

Investment Dashboard at 30 June 2023

1. Investment Strategy

	Objective	Commentary	RAG	Trend
1	Funding level	<ul style="list-style-type: none"> 97%. Estimated to be c.6% higher over year to 30 June £155m deficit 		↑
2	Investment Performance	<ul style="list-style-type: none"> Behind strategic benchmark over 1 and 3 years 		↓
	Qtr return	<ul style="list-style-type: none"> Negative quarter of -0.1% protection assets lead detractor 		↓
	1 Year return	<ul style="list-style-type: none"> Behind funding objective at -0.3% p.a. 		↑
	3 Year return	<ul style="list-style-type: none"> Behind funding objective at 3.2% p.a. 		↑
	Local Impact investing	<ul style="list-style-type: none"> Framework to be agreed at 15 Sept Panel meeting Panel approved initial 1% of assets to local renewable infrastructure fund at July meeting 		↔

2. Portfolios

	Objective	Commentary	RAG	Trend
1	Brunel Listed Market portfolios	<ul style="list-style-type: none"> Equity portfolio underperformance driven by quality, ESG bias, underweight large tech in Q2 23 Credit portfolios benefitting from higher yields and favourable lending conditions Portfolios benchmarked vs cash+ underperform due to higher interest rates – expected to readjust over time 		↑
2	Private Markets Portfolios			
	Infrastructure (Brunel)	Performance: n/a - portfolio in build-up Capital deployment: <ul style="list-style-type: none"> Cycle 1: 88% Cycle 2: 47% Cycle 3: 14% 		↔
	Secured Income (Brunel)	Performance: <ul style="list-style-type: none"> Underperformed due to underlying movements in gilt prices causing a softening of values. Direction of travel moved to negative Portfolio still well positioned for current environment with high quality tenant base and inflation linked leases. Cycle 1: 100% Cycle 2: 100% Cycle 3: 38% 		↔
	Private Debt (Brunel)	Performance: n/a – portfolio in build-up New Commitments: Cycle 2 fully committed		

		Capital deployment: <ul style="list-style-type: none"> • Cycle 2: 55% • Cycle 3: 30% 		↑
	UK Property (Brunel)	<ul style="list-style-type: none"> • 100% in Brunel preferred funds • Underweight office and retail sectors / overweight industrials and alternatives • Outperformed benchmark SI 		↑
3	Legacy portfolios			
	IFM (infra)	£100m redeemed in 2023 (to settle Oct 2023)		↔
	JPM Hedge Funds	n/a		↔
	Partners (Intl Property)	<ul style="list-style-type: none"> • Majority of funds in realisation phase. c.70% of unrealised value held in fund with 2029 contractual expiry. 		↔
	Schroder (UK Property)	<ul style="list-style-type: none"> • Single closed end debt fund (£12m) due to expire in 2025 		↔

3. Responsible investing

	Objective	Commentary	RAG	Trend
1	Climate change targets			
	43% reduction in absolute emissions by 2025	<ul style="list-style-type: none"> • Remains on track despite increase in carbon footprint for Dec-2022 • Benefit of switch of entire passive equity allocation to Paris-aligned strategy yet to feed through 		↑
	30% of total assets in sustainable and Paris-aligned investments by 2025			↔
2	Equity fund held in Risk Management QIF	<ul style="list-style-type: none"> • Switch to Paris-aligned equity solution completed in 2023 		↑
3	Brunel Climate Policy	<ul style="list-style-type: none"> • 2023 Climate Policy launched • Reporting priorities incl. Climate Solutions and 'green revenues' reporting on private and listed markets. • Annual review of policy to commence shortly 		↔