

Investment Dashboard at 30 September 2023

1. Investment Strategy

| | Objective | Commentary | RAG | Trend |
|---|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------|
| 1 | Funding level | <ul style="list-style-type: none"> 93%. Estimated to be c.5% lower over year to 30 Sept. £382m 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 -2.9% equity and protection assets lead detractors | | ↓ |
| | 1 Year return | <ul style="list-style-type: none"> Behind funding objective at -2.1% p.a. | | ↓ |
| | 3 Year return | <ul style="list-style-type: none"> Behind funding objective at 1.5% p.a. | | ↓ |
| | Local Impact investing | <ul style="list-style-type: none"> Panel approved initial 1% of assets to local renewable infrastructure fund at July meeting – currently on track to make first investment by end of 2023 | | ↑ |

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) | Capital deployment: <ul style="list-style-type: none"> Cycle 1: 89% Cycle 2: 48% Cycle 3: 15% | | ↔ |
| | Secured Income (Brunel) | Performance: <ul style="list-style-type: none"> Underperformed due to underlying movements in gilt prices causing a softening of values. Portfolio still well positioned for current environment with high quality tenant base and inflation linked leases. Cycle 1: 100% Cycle 2: 100% Cycle 3: 53% | | ↔ |
| | Private Debt (Brunel) | Capital deployment: <ul style="list-style-type: none"> Cycle 2: 61% Cycle 3: 15% | | ↔ |

| | | | | |
|----------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---|
| | 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 (settled Oct 2023). Now in line with 4% SAA | | ↔ |
| | 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. Pace of distributions has slowed. | | ↔ |
| | 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 | | | ↔ |
| 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 | | ↔ |