Avon Pension Fund Performance Report

Quarter ending 31 December 2024

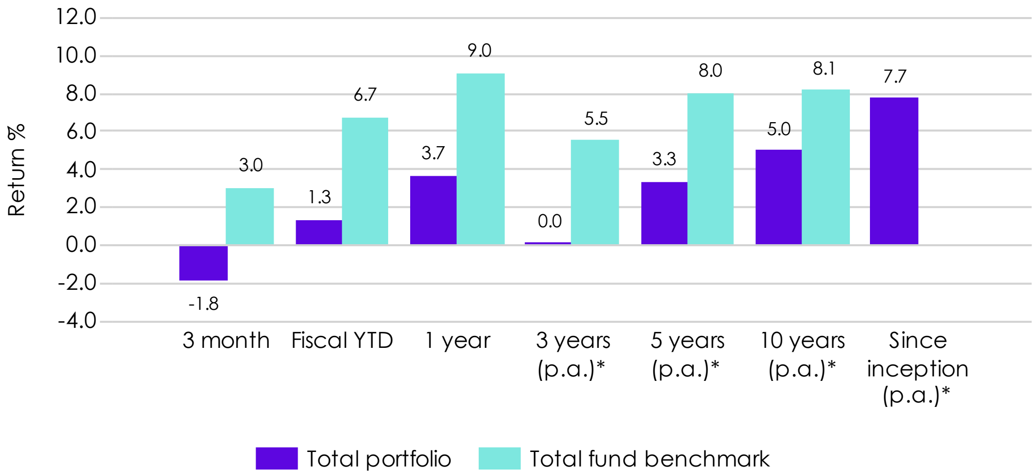
Avon Pension Fund

Brunel Pension Partnership

Contents

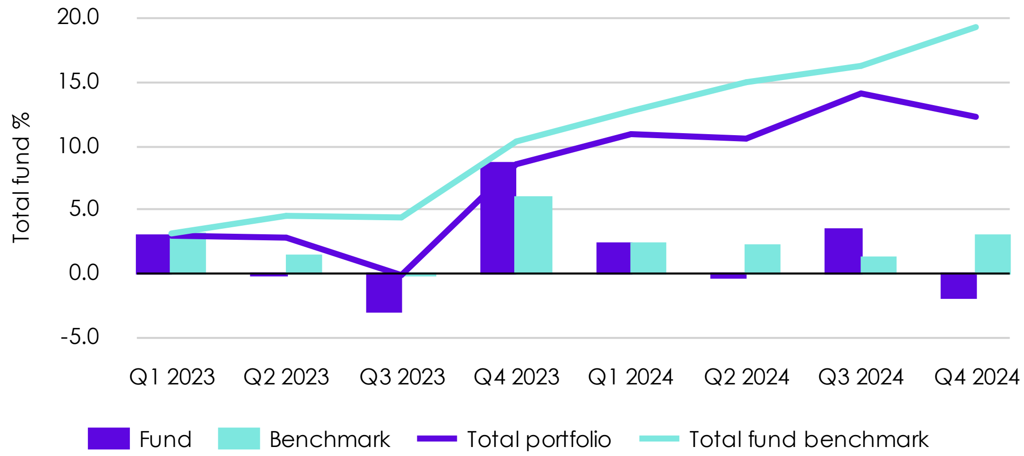
Pension Fund performance

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

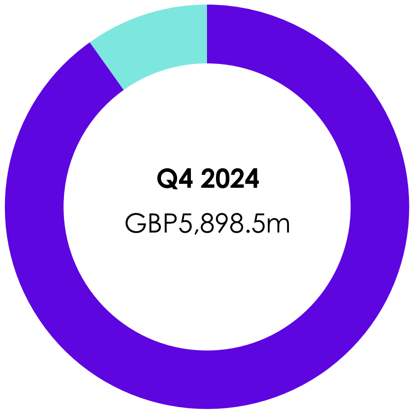
The fourth quarter saw continued positive returns in the US, which was enough to keep global equities in positive territory. Indeed, the UK, Europe and Emerging Markets were all negative during the quarter. Sterling was weak, leading to unhedged returns beating hedged returns. Meanwhile, fixed income was disappointing, with both US and UK government bond markets witnessing higher yields. Many of these moves reflected reaction to the US election, with the "red sweep" leading investors to expect tax cut extensions, deregulation, and trade policy turbulence. Looking to 2025, it seems unlikely that equities will repeat the strong performance of 2024, as valuations look historically high. Concerns are also rising around the private credit market.

The total portfolio dropped 1.8% during the quarter, whilst the benchmark rose 3.0%. During 2024, the fund returned 3.7% versus a benchmark return of 9.0%.

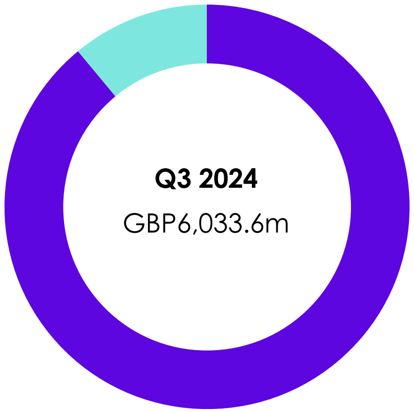
In absolute terms, most Brunel portfolios ended higher. Global unhedged portfolios performed particularly well.

Asset summary

Assets transitioned to Brunel



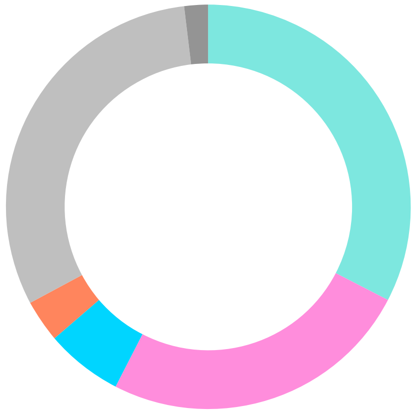
Transitioned	90.15%
Non-pooled assets	9.85%



Transitioned	89.00%
Non-pooled assets	11.00%

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

Asset allocation breakdown



Key:

Equities	32.63%
Private markets	24.96%
Fixed income	6.16%
Property	3.39%
Other	30.97%
Cash	1.90%

Source: State Street Global Services. Net of all fees.
Data includes non-pooled assets

Overview of assets

Detailed asset allocation

Equities	£1,924.53m	32.63%
Global High Alpha Equities	£763.85m	12.95%
Global Sustainable Equities	£680.76m	11.54%
PAB Passive Global Equities	£479.49m	8.13%
Non-pooled Assets	£0.43m	0.01%

Fixed income	£363.09m	6.16%
Multi-Asset Credit	£363.09m	6.16%

Private markets (incl. property)	£1,672.07m	28.35%
Secured Income Cycle 1	£291.61m	4.94%
Secured Income Cycle 3	£237.30m	4.02%
UK Property	£185.50m	3.14%
Private Debt Cycle 2	£184.13m	3.12%
Infrastructure Cycle 1	£116.95m	1.98%
Secured Income Cycle 2	£99.64m	1.69%
Infrastructure (Renewables) Cycle 2	£87.34m	1.48%
Private Debt Cycle 3	£62.36m	1.06%
Infrastructure Cycle 3	£19.91m	0.34%
Non-pooled Assets	£387.34m	6.57%

Other	£1,826.57m	30.97%
Blackrock Risk Management	£1,361.76m	23.09%
Diversifying Returns Fund	£372.27m	6.31%
Non-pooled Assets	£92.54m	1.57%

Cash not included

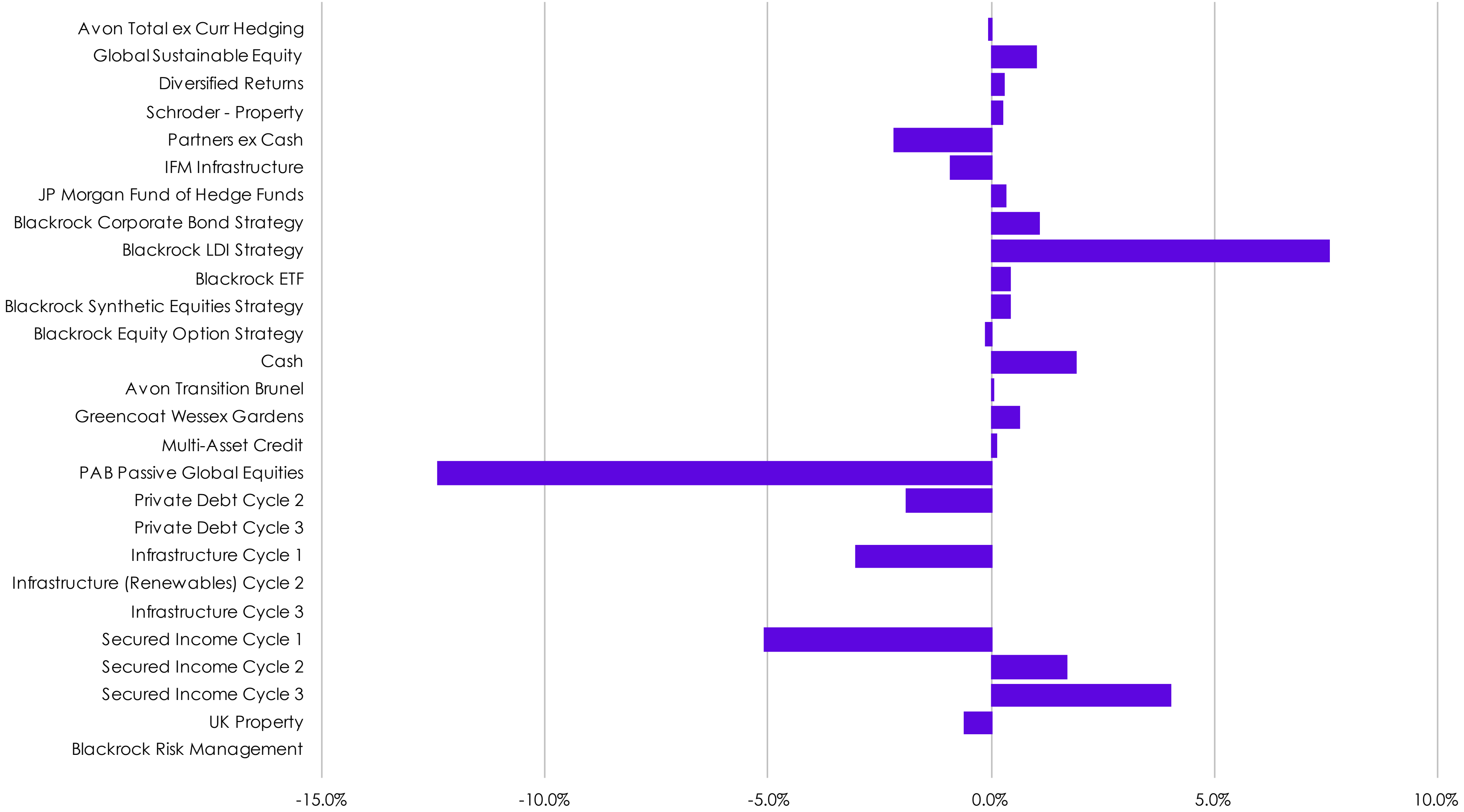
Overview of assets

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	84,087,579.82	1.43%	14.23
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	75,803,151.79	1.29%	26.10
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	46,835,493.46	0.79%	12.23
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	44,629,960.79	0.76%	16.13
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	41,869,135.06	0.71%	24.89
US88160R1014	TESLA INC	Consumer Discretionary	Automobile Manufacturers	UNITED STATES	38,363,097.79	0.65%	24.73
US8740391003	TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	Semiconductors	TAIWAN	34,712,951.37	0.59%	13.72
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	33,994,025.39	0.58%	16.79
NL0010273215	ASML HOLDING NV	Information Technology	Semiconductor Materials &	NETHERLANDS	26,344,579.24	0.45%	8.40
US91324P1021	UNITEDHEALTH GROUP INC	Health Care	Managed Health Care	UNITED STATES	24,914,857.07	0.42%	16.54

Table excludes cash and non-pooled 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	680,760	11.5%	10.50%	1.0%	2.6%	0.3%
Diversified Returns	372,269	6.3%	6.00%	0.3%	-1.5%	-0.1%
Schroder - Property	14,403	0.2%	-	0.2%	10.7%	0.0%
Partners ex Cash	93,884	1.6%	3.75%	-2.2%	-1.1%	-0.0%
IFM Infrastructure	242,402	4.1%	5.00%	-0.9%	3.1%	0.1%
JP Morgan Fund of Hedge Funds	18,789	0.3%	-	0.3%	9.9%	0.0%
Blackrock Corporate Bond Strategy	182,357	3.1%	2.00%	1.1%	-1.3%	-0.0%
Blackrock LDI Strategy	1,159,430	19.6%	12.00%	7.6%	-6.0%	-1.2%
Blackrock ETF	24,390	0.4%	-	0.4%	1.9%	0.0%
Blackrock Synthetic Equities Strategy	25,663	0.4%	-	0.4%	-77.2%	-1.5%
Blackrock Equity Option Strategy	-7,090	-0.1%	-	-0.1%	-312.0%	0.2%
Cash	112,227	1.9%	-	1.9%	1.7%	0.0%
Avon Transition Brunel	5	0.0%	-	0.0%	-0.6%	-
Greencoat Wessex Gardens	36,646	0.6%	-	0.6%	0.4%	0.0%
Multi-Asset Credit	363,090	6.1%	6.00%	0.1%	0.7%	0.0%

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
PAB Passive Global Equities	479,494	8.1%	20.50%	-12.4%	8.6%	0.6%
Private Debt Cycle 2	184,131	3.1%	5.00%	-1.9%	N/M	N/M
Private Debt Cycle 3	62,363	1.1%	1.06%	-	N/M	N/M
Infrastructure Cycle 1	116,949	2.0%	5.00%	-3.0%	N/M	N/M
Infrastructure (Renewables) Cycle 2	87,342	1.5%	1.48%	-	N/M	N/M
Infrastructure Cycle 3	19,905	0.3%	0.34%	-	N/M	N/M
Secured Income Cycle 1	291,611	4.9%	10.00%	-5.1%	N/M	N/M
Secured Income Cycle 2	99,638	1.7%	-	1.7%	N/M	N/M
Secured Income Cycle 3	237,295	4.0%	-	4.0%	N/M	N/M
UK Property	185,498	3.1%	3.75%	-0.6%	N/M	N/M
Blackrock Risk Management	1,361,760	23.1%	23.09%	-	-10.2%	-2.6%

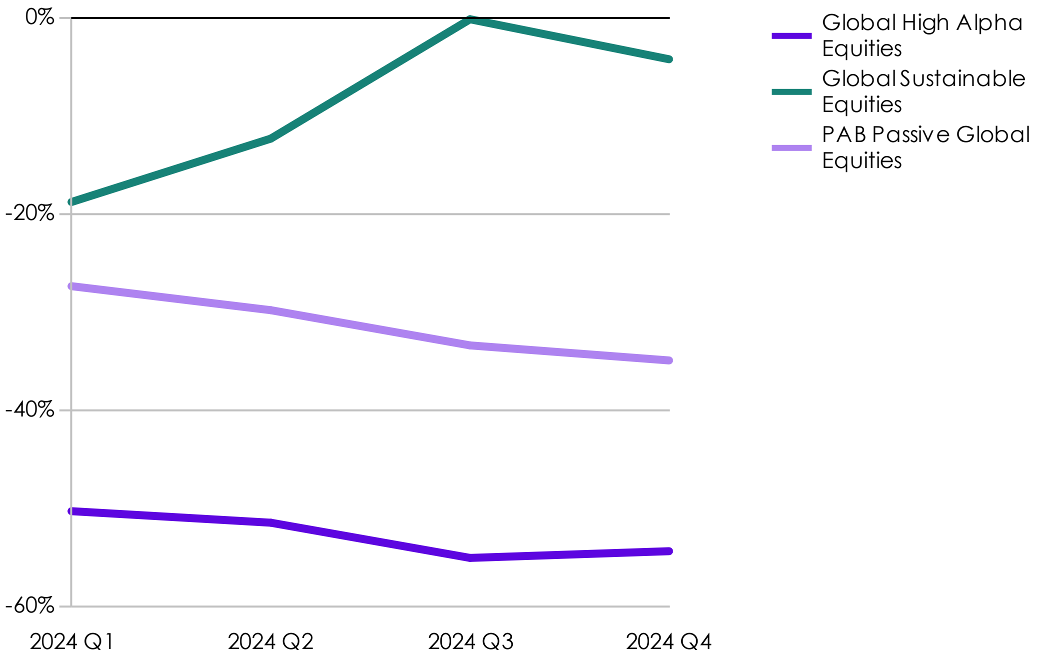
Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q3	2024 Q4	2024 Q3	2024 Q4	2024 Q3	2024 Q4
Global High Alpha Equities	**62**	**53**	**1.0**	**1.0**	**1.8**	**1.7**
MSCI World*	137	117	3.5	3.2	8.0	7.3
Global Sustainable Equities	**172**	**139**	**1.6**	**1.5**	**8.2**	**7.3**
MSCI ACWI*	172	145	3.5	3.2	8.0	7.4
PAB Passive Global Equities	**94**	**78**	**1.0**	**0.9**	**3.6**	**3.1**
FTSE Dev World TR UKPD*	141	120	3.3	3.1	8.3	7.6

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost. Changes between quarters may reflect improved data quality and coverage.

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	5.7%	13.2%	9.7%	11.7%
Global Sustainable Equities	1.0%	13.8%	8.7%	11.1%
PAB Passive Global Equities	9.6%	12.1%	9.7%	12.1%
Fixed income				
Multi-Asset Credit	3.9%	6.3%	7.9%	0.5%
Other				
Diversifying Returns Fund	2.5%	4.1%	6.8%	0.5%
Private markets (incl. property)				
Private Debt Cycle 2	8.4%	11.0%	7.9%	0.5%
Infrastructure Cycle 1	6.9%	3.9%	5.6%	2.2%
Infrastructure (Renewables) Cycle 2	6.0%	7.4%	5.6%	2.2%
Secured Income Cycle 1	-3.8%	17.3%	5.6%	2.2%
Secured Income Cycle 2	-	7.6%	5.6%	2.2%

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Private markets (incl. property)				
UK Property	-2.6%	7.5%	-2.4%	9.1%

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 (6.31%)			**372.27**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	372.27	-1.5%	-3.4%	4.0%	-4.3%	2.5%	-4.3%	3.3%	-2.2%	27 Jul 2020
Total Brunel assets (excl. cash) (66.87%)			**3,944.19**									

*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%)			**0.43**							
Schroder Equity	0.12	-0.6%	-6.8%	-4.5%	-24.7%	-22.4%	-31.2%	0.6%	-10.8%	01 Apr 2011
TT International - UK Equities	0.31	-0.3%	-	-4.2%	-13.7%	1.2%	-4.6%	3.6%	-1.7%	01 Jul 2007
Private markets (incl. property) (6.57%)			**387.34**							
Schroder - Property	14.40	10.7%	8.7%	8.6%	3.5%	6.5%	8.6%	8.0%	2.3%	01 Jan 2009
Partners ex Cash	93.88	-1.1%	-3.3%	-22.2%	-31.6%	-13.4%	-21.3%	1.3%	-6.0%	01 Sep 2009
IFM Infrastructure	242.40	3.1%	0.6%	5.0%	-5.4%	7.7%	-1.2%	11.1%	4.9%	01 Apr 2016
Greencoat Wessex Gardens	36.65	0.4%	-1.5%	-	-	-	-	6.2%	-1.1%	12 Feb 2024
Other (3.47%)			**204.77**							
JP Morgan Fund of Hedge Funds	18.79	9.9%	7.7%	9.9%	0.5%	8.3%	0.5%	7.7%	2.7%	01 Jul 2015
Blackrock ETF	24.39	1.9%	1.9%	6.6%	6.6%	1.6%	1.6%	5.4%	5.4%	08 Mar 2019
Cash	112.23	1.7%	0.5%	3.4%	-1.7%	4.8%	1.1%	2.9%	1.2%	01 Dec 2017
Record Equitisation	69.36	-0.6%	-0.1%	8.5%	-0.2%	5.7%	-1.2%	5.7%	-0.4%	01 Apr 2012
Record Currency	-20.00	-2,278.1%	-2,278.1%	1,675,436.4%	1,675,436.4%	-	-	-	-	01 Mar 2016

Chief Investment Officer commentary

The fourth quarter was another positive one for global equity markets. The rally, which had been very strong for 12 months, did appear to run out of steam. Indeed, were it not for the US market, and those same seven names, the global market would have been in negative territory, as the UK, Europe and Emerging Markets were all lower over the period. The other offset to investors was the exceptional weakness of sterling, which significantly boosted unhedged returns.

Fixed income returns were also diverse. Whilst spreads were tighter in most credit markets, the duration profile of the asset class is what drove those divergent returns. Assets with more interest rate sensitivity came under more pressure, as US Treasuries and UK Gilts fell in excess of 3%. UK Index-linked Gilts fell by a more startling 6%. The Labour government's first budget certainly helped amplify these trends, as concerns over projected borrowing figures grew, but the broader trend (set in the US) was already firmly negative.

A significant driver of all asset returns was the US election. The “red sweep” and the perceived sensitivity of assets and sectors to Trump's potential policies, particularly those related to taxes, trade and regulation, was a key determinant of pricing. There are of course likely to be relative winners and losers, but also cross-currents affecting assets across differing timeframes. For example, an extension of his Tax Cuts and Jobs Act could be supportive in the short term for lofty US multiples. But ultimately such policies are inflationary, and could, as we have seen before, increase the discount rate and put pressure on valuations in the longer term. It is also important to note that, unlike tax changes, both trade policy and tariffs (which are arguably what the market is most concerned about) can be directly implemented by executive presidential order.

The other main driver of returns, which isn’t completely isolated from concerns over the inflationary consequences of US political policies, is FED policy. The US central bank began easing in September with a 50bp cut in interest rates and, in the accompanying statement, made clear that it has limited tolerance for further economic weakening. By the end of the year, however, after cutting only a further two times, the narrative had pivoted to suggest that the FED may now be close to the elusive neutral rate, which signals FOMC members believe they may be near the end of the rate-cutting cycle. This view was supported by an increase in PCE – the FED’s preferred inflation measure - of 2.8% and a much stronger than expected employment figure. Fears of rates being higher for longer unwound most of the early gains in markets.

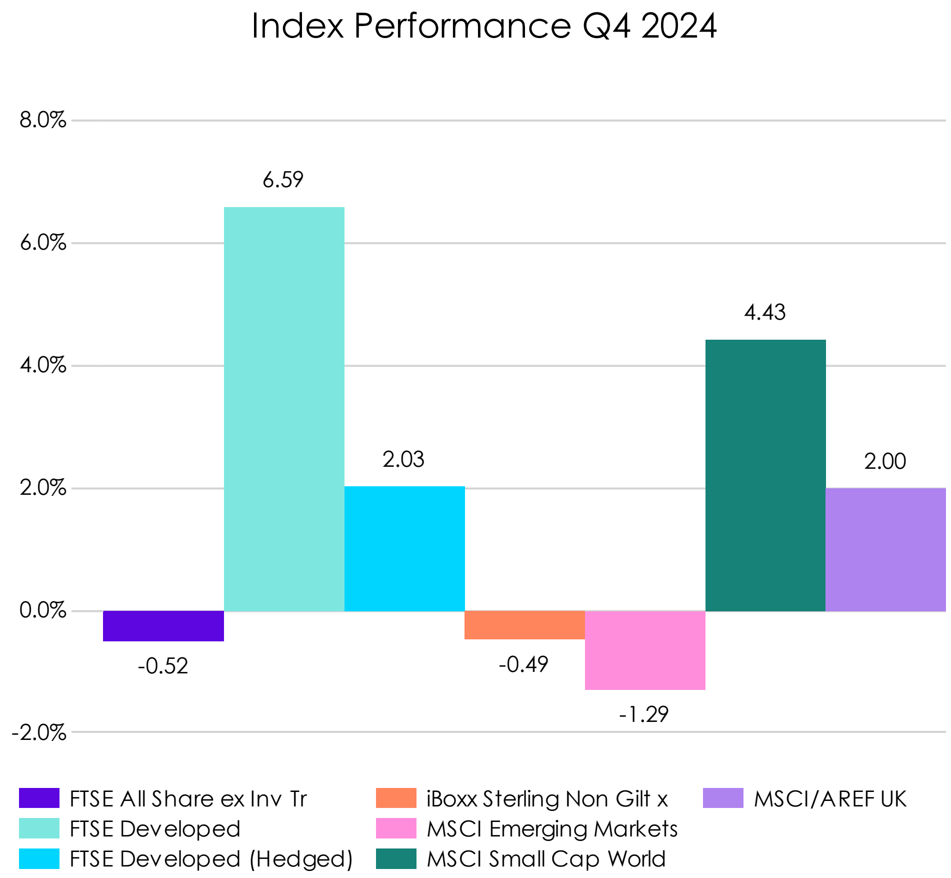
Elsewhere, spreads in private credit were reported to have widened and news reports of high profile write downs grew more common. Our private debt portfolios, however, proved robust, aided by our decision to orientate our programmes towards senior secured direct lending funds with a bias towards defensive sectors.

Private Equity activity increased significantly in Europe during 2024, with managers taking advantage of depressed public market valuations to take companies private. According to Dealogic data, the total value of majority-European buyout deals increased at more than twice the rate set in the rest of the world - only just shy of the all-time highs of 2021-2022.

Infrastructure, however, remained very much in the political crosshairs globally. 2024 was a challenging year for the asset class, A well-known fund manager (whose fund Brunel did not invest in) saw two write-offs in its global renewable power fund, as well as broad write downs across Electric Vehicle and battery storage platforms. Looking forward, Donald Trump’s imminent return suggested further uncertainty and a more difficult backdrop for renewable infrastructure.

Looking ahead, based on the balance of probabilities and through the lens of long term valuations, an anchor for all long-term prognosis, it is unlikely that 2025 will be as fruitful a year as 2024 for risk assets. Equity and credit markets are in expensive territory and economic volatility is likely to be higher given the warm blanket of lower rates and disinflation are consigned to the past. As mentioned above, cracks are already beginning to appear in the private credit markets, with defaults rising. As such, given so much today is invested in private markets, how you perform in 2025 will more than likely be determined by how you invested in 2021-23 rather than what you do in 2025!

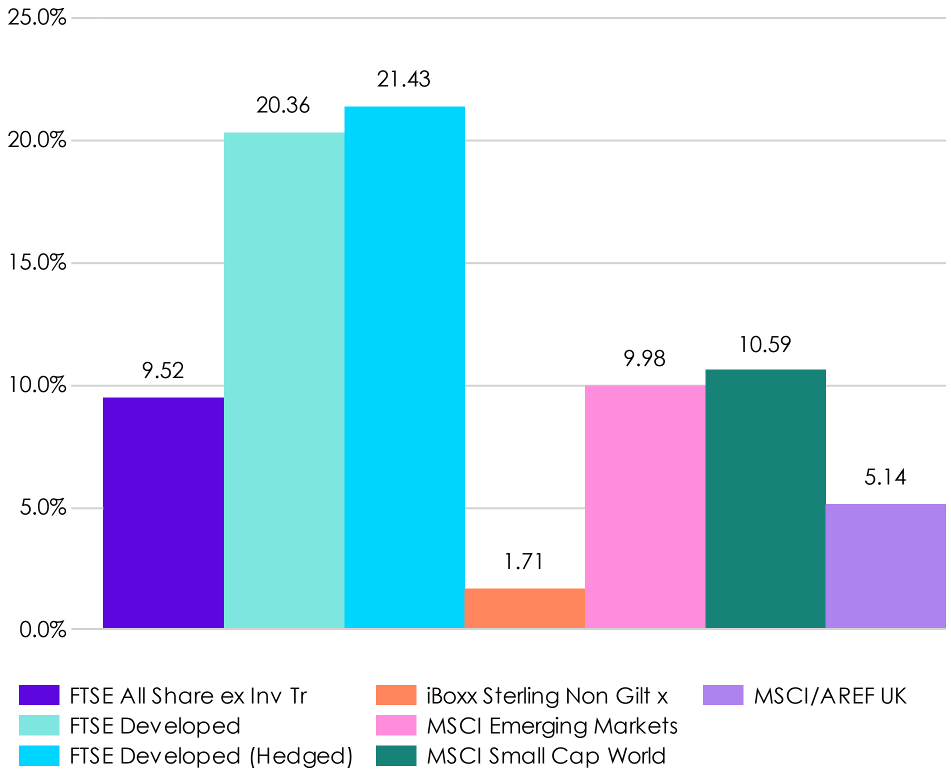
Chief Investment Officer commentary



Source: State Street

Chief Investment Officer commentary

Index Performance 2024



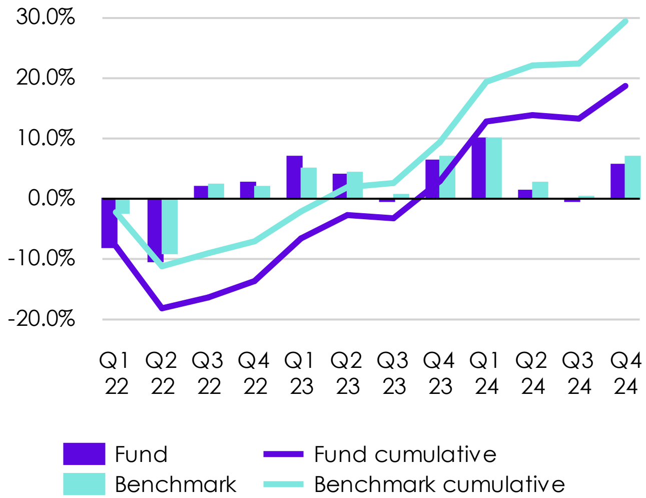
Source: State Street

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
£4,572m
Risk profile
High

Avon's Holding:
GBP764m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	5.4	16.4	5.7	13.5
MSCI World	7.0	21.3	9.7	13.4
Excess	-1.6	-4.9	-4.0	0.1

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

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 7% in GBP terms over the quarter, mostly in November! The US drove returns, with many commentators highlighting continuing US exceptionalism. Cyclical sectors outperformed with Consumer Discretionary and Communications Services leading. IT and Financials also performed well, the former benefitting from AI enthusiasm. Style indices showed Growth outperformed.

The portfolio returned 5.4%, underperforming the index by 1.6%, as weak stock selection more than offset the benefits from sector allocation and the portfolio's tilt to growth.

Sector attribution showed selection was the main driver of underperformance. Selection was particularly weak in the Consumer Discretionary sector, where the underweight holding in Tesla was the largest detractor, as the company returned 65%, reporting strong performance for Q4 2024. Selection within IT was also weak, impacted by underweight holdings in the two largest semiconductor names (NVIDIA and Broadcom), which both outperformed their peers. Sector allocation was positive as the overweight in the Consumer Discretionary sector (the best-performing sector) benefitted.

Four out of five managers underperformed during the quarter. Only BG posted a positive relative return due to its overweight exposure to high-performing sectors (Consumer Discretionary and Communications Services) and strong selection within IT. Within the latter, software and IT services names that had performed poorly year-to-date (such as Atlassian, Shopify and Cloudflare), bounced back to make material contributions. Of the four underperforming managers, perhaps the most disappointing was AB, which was unable to benefit from Growth outperforming Value, partly a result of being significantly underweight the largest index growth names , as these drove performance. The portfolio underperformed in 2024 by 4.9%, with only BG and RLAM able to outperform the index. It is no coincidence that these two managers had the highest average weight in the 'Magnificent 7'. The portfolio's underweight to these names detracted 3% from relative returns during the year. From inception to quarter-end, the portfolio outperformed the benchmark by 0.1% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	5.77	4.26	44,096,642
AMAZON.COM INC	4.90	2.97	37,455,976
ALPHABET INC	3.54	2.96	27,041,748
TAIWAN SEMICONDUCTOR	3.23	-	24,637,231
MASTERCARD INC	3.11	0.62	23,722,905

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	3.23	-
MASTERCARD INC	3.11	0.62
AMAZON.COM INC	4.90	2.97
LVMH MOET HENNESSY LOUIS	1.77	0.26
MICROSOFT CORP	5.77	4.26

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	1.08	5.45
NVIDIA CORP	2.18	4.72
META PLATFORMS INC	-	1.83
BROADCOM INC	-	1.47
TESLA INC	0.47	1.66

Largest contributors to ESG risk

	ESG risk score* Q3 2024	ESG risk score* Q4 2024
AMAZON.COM INC	29.01	26.10
ALPHABET INC-CL A	23.89	24.89
MICROSOFT CORP	14.23	14.23
MASTERCARD INC - A	15.59	16.13
TAIWAN SEMICONDUCTOR-SP	13.48	13.72

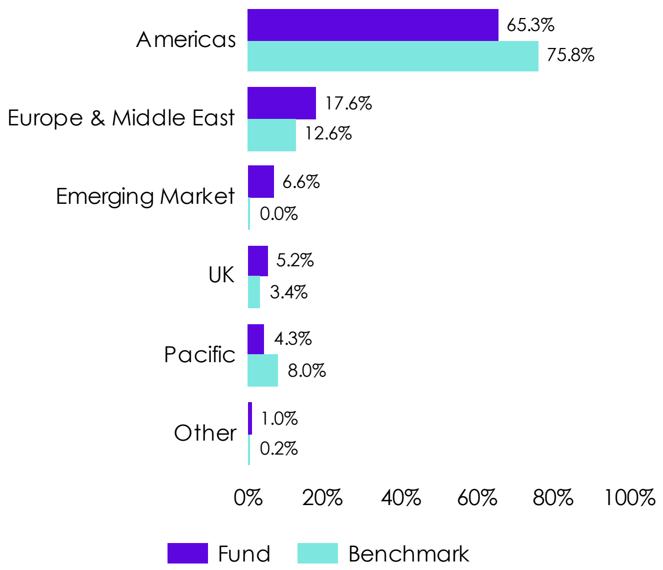
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

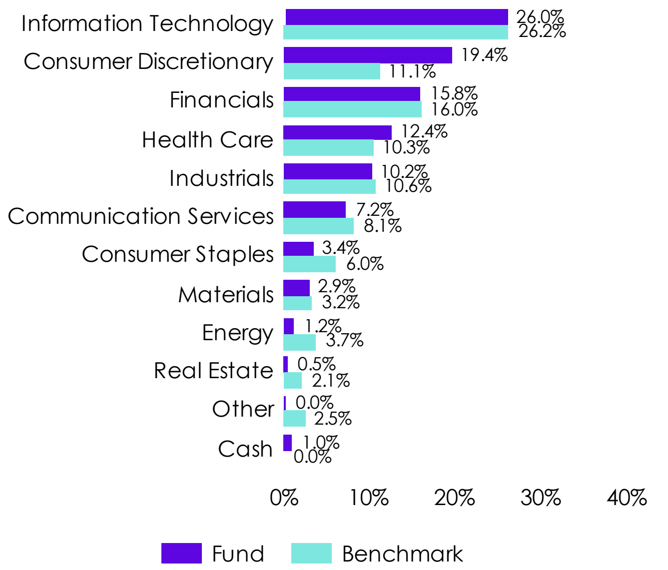
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q3	2024 Q4	2024 Q3	2024 Q4	2024 Q3	2024 Q4
Global High Alpha	62	53	1.01	0.96	1.84	1.69
MSCI World*	137	117	3.48	3.16	8.03	7.35

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost. Changes between quarters may reflect improved data quality and coverage.

Regional exposure



Sector exposure

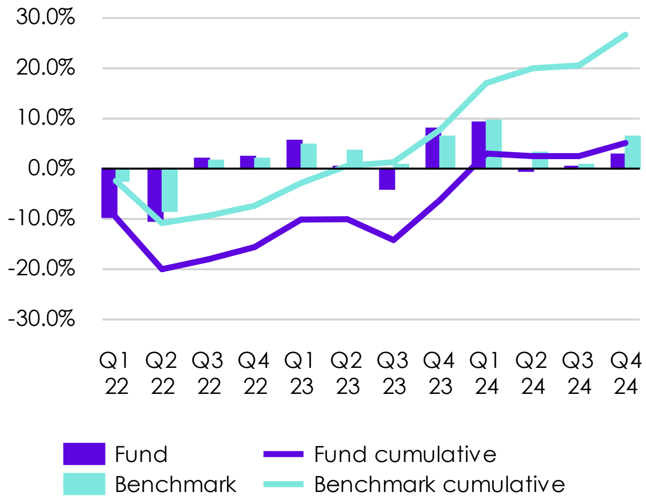


Global Sustainable Equities

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
£3,866m
Risk profile
High

Avon's Holding:
GBP681m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.6	11.5	1.0	6.9
MSCI ACWI	6.1	20.1	8.7	12.6
Excess	-3.5	-8.6	-7.8	-5.6

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

Performance commentary

The portfolio returned 2.6% net of fees over Q4 2024, which brought the one-year return for 2024 to 11.5%, net of fees. In any year, a double-digit absolute return is seen as a great result and can't be overlooked. However, when we look at the global equity market, the MSCI ACWI returned 20.1% for the year 2024, and returned 6.1% during Q4.

The early parts of the quarter were characterised by the continuation of the rally seen at the end of Q3 after the FED cut rates by 50bps. Nvidia was the notable winner in October, contributing to 25% of the market's return. November was then defined by Trump's election victory, which raised the entire market, small caps and US domestic stocks benefiting alongside mega caps. However, the reality of political uncertainty and the potential for further inflation hit home in December and investors ran for cover in the mega caps once more.

The Global Sustainable Equities portfolio has a 14% underweight position to the 'Mag 7' (+Broadcomm), which now account for 21% of the 3000 stock MSCI ACWI. This underweight contributed -2% to the -3.3% relative performance.

The continued dominance of the eight stocks cited above was a common theme throughout 2024. They contributed close to half of the 20% index return for the year - notably, NVIDIA contributed 3.4%. An equally-weighted index returned 7%, which highlights the impact of weightings in benchmark returns.

It is worth highlighting that we do have sub-managers within the Sustainable Equity fund that have outperformed the MSCI ACWI over Q4 and 2024. Notably, RBC outperformed the MSCI ACWI by 3.5% in 2024. Relative to peers, this puts them right at the very top of the 1st quartile. Sustainable managers in general struggled to beat the MSCI ACWI over Q4 and the fund itself was around the median of peers. Of the few sustainable managers that beat the ACWI, they all had the common trend of being overweight in a few of the magnificent 8 stocks, notably Microsoft and Nvidia. This presents a challenge when building a diversified portfolio of five managers, as the portfolio itself would then have an overweight exposure to a handful of names - presenting a large concentration risk within the portfolio.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	2.99	3.84	20,386,170
MASTERCARD INC	2.64	0.56	17,997,724
NVIDIA CORP	2.55	4.25	17,372,855
TAIWAN SEMICONDUCTOR	2.05	1.04	13,953,943
WASTE MANAGEMENT INC	1.81	0.10	12,322,230

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MASTERCARD INC	2.64	0.56
WASTE MANAGEMENT INC	1.81	0.10
ACCENTURE PLC	1.81	0.28
ASML HOLDING NV	1.73	0.36
ANSYS INC	1.39	0.04

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	4.91
ALPHABET INC	-	2.67
NVIDIA CORP	2.55	4.25
META PLATFORMS INC	-	1.65
TESLA INC	-	1.50

Largest contributors to ESG risk

	ESG risk score* Q3 2024	ESG risk score* Q4 2024
MASTERCARD INC - A	15.59	16.13
MICROSOFT CORP	14.23	14.23
AMAZON.COM INC	29.01	26.10
WASTE MANAGEMENT INC	18.83	18.61
ECOLAB INC	23.86	23.86

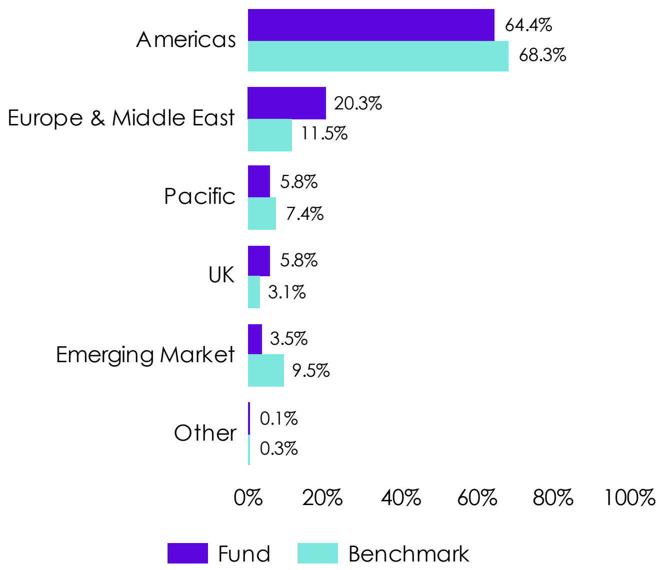
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

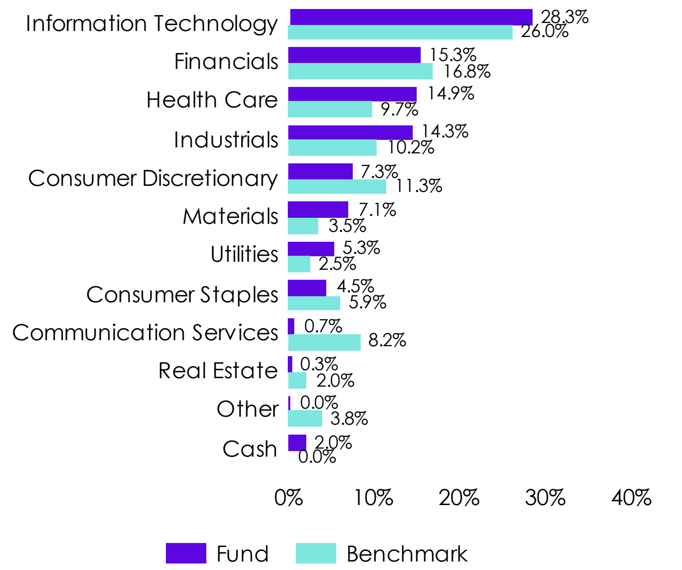
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q3	2024 Q4	2024 Q3	2024 Q4	2024 Q3	2024 Q4
Global Sustainable	172	139	1.59	1.54	8.19	7.34
MSCI ACWI*	172	145	3.53	3.21	8.01	7.36

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost. Changes between quarters may reflect improved data quality and coverage.

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%

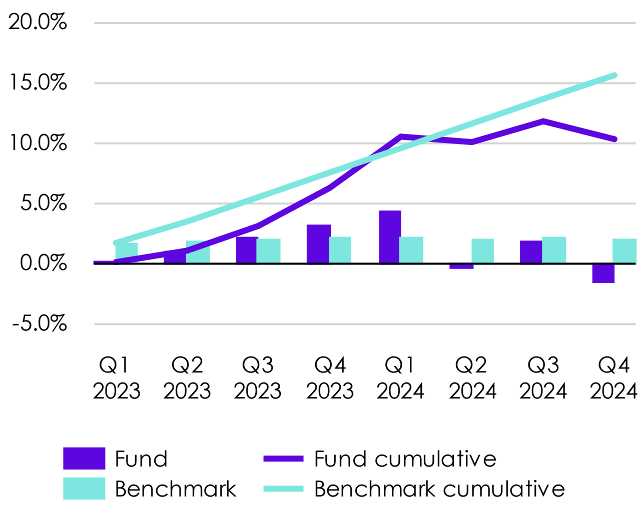
Outperformance target
0% to +2.0%

Total fund value
£936m

Risk profile
Moderate

Avon's Holding:
GBP372m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	-1.5	4.0	2.5	3.5
SONIA +3%	2.0	8.3	6.8	5.6
Excess	-3.4	-4.3	-4.3	-2.2

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

Performance commentary

The Diversifying Returns Fund returned -1.5% over the fourth quarter of 2024. SONIA +3% returned 2.0%. The sterling-hedged 50/50 equity/bond index we monitor returned 0.3% over the quarter.

Global equity returns were strong for GBP investors, but largely as a result of US dollar appreciation. For sterling-hedged investors, global equities returned a more muted 1.5% and fixed income, measured using the Bloomberg Barclays Global Aggregate Index, returned -1.0%. Alternative premia exposures detracted from returns over the period, with equity and currency value both weak.

Despite this backdrop, Fulcrum was able to generate a return of 2.1% over the period. Negative returns from exposure to fixed income and commodities were more than offset by strong returns from the Dynamic Convexity sleeve of the Fulcrum fund. There was also a positive contribution to returns from the market-neutral Thematic Equity strategy, particularly from the ‘Consumer Trends’ theme.

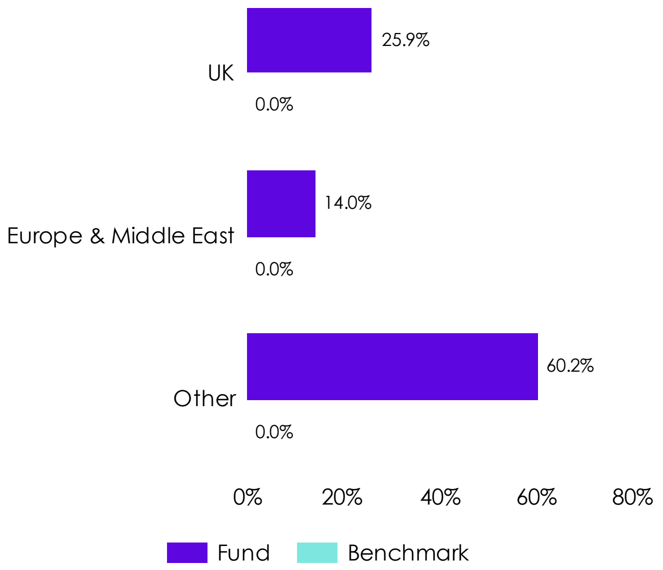
Lombard Odier’s largest portfolio exposure is to sovereign bonds and the rise in sovereign yields was the main contributor the fund’s overall Q4 return of -1.1%. The performance of other portfolio holdings was mixed, with DM equities and credit making positive contributions to returns, and EM equities and commodities detracting.

JPM returned -2.9%, with equity value the making the largest negative contribution to returns. Trend signals were also weak over the period. However, positive contributions to returns were garnered from exposure to the Equity Relative Value Momentum signal and from the FX carry signal, which benefitted from short positions in the Swiss franc, Swedish kroner and Japanese yen.

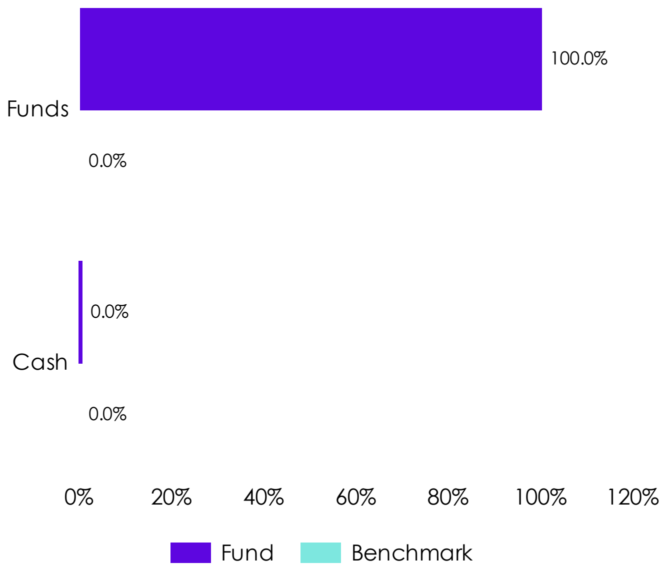
UBS returned -6.1% over the period. The long position in the Brazilian real was the largest detractor from performance as the deficit increased. The Japanese yen long position also made a negative contribution to returns as the Bank of Japan kept interest rates unchanged, although guidance suggested rates rises could come in 2025. Positive returns were generated from a short position in the New Zealand dollar and in sterling.

Diversifying Returns Fund

Regional exposure



Sector exposure



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
£3,165m

Risk profile
Moderate

Avon's Holding:
GBP363m

Insufficient data to show rolling performance chart

Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	**0.7**	**9.0**	**3.8**	**3.6**
SONIA +4%	**2.2**	**9.4**	**7.9**	**7.4**
Excess	**-1.5**	**-0.4**	**-4.0**	**-3.7**
Bloomberg Global High Yield Index	**1.0**	**10.4**	**2.9**	**2.3**
Morningstar LSTA US Leveraged Loan Index	**2.3**	**8.7**	**6.5**	**6.0**

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

Performance commentary

Credit experienced another eventful quarter, as interest rate expectations once again changed significantly. Yields rose right across the curve as investors digested the news of strong employment, an increasing deficit and sticky inflation in the US, which cast doubt on the speed of interest rate cuts. US 2yr & 10yr yields rose by 40 basis points (bps) & 78bps respectively.

Credit spreads generally fell across all areas of leveraged finance. High Yield bond spreads fell to 329bps, down from 364bps at the start of the quarter. The move was driven by resilience in the US economy, accompanied by strong investor demand for credit.

The conflicting moves in interest rates vs spreads led to a muted return outcome for most asset classes within leveraged finance. Floating rate assets – which account for over 50% of the portfolio - were the clear winners, given the rising rate environment accompanied by falling spreads. Leveraged loans returned more than +2% in local terms, with lower tranche Collateralised Loan Obligations returning in excess of +3% in local terms. Fixed rate assets struggled, especially Investment Grade, which fell almost 4% in local terms due to higher duration.

The Multi-Asset Credit portfolio returned +0.7%, behind both the primary target (SONIA+4%) and composite secondary benchmarks, which returned +2.2% and +1.8% respectively. Underperformance was driven by the Investment Grade allocation, which was approximately 8% as of last quarter.

The past couple of years demonstrated how difficult it is for markets to price in interest rates. Investors should be wary of both this and tighter credit spreads, which may lead to continued volatility. However, carry remains at a healthy level, with the portfolio still offering an attractive yield of 7.9%.

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

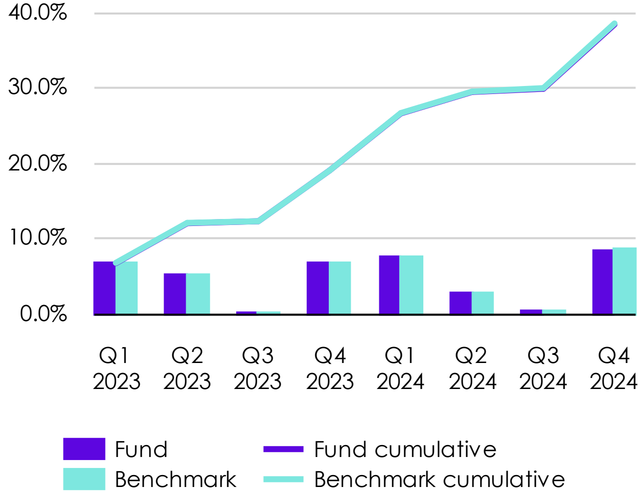
Outperformance target
Match

Total fund value
£2,863m

Risk profile
High

Avon's Holding:
GBP479m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	8.6	20.6	9.6	10.4
FTSE Dev World PAB	8.6	20.8	9.7	10.4
Excess	-0.0	-0.2	-0.1	-0.1

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

Performance commentary

The FTSE Developed Paris Aligned index (PAB) returned 8.6% over Q4 2024 and 20.8% across 2024 as a whole. The PAB Passive Global Equities product closely replicated the performance of the benchmark over these periods.

The PAB's large holding in Tesla made a significant contribution to returns, as the stock rose 65.3% over the period. Tesla was volatile across 2024 but rallied in the fourth quarter, as investors speculated that Elon Musk's relationship with President-elect Trump (as was) would benefit the company. Tesla is a large weight in the PAB due to strong scoring on Scope 1& 2 Carbon Emissions Intensity, Scope 3 Carbon Emissions Intensity, Green Revenues, and TPI CP 2050 Scenario Alignment. Within FTSE's model, strong scores for these metrics more than offset a low TPI Management Quality score.

The product also benefitted from a high level of exposure to the Technology sector, with Apple, Nvidia and Alphabet all making solid contributions to portfolio returns.

The PAB's underweight exposure to the Energy sector was beneficial, as the sector underperformed the broader market. However, the only Energy sector exposure in the PAB was to renewable energy companies, which suffered weaker performance following Trump's election. Overall, the impact of Energy sector exposure on performance was negligible.

The product is designed to ensure that EVIC-derived carbon exposure decreases on the required trajectory at each rebalance date. This requirement was met at the last rebalance in September 2024. Between rebalance dates, the product's carbon exposure has the potential to drift ahead of, or behind, the target decarbonisation trajectory.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
TESLA INC	**7.24**	**34,736,144**
AMAZON.COM INC	**5.98**	**28,694,277**
ALPHABET INC	**5.70**	**27,326,951**
APPLE INC	**5.37**	**25,726,016**
MICROSOFT CORP	**4.09**	**19,604,793**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q3 2024	ESG risk score* Q4 2024
TESLA INC	**24.73**	**24.73**
AMAZON.COM INC	**29.01**	**26.10**
APPLE INC	**16.79**	**16.79**
ALPHABET INC-CL A	**23.89**	**24.89**
ALPHABET INC-CL C	**23.89**	**24.89**

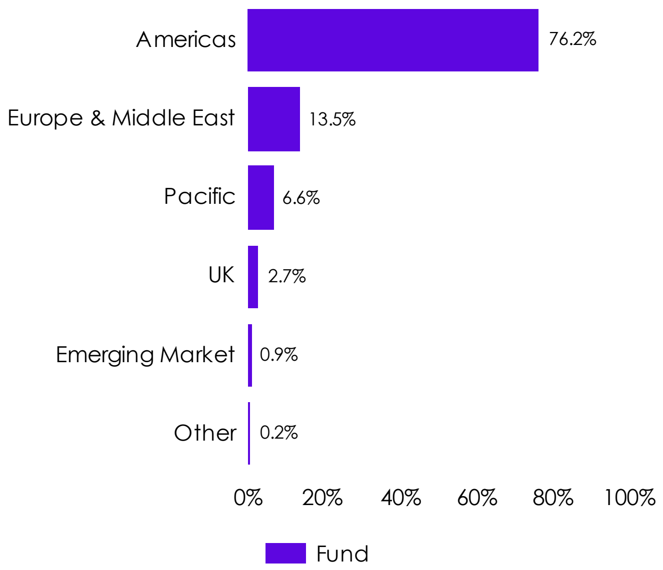
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

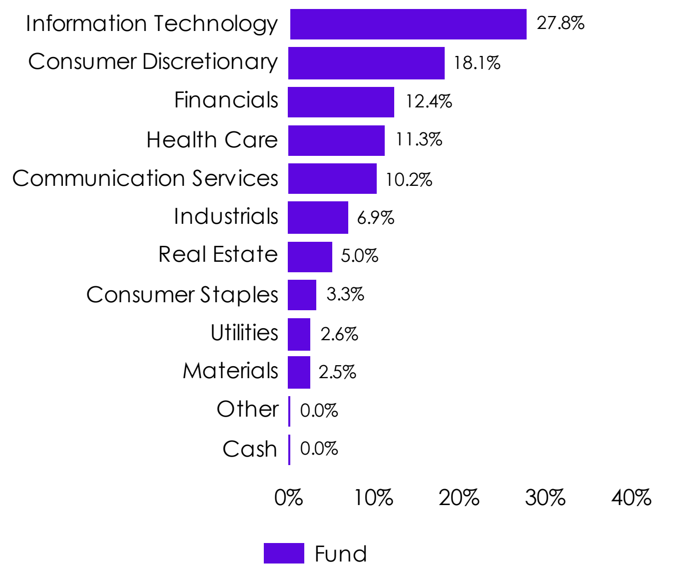
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q3	2024 Q4	2024 Q3	2024 Q4	2024 Q3	2024 Q4
PAB Passive Global	**94**	**78**	0.99	0.90	3.61	3.09
FTSE Dev World TR	**141**	**120**	3.34	3.08	8.26	7.60

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost. Changes between quarters may reflect improved data quality and coverage.

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
£188.24m

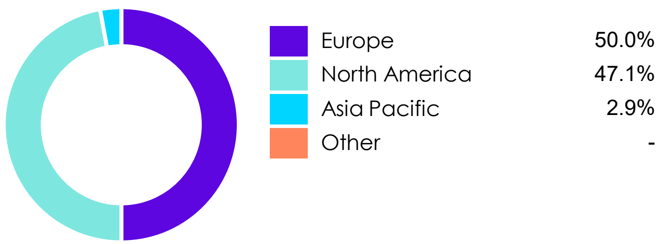
% called to date
76.83

Number of underlying funds
1

Avon's Holding:
GBP184.13m

Country

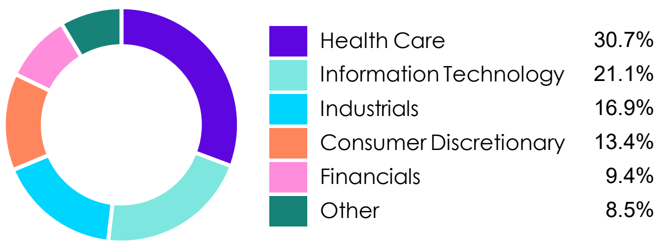
Invested in underlying investments



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

Sector

GICs level 1



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

Performance commentary

Direct lending continued to be an attractive financing option for private equity sponsors. The resurgence of the broadly syndicated market drove many lenders back towards the middle market after a brief yet important time in the large cap space. Movement towards the middle market increased competition, which resulted in tighter pricing and looser documentation. However, with interest rates remaining elevated for longer than anticipated, senior secured direct lending remained a compelling asset class for those seeking attractive risk-adjusted returns. Private debt fundraising in 2024 was robust, underscoring the positive attributes of the asset class and the absence of significant stress. Defaults have been minimal, as lenders and sponsors have proactively amended and extended covenant packages to address potential issues before they become problematic. Looking ahead, 2025 is poised to be a busy year for deal activity. Given the substantial funds raised and the involvement of well-established names, the direct lending market is expected to be as competitive as ever.

At the end of Q4, the portfolio was ~77% 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 was positive across the portfolio and underlying funds over the quarter. The Barings fund (which we have already flagged as having been paused owing to a Key Person Event) has now received LP approval to resume investment activity in regions outside of Europe.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
184.1	6.5%	8.3%	0	0	0	-5,164,960	1.16	0.2%	0.0%

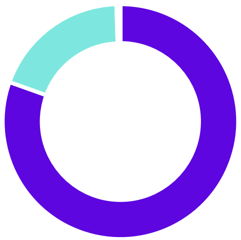
*Money weighted return. Net of all fees. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

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
£170.00m
Amount Called
£62.08m
% called to date
36.52
Number of underlying funds
6
Avon's Holding:
GBP62.36m

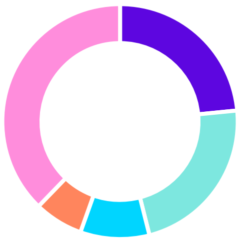
Country
Invested in underlying investments



Europe	80.4%
North America	19.0%
Asia Pacific	0.5%
Other	0.1%

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

Sector
GICs level 1



Software	23.5%
Health Care	22.5%
Financials & Insurance	9.5%
Professional Services	6.7%
Other	37.8%

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

Performance commentary

Direct lending continues to be an attractive financing option for private equity sponsors. The resurgence of the broadly syndicated market has driven many lenders back towards the middle market after a brief yet important time in the large cap space. Movement towards the middle market has increased competition which resulted in tighter pricing and looser documentation. However, with interest rates remaining elevated for longer than anticipated, senior secured direct lending remains a compelling asset class for those seeking attractive, risk-adjusted returns. Private debt fundraising in 2024 was robust, underscoring the positive attributes of the asset class and the absence of significant stress. Defaults have been minimal, as lenders and sponsors have proactively amended and extended covenant packages to address potential issues before they become problematic. Looking ahead, 2025 is poised to be a busy year for deal activity. Given the substantial funds raised and the involvement of well-established names, the direct lending market is expected to be as competitive as ever.

At the end of Q4, the portfolio had made all of its commitments across six funds (3 European, 3 US) with all having called capital. The portfolio ended the quarter ~37% invested and performance had been positive but flat vs the prior quarter.

Pipeline

There is no fund pipeline, with the portfolio fully committed as of April 2024. Work has commenced on identifying funds for Cycle IV, with some having received approval for investment (which will be discussed in greater detail in future reports).

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
62.4	9.5%	10.6%	6,347,023	1,434,438	4,912,586	911,608	1.10	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
£114.48m

Amount Called
£110.46m

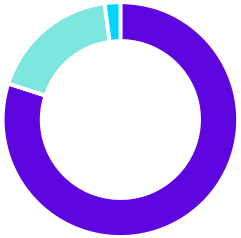
% called to date
96.49

Number of underlying funds
5

Avon's Holding:
GBP116.95m

Country

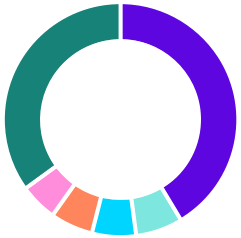
Commitment in underlying investments



Europe (incl. UK)	79.9%
North America	17.9%
Rest Of World	2.2%

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

Sector



Wind & Solar	41.4%
Rail	6.5%
Diversified Social	6.1%
Distributed Energy	5.9%
Diversified Renewables	5.2%
Other	34.9%

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

Performance commentary

2024 proved a challenging year for Infrastructure fundraising. Funds closed in 2024 spent more than 31 months on the road, a big increase on the less than 18 months it took on average to raise a fund from 2019-2023. In addition, in 2024 fundraising dipped below the $100bn mark for the first time in nearly a decade. We saw signs of this trend reversing in late 2024 as the demand for AI infrastructure and energy transition investments continued to increase.

The final quarter of 2024 saw continued macroeconomic volatility and heightened political uncertainty in Europe, following the collapses of the French government in December and the German government in November. Meanwhile, the new US administration spurred a rally in US equity markets. The focus in the US remained on tariffs and their potential impact on key infrastructure sectors. That includes renewables, due to the higher costs they could impose on the economy and financial markets, as well as to anti-green sentiment.

Global Net Zero targets remained a priority but concerns about energy security and affordability are becoming more prominent. Consequently, investors in decarbonisation infrastructure need to expand their investment attention beyond just reducing greenhouse gas emissions, taking geopolitical factors into account during the underwriting process. Two notable bankruptcies in Q4 highlighted the risks associated with investing in the broader energy transition. Northvolt, Swedish electric vehicle battery supplier, filed for bankruptcy in the US, with approximately $5.84 billion in debt and $30 million in available cash. Similarly, SolarZero, a New Zealand-based solar energy company, went into liquidation last month due to unsustainable operating losses and liquidity

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
116.9	6.1%	6.6%	535,973	2,964,502	-2,428,529	3,923,100	1.22	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

issues. In addition, many Western countries worried about the future economic dependency on China: the International Energy Agency expects 60% of new renewable energy capacity by 2030 to come from China. Examples like Northvolt highlight that the West is lagging China. In order to meet global emission targets, the world needs to leverage China's low-cost green technologies while developing and diversifying their own supply chains.

In other news, APG and Australian Retirement Trust acquired Riverstone's stake in Pattern Energy. Brunel coinvested in Pattern Energy alongside the GP, Riverstone, and the Canadian State Pension fund, CPPIB, in 2020 as part of the Cycle 1 Infrastructure tactical portfolio. Since then, Pattern Energy's management has successfully developed 5.6 GW of renewable energy projects. That includes the historic SunZia Wind and Transmission project, the largest renewable energy infrastructure project in US history, which will generate enough clean, reliable electricity to meet the needs of more than 3 million Americans.

APG and APT will help Pattern to advance its market-leading development pipeline of over 25 gigawatts (GW) of renewable energy and transmission projects and support its operating facilities and in-construction portfolio of nearly 10,000 megawatts (MW) across North America.

The Cycle 1 portfolio is fully committed to nine primary funds and seven tactical investments. As at the end of Q4 2024, the portfolio was ~94% invested and 97% 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. Thus it continued to deliver performance, both in terms of returns and in terms of societal and environmental sustainability, in line with target and with the ambition set at inception. We hope to be able to share positive news about portfolio exits in the not-too-distant future, both tacticals and from funds.

Pipeline

Cycle 1 is fully committed and almost fully invested, so no new investments are required.

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
£83.96m

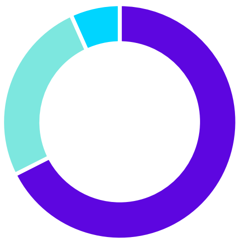
% called to date
69.96

Number of underlying funds
1

Avon's Holding:
GBP87.34m

Country

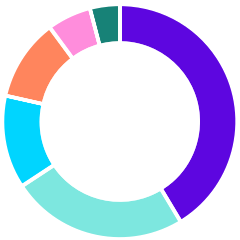
Commitment in underlying investments



Europe (incl. UK)	67.6%
North America	25.6%
Rest Of World	6.8%

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

Sector



Solar	41.3%
Wind	24.4%
Diversified Renewables	12.9%
Energy Efficiency	11.3%
Energy Storage	6.1%
Other	4.0%

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

Performance commentary

2024 proved a challenging year for Infrastructure fundraising with funds needing more than 31 months on the road before closing, up from 18 months in 2019-2023. 2024 fundraising dipped below the $100bn mark for the first time in nearly a decade, although there were signs this trend is reversing with demand for AI infrastructure and energy transition increasing.

The end of 2024 saw more macroeconomic volatility and political uncertainty in Europe, with the collapse of the French and German governments. Meanwhile, the new US administration spurred a rally in US equity markets. The focus in the US remained on tariffs and their potential impact on key infrastructure sectors, including renewables. Global Net Zero targets remain a priority but concerns about energy security and affordability are prominent. Investors in decarbonization need to expand their investment attention beyond reducing greenhouse gas emissions. There were 2 notable bankruptcies in Q4 highlighting the risks; Northvolt, the Swedish EV battery supplier, filed for bankruptcy in the US, and SolarZero, a NZ-based solar energy company, went into liquidation due to unsustainable operating losses. Many Western countries worried about the future economic dependency on China - the IEA expects 60% of new renewable energy capacity by 2030 to come from China. In order to meet global emission targets, the world needs to leverage China's low-cost green technologies while developing and diversifying their own supply chains.

At the end of Q4 2024, the Cycle 2 Renewables portfolio is ~94% committed and ~70% invested across seven primary funds and twelve tactical investments. There is no pipeline.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
87.3	2.1%	5.9%	779,970	514,916	265,054	-301,495	1.13	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.

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
£19.39m

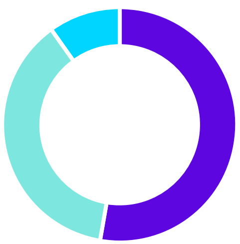
% called to date
35.25

Number of underlying funds
1

Avon's Holding:
GBP19.90m

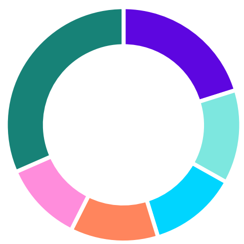
Country

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

2024 proved a challenging year for Infrastructure fundraising. Funds closed in 2024 spent more than 31 months on the road, a big increase on the less than 18 months it took on average to raise a fund in 2019-2023. In addition, in 2024 fundraising dipped below the $100bn mark for the first time in nearly a decade. We saw signs of this trend reversing in late 2024 as the demand for AI infrastructure and energy transition investments continued to increase. Cycle 3 funds that are still raising were not immune to this trend, but many saw a pick-up in fundraising activity, and we don't expect there to be any strategy risks to the funds as a result.

The final quarter of 2024 saw continued macroeconomic volatility and heightened political uncertainty in Europe, following the collapses of both the French and German governments late in the year. Meanwhile, the new US administration spurred a rally in US equity markets. The focus in the US remained on tariffs and their potential impact on key infrastructure sectors. Those sectors include renewables, due to the higher costs they could impose on the economy and financial markets and anti-green sentiment.

Global Net Zero targets remain a priority, but concerns about energy security and affordability are becoming more prominent. Consequently, investors in decarbonization infrastructure need to expand their investment attention beyond just reducing greenhouse gas emissions, taking geopolitical factors into account during the underwriting process. Two notable bankruptcies in Q4 highlighted the risks associated with investing in the energy transition. Northvolt, the Swedish electric vehicle battery supplier, filed for bankruptcy in the US with approximately $5.84 billion in debt and $30 million in available cash. Similarly, SolarZero, a New

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
19.9	6.7%	2.1%	1,315,122	973,518	341,604	72,923	1.03	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.

Infrastructure Cycle 3

Zealand-based solar energy company, went into liquidation due to unsustainable operating losses and liquidity issues. In addition, many Western countries worry about the future economic dependency on China. The International Energy Agency expects 60% of new renewable energy capacity by 2030 to come from China. Examples like Northvolt highlight that the West is lagging China and, in order to meet global emission targets, the world needs to leverage China's low-cost green technologies, while developing and diversifying their own supply chains.

Cycle 3 Infrastructure is progressing well, with pro-forma portfolio construction indicating 73% of client capital will be invested in Sustainable Infrastructure (as defined by Brunel and Stepstone's agreed LPA definitions). The portfolio will be comprised of: 14% Natural Capital, 26% Renewable Energy, 25% Energy-Transition/Efficiency, 28% Generalist, with 7% reserved.

By agreement per the specification, the portfolio will again be skewed to Core/Core+ assets at c.60%, with Value-Add making up c.32%.

At the end of Q4 2024, Cycle 3 was ~68% committed and ~36% invested across 11 Primaries and 11 Tacticals. During the quarte,r two Primary investments were approved by Brunel including a commitment to DWS PEIF IV and a Secondaries-focused strategy, Ares Secondaries Infrastructure Solutions III (ASIS III). Brunel believes ASIS is a complementary Secondary strategy to StepStone's mini-Secondaries portfolio, which is progressing well. These commitments, alongside small top-ups to BETP IV, ICG 02, conclude the Cycle 3 Primary commitment. Project Prunus, a co-investment alongside Cibus, also closed in the quarter. That left ~2 co-investments to be sourced to complete the commitment of Cycle 3 Infrastructure.

Pipeline

Work continues reviewing new tactical opportunities that are currently in the pipeline.

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
£344.31m

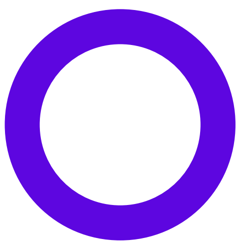
% called to date
99.80

Number of underlying funds
3

Avon's Holding:
GBP291.61m

Country

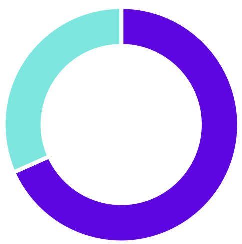
Invested in underlying investments



United Kingdom	100.0%

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

Strategy



Long Lease Property	68.3%
Operational	31.7%

Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance has turned during 2024 in the long lease property funds, where quarterly negative returns slowly flattened before turning positive over the year, as the Bank of England rate cuts brought yields down.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and abrdn Long Lease Property (LLP), made progress with paying down redemption queues. SPIF saw inflows towards the end of 2024. If it wins further mandates, it will be in a position to consider asset acquisitions over 2025.

GRI reached over £1.35bn investor commitments in Q3, with the final close in December 2024; 88.5% was called as at end-Q3. Q3 calls were invested into Project Hornbill, a solar & battery storage project in Nottinghamshire, as well as topping up the Green Hydrogen Energy Company. During Q4, the changes to anticipated power price assumptions impacted valuations. Gross hold to life remained above fund target at 7.9% (as at end-Q3), and annual cash yield was high at 7.1%.

All three portfolio funds submitted to GRESB in 2024 and received results in October. Despite most funds dropping points due to methodology changes, both GRI and SPIF managed to improve their scores, achieving 92 and 88 / 100 respectively. LLP scored 75.

Forecasts for each individual fund are healthy and expected to be driven primarily by income.

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 latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
291.6	1.6%	-0.6%	0	5,159,673	-5,159,673	4,134,450	0.99	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 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
£119.92m

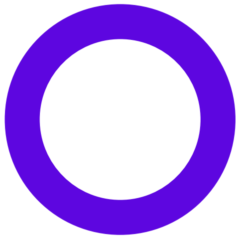
% called to date
99.93

Number of underlying funds
3

Avon's Holding:
GBP99.64m

Country

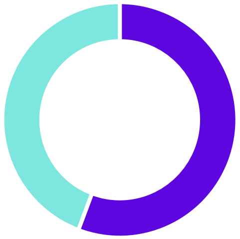
Invested in underlying investments



United Kingdom	100.0%

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

Strategy



Long Lease Property	55.7%
Operational	44.3%

Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance turned during 2024 in the long lease property funds, where quarterly negative returns slowly flattened before turning positive over the year, as the Bank of England rate cuts brought yields down.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and abrdn Long Lease Property (LLP), made progress with paying down redemption queues. SPIF saw inflows towards the end of 2024. If it wins further mandates, it will be in a position to consider asset acquisitions over 2025.

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All three portfolio funds submitted to GRESB in 2024 and received results in October. Despite most funds dropping points (due to methodology changes), both GRI and SPIF managed to improve their scores, achieving 92 and 88 / 100 respectively. LLP scored 75.

Forecasts for each individual fund are healthy and expected to be driven primarily by income.

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 latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
99.6	7.0%	1.4%	0	3,124,381	-3,124,381	2,509,410	0.96	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

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
£240.00m

Amount Called
£237.32m

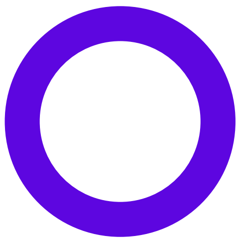
% called to date
98.88

Number of underlying funds
3

Avon's Holding:
GBP237.29m

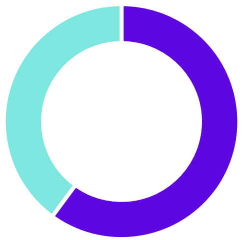
Country

Invested in underlying investments



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

Strategy



Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance turned during 2024 in the long lease property funds, where quarterly negative returns slowly flattened before turning positive over the year, as the Bank of England rate cuts brought yields down.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and abrdn Long Lease Property (LLP), made progress with paying down redemption queues. SPIF saw inflows towards the end of 2024. If it wins further mandates, SPIF will be in a position to consider asset acquisitions over 2025.

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All three portfolio funds submitted to GRESB in 2024 and received results in October. Despite most funds dropping points due to methodology changes, both GRI and SPIF managed to improve their scores, achieving 92 and 88 / 100 respectively. LLP scored 75.

Forecasts for each individual fund are healthy and expected to be driven primarily by income.

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 latest quarter	Outflows latest quarter	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
237.3	0.9%	-	0	968,801	-968,801	568,395	1.05	-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.

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

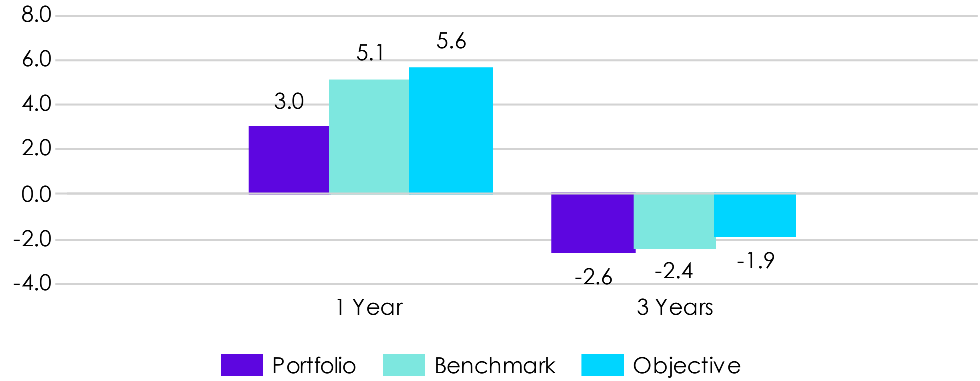
£210.0m

Amount Called

£190.6m

Number of portfolios

13



Performance commentary

Although 2024 felt like a repeat of the previous year, with the UK's economy faltering and high interest rates, improving sentiment towards UK commercial property was reflected in rising activity and stabilising yields. At year-end, there was a growing sense that brighter days lie ahead.

Economic performance remains uncertain due to higher taxes, interest rates, and regulatory issues. December's GDP data suggests the economy may be weaker in 2025 than expected.

Prime office spaces continue to attract occupiers and long-term investors, despite negative rhetoric. The industrial sector faced challenges, with negative net absorption and a shift towards energy-efficient facilities.

New construction starts fell to their lowest since 2012 due to high costs and rising vacancies. Shopping centres saw increased sales at lower prices, attracting new investors.

The market is expected to become more asset-driven, with residential properties likely to outperform due to stronger rental growth. Interest rates are expected to fall in 2025, potentially boosting investment activity as financing conditions improve.

Following the wave of redemptions in the Federated Hermes Property Unit Trust in 2024, there is an investor consultation process underway. This will either lead to an orderly wind-up or merger with another fund, which is subject to an EGM vote in January 2025.

Pipeline

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

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	191.0	185.5	3.0%	-2.6%	-	2.5%	1.33	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	The Morningstar Sustainalytics ESG Risk Ratings are based on an assessment of a company's exposure to risk and how well it manages those risks, resulting in a single score that indicates the company's overall ESG risk level. The rating is comprised of three central building blocks: corporate governance, Material ESG Issues (MEIs), and idiosyncratic issues. The scores are categorized across five risk levels: negligible, low, medium, high, and severe.
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

Glossary

Term	Comment
LP or limited partner	In private equity, an LP is usually a third party investor in the fund
M&A	Mergers and acquisitions
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	WACI should read Weighted Average Carbon Intensity = Weight of Portfolio * (Carbon Emissions / Revenue)
yield to worst	Lowest possible yield on a bond portfolio assuming no defaults

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