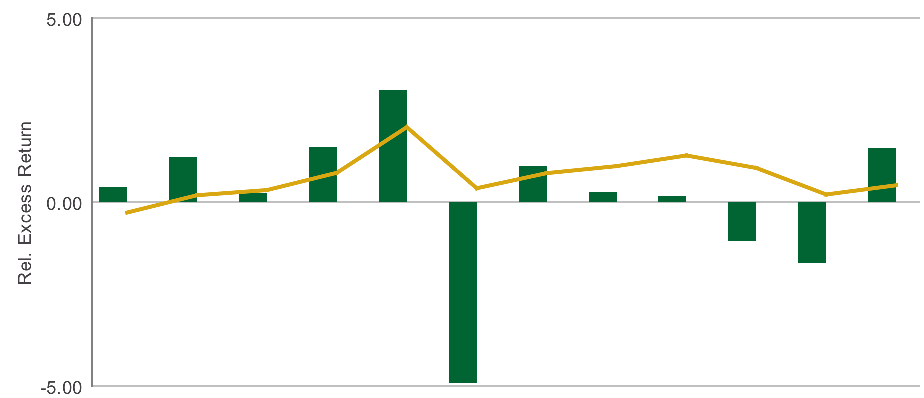
UBS PROPERTY ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
Fund	7.94	6.88	4.14	-2.58	-11.49	-5.11	1.36	-0.16	-1.02	-0.55	-0.53	2.69
Index	7.50	5.60	3.90	-4.00	-14.10	-0.20	0.38	-0.42	-1.16	0.51	1.15	1.22

Index: LBH06 UBS Property Benchmark

UBS PROPERTY ROLLING QUARTERS TOTAL FUND GROSS OF FEES



	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Q1 '24	Q2 '24	Q3 '24
3M R.Excess	0.41	1.21	0.23	1.48	3.04	-4.92	0.97	0.26	0.15	-1.06	-1.66	1.45
3Y R.Excess	-0.29	0.18	0.32	0.79	2.03	0.37	0.78	0.97	1.26	0.92	0.20	0.45

Index: LBH06 UBS Property Benchmark

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SECTION 18

Appendix

Investment Risk & Analytical Services

September 30, 2024

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