Avon Pension Fund Performance Report

Quarter ending 30 June 2024

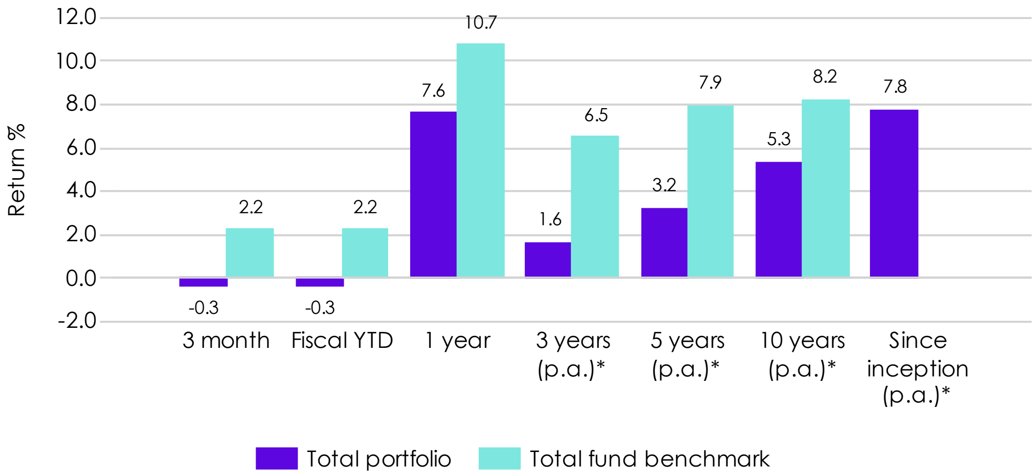
Avon Pension Fund

Brunel Pension Partnership

Contents

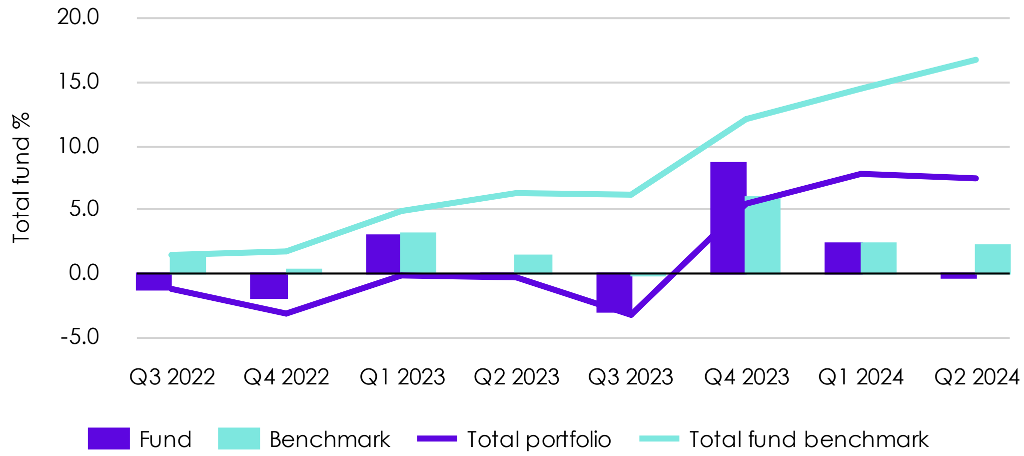
Pension Fund performance

Performance (annualised)



Source: State Street Global Services
*per annum. Net of all fees.

Quarterly performance



Source: State Street Global Services. Net of all fees.

Key events

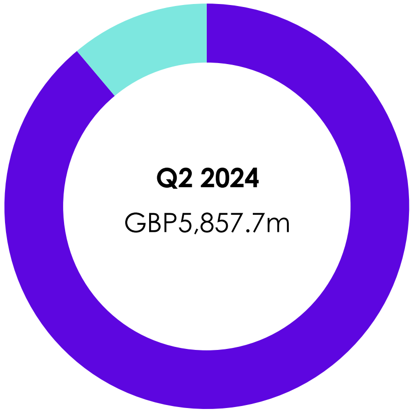
Markets generally moved upwards in the second quarter, continuing the trend from the first quarter, although at a more moderate pace. The emerging markets enjoyed positive performance, with China rallying after government efforts to support real estate. The ECB cut rates, but the US Fed remained firmly on hold as inflationary pressures persisted above comfort levels. The quarter also saw a noisy political backdrop with elections pending in the UK and results announced in France, South Africa and India. Credit markets continued to see a tightening of spreads over government yields. Private markets are still facing digestion issues with sluggish IPO markets and continued high interest rates.

The total fund was broadly flat during the quarter, lagging the 2.2% rise in the benchmark. Over the last year, the fund grew 7.6% vs the benchmark return of 10.7%.

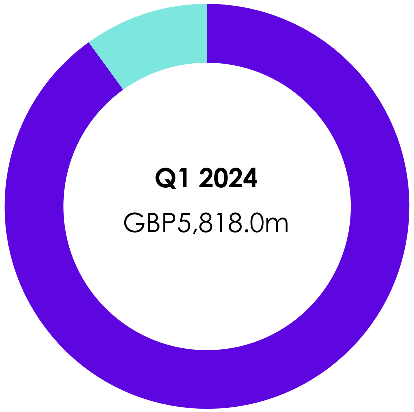
Brunel's listed portfolios generally saw absolute positive performance in the quarter, although Global Sustainable Equities was slightly lower. Multi Asset Credit continued its strong run and is now up 11.6% over the last year.

Asset summary

Assets transitioned to Brunel



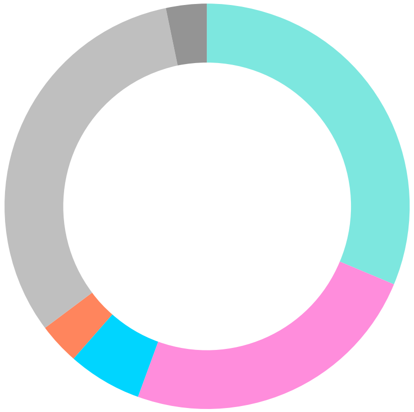
Transitioned	88.93%
Legacy assets	11.07%



Transitioned	90.07%
Legacy assets	9.93%

Source: State Street Global Services. Net of all fees.

Asset allocation breakdown



Key:

Equities	31.28%
Private markets	24.26%
Fixed income	5.93%
Property	3.30%
Other	31.98%
Cash	3.26%

Source: State Street Global Services. Net of all fees.
Data includes legacy assets

Overview of assets

Detailed asset allocation

Equities	£1,832.06m	31.28%
Global High Alpha Equities	£728.54m	12.44%
Global Sustainable Equities	£663.35m	11.32%
PAB Passive Global Equities	£439.74m	7.51%
Legacy Assets	£0.44m	0.01%

Fixed income	£347.11m	5.93%
Multi-Asset Credit	£347.11m	5.93%

Private markets (incl. property)	£1,614.09m	27.56%
Secured Income Cycle 1	£292.20m	4.99%
Secured Income Cycle 3	£237.01m	4.05%
UK Property	£179.25m	3.06%
Private Debt Cycle 2	£160.68m	2.74%
Infrastructure Cycle 1	£113.57m	1.94%
Secured Income Cycle 2	£100.11m	1.71%
Infrastructure (Renewables) Cycle 2	£85.73m	1.46%
Private Debt Cycle 3	£48.49m	0.83%
Infrastructure Cycle 3	£16.83m	0.29%
Legacy Assets	£380.22m	6.49%

Other	£1,873.49m	31.98%
Blackrock Risk Management	£1,424.98m	24.33%
Diversifying Returns Fund	£371.46m	6.34%
Legacy Assets	£77.05m	1.32%

Cash not included

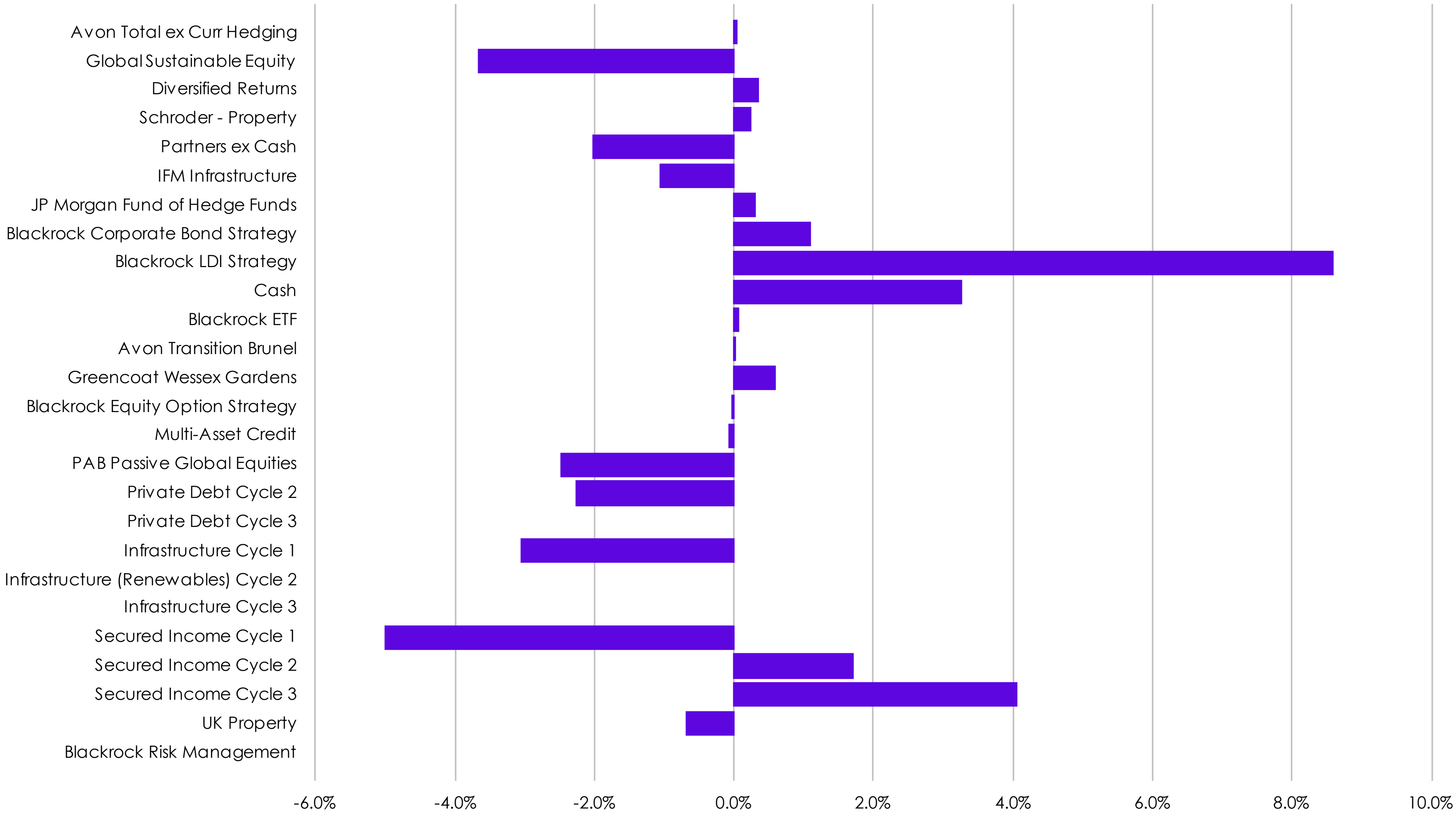
Overview of assets

Top 10 Equity Holdings at Pension Fund

ISIN	Security Name	Sector	Sub-sector	Country	Market Value (£)	% of Pension fund	ESG Score
US5949181045	MICROSOFT CORP	Information Technology	Systems Software	UNITED STATES	89,317,514.92	1.52%	14.18
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	67,300,903.75	1.15%	29.32
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	45,069,001.89	0.77%	13.17
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	41,040,680.87	0.70%	24.81
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	39,371,408.50	0.67%	15.59
US8740391003	TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	Semiconductors	TAIWAN	34,968,440.00	0.60%	13.48
DK0062498333	NOVO NORDISK A/S-B	Health Care	Pharmaceuticals	DENMARK	32,366,745.28	0.55%	22.66
NL0010273215	ASML HOLDING NV	Information Technology	Semiconductor Materials &	NETHERLANDS	30,543,253.89	0.52%	8.69
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	28,229,805.64	0.48%	16.79
US91324P1021	UNITEDHEALTH GROUP INC	Health Care	Managed Health Care	UNITED STATES	25,803,376.34	0.44%	16.96

Table excludes cash and legacy assets. This is an estimated aggregate position using Brunel Portfolios.

Strategic asset allocation



Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Global Sustainable Equity	663,348	11.3%	15.00%	-3.7%	-0.5%	-0.1%
Diversified Returns	371,464	6.4%	6.00%	0.4%	-0.5%	-0.0%
Schroder - Property	13,967	0.2%	-	0.2%	5.9%	0.0%
Partners ex Cash	101,130	1.7%	3.75%	-2.0%	-6.4%	-0.1%
IFM Infrastructure	230,142	3.9%	5.00%	-1.1%	0.7%	0.0%
JP Morgan Fund of Hedge Funds	17,914	0.3%	-	0.3%	1.9%	0.0%
Blackrock Corporate Bond Strategy	180,396	3.1%	2.00%	1.1%	-0.8%	-0.0%
Blackrock LDI Strategy	1,202,920	20.6%	12.00%	8.6%	1.6%	0.3%
Cash	190,949	3.3%	-	3.3%	0.6%	0.0%
Blackrock ETF	3,400	0.1%	-	0.1%	1.4%	0.0%
Avon Transition Brunel	5	0.0%	-	0.0%	-0.8%	-0.0%
Greencoat Wessex Gardens	34,984	0.6%	-	0.6%	-0.3%	-0.0%
Blackrock Equity Option Strategy	-1,245	-0.0%	-	-0.0%	247.1%	0.5%
Multi-Asset Credit	347,111	5.9%	6.00%	-0.1%	1.9%	0.1%
PAB Passive Global Equities	439,738	7.5%	10.00%	-2.5%	2.8%	0.2%

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Private Debt Cycle 2	160,676	2.7%	5.00%	-2.3%	N/M	N/M
Private Debt Cycle 3	48,490	0.8%	0.83%	-	N/M	N/M
Infrastructure Cycle 1	113,570	1.9%	5.00%	-3.1%	N/M	N/M
Infrastructure (Renewables) Cycle 2	85,733	1.5%	1.46%	-	N/M	N/M
Infrastructure Cycle 3	16,831	0.3%	0.29%	-	N/M	N/M
Secured Income Cycle 1	292,196	5.0%	10.00%	-5.0%	N/M	N/M
Secured Income Cycle 2	100,108	1.7%	-	1.7%	N/M	N/M
Secured Income Cycle 3	237,013	4.1%	-	4.1%	N/M	N/M
UK Property	179,251	3.1%	3.75%	-0.7%	N/M	N/M
Blackrock Risk Management	1,424,980	24.3%	24.33%	-	-3.2%	-0.9%

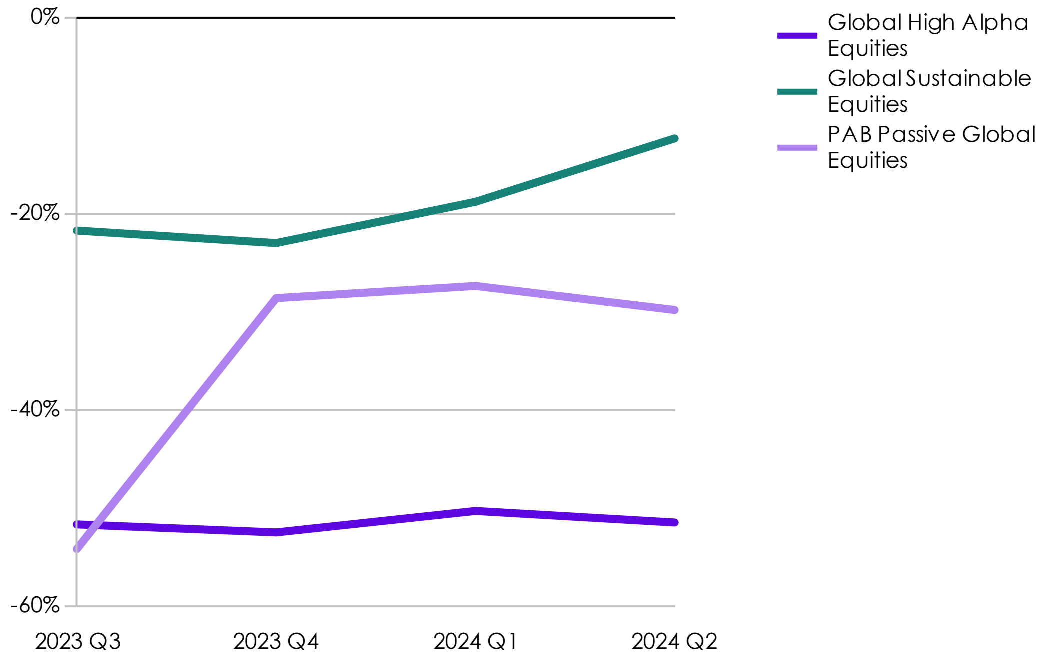
Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q1	2024 Q2	2024 Q1	2024 Q2	2024 Q1	2024 Q2
Global High Alpha Equities	**79**	**77**	**1.5**	**1.3**	**2.4**	**2.4**
MSCI World*	160	158	4.8	4.2	8.0	7.9
Global Sustainable Equities	**160**	**178**	**2.0**	**1.9**	**5.1**	**5.4**
MSCI ACWI*	197	203	4.8	4.2	8.1	8.0
PAB Passive Global Equities	**118**	**117**	**1.2**	**1.1**	**3.5**	**3.2**
FTSE Dev World TR UKPD*	163	166	4.6	4.0	8.3	8.4

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Weighted Average Carbon Intensity relative to benchmark



Stewardship reporting links

Engagement records
www.brunelpensionpartnership.org/stewardship/engagement-records/

Holdings records
www.brunelpensionpartnership.org/stewardship/holdings-records/

Voting records
www.brunelpensionpartnership.org/stewardship/voting-records/

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Equities				
Global High Alpha Equities	6.8%	13.3%	10.6%	11.6%
Global Sustainable Equities	3.5%	14.3%	9.1%	11.1%
Fixed income				
Multi-Asset Credit	2.7%	6.2%	7.0%	0.6%
Other				
Diversifying Returns Fund	2.8%	4.1%	6.0%	0.6%
Private markets (incl. property)				
Infrastructure Cycle 1	7.4%	4.6%	6.4%	2.1%
Infrastructure (Renewables) Cycle 2	8.0%	7.5%	6.4%	2.1%
Secured Income Cycle 1	-2.8%	17.3%	6.4%	2.1%
Secured Income Cycle 2	-1.2%	7.5%	6.4%	2.1%
UK Property	-0.1%	8.5%	-	10.2%

Risk and return summary

Legacy manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Avon Total ex Curr Hedging	2.0%	8.2%	6.5%	6.8%
Avon Total ex Hedging ex LDI	3.1%	6.2%	6.5%	6.8%
Blackrock ETF	3.0%	8.6%	0.0%	-
Cash	4.0%	2.4%	2.8%	0.6%
General Cash	3.4%	-	-	-
IFM Infrastructure	8.2%	5.0%	8.1%	0.6%
JP Morgan Fund of Hedge Funds	7.2%	29.0%	7.0%	0.6%
Partners ex Cash	-10.3%	8.9%	10.9%	0.8%
Record Currency	4,697.5%	-	-	-
Record Equitisation	7.6%	10.1%	8.0%	9.9%
Schroder - Property	6.5%	6.3%	0.7%	10.6%
Schroder Equity	-21.6%	34.5%	9.1%	11.1%
TT International - UK Equities	1.7%	3.9%	7.4%	10.9%
Avon Pension Fund	1.6%	9.0%	6.5%	6.8%

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Equities (31.27%)			**1,831.63**									
Global High Alpha Equities	MSCI World	+2-3%	728.54	1.1%	-1.6%	17.2%	-4.2%	6.8%	-3.8%	13.4%	0.7%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	663.35	-0.5%	-3.5%	12.5%	-8.1%	3.5%	-5.6%	7.6%	-5.2%	30 Sep 2020
PAB Passive Global Equities	FTSE Dev World PAB	Match	439.74	2.8%	-	18.4%	-	-	-	8.8%	-0.1%	29 Oct 2021
Fixed income (5.93%)			**347.11**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	347.11	1.9%	-0.3%	11.9%	2.5%	2.7%	-4.4%	2.7%	-4.3%	02 Jun 2021
Private markets (incl. property) (21.06%)			**1,233.87**									
Private Debt Cycle 2	SONIA	+4%	160.68	N/M	N/M	1.4%	-8.0%	-	-	6.7%	-0.5%	17 Sep 2021
Private Debt Cycle 3	SONIA	+4%	48.49	N/M	N/M	11.0%	1.6%	-	-	10.4%	1.4%	20 Dec 2022
Infrastructure Cycle 1	CPI	+4%	113.57	N/M	N/M	5.6%	3.6%	7.4%	1.0%	6.1%	1.9%	02 Jan 2019
Infrastructure (Renewables) Cycle 2	CPI	+4%	85.73	N/M	N/M	4.0%	2.0%	8.0%	1.6%	7.1%	1.4%	12 Oct 2020
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	16.83	N/M	N/M	4.0%	2.0%	-	-	0.9%	-3.9%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	292.20	N/M	N/M	-3.8%	-5.8%	-2.8%	-9.2%	-1.3%	-5.6%	15 Jan 2019
Secured Income Cycle 2	CPI	+2%	100.11	N/M	N/M	0.2%	-1.8%	-1.2%	-7.6%	-0.5%	-6.9%	01 Mar 2021
Secured Income Cycle 3	CPI	+2%	237.01	N/M	N/M	-3.0%	-5.0%	-	-	-	-2.0%	01 Jun 2023
UK Property	MSCI/AREF UK	+0.5%	179.25	N/M	N/M	-1.3%	-1.3%	-0.1%	-0.1%	1.8%	0.2%	04 Jan 2021

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Other (6.34%)			**371.46**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	371.46	-0.5%	-2.5%	9.3%	0.9%	2.8%	-3.1%	3.7%	-1.5%	27 Jul 2020
Total Brunel assets (excl. cash) (64.60%)			**3,784.07**									

*Since initial investment

+ Excess to benchmark, may not include outperformance

Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Table above excludes Blackrock Risk Management

Portfolio overview

Legacy assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Equities (0.01%)			**0.44**							
TT International - UK Equities	0.31	-0.2%	-3.9%	-0.3%	-13.3%	1.7%	-5.7%	3.8%	-1.6%	01 Jul 2007
Schroder Equity	0.13	-0.8%	-3.7%	1.2%	-19.4%	-21.6%	-30.7%	0.8%	-10.4%	01 Apr 2011
Private markets (incl. property) (6.49%)			**380.22**							
Schroder - Property	13.97	5.9%	4.6%	9.5%	9.6%	6.5%	5.7%	8.1%	2.4%	01 Jan 2009
Partners ex Cash	101.13	-6.4%	-9.7%	-26.6%	-40.3%	-10.3%	-21.2%	1.8%	-6.3%	01 Sep 2009
IFM Infrastructure	230.14	0.7%	-1.9%	5.6%	-4.9%	8.2%	0.2%	11.1%	5.1%	01 Apr 2016
Greencoat Wessex Gardens	34.98	-0.3%	-2.3%	-	-	-	-	-0.3%	-3.4%	12 Feb 2024
Other (4.58%)			**267.99**							
Record Currency	11.95	-10,933.9%	-10,933.9%	-5,225,015.2 %	-5,225,015.2 %	4,697.5%	4,697.5%	-	-	01 Mar 2016
Record Equitisation	43.78	3.5%	-2.2%	12.1%	2.2%	7.6%	-0.5%	5.9%	-0.3%	01 Apr 2012
JP Morgan Fund of Hedge Funds	17.91	1.9%	-0.3%	9.1%	-0.3%	7.2%	0.2%	7.6%	2.8%	01 Jul 2015
Cash	190.95	0.6%	-0.7%	3.6%	-1.5%	4.0%	1.2%	2.8%	1.4%	01 Dec 2017
Blackrock ETF	3.40	1.4%	1.4%	10.8%	10.8%	3.0%	3.0%	5.6%	5.6%	08 Mar 2019

Portfolio overview

Legacy assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Other (4.58%)			**267.99**							
Avon Transition Brunel	0.00	-0.8%	-0.8%	-1.2%	-1.2%	-	-	-54.5%	-	01 Jan 2022
Total legacy assets (excl. cash) (11.07%)	**648.65**									

*Since initial investment
+ Excess to benchmark, may not include outperformance

Chief Investment Officer commentary

Economic and market price momentum from the first quarter of 2024 continued into the second, albeit at a more moderate pace. Initial strong economic data was, at the margin, viewed negatively by investors given the stickier nature of inflation, particularly service inflation, which remained stubbornly higher than the levels with which the US central bank is comfortable. The Federal Reserve meeting in June poured further cold water on the idea of early rate cuts by striking a hawkish tone. The European central bank actually cut interest rates but, in keeping with other developed markets, expectations of further ECB rate cuts diminished.

Global equities rallied, driven by an ever-narrower clutch of AI-themed companies, as concentration increased even further. To highlight this point, an equally weighted benchmark of US companies underperformed the market cap-weighted benchmark by 10% in the first half of this year. Despite this, it was emerging market equities that posted by far the strongest returns, up in excess of 5% during the quarter. This was driven by several factors, not least the rally in the Chinese market, which was spurred into life by the positivity surrounding the government's efforts to support the real estate sector and President Xi's reform rhetoric. Politics also had a hand to play, as investors were heartened by the coalition formed in South Africa, and by Narendra Modi's NDA coalition retaining a parliamentary majority in India, albeit reduced. Not to be outdone, the UK stock market also posted strong returns and the FTSE 100 hit all-time highs.

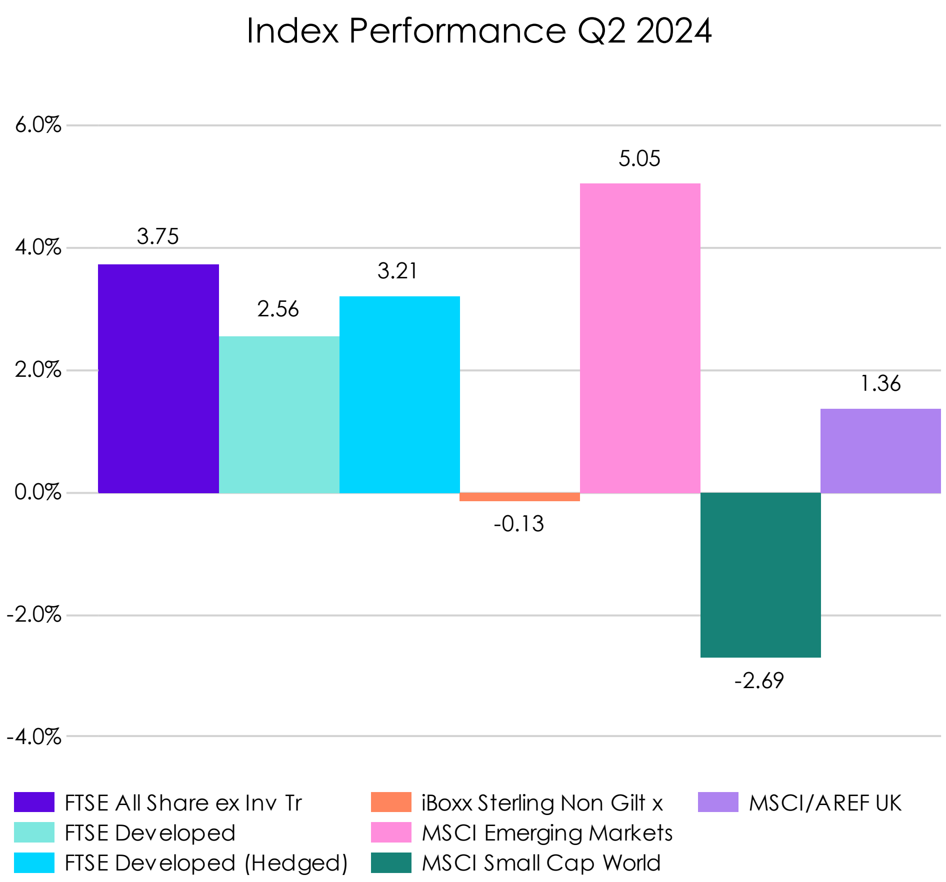
Politics wasn't far from the agenda elsewhere, with (spoiler alert) then-PM Rishi Sunak calling for an election on 4 July. In France, snap parliamentary elections saw gains for right-wing parties, which created uncertainty and drove eurozone shares lower. The performance of Joe Biden, the US president, in a televised debate did, accordingly to polls, increase the likelihood of the former president, Donald Trump, returning to the White House. Politics as a rule doesn't drive long-term asset prices but can create short term volatility. That said, we do have a disproportionate number of elections this year, which does amplify the "noise level."

Despite some cracks appearing in US consumer data towards the end of June, the relatively benign economic news seen over the quarter put pressure on core government bonds but was supportive of the riskier ends of the fixed income market. Whilst all-in yields remained high, corporate spreads, which had stayed in narrow ranges this year, ended near post-financial crisis lows, driven by healthy fundamentals including continued positive corporate earnings. Linking back to my comments above, it is worthy of note that, whilst profits were at or near all-time highs in many markets, the share of profit increases coming back to employees was much, much lower, perhaps driving discontent and a move away in many places from the centre ground of politics.

In private markets, the macro themes described have played out somewhat differently. AI-powered technology allows for greater efficiencies and greater innovation but also hugely increases demand for power, which adds pressure to the energy transition. However, there were positives in the form of company actions: Microsoft, for example, this year signed a huge 10GW renewable energy contract agreement (PPA) to help it meet its demands and its Net Zero commitment. This type of action creates significant opportunities - and provides leadership by example.

Elsewhere in private equity and infrastructure, the market consensus of a higher-for-longer rate environment meant GPs buying assets with their eyes wide open. It's therefore very plausible that this current vintage should be a strong one. However, as the IPO markets remained quiet, there continued to be unresolved digestion problems, specifically in the private equity universe, where managers were unable to sell assets and return capital to their investors. In real estate, despite rates remaining elevated, some managers were starting to talk of green shoots and of more optimism in the market. Occupier markets were still resilient, although they have slowed since peak and, anecdotally, transaction volumes are anticipated to recover compared to the lows of the previous quarter and of 2023.

Chief Investment Officer commentary



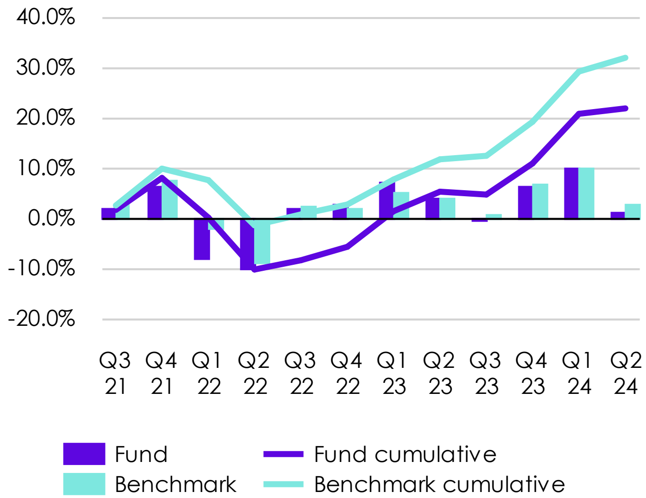
Source: State Street

Global High Alpha Equities

Launch date
6 December 2019
Investment strategy & key drivers
High conviction, unconstrained global equity portfolio
Liquidity
Managed
Benchmark
MSCI World
Outperformance target
+2-3%
Total fund value
£4,418m
Risk profile
High

Avon's Holding:
GBP729m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.1	17.2	6.8	13.9
MSCI World	2.7	21.4	10.6	13.2
Excess	-1.6	-4.2	-3.8	0.7

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 2.7% in GBP terms over the quarter, continuing the rally experienced over the previous two quarters, albeit at a more moderate pace. Returns were driven by a handful of AI-connected large cap holdings, again highlighting the continuing concentration within the index. The largest four names in the index (Amazon, Apple, Microsoft, and NVIDIA, comprising nearly 17% of the index by market cap) together contributed c. 2.7%, to the index return (practically 100% of it). The other c.1,400 constituents contributed essentially nothing to absolute returns in aggregate. Therefore, it is no surprise that positioning in those top four names largely drove relative performance outcomes over the quarter. Cyclical sectors again generally outperformed defensive, with IT and Communications Services the significant outperformers. Broad style indices showed Quality and Growth outperformed whilst Value materially underperformed the index.

The portfolio returned 1.1%, underperforming the index by 1.6%. It is underweight the four largest names in aggregate and it was the underweights to Apple and NVIDIA that hurt most, together detracting 1.1% from relative returns.

Sector attribution showed that, whilst the overweight allocation to the Consumer Discretionary sector detracted, it was weak selection within the IT sector that had the largest negative impact on performance, driven by underweights to Apple and NVIDIA. Selection within Financials was also weak, partly due to the negative impact of the transactions and payments-type businesses held overweight in the portfolio (with Mastercard and Adyen two of the larger detractors).

Manager performance varied widely. Baillie Gifford was the only manager to outperform (+0.9%), resulting from sector positioning (overweights in IT and Communications Services added 0.9%) and an aggregate overweight in the largest four (which contributed 1.1% to relative returns). Harris underperformed (-6.1%), as it struggled against the headwinds of being 15% underweight the largest four, and of Value underperforming, which led to weak selection across the board. AB and Fiera had more muted underperformance. RLAM was neutral versus the index.

From inception to quarter-end, the portfolio outperformed the benchmark by 0.7% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	6.52	4.77	47,512,382
AMAZON.COM INC	4.41	2.73	32,133,077
ALPHABET INC	3.23	3.04	23,545,460
TAIWAN SEMICONDUCTOR	3.07	-	22,342,710
MASTERCARD INC	2.68	0.56	19,523,325

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	3.07	-
MASTERCARD INC	2.68	0.56
MICROSOFT CORP	6.52	4.77
AMAZON.COM INC	4.41	2.73
UNITEDHEALTH GROUP INC	2.12	0.71

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	0.92	4.67
NVIDIA CORP	2.29	4.67
META PLATFORMS INC	-	1.67
BROADCOM INC	-	1.07
JPMORGAN CHASE & CO	-	0.88

Largest contributors to ESG risk

	ESG risk score* Q1 2024	ESG risk score* Q2 2024
AMAZON.COM INC	30.20	29.32
MICROSOFT CORP	15.21	14.18
ALPHABET INC-CL A	24.09	24.81
NOVO NORDISK A/S-B	23.06	22.66
MASTERCARD INC - A	16.56	15.59

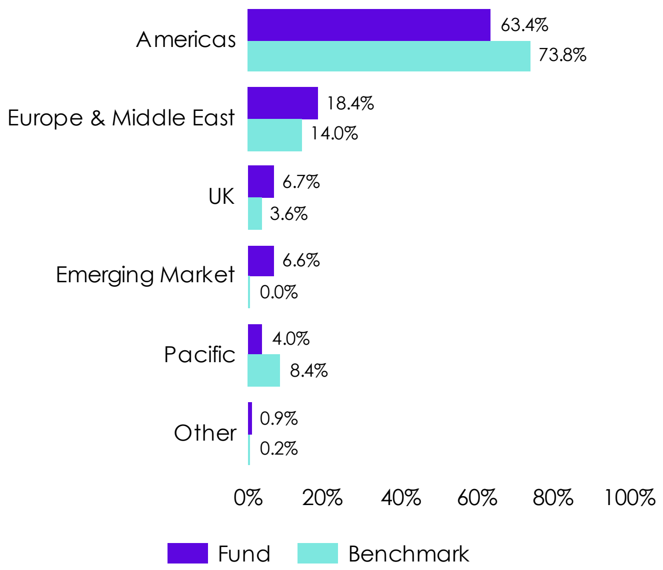
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

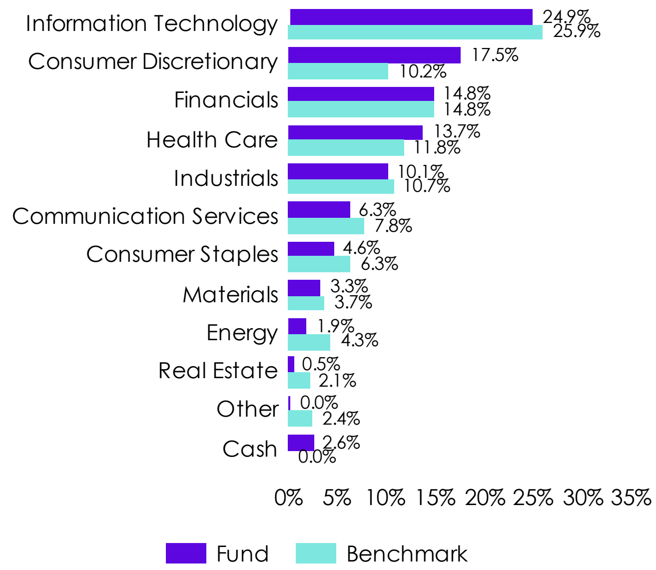
Portfolio	WACI 2024 Q1	WACI 2024 Q2	Total Extractive Exposure[1] 2024 Q1	Total Extractive Exposure[1] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q1	Extractive Industries (VOH)[2] 2024 Q2
Global High Alpha	79	77	1.54	1.25	2.44	2.42
MSCI World*	160	158	4.80	4.16	8.05	7.90

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Global Sustainable Equities

Launch date
20 October 2020

Investment strategy & key drivers
Global equity exposure concentrating on ESG factors

Liquidity
Managed

Benchmark
MSCI ACWI

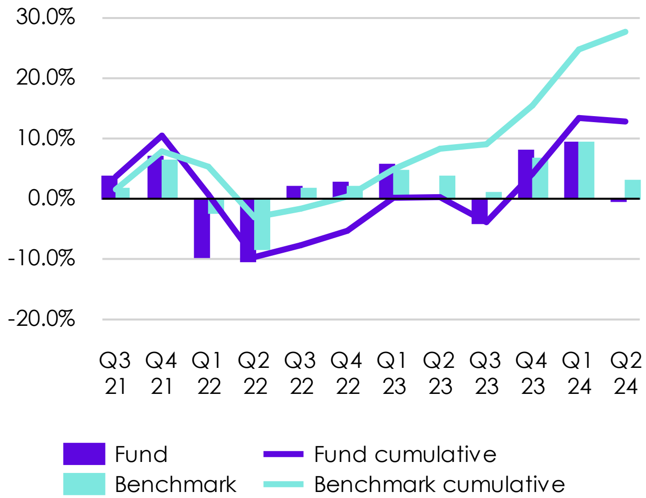
Outperformance target
+2%

Total fund value
£3,767m

Risk profile
High

Avon's Holding:
GBP663m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	-0.5	12.5	3.5	7.2
MSCI ACWI	2.9	20.6	9.1	12.4
Excess	-3.5	-8.1	-5.6	-5.2

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The portfolio returned -0.5% over the quarter, while the MSCI ACWI benchmark returned 2.9%. Whilst the quarter was flat in terms of absolute return, over the first half of 2024 the fund returned 8.9%, and 12.9% over the 12 months to quarter-end.

The market this quarter was reminiscent of the concentrated environment we saw during large parts of 2023. Whilst 2023 was dominated by headlines on the "Magnificent 7", the quarter saw a handful of names dominate an "AI Trade". Five individual stocks - NVIDIA, Apple, Microsoft, Alphabet and TSMC - contributed 2.9% to the market's 2.9% return. Therefore, the remaining ~2900 (~85% of the index) stocks in the index collectively contributed 0% to the market return. The equally weighted MSCI ACWI returned -0.7% over the quarter and so, whilst the market appeared in good health, the average stock actually fell over the quarter. This left many to question what happens when NVIDIA doesn't meet ~20% quarterly earnings growth.

The concentration in the market is causing concern for many active managers as they start to feel their internal risk frameworks are being stretched by the increasing weights of these top names. One GSE manager, for instance, has a prudent 5% max weight on any position size and has held NVIDIA at this weight for a number of years. As NVIDIA has now grown to an index weight of 4.2%, relative outperformance has been squeezed out compared to when NVIDIA was 2% of the index. The GSE portfolio itself has a 10% underweight position to the five outperforming names, which contributed 1.6% of the 3.4% relative underperformance.

The remaining contribution to underperformance largely came from companies deemed to be on the other side of the "AI Trade", notably, software companies such as Ansys. These companies all cited a tougher selling environment given previous strong growth periods, and a notable trend in increased AI-focused company spend, which pushed out software projects. We have engaged with managers on these affected positions; however, we have already seen a recovery in names such as Adobe.

Whilst it is always disappointing to have a quarter of underperformance, we note that the majority of Sustainable managers also underperformed the broad MSCI ACWI index. At time of writing, 82% had failed to outperform the index - the outperformers had significant exposure to AI names.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
NVIDIA CORP	2.58	4.19	17,103,972
MASTERCARD INC	2.58	0.50	17,095,282
MICROSOFT CORP	2.55	4.28	16,903,044
INTUIT INC	2.43	0.25	16,088,187
ASML HOLDING NV	2.41	0.56	15,968,983

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
INTUIT INC	2.43	0.25
MASTERCARD INC	2.58	0.50
ASML HOLDING NV	2.41	0.56
WASTE MANAGEMENT INC	1.85	0.12
ANSYS INC	1.67	0.04

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	4.19
ALPHABET INC	0.70	2.73
MICROSOFT CORP	2.55	4.28
NVIDIA CORP	2.58	4.19
META PLATFORMS INC	-	1.50

Largest contributors to ESG risk

	ESG risk score* Q1 2024	ESG risk score* Q2 2024
INTUIT INC	17.95	16.92
MASTERCARD INC - A	16.56	15.59
NOVO NORDISK A/S-B	23.06	22.66
AMAZON.COM INC	30.20	29.32
MICROSOFT CORP	15.21	14.18

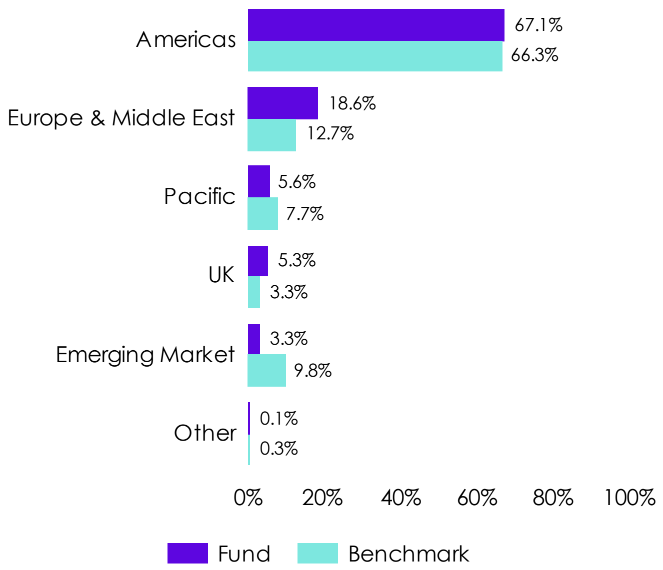
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

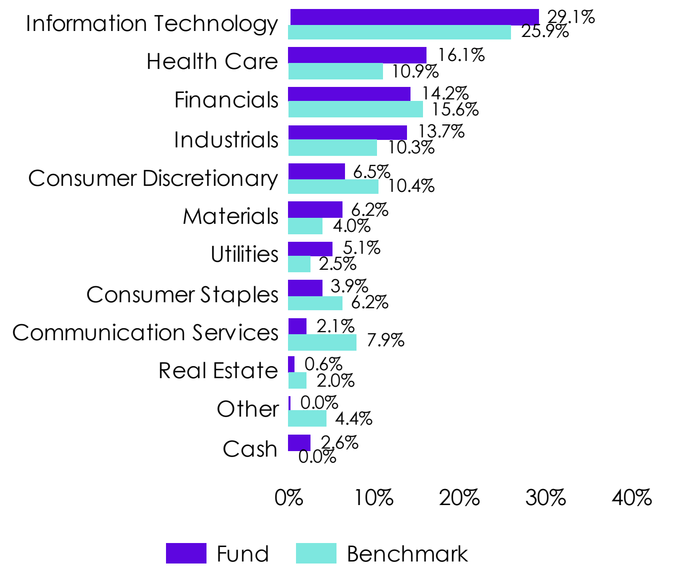
Portfolio	WACI 2024 Q1	WACI 2024 Q2	Total Extractive Exposure[1] 2024 Q1	Total Extractive Exposure[1] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q1	Extractive Industries (VOH)[2] 2024 Q2
Global Sustainable	160	178	1.96	1.89	5.06	5.36
MSCI ACWI*	197	203	4.82	4.20	8.08	7.95

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Diversifying Returns Fund

Launch date
12 August 2020

Investment strategy & key drivers
Strategy utilising currencies, credit, rates and equities

Liquidity
Managed

Benchmark
SONIA +3%

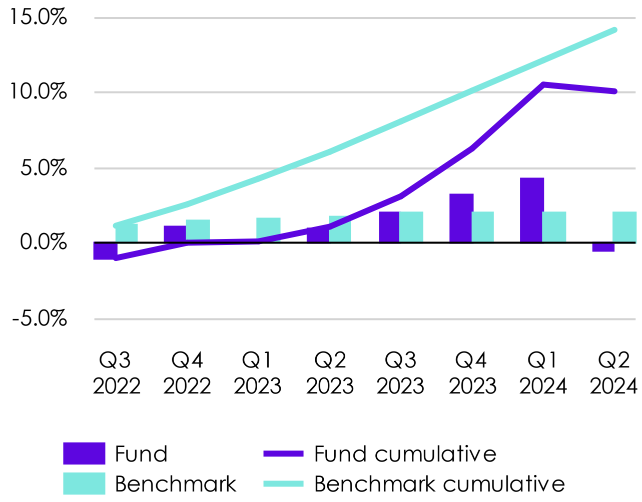
Outperformance target
0% to +2.0%

Total fund value
£948m

Risk profile
Moderate

Avon's Holding:
GBP371m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	-0.5	9.2	2.8	3.9
SONIA +3%	2.0	8.4	6.0	5.3
Excess	-2.5	0.9	-3.1	-1.5

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The Diversifying Returns Fund returned -0.5% over the second quarter of 2024. SONIA +3% returned 2.0%. The sterling hedged 50/50 equity/bond index we monitor returned 1.8% over the quarter, with equities generating positive performance and bonds close to flat.

The fund captured some positive returns from equities and from interest earned on large cash positions in derivative heavy sub-strategies. However, it was a weaker quarter for alternative premia, leading to negative returns for the fund.

Fulcrum were able to take advantage of positive equity market and returned 1.8%. The long-short thematic equity sleeve and exposure to precious metals also made positive contributions to returns. Currency positioning and trend following strategies detracted from performance over the quarter.

Lombard Odier also benefitted from exposure to equities and commodities generating a return of 0.6% for the period. Interest earned on cash also made a positive contribution to returns but sovereign bond exposure and carry signals detracted.

The aggregate performance of JPM's factor signals was muted, with interest on cash aiding a quarterly return of 0.6%. Credit and FX carry were the best performing of the factor signals with Relative Value Equity Momentum also making a positive contribution to returns. Other equity signals had a weak quarter and trend signals across asset classes also contributed negative returns in a choppy quarter.

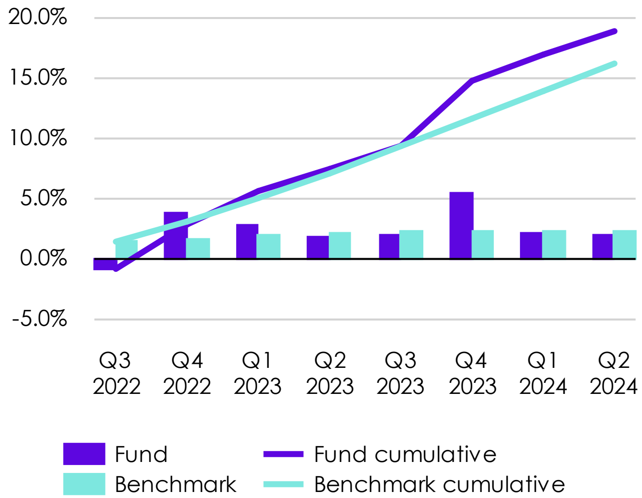
UBS returned -8.2% for the period with further losses from their long Yen position as the Bank of Japan quashed hopes that significant additional rate rises will follow March's increase. The Brazilian Real also fell over the quarter and dampened returns. The Norwegian Kroner, which has been weak for some time, did make a positive contribution to returns along with short positions in the Euro and Sterling.

Multi-Asset Credit

Launch date
7 July 2021
Investment strategy & key drivers
Exposure to higher yield bonds with moderate credit risk
Liquidity
Managed
Benchmark
SONIA +4%
Outperformance target
0% to +1.0%
Total fund value
£3,026m
Risk profile
Moderate

Avon's Holding:
GBP347m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.9	11.9	-	2.7
SONIA +4%	2.3	9.4	-	7.0
Excess	-0.3	2.5	-	-4.4

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

Leveraged finance produced a positive return last quarter, following a small rise in yields. The small rise in yields masked another volatile period for interest rate expectations in the United States (US). As mentioned in the CIO commentary, an upside surprise, in March CPI and other robust macro data, was enough to evaporate hopes of policy rate cut before the US elections. Risk assets rebounded in May as interest rates fell from their 2024 peak. Weaker-than-expected jobs data and stabilising US inflation also fuelled increased speculation of rate cuts before year end.

Government bond yields rose modestly, with longer dated parts of the curve increasing more. The US 2 & 10-year bond yields ended the quarter at 4.72% and 4.37% respectively. This was an increase of 10 and 17bps respectively. It was a similar story in the UK where the 2 and 10-year yields ended the period at 4.21% and 4.15% respectively. Credit spreads remained fairly stable last quarter as a result of both sentiment and a muted default environment. Spreads in High Yield corporates ended the quarter at 328bps, narrowly up from the 322bps in March. Once again, rising government bond yields and stable spreads resulted in floating rate asset classes being the most successful. The highest returning asset class was Collateralised Loan Obligations (CLOs), with all sub-investment grade tranches returning in excess of 2.3%. Higher duration asset classes - such as investment grade corporates – were once again the laggards.

The Multi-Asset Credit portfolio returned +1.9% last quarter. This was ahead of the composite benchmark – comprised of Loans and High Yield bonds – which returned +1.6%. The primary cash benchmark – SONIA +4% - returned +2.3% as Sterling rates remained elevated. Differences in manager performance were driven by duration positioning, with Neuberger making the lowest return given their higher duration.

Looking forward, investors should treat the muted default environment with caution. Extensions, payment in kind (PIK) and rescue financing is on the rise. Environments like this bode well for active management, allowing investors to avoid defaults. Our managers remain mindful of the current default environment and have increased quality, currently BB-, in the portfolio to reflect this view.

PAB Passive Global Equities

Launch date
1 November 2021

Investment strategy & key drivers
Passive global equity exposure aligned to Paris Agreement climate goals

Liquidity
High

Benchmark
FTSE Dev World PAB

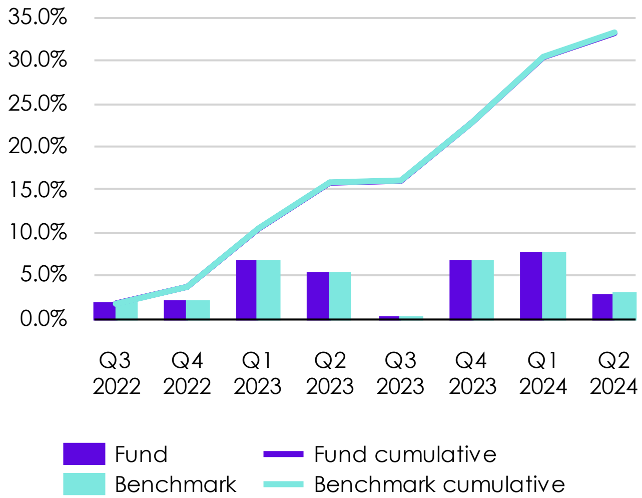
Outperformance target
Match

Total fund value
£2,763m

Risk profile
High

Avon's Holding:
GBP440m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.8	18.4	-	8.8
FTSE Dev World PAB	2.8	18.4	-	8.9
Excess	-0.0	-0.0	-	-0.1

Source: State Street Global Services
*per annum. Net of all fees.

Performance commentary

The FTSE Developed Paris Aligned Index (PAB) returned 2.8% over Q2 2024.

Six of the so-called "Magnificent Seven" stocks accounted for the vast majority of the contributions to return over the quarter. Alphabet made the highest contribution, owing to strong Q1 earnings and margin improvement, jumping 12% in a day on a 15% increase in revenue. Apple also beat modest earnings expectations, with an expectation to return to revenue growth, and an announcement of a record share buyback for the company of $110bn. Growth in the services and MacBook segments of the business worked against falls in iPhone sales. Nvidia returned to its run of strong performance following the announcement of a new family of AI chips and a stock split on top of strong revenue growth.

Amazon's stock price performance was more muted, reflecting Amazon's sensitivity to the US consumer environment. However, as a large portfolio constituent, it remained a top contributor. Microsoft revenues also exceeded expectations, with the high-margin Azure cloud segment seeing 23% year-over-year growth.

For all five of the above, proximity to the AI megatrend appears to have been a significant driver of investor sentiment, despite muted announcement activity from Apple on this subject.

Tesla is a significant position in the portfolio, owing to its strong Green Revenue score and a positive tilt score for Scope 3 carbon emissions intensity. The PAB's holding in Tesla made a small positive contribution to returns, driven by significant growth in energy storage deployments and high numbers of EVs delivered.

The only "Mag-7" company not to materially contribute to performance over the quarter was Meta, which was forced to delay the rollout of generative AI in Europe by regulators. Moreover, investors responded negatively to the announcement of large expenditure plans to build capacity in AI without clear revenue opportunities.

Salesforce was the largest detractor from returns, following poor forward revenue guidance.

At quarter-end, the PAB had three holdings in the Energy sector, each of which made a negative contribution to portfolio returns over the quarter: Vestas Wind Systems A/S and Enphase Energy contributed negatively to returns following a disappointing Q1, while FirstSolar contributed positively to returns due to regulatory change in China and high analyst expectations. Each of these stocks was held overweight due to Green Revenue and TPI Management Quality scores. The PAB Energy sector outperformed the Energy sector of the FTSE Developed Markets weighted index, which includes companies with significant oil & gas exposure. Stocks held by the market-weighted index but not held at all in this portfolio included Exxon Mobil, Chevron, Shell, BP and ConocoPhillips, and these stocks had a mixed, mainly negative quarter.

The portfolio decarbonisation trajectory is in line with the requirements of EU regulations for Paris-aligned benchmarks, which utilises EVIC rather than revenue in its decarbonisation calculations.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
AMAZON.COM INC	**6.09**	**26,778,622**
MICROSOFT CORP	**5.66**	**24,902,082**
ALPHABET INC	**5.43**	**23,895,784**
APPLE INC	**4.90**	**21,538,214**
TESLA INC	**3.11**	**13,688,487**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q1 2024	ESG risk score* Q2 2024
AMAZON.COM INC	**30.20**	**29.32**
APPLE INC	**16.72**	**16.79**
MICROSOFT CORP	**15.21**	**14.18**
TESLA INC	**25.26**	**24.73**
ALPHABET INC-CL A	**24.09**	**24.81**

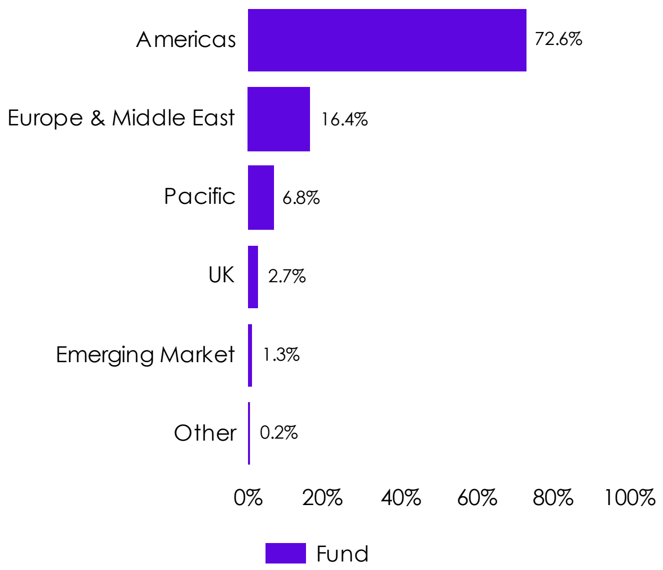
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

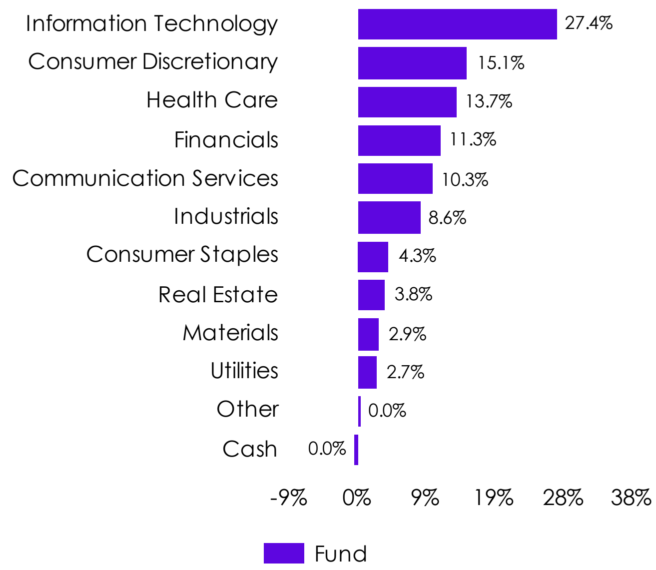
Portfolio	WACI 2024 Q1	WACI 2024 Q2	Total Extractive Exposure[1] 2024 Q1	Total Extractive Exposure[1] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q1	Extractive Industries (VOH)[2] 2024 Q2
PAB Passive Global	**118**	**117**	1.21	1.12	3.48	3.23
FTSE Dev World TR	**163**	**166**	4.60	3.95	8.34	8.39

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Private Debt Cycle 2

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£245.00m

The fund is denominated in GBP

Commitment to Investment
£245.00m

Amount Called
£163.62m

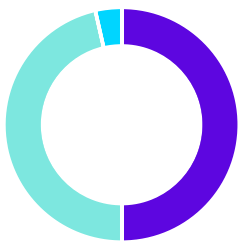
% called to date
66.78

Number of underlying funds
1

Avon's Holding:
GBP160.68m

Country

Invested in underlying investments

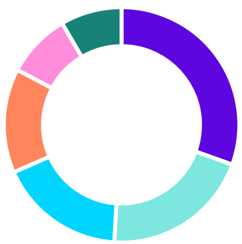


Europe	50.0%
North America	46.4%
Asia Pacific	3.6%
Other	-

Source: Aksia and underlying managers
Country data is as of latest available Q2 24

Sector

GICs level 1



Health Care	30.5%
Information Technology	20.5%
Industrials	17.4%
Consumer Discretionary	14.3%
Financials	8.9%
Other	8.4%

Source: Aksia and underlying managers
Sector data is as of latest available Q2 24

Performance commentary

During Q2, there was a notable pick-up in M&A activity which is a positive sign for deal flow for lenders following a prolonged period where there has been greater reliance on a manager's back book. Sticky inflation has led to lower rate cut expectations which is a tailwind for private credit, benefiting from higher base rates. However, the high-rate environment remains a challenge for some companies, with interest coverage ratios continuing to edge lower. There is increased pressure on highly levered companies, further demonstrating the importance of sensible capital structures and prudent opening leverage.

During Q1 the industry witnessed an unusual and unfortunate series of events unfold at Barings, where a majority of the senior investment team left en-masse to join a rival start-up organisation. This Key Person Event triggered a pause to investment activity for the fund in the Brunel portfolio (GPLF 4), pending approval of any cure proposed by Barings. This will require a vote at the LPAC, on which Aksia (representing Brunel) has a seat. As yet, there is no specified voting timeline for GPLF IV.

At the end of Q2, the portfolio was ~67% invested and 100% committed. All managers have now called investor capital and some managers are coming towards the end of their investment periods. Portfolio performance has been positive but generally flat across the portfolio and underlying funds over the quarter.

Pipeline

There is no fund pipeline, with the portfolio fully committed.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
160.7	1.4%	6.7%	0	0	0	-425,862	1.11	0.1%	0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Private Debt Cycle 3

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 April 2022

Commitment to portfolio
£170.00m

The fund is denominated in GBP

Commitment to Investment
£117.74m

Amount Called
£44.05m

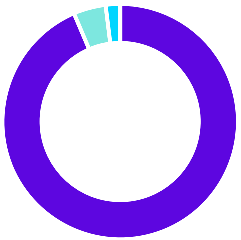
% called to date
37.41

Number of underlying funds
4

Avon's Holding:
GBP48.49m

Country

Invested in underlying investments



Europe	93.5%
North America	4.5%
Asia Pacific	2.0%
Other	-

Source: Aksia and underlying managers
Country data is as of latest available Q1 24

Sector

GICs level 1

Health Care	25.0%
Software	21.1%
Financials & Insurance	13.2%
Professional Services	10.5%
Other	30.2%

Source: Aksia and underlying managers
Sector data is as of latest available Q1 24

Performance commentary

During Q2, there was a notable pick-up in M&A activity which is a positive sign for deal flow for lenders following a prolonged period where there has been greater reliance on a manager's back book. Sticky inflation has led to lower rate cut expectations which is a tailwind for private credit, benefiting from higher base rates. However, the high-rate environment remains a challenge for some companies, with interest coverage ratios continuing to edge lower. There is increased pressure on highly levered companies, further demonstrating the importance of sensible capital structures and prudent opening leverage.

During Q1 the industry witnessed an unusual and unfortunate series of events unfold at Barings, where a majority of the senior investment team left en-masse to join a rival start-up organisation. This Key Person Event triggered a pause to investment activity for the fund in the Brunel portfolio (NAPLF 3), pending approval of any cure proposed by Barings. Brunel is considering the proposed cure and have been advised we hold a material share of capital in the fund.

At the end of Q2 the portfolio had made commitments to six funds (3 European, 3 US) with the fifth fund closing at the very end of March. All funds across cycle 3 have previously been presented at ISG.

Pipeline

There is no fund pipeline, with the portfolio fully committed as of April, pending the outcome of the Barings situation. Work has commenced on market mapping for Cycle 4 Private Debt portfolio.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
48.5	11.0%	10.4%	7,950,257	2,137,291	5,812,967	411,789	1.08	0.1%	0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure Cycle 1

Investment objective
Portfolio of predominantly European sustainable infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 October 2018

Commitment to portfolio
£115.00m

The fund is denominated in GBP

Commitment to Investment
£114.56m

Amount Called
£108.83m

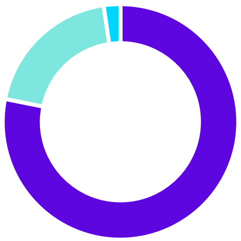
% called to date
94.99

Number of underlying funds
5

Avon's Holding:
GBP113.57m

Country

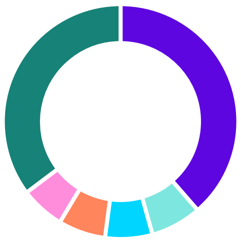
Commitment in underlying investments



Europe (incl. UK)	78.1%
North America	19.6%
Rest Of World	2.3%

Source: Stepstone
Country data is as of latest available Q2 24

Sector



Wind & Solar	38.6%
Rail	7.0%
Distributed Energy	6.5%
Diversified Renewables	6.5%
Diversified Social	6.1%
Other	35.3%

Source: Stepstone.
Sector data is as of latest available Q2 24

Performance commentary

H1 2024 continued to experience mixed macroeconomic data, leading to continued volatility. The anticipated rate relief was delayed, particularly in the US where inflation has proved somewhat more persistent. Elsewhere in the developed world inflation has been more benign, with YoY rates continuing to head back towards central bank targets. Many feel that we are on the cusp of central banks making their next moves on interest rates which will likely unlock capital and support the closing of a strong pipeline of infrastructure investments.

Whilst the impact of an economic slowdown on equity investments is generally negative, we believe that many infrastructure investments continue to exhibit strong defensive characteristics. In addition, we expect that the diversification of the portfolios in terms of sectors, countries, business models and other characteristics will protect the overall Fund performance against macroeconomic shocks.

The Cycle 1 portfolio is fully committed to nine primary funds and seven tactical investments. As at the end of Q2 2024, the portfolio was ~91% invested and 100% committed. Overall, we are pleased with the evolution of Cycle 1. The portfolio is well diversified across sectors, technologies, geographies, managers and vintages and has proven to be resilient to market volatility as it continues to deliver performance in line with target at inception.

Pipeline

Cycle 1 is fully committed, so no new investments are being considered.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
113.6	5.6%	6.1%	842,309	544,313	297,996	277,253	1.18	0.1%	0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure (Renewables) Cycle 2

Investment objective
Global portfolio of renewable energy and associated infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£120.00m

The fund is denominated in GBP

Commitment to Investment
£120.00m

Amount Called
£77.45m

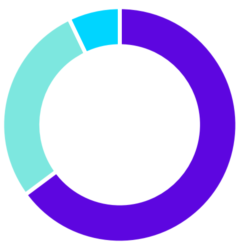
% called to date
64.54

Number of underlying funds
1

Avon's Holding:
GBP85.73m

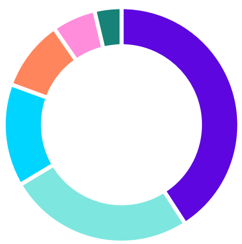
Country

Commitment in underlying investments



Source: Stepstone
Country data is as of latest available Q2 24

Sector



Source: Stepstone.
Sector data is as of latest available Q2 24

Performance commentary

H1 2024 continued to experience mixed macroeconomic data, leading to continued volatility. The anticipated rate relief was delayed, particularly in the US where inflation has proved somewhat more persistent. Elsewhere in the developed world inflation has been more benign, with YoY rates continuing to head back towards central bank targets. Many feel that we are on the cusp of central banks making their next moves on interest rates which will likely unlock capital and support the closing of a strong pipeline of infrastructure investments.

Whilst the impact of an economic slowdown on equity investments is generally negative, we believe that many infrastructure investments continue to exhibit strong defensive characteristics. In addition, we expect that the diversification of the portfolios in terms of sectors, countries, business models and other characteristics will protect the overall Fund performance against macroeconomic shocks.

The outlook for renewables is supported by strong global policy initiatives and an increasing demand for data. The rise of AI has played a role in this increasing demand, AI powered technology allows for greater Resulting in, a vast increase in renewable power demand to support green data centres. This year Microsoft signed a 10GW PPA with Brookfield and the movement of large corporations towards renewable energy is a tailwind for renewables moving forwards.

At the end of Q2 2024, the Cycle 2 Renewables portfolio is ~89% committed and ~68% invested across six primary funds and twelve tactical investments. In Q2 2024, the final Primary fund ticket, a North America-focused fund targeting renewable and energy transition subsectors, was approved

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
85.7	4.0%	7.1%	5,572,917	340,226	5,232,691	990,724	1.12	0.1%	0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Infrastructure (Renewables) Cycle 2

subject to further StepStone due diligence, thus completing the Cycle 2 Renewables' portfolio.

Pipeline

Upon the closing of the final Primary investment, Cycle 2 Renewables will be fully committed, and therefore no new investments will be considered.

Infrastructure Cycle 3

Investment objective
Global portfolio of infrastructure assets, mainly focussed on climate solutions, energy transition and efficiency

Benchmark
n/a - absolute return target

Outperformance target
net 8% IRR

Launch date
1 April 2022

Commitment to portfolio
£55.00m

The fund is denominated in GBP

Commitment to Investment
£55.00m

Amount Called
£14.78m

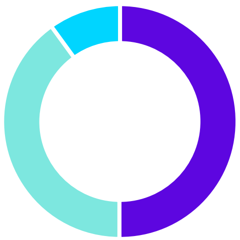
% called to date
26.87

Number of underlying funds
1

Avon's Holding:
GBP16.83m

Country

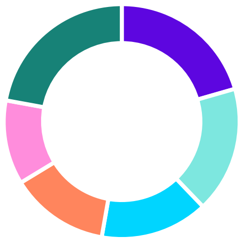
Commitment in underlying investments



Europe (incl. UK)	50.1%
North America	40.0%
Rest Of World	9.9%

Source: Stepstone
Country data is as of latest available Q2 24

Sector



Fibre	20.5%
Timber	17.4%
Utilities	14.8%
Solar	13.6%
Wind	11.6%
Other	22.1%

Source: Stepstone.
Sector data is as of latest available Q2 24

Performance commentary

H1 2024 continued to see mixed macroeconomic data, leading to continued volatility. The anticipated rate relief was delayed, particularly in the US, where inflation has proved persistent. Elsewhere, inflation has been more benign, with rates heading back towards central bank targets. Many feel that we are close to central banks making their next moves on interest rates, which will likely unlock capital and support the closing of a strong pipeline of infrastructure investments.

Whilst the impact of an economic slowdown on equity investments is generally negative, we believe that many infrastructure investments continue to exhibit strong defensive characteristics. In addition, we expect that the diversification of the portfolios in terms of sectors, countries, business models and other characteristics will protect the overall Fund performance against macroeconomic shocks.

At the end of Q2 2024, Cycle 3 was ~66% committed and ~33% invested across nine Primaries and nine Tacticals.

Pipeline:

During Q2, three Tactical investments were approved by Brunel and are subject to further StepStone due diligence. These include a ~£32m allocation to a Secondaries Mini Portfolio comprising 7-8 investments, to gain additional exposure into Secondaries. This will help achieve a high level of diversification across managers and assets. The other two approved tactical allocations were: a ~£28m co-investment opportunity into a renewable energy developer focused on the western US states; and a ~£24m co-investment opportunity alongside Energy Capital Partners ("ECP") in the take-private of a publicly-traded owner, operator and developer of highly-contracted renewable energy.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
16.8	4.0%	0.9%	2,212,083	294,338	1,917,745	528,311	1.01	0.0%	0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 1

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 October 2018

Commitment to portfolio
£345.00m

The fund is denominated in GBP

Commitment to Investment
£345.00m

Amount Called
£344.52m

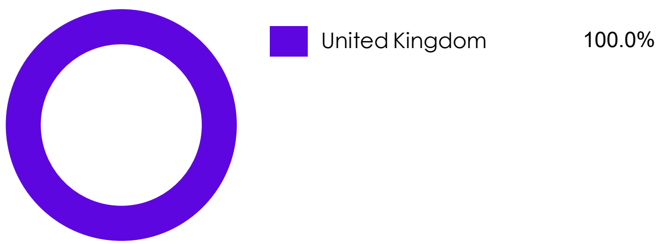
% called to date
99.86

Number of underlying funds
3

Avon's Holding:
GBP292.20m

Country

Invested in underlying investments



No Data

Source: Colmore
Country data is as of latest available Q2 24

Performance commentary

Both long lease property managers have noted that markets are more optimistic in Q2, with evidence suggesting transactions are picking up in areas like industrial and residential. The occupier market remained resilient, with no rent concerns and near 100% occupancy. But high interest rates and uncertainty persisted, and there could be small valuation write-downs throughout 2024.

M&G Secured Property Income Fund (SPIF) made progress with the redemption queue. They also saw interest on the secondary market, with £130m worth of sales from September to end-Q2. The Fund has sold over £1bn, achieving an average 3% premium over valuation. Yield is around 5%.

abrdn Long Lease Property (LLP) also sold assets to reduce its redemption queue. These were sold near book value. The distribution yield on the fund is also high at 5.2%. The fund continued to market its one void, Ingenuity House.

The Schroder Greencoat team completed the restructuring and refinancing of Project Toucan, the solar portfolio. This allows for distributions to be made this year and allows Greencoat to split the constituent assets into the relevant vehicles, including Greencoat Renewable Income (GRI).

GRI initially invested £15m into Toucan, with a further stake of £44.7m invested in Q2. GRI also accepted at least a further £170m of commitments. During Q1, the NAV increased due to calls, used to fund investments into Toucan and Solar II. However, valuations fell, driven by assumptions regarding the power price. A distribution was also made in Q1.

Pipeline - There is no fund pipeline, with the portfolio fully committed and invested.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
292.2	-3.8%	-1.3%	0	1,960,862	-1,960,862	-1,935,010	0.97	-0.2%	-0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 2

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 May 2020

Commitment to portfolio
£120.00m

The fund is denominated in GBP

Commitment to Investment
£120.00m

Amount Called
£119.99m

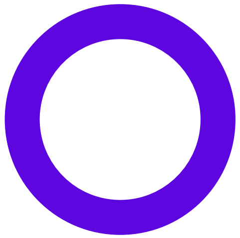
% called to date
99.99

Number of underlying funds
3

Avon's Holding:
GBP100.11m

Country

Invested in underlying investments



United Kingdom	100.0%

No Data

Source: Colmore
Country data is as of latest available Q2 24

Performance commentary

Both long lease property managers have noted that markets are appearing more optimistic in Q2, with anecdotal evidence suggesting transactional volumes are picking up in key sectors like industrial and residential. The occupier market remains resilient, with no rent concerns and near 100% occupancy. Having said that, high interest rates and uncertainty remain, and both suggest that there could be small valuation write-downs throughout 2024.

M&G Secured Property Income Fund (SPIF) made progress with the redemption queue, with a further £180m of assets under offer. They also saw interest on the secondary market, with £130m worth of sales since September. The Fund has sold over £1bn, achieving an average 3% premium over valuation. The distribution yield is high at 5.0% as at Q1.

abrdn Long Lease Property (LLP) also sold assets in a bid to reduce their redemption queue, including some car park assets. These were sold near book value. The distribution yield on the fund is also high at 5.2% as at Q1. The fund continues to market their one void in the fund, Ingenuity House in Birmingham.

The Schroder Greencoat team has recently completed the restructuring and refinancing of Project Toucan, the large solar portfolio, a month ahead of target. This allows for distributions to be made this year and allows Greencoat to split the constituent assets into the relevant vehicles, including Greencoat Renewable Income (GRI).

GRI has initially invested £15m into Toucan, with a further stake of £44.7m invested in Q2. GRI also accepted at least a further £170m commitments in Q2. Over the first three months of the year, the NAV increased due to calls, used to fund

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
100.1	0.2%	-0.5%	0	3,178,679	-3,178,679	1,627,360	0.94	-0.0%	-0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 2

investments into Toucan and Solar II. However, the valuations fell, driven by assumptions regarding power price. A distribution was also made in Q1.

Pipeline

There is no fund pipeline, with the portfolio fully committed and invested.

Secured Income Cycle 3

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 April 2022

Commitment to portfolio
£240.00m

The fund is denominated in GBP

Commitment to Investment
£237.44m

Amount Called
£201.83m

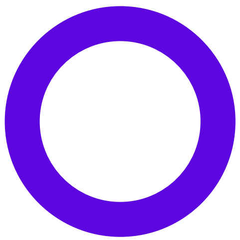
% called to date
85.00

Number of underlying funds
3

Avon's Holding:
GBP237.01m

Country

Invested in underlying investments



United Kingdom 100.0%

No Data

Source: Colmore
Country data is as of latest available Q2 24

Performance commentary

Both long lease property managers have noted that markets appear more optimistic in Q2, with anecdotal evidence suggesting transactional volumes are picking up in key sectors like industrial and residential. The occupier market remains resilient, with no rent concerns and near 100% occupancy. Having said that, high interest rates and uncertainty remain and both warn that there could be small valuation write downs throughout 2024.

M&G Secured Property Income Fund (SPIF) has made progress with the redemption queue, with a further £180m of assets under offer. They have also seen interest on the secondary market, with £130m worth of sales since September. The Fund has sold over £1bn, achieving an average 3% premium over valuation. The distribution yield is high at 5.0% as at Q1.

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The Schroder Greencoat team has recently completed the restructuring and refinancing of Project Toucan, the large solar portfolio, a month ahead of target. This allows for distributions to be made this year and allows Greencoat to split the constituent assets into the relevant vehicles, including Greencoat Renewable Income (GRI).

GRI has initially invested £15m into Toucan, with a further stake of £44.7m invested in Q2. GRI also accepted at least a further £170m commitments in Q2. Over the first three months

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
237.0	-3.0%	-	35,593,747	1,544,252	34,049,495	395,985	1.01	-0.1%	-0.0%

*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Secured Income Cycle 3

of the year, the NAV increased due to calls, used to fund investments into Toucan and Solar II. However, the valuations fell, driven by assumptions regarding power price. A distribution was also made in Q1.

Pipeline

There is no fund pipeline, with the portfolio fully committed and invested.

UK Property

Investment strategy & key drivers

Portfolio of active UK property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

MSCI/AREF UK

Outperformance target

+0.5%

Commitment to portfolio

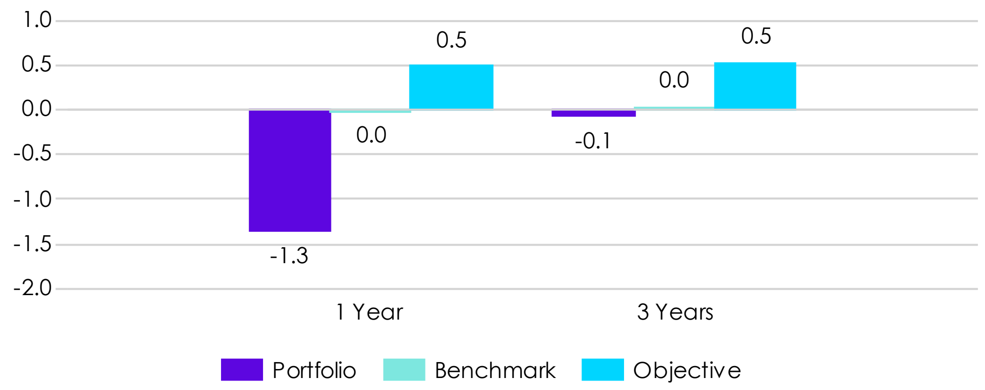
£210.0m

Amount Called

£179.2m

Number of portfolios

13



Performance commentary

Investor interest for UK property has been diverse so far in 2024, with offices, industrial, retail and hotels all accounting for similar shares of activity. Active capital is slowly stepping forward to meet the pricing aspirations, or floors, of vendors in various areas of the UK market (industrials, retail warehouses and supermarkets, for example).

Overall, investment activity will likely remain subdued until interest rates start to come down later in the year. The first cut is likely to lead in a substantial increase in activity, especially as the last few months to quarter-end saw an increasing stabilisation of yields after a period of significant repricing.

Positive signs of recovery could be further supported by the general election result, which gave Labour a clear mandate to drive its policy priorities, particularly in housing.

Within Brunel's UK property model, the Octopus Healthcare Fund remained resilient, with continued positive performance. Structural factors continued to support the industrial sector, and the LGIM Industrial Property Investment Fund (IPIF) benefited, with occupational markets supportive of rental growth and scope for a yield fall in the short term as base rates move downwards.

The Orchard Street Social & Environmental Impact Fund acquired its second asset, a Southeast London last-mile industrial estate, for c. £21m. The nine-unit industrial estate in Charlton is fully let, and Orchard Street has plans to carry out low embodied carbon refurbishments across the 1980s estate to improves the EPCs, electrify units to reduce carbon emissions, and to install solar PV panels and air source heat pumps.

Pipeline

There is no fund pipeline, with the portfolio fully committed to model funds. A review of the model portfolio with our adviser (Townsend) was completed and approved at BIC and presented at ISG.

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 1 year	Perf. 3 year	Perf. 5 year	Perf. SII*	TVPI	Inception Date
Brunel UK Property	182.5	179.3	-1.3%	-0.1%	-	1.8%	1.3	Jan 2021

*Since initial investment

Glossary

Term	Comment
absolute risk	Overall assessment of the volatility that an investment will have
ACS	Authorised Contractual Scheme - a collective investment arrangement that holds and manages assets on behalf of a number of investors
active risk/weight	A measure of the percentage of a holding that differs from the benchmark index; can relate to an equity, a sector or a country/region
amount called	In private investments, this reflects the actual investment amount that has been drawn down
amount committed	In private investments, this is the amount that a client has committed to an investment - it will be drawn down (called) during the investment period
annualised return	Returns are quoted on an annualised basis, net of fees
asset allocation	Performance driven by selecting specific country, sector positions or asset classes as applicable
basis points (BP)	A basis point is 0.01% - so 100bps is 1.0%. Often used for fund performance and management fees
CTB	Climate Transition Benchmark - targets 30% lower carbon exposure from 2020 and then a 7% annual reduction
DLUHC	Department for Levelling Up, Housing & Communities; the government body with oversight of pooling
DPI	Distributed to Paid In; ratio of money distributed to Limited Partners by the Fund, relative to contributions. Used for private markets investments
duration	A measure of bond price sensitivity to changes in interest rates. A high duration suggests a bond's price will fall by relatively more if interest rates increase than a bond with a low duration

Term	Comment
EBITDA margin	An EBITDA margin is a profitability ratio that measures how much in Earnings a company is generating Before Interest, Taxes, Depreciation, and Amortization, as a percentage of revenue.
ESG	ESG is an umbrella term to capture the various environmental, social and governance risks investors factor into their assessment of a company's sustainability profile. Brunel views assessing ESG factors as a central part of our fiduciary duty
ESG Score	MSCI (Morgan Stanley Capital International) score based on its assessment of the ESG credentials of an underlying investment. If the portfolio score is below the index, the portfolio is assessed by MSCI to be investing in companies with a better ESG score
extractive exposures VOH	Value of Holdings of invested companies which derive revenues from extractive industries
GP or general partner	In Private Equity, the GP is usually the firm that manages the fund
gross performance	Performance before deduction of fees
Growth	Growth stocks typically exhibit faster long term growth prospects and are often valued at higher price multiples
IRR	Internal Rate of Return - a return that takes account of actual money invested
legacy assets	Client assets not managed via the Brunel Pension Partnership
Low Volatility	Low Volatility is a strategy that attempts to minimise the return volatility.
LP or limited partner	In private equity, an LP is usually a third party investor in the fund
M&A	Mergers and acquisitions

Glossary

Term	Comment
Momentum	An investment strategy that aims to capitalize on the continuance of existing trends in the market
Money-weighted return	A performance measure that takes into account the timing and size of cash flows, including contributions and withdrawals.
MWR	Money weighted return - similar to an IRR - it reflects the actual investment return taking into account cashflows
NAV	Net asset value
net performance	Performance after deduction of all fees
PAB	Paris-Aligned Benchmark - targets a 50% lower carbon exposure from 2020 and then a 7% annual reduction
Quality	Quality stocks typically have a high Return on Equity, a very consistent profit outcome and exhibit higher and stable margins
relative risk	Relative volatility when compared with a benchmark
sector/stock selection	Performance driven by the selection of individual investments within a country or sector
since inception	Period since the portfolio was formed
since initial investment	Period since the client made its first investment in the fund
SONIA	Sterling Overnight Index Average - Overnight interbank interest rate - replacement for LIBOR
source of performance data	Source of performance data is provided net of fees by State Street Global Services unless otherwise indicated

Term	Comment
standard deviation	Standard deviation is a measure of volatility for an investment using historical data. Volatility is used as a measure of investment risk. A higher number may indicate a more volatile (or riskier) investment but should be taken in context with other measures of risk
time-weighted return	A performance measure that eliminates the impact of cash flows, focussing solely on the investment's rate of return over a specific time period. It does not account for the timing and size of contributions and withdrawals.
total extractive exposure	Revenue derived from extractive operations as a % of total corporate revenue
total return (TR)	Total Return - including price change and accumulated dividends
tracking error	A measure of relative volatility around a benchmark. A fund which differs greatly from the benchmark is likely to have a high tracking error
transitioned assets	Client assets that have been transferred to the Brunel Pension Partnership
TVPI	Total Value to Paid In; ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid in
Value	Value stocks typically have a low valuation when measured on a Price to Book or Price to earnings ratio
WACI	Weighted Average Carbon Intensity; measures the carbon intensity of businesses rather than total carbon emissions. It is expressed as tonnes of CO2 equivalent per million GBP of investment exposure
yield to worst	Lowest possible yield on a bond portfolio assuming no defaults

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administered by Dorset Council
Environment Agency Pension Fund
Gloucestershire County Council
Buckinghamshire Council
Buckinghamshire Pension Fund
Somerset Council
Brunel Pension Partnership
Avon Pension Fund
Oxfordshire Pension Fund
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Wiltshire Pension Fund
Cornwall Pension Fund
Devon County Council