Avon Pension Fund Performance Report

Quarter ending 30 June 2025

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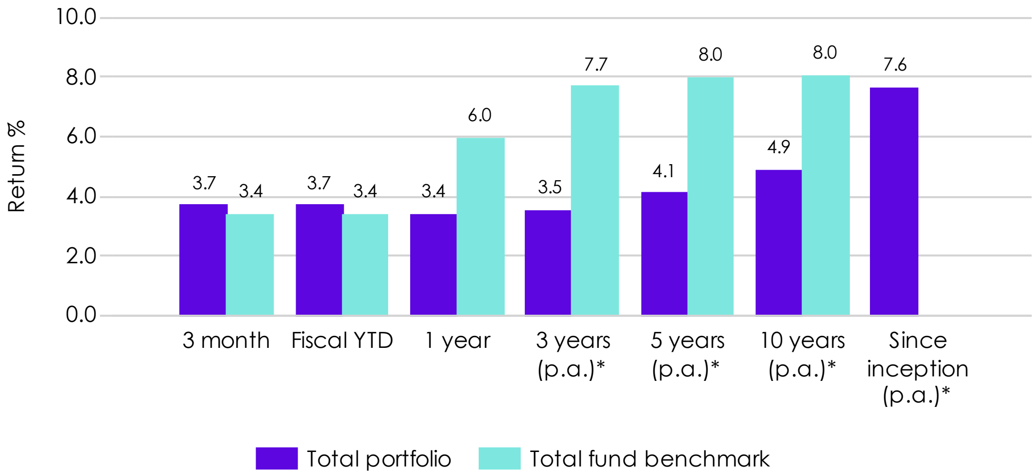
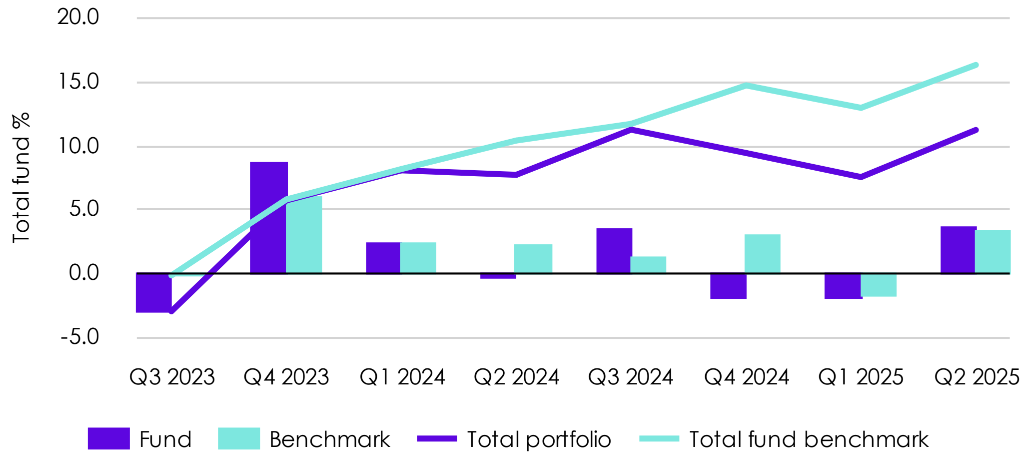
Pension Fund performance

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

In the second quarter, markets again saw significant volatility as investors grappled with US tariff policy uncertainty and war in the Middle East. In both cases, investors' worst fears ultimately proved unfounded and most major asset classes delivered positive returns over the quarter.

The Trump administration unveiled tariffs on every major US trading partner on so-called 'Liberation Day'. This took the announced tariff rate to a post-war high of nearly 30%, up from 2% before Trump took office. The tariffs were quickly moderated following a period of intense market volatility which had seen global equities sharply down. By the end of the quarter, equities had staged a powerful comeback, returning over 5%

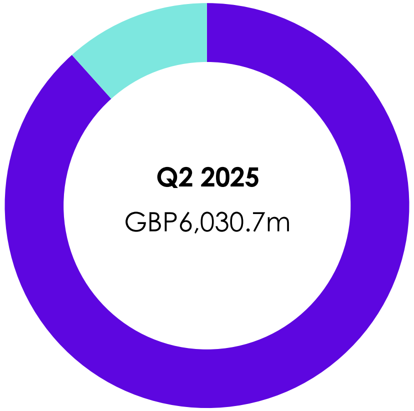
Towards the end of May, market attention turned to fiscal policy as the House of Representatives passed an extension of Trump's 2017 tax relief measures ('One Big Beautiful Bill Act') prompting a brief sell-off in Treasuries, which was exacerbated by a US credit rating downgrade by Moody's. While US stocks and bonds recovered from April's volatility, the US dollar saw continued weakness, ending the quarter down 7%.

After a strong first quarter, European equities delivered returns of 6.2% (in GBP terms). UK equities faced headwinds from high exposure to the energy and healthcare sectors which were the only negative equity sectors at a global level over the quarter. Nevertheless, the FTSE All-Share delivered healthy returns of 4.4%.

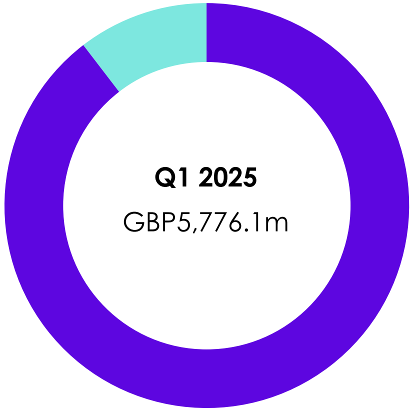
Looking ahead, US policy remains the key source of volatility. Markets remain focused on the outcome of US tariffs. Geopolitical uncertainty continues to increase with Israel and Iran adding further uncertainty to the US approach to Ukraine, Russia and, increasingly, China.

Asset summary

Assets transitioned to Brunel



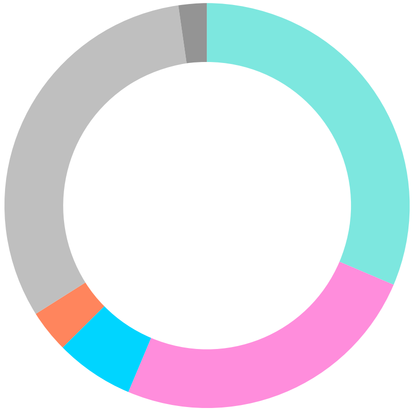
	Transitioned	88.37%
	Non-pooled assets	11.63%



	Transitioned	89.57%
	Non-pooled assets	10.43%

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

Asset allocation breakdown



Key:

	Equities	31.39%
	Private markets	24.97%
	Fixed income	6.28%
	Property	3.38%
	Other	31.70%
	Cash	2.27%

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

Overview of assets

Detailed asset allocation

Equities	£1,893.19m	31.39%
Global High Alpha Equities	£758.10m	12.57%
Global Sustainable Equities	£671.05m	11.13%
PAB Passive Global Equities	£463.60m	7.69%
Non-pooled Assets	£0.44m	0.01%

Fixed income	£378.86m	6.28%
Multi-Asset Credit	£378.86m	6.28%

Private markets (incl. property)	£1,709.49m	28.35%
Secured Income Cycle 1	£287.56m	4.77%
Secured Income Cycle 3	£233.15m	3.87%
UK Property	£190.62m	3.16%
Private Debt Cycle 2	£188.33m	3.12%
Infrastructure Cycle 1	£118.13m	1.96%
Secured Income Cycle 2	£97.69m	1.62%
Infrastructure (Renewables) Cycle 2	£96.15m	1.59%
Private Debt Cycle 3	£72.59m	1.20%
Infrastructure Cycle 3	£26.53m	0.44%
Non-pooled Assets	£398.74m	6.61%

Other	£1,912.01m	31.70%
Blackrock Risk Management	£1,342.20m	22.26%
Diversifying Returns Fund	£389.74m	6.46%
Non-pooled Assets	£180.07m	2.99%

Cash not included

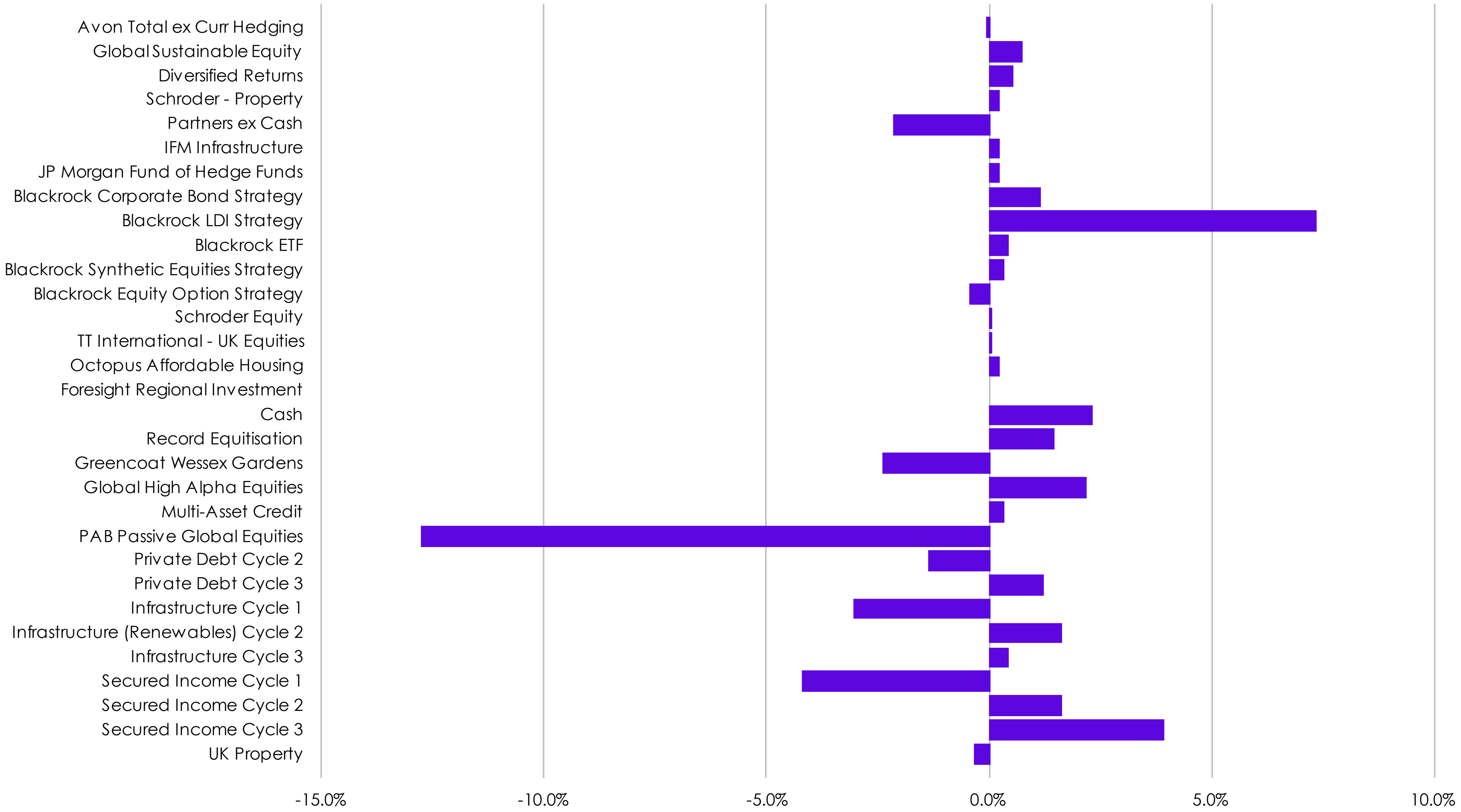
Overview of assets

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	90,116,250.06	1.49%	17.39
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	68,267,523.27	1.13%	25.82
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	55,199,228.08	0.92%	12.46
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	39,848,712.13	0.66%	14.25
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	35,699,543.25	0.59%	24.89
US8740391003	TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	Semiconductors	TAIWAN	33,908,241.69	0.56%	14.67
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	25,632,549.31	0.43%	18.99
NL0010273215	ASML HOLDING NV	Information Technology	Semiconductor Materials &	NETHERLANDS	25,346,134.63	0.42%	8.87
US88160R1014	TESLA INC	Consumer Discretionary	Automobile Manufacturers	UNITED STATES	25,303,185.32	0.42%	24.76
US92826C8394	VISA INC-CLASS A SHARES	Financials	Transaction & Payment	UNITED STATES	24,388,939.57	0.40%	14.46

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
Avon Total ex Curr Hedging	**5,976,050**	**100.0%**	**100.00%**	**-0.0%**	**2.8%**	**2.8%**
Global Sustainable Equity	671,048	11.2%	10.50%	0.7%	3.4%	0.4%
Diversified Returns	389,741	6.5%	6.00%	0.5%	1.2%	0.1%
Schroder - Property	13,267	0.2%	-	0.2%	1.2%	0.0%
Partners ex Cash	80,518	1.3%	3.50%	-2.2%	-3.0%	-0.0%
IFM Infrastructure	252,817	4.2%	4.00%	0.2%	2.4%	0.1%
JP Morgan Fund of Hedge Funds	13,895	0.2%	-	0.2%	-8.6%	-0.0%
Blackrock Corporate Bond Strategy	188,527	3.2%	2.00%	1.2%	3.3%	0.1%
Blackrock LDI Strategy	1,155,950	19.3%	12.00%	7.3%	1.9%	0.4%
Blackrock ETF	24,611	0.4%	-	0.4%	3.8%	0.0%
Blackrock Synthetic Equities Strategy	20,176	0.3%	-	0.3%	5,432.4%	0.7%
Blackrock Equity Option Strategy	-25,315	-0.4%	-	-0.4%	-87.1%	-0.4%
Schroder Equity	127	0.0%	-	0.0%	2.4%	0.0%
TT International - UK Equities	318	0.0%	-	0.0%	3.1%	0.0%
Octopus Affordable Housing	12,513	0.2%	-	0.2%	3.2%	0.0%
Foresight Regional Investment	3,030	0.1%	0.05%	-	-10.7%	-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
Cash	137,167	2.3%	-	2.3%	-0.0%	0.0%
Record Equitisation	86,907	1.5%	-	1.5%	3.1%	0.0%
Greencoat Wessex Gardens	36,594	0.6%	3.00%	-2.4%	-0.2%	-0.0%
Global High Alpha Equities	758,100	12.7%	10.50%	2.2%	4.4%	0.5%
Multi-Asset Credit	378,860	6.3%	6.00%	0.3%	2.6%	0.2%
PAB Passive Global Equities	463,595	7.8%	20.50%	-12.7%	4.9%	0.4%
Private Debt Cycle 2	188,326	3.2%	4.50%	-1.3%	N/M	N/M
Private Debt Cycle 3	72,588	1.2%	-	1.2%	N/M	N/M
Infrastructure Cycle 1	118,126	2.0%	5.00%	-3.0%	N/M	N/M
Infrastructure (Renewables) Cycle 2	96,154	1.6%	-	1.6%	N/M	N/M
Infrastructure Cycle 3	26,533	0.4%	-	0.4%	N/M	N/M
Secured Income Cycle 1	287,562	4.8%	9.00%	-4.2%	N/M	N/M
Secured Income Cycle 2	97,689	1.6%	-	1.6%	N/M	N/M
Secured Income Cycle 3	233,150	3.9%	-	3.9%	N/M	N/M
UK Property	190,619	3.2%	3.50%	-0.3%	N/M	N/M

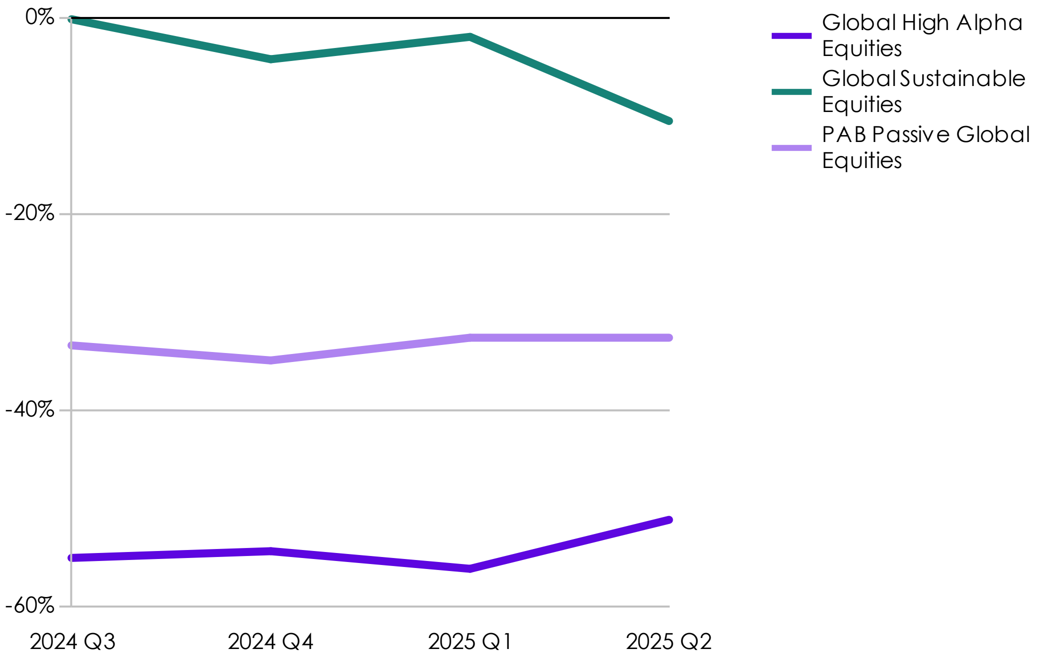
Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2025 Q1	2025 Q2	2025 Q1	2025 Q2	2025 Q1	2025 Q2
Global High Alpha Equities	**58**	**65**	**1.2**	**1.4**	**2.0**	**1.8**
MSCI World*	132	133	3.1	3.1	8.1	7.3
Global Sustainable Equities	**156**	**143**	**1.6**	**1.4**	**8.2**	**6.9**
MSCI ACWI*	159	160	3.2	3.2	8.0	7.3
PAB Passive Global Equities	**90**	**91**	**0.8**	**0.8**	**3.5**	**3.3**
FTSE Dev World TR UKPD*	134	135	3.1	3.1	8.4	7.5

*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	12.4%	13.0%	14.2%	11.6%
Global Sustainable Equities	7.8%	12.6%	13.3%	11.1%
PAB Passive Global Equities	13.3%	12.4%	13.4%	12.4%
Fixed income				
Multi-Asset Credit	9.5%	4.7%	8.5%	0.3%
Other				
Diversifying Returns Fund	5.0%	3.6%	7.5%	0.3%
Private markets (incl. property)				
Private Debt Cycle 2	7.5%	11.0%	8.5%	0.3%
Infrastructure Cycle 1	6.6%	4.4%	4.5%	1.8%
Infrastructure (Renewables) Cycle 2	5.2%	7.4%	4.5%	1.8%
Secured Income Cycle 1	-5.1%	17.3%	4.5%	1.8%
Secured Income Cycle 2	-2.7%	7.0%	4.5%	1.8%
UK Property	-5.0%	6.7%	-4.1%	8.5%

Risk and return summary

Non-pooled manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Avon Total ex Curr Hedging	2.7%	8.5%	7.7%	6.6%
Avon Total ex Hedging ex LDI	4.3%	6.5%	7.7%	6.6%
Blackrock Equity Option Strategy	60.2%	-	-	-
Blackrock ETF	5.7%	8.5%	0.0%	-
Cash	2.6%	1.4%	4.3%	0.3%
General Cash	1.9%	-	-	-
IFM Infrastructure	7.1%	3.9%	9.6%	0.3%
JP Morgan Fund of Hedge Funds	2.0%	29.2%	8.5%	0.3%
Partners ex Cash	-17.6%	8.1%	8.5%	0.3%
Record Currency	-100.0%	-	-	-
Record Equitisation	9.5%	10.2%	10.5%	10.4%
Schroder - Property	3.4%	12.6%	-4.1%	8.5%
Schroder Equity	-24.5%	34.0%	13.3%	11.1%
TT International - UK Equities	1.0%	4.1%	10.7%	10.7%
Avon Pension Fund	3.5%	9.0%	7.7%	6.6%

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 (31.39%)			**1,892.74**									
Global High Alpha Equities	MSCI World	+2-3%	758.10	4.4%	-0.8%	4.1%	-3.7%	12.4%	-1.8%	11.7%	-0.1%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	671.05	3.4%	-1.8%	1.2%	-6.5%	7.8%	-5.4%	6.2%	-5.5%	30 Sep 2020
PAB Passive Global Equities	FTSE Dev World PAB	Match	463.59	4.9%	-	5.4%	-0.1%	13.3%	-0.1%	7.9%	-0.1%	29 Oct 2021
Fixed income (6.28%)			**378.86**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	378.86	2.6%	0.6%	9.1%	0.2%	9.5%	1.0%	4.2%	-3.2%	02 Jun 2021
Private markets (incl. property) (21.73%)			**1,310.75**									
Private Debt Cycle 2	SONIA	+4%	188.33	N/M	N/M	9.2%	0.2%	7.5%	-1.0%	7.6%	-0.1%	17 Sep 2021
Private Debt Cycle 3	SONIA	+4%	72.59	N/M	N/M	10.4%	1.4%	-	-	10.4%	1.4%	20 Dec 2022
Infrastructure Cycle 1	CPI	+4%	118.13	N/M	N/M	9.4%	5.8%	6.6%	2.1%	6.9%	2.8%	02 Jan 2019
Infrastructure (Renewables) Cycle 2	CPI	+4%	96.15	N/M	N/M	2.2%	-1.4%	5.2%	0.7%	5.3%	-	12 Oct 2020
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	26.53	N/M	N/M	9.8%	6.2%	-	-	5.7%	1.4%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	287.56	N/M	N/M	5.1%	1.5%	-5.1%	-9.5%	-0.1%	-4.2%	15 Jan 2019
Secured Income Cycle 2	CPI	+2%	97.69	N/M	N/M	6.9%	3.3%	-2.7%	-7.1%	1.3%	-4.5%	01 Mar 2021
Secured Income Cycle 3	CPI	+2%	233.15	N/M	N/M	1.9%	-1.7%	-	-	-	-2.7%	01 Jun 2023
UK Property	MSCI/AREF UK	+0.5%	190.62	N/M	N/M	6.3%	-	-5.0%	-0.9%	3.0%	0.3%	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 (6.46%)			**389.74**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	389.74	1.2%	-0.6%	4.9%	-3.0%	5.0%	-2.4%	3.9%	-1.8%	27 Jul 2020
Total Brunel assets (excl. cash) (65.86%)			**3,972.09**									

*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.

Portfolio overview

Non-pooled 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**							
Schroder Equity	0.13	2.4%	-2.8%	1.0%	-6.6%	-24.5%	-37.7%	0.8%	-10.2%	01 Apr 2011
TT International - UK Equities	0.32	3.1%	-1.3%	2.4%	-8.7%	1.0%	-9.6%	3.7%	-2.0%	01 Jul 2007
Private markets (incl. property) (6.61%)			**398.74**							
Schroder - Property	13.27	1.2%	-0.2%	-5.0%	-11.3%	3.4%	7.5%	7.2%	1.5%	01 Jan 2009
Partners ex Cash	80.52	-3.0%	-5.1%	-13.3%	-22.3%	-17.6%	-26.1%	0.8%	-6.6%	01 Sep 2009
IFM Infrastructure	252.82	2.4%	0.1%	9.9%	-0.2%	7.1%	-2.5%	11.0%	4.6%	01 Apr 2016
Octopus Affordable Housing	12.51	3.2%	1.5%	-	-	-	-	3.2%	0.8%	03 Mar 2025
Foresight Regional Investment	3.03	-10.7%	-12.5%	-	-	-	-	-10.7%	-12.5%	01 Apr 2025
Greencoat Wessex Gardens	36.59	-0.2%	-2.0%	5.1%	-2.8%	-	-	3.5%	-4.6%	12 Feb 2024
Other (5.26%)			**317.23**							
JP Morgan Fund of Hedge Funds	13.89	-8.6%	-10.7%	-4.6%	-13.6%	2.0%	-6.6%	6.3%	1.1%	01 Jul 2015
Blackrock ETF	24.61	3.8%	3.8%	2.1%	2.1%	5.7%	5.7%	5.1%	5.1%	08 Mar 2019
Cash	137.17	-	-1.1%	2.2%	-2.5%	2.6%	-1.7%	2.8%	0.9%	01 Dec 2017
Record Equitisation	86.91	3.1%	-0.1%	10.2%	-0.3%	9.5%	-1.0%	6.2%	-0.4%	01 Apr 2012

Portfolio overview

Non-pooled 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 (5.26%)			**317.23**							
Record Currency	54.65	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-	-	01 Mar 2016
Total non-pooled assets (excl. cash) (11.88%)	**716.42**									

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

Chief Investment Officer commentary

The second quarter of 2025 saw significant volatility across markets as investors grappled with tariff policy uncertainty and war in the Middle East. In both cases, investors' worst fears ultimately proved unfounded and most major asset classes delivered positive returns over the quarter. The Trump administration unveiled tariffs on every major US trading partner on so-called "Liberation Day". This took the announced tariff rate to a post-war high of nearly 30%, up from 2% before Trump took office. The tariffs were quickly moderated following a period of intense market volatility which had seen global equities sharply down. By the end of the quarter, equities had staged a powerful comeback, returning over 5%.

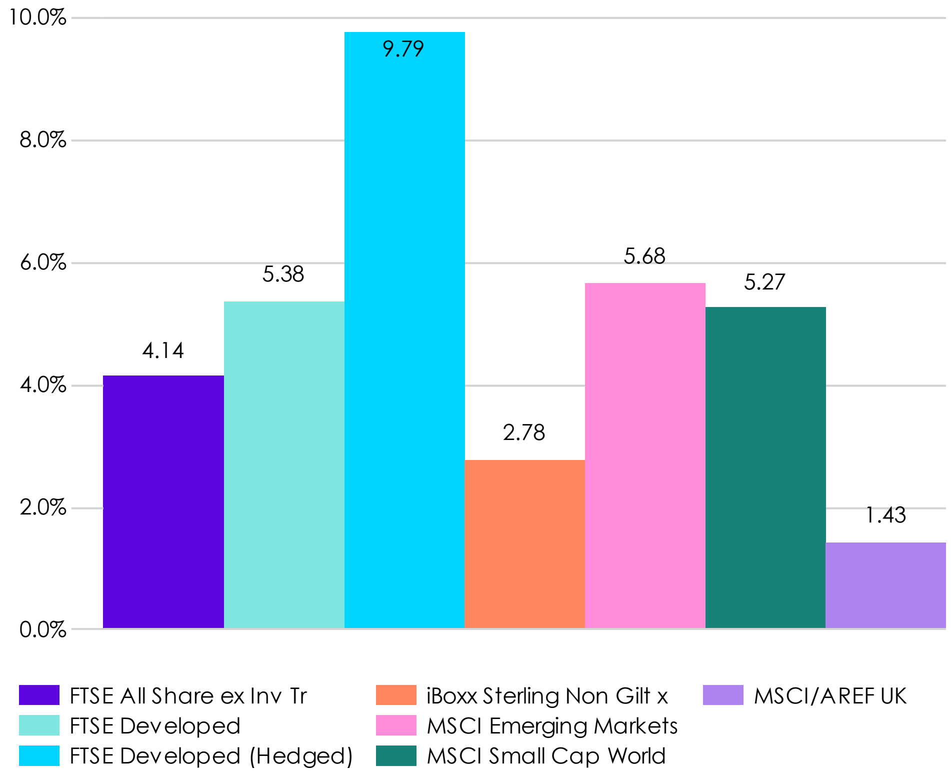
Towards the end of May, market attention turned to fiscal policy as the House of Representatives passed an extension of Trump's 2017 tax relief measures the One Big Beautiful Bill Act (OBBA) prompting a brief sell-off in Treasuries, which was exacerbated by a US credit rating downgrade by Moody's. The bill extends tax cuts passed in 2017, increases defence spending, and cuts spending on programmes such as Medicaid. While US stocks and bonds recovered from April's volatility, the US dollar saw continued weakness, with the dollar ending the quarter down 7%. Major central banks were either on hold – such as the US Federal Reserve, the Bank of Japan, or easing monetary conditions modestly. The Bank of England retained its quarterly pattern of rate cuts, lowering the base rate to 4.25% while the European Central Bank (ECB) cut its main policy rate twice leaving it at 2%.

US shares advanced in Q2. Gains were led by the information technology and communication services sectors as investor appetite for some of the Magnificent 7 stocks reignited, while stocks with exposure to artificial intelligence staged a strong recovery after some weakness earlier in the year. US shares were also supported by corporate earnings for Q1, which were generally robust. After a strong first quarter of the year, European equities delivered returns of 6.2% in Sterling. However, again dollar weakness against the euro meant that in dollar terms, European equities are the key recipient for flows from investors looking to diversify away from the US. UK equities faced headwinds from high exposure to the energy and healthcare sectors which were the only negative equity sectors at a global level over the quarter. Despite this, the FTSE All-Share still delivered healthy returns of 4.4%.

Looking ahead, US policy remains the key source of volatility. Markets remain focused on the outcome of US tariffs. Geopolitical uncertainty has increased with Israel and Iran adding further uncertainty to the US approach to Ukraine, Russia and increasingly China.

Chief Investment Officer commentary

Index Performance Q2 2025



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

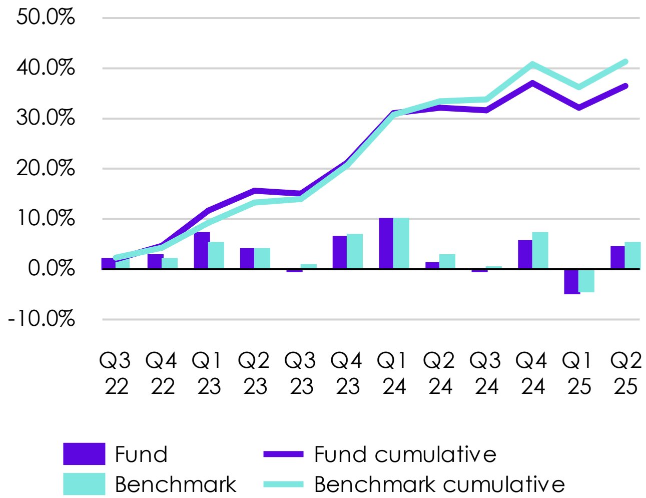
Outperformance target
+2-3%

Total fund value
£4,523m

Risk profile
High

Avon's Holding:
GBP758m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.4	4.1	12.4	12.1
MSCI World	5.1	7.7	14.2	12.2
Excess	-0.8	-3.7	-1.8	-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 5.1% in GBP terms over the quarter as equity markets rebounded from the negative performance in Q1 2025 despite continuing geopolitical and economic uncertainties. The quarter experienced a strong risk-on sentiment driven by easing inflation, push back of US tariffs, and resilient corporate earnings. This environment favoured growth stocks over value, further driven by continued enthusiasm around AI and technology, which dominate growth indices. Cyclical sectors significantly outperformed defensive sectors in general. IT and Communication Services were the best performing sectors whilst Energy was the worst performing sector as oil prices fell, and concerns rose over slowing global demand. Broad style indices showed growth outperformed, whilst both quality and value underperformed.

The portfolio returned 4.4%, underperforming the index by 0.8% as weak selection in aggregate more than offset the benefits from sector allocation. Positive allocation was driven by underweights in Energy and Consumer Staples. Selection was strong in IT where the underweight in Apple and overweight in TSMC were the largest contributors, the latter's exposure to AI-related demand making it a key beneficiary of the broader tech sector's focus on AI and advanced computing. Underweight holdings in the two largest semiconductor names in the index (NVidia and Broadcom, which both performed strongly) were two of the largest detractors. Selection was weakest in Financials where the largest detractors were overweight holdings in Mastercard and two insurance related names (Brown & Brown and Progressive Corporation) which were both impacted as investors became increasingly concerned about a broader pullback in the insurance sector. Another large detractor was United Health Group after the company announced that its CEO stepped down, suspended earnings guidance and was then revealed to be under federal investigation for possible fraud linked to Medicare schemes. Both managers who held the company have significantly reduced their holding.

Manager performance was mixed, reflecting the marked differential between investment styles. MSCI World Growth index outperformed MSCI World Value by 10% in GBP terms, and the risk-on environment led to underperformance of quality and defensive strategies. Baillie Gifford with a strong growth bias outperformed (+9.6%) whereas Harris (a value manager) delivered the weakest relative performance (-5%).

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	6.12	4.66	46,417,150
AMAZON.COM INC	4.39	2.78	33,310,290
TAIWAN SEMICONDUCTOR	3.78	-	28,668,219
ALPHABET INC	3.03	2.53	22,948,282
MASTERCARD INC	2.86	0.61	21,644,578

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	3.78	-
MASTERCARD INC	2.86	0.61
AMAZON.COM INC	4.39	2.78
MOODY'S CORP	1.61	0.11
MICROSOFT CORP	6.12	4.66

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	0.81	4.09
NVIDIA CORP	2.83	5.12
META PLATFORMS INC	-	2.15
TESLA INC	-	1.22
JPMORGAN CHASE & CO	-	1.08

Largest contributors to ESG risk

	ESG risk score* Q1 2025	ESG risk score* Q2 2025
AMAZON.COM INC	26.10	25.82
MICROSOFT CORP	13.65	17.39
ALPHABET INC-CL A	24.89	24.89
TAIWAN SEMICONDUCTOR-SP	15.19	14.67
MASTERCARD INC - A	14.25	14.25

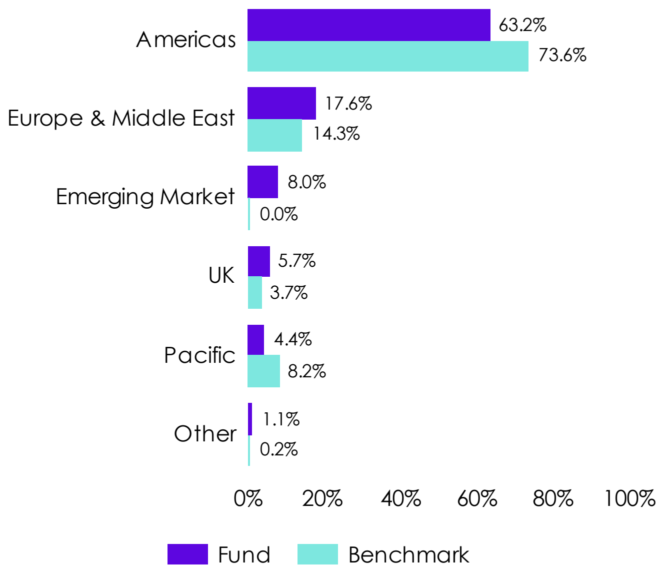
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

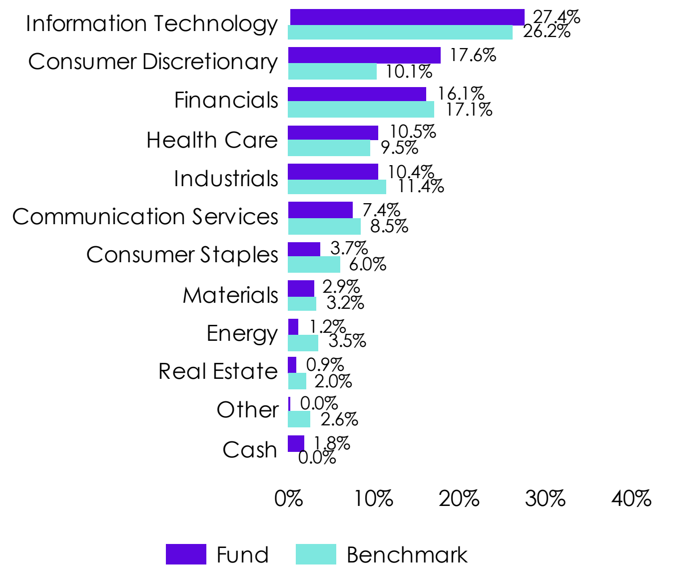
Portfolio	WACI 2025 Q1	WACI 2025 Q2	Total Extractive Exposure[1] 2025 Q1	Total Extractive Exposure[1] 2025 Q2	Extractive Industries (VOH)[2] 2025 Q1	Extractive Industries (VOH)[2] 2025 Q2
Global High Alpha	58	65	1.20	1.44	1.98	1.84
MSCI World*	132	133	3.12	3.13	8.13	7.31

*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

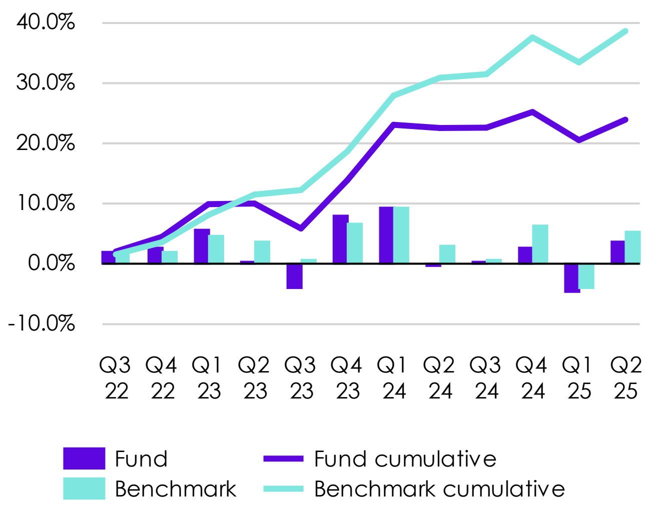
Outperformance target
+2%

Total fund value
£3,781m

Risk profile
High

Avon's Holding:
GBP671m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	3.4	1.2	7.8	5.9
MSCI ACWI	5.2	7.6	13.3	11.4
Excess	-1.8	-6.5	-5.4	-5.5

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

Performance commentary

The portfolio returned a healthy 3.4% during Q2 2025. The broad MSCI ACWI index, which accounts for every stock in the world, good and bad, returned 5.2% over the quarter.

The quarter started off with Trump's "liberation day", where the US laid out plans for heavy trade tariffs across the globe. Global markets did not take kindly to these proposals and had subsequently dropped to -9% by the 8th of April. However, from this trough onwards, the markets saw a sense of optimism coined by the phrase "Trump always chickens out" or the "TACO" trade for short. The subsequent 12 weeks, saw concessions made on various different tariffs on several different goods. The MSCI ACWI eventually saw a swing of 14% to the upside, finishing the quarter 5% up.

This quarter we also witnessed escalating tensions in the middle east between Israel and Iran, the US ultimately assisting Israel in strikes on Iran's nuclear sites. Whilst there are broader implications for US involvement in middle eastern tensions, from a markets perspective we saw a little volatility but the market continued on it's upward trend towards the end of the quarter.

The macro volatility we have witnessed YTD, does leave the US in a precarious position. YTD the MSCI AC Europe index has returned 13.25%, whilst the MSCI USA index has returned -2.8%. Whilst we have seen positive returns over Q2, there are still some potential headwinds out there, tariffs have been momentarily put on pause, however we may see them reinforced, which may feed into inflation numbers later in the year, as well as an increasing US budgetary deficit and a potential impact on company margins.

In terms of the underlying managers, we were pleased to see outperformance from both RBC and Nordea during this quarter. However, this has been balanced by the underperformance of both Mirova and Jupiter. This is a reversal from what we witnessed in Q1. The difference in performance this quarter can be attributed to positioning within the healthcare sector, those managers with greater exposure to the life-science sub-sector underperformed over the quarter.

Ownership capital also underperformed during the quarter, we will re-allocate capital away from Ownership over Q3.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	3.32	4.18	22,298,443
NVIDIA CORP	2.95	4.58	19,792,080
MASTERCARD INC	2.28	0.54	15,331,559
TAIWAN SEMICONDUCTOR	2.07	1.06	13,865,186
WASTE MANAGEMENT INC	1.90	0.11	12,760,642

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
WASTE MANAGEMENT INC	1.90	0.11
MASTERCARD INC	2.28	0.54
ECOLAB INC	1.64	0.08
AMERICAN WATER WORKS CO INC	1.56	0.03
ACCENTURE PLC	1.64	0.22

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	3.67
ALPHABET INC	-	2.27
META PLATFORMS INC	-	1.92
NVIDIA CORP	2.95	4.58
AMAZON.COM INC	1.25	2.49

Largest contributors to ESG risk

	ESG risk score* Q1 2025	ESG risk score* Q2 2025
MICROSOFT CORP	13.65	17.39
ECOLAB INC	23.86	23.56
NVIDIA CORP	-	12.46
WASTE MANAGEMENT INC	18.74	17.85
MASTERCARD INC - A	14.25	14.25

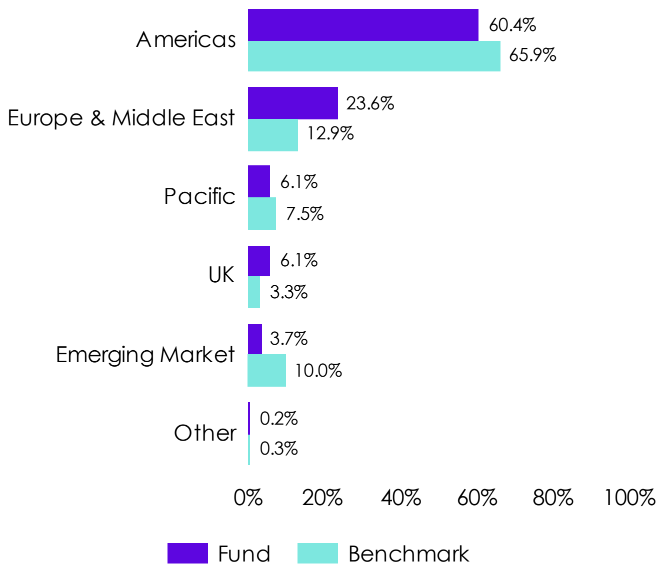
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

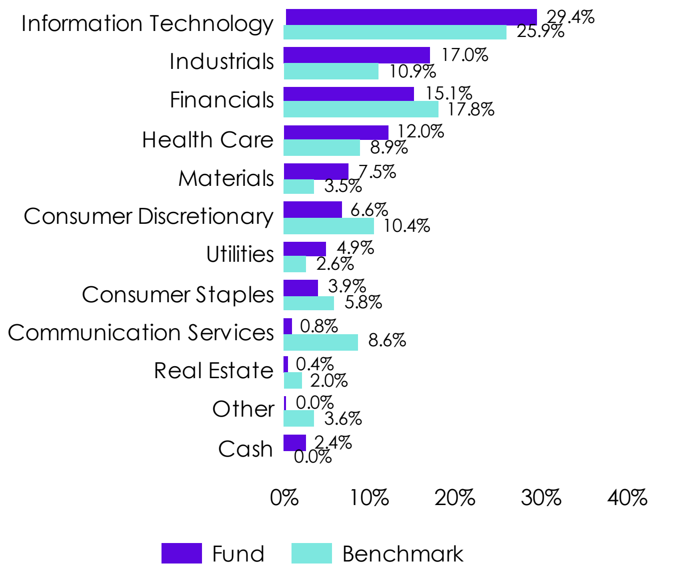
Portfolio	WACI 2025 Q1	WACI 2025 Q2	Total Extractive Exposure[1] 2025 Q1	Total Extractive Exposure[1] 2025 Q2	Extractive Industries (VOH)[2] 2025 Q1	Extractive Industries (VOH)[2] 2025 Q2
Global Sustainable	156	143	1.59	1.41	8.25	6.92
MSCI ACWI*	159	160	3.17	3.18	8.03	7.26

*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%

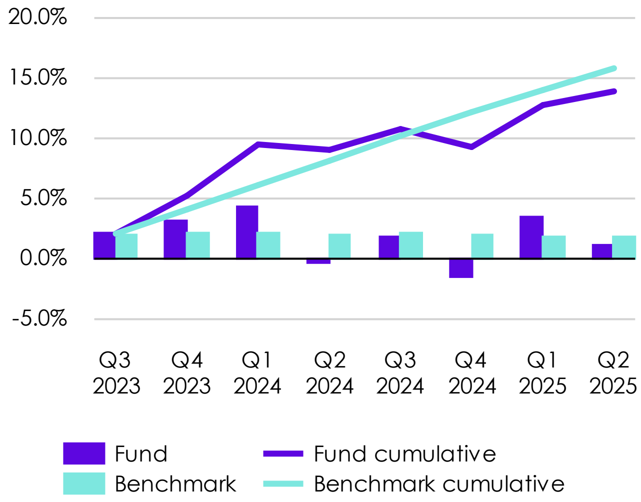
Outperformance target
0% to +2.0%

Total fund value
£834m

Risk profile
Moderate

Avon's Holding:
GBP390m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.1	4.9	5.0	4.1
SONIA +3%	1.8	7.9	7.5	5.8
Excess	-0.7	-3.0	-2.5	-1.8

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

Performance commentary

The Diversifying Returns Fund returned 1.1% over the second quarter of 2025. SONIA +3% returned 1.8%. The sterling hedged 50/50 equity/bond index we monitor returned 5.6% over the quarter.

Over the period, traditional asset classes rebounded after a weak Q1, but not before a sharp equity market fall in early April. Global equities returned -16.5% on a sterling hedged basis during the draw down that lasted from 18 February to 8 April. The DRF fund returned -2.9% over the same period, highlighting the fund's defensive properties.

It was a strong quarter for Fulcrum who returned 4.4%, benefiting from positive returns to both equities and fixed income in the asset allocation sleeve of their fund. They were also able to generate positive returns through relative value and macro positioning, and from convexity in portfolio hedging which paid off in April and generated positive returns over the period.

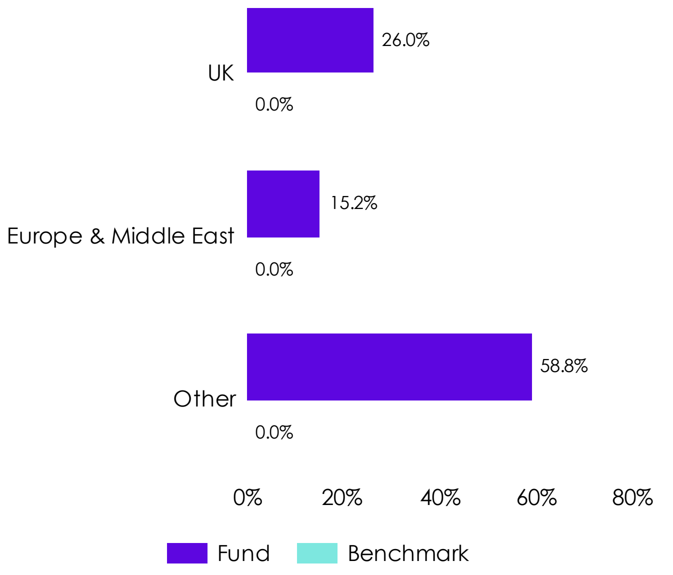
JPM returned -1.7%. The quarter saw strong performance for growth equities and this proved a major headwind for the Equity Value signal which made the largest negative contribution to returns. Equity trend was also weak due to high levels of volatility. Some factors, including Relative Value Equity Momentum, FX Momentum and Credit Carry all performed well, but did not generate sufficiently strong returns to offset losses from other factors.

Lombard Odier returned 1.3% over the quarter as sovereign bond and DM equity exposure both made positive contributions to returns. Commodity exposure was a detractor. The fund lagged more traditional asset allocators due to its defensive nature, deleveraging during bouts of volatility, and leading to a higher exposure to sovereign bonds than equities, the latter being the better performing of the two asset classes over the period.

UBS continued to see positive returns from the US dollar short position, as they returned 0.4%. Short positions in the Chinese Renminbi and Sterling also made positive contributions to returns, but these were somewhat offset by a short position in the Japanese Yen and long position in the Norwegian Kroner.

Diversifying Returns Fund

Regional exposure

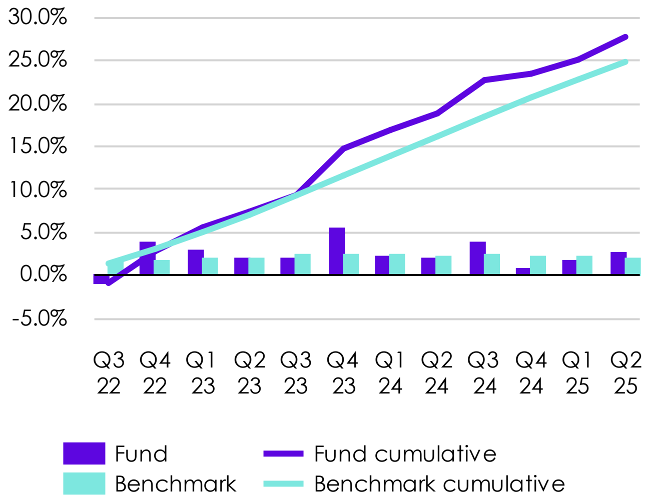


Multi-Asset Credit

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
£3,303m
Risk profile
Moderate

Avon's Holding:
GBP379m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.6	9.1	9.5	4.3
SONIA +4%	2.0	9.0	8.5	7.5
Excess	0.6	0.2	1.0	-3.3
Bloomberg Global High Yield Index	3.4	11.4	10.6	3.2
Morningstar LSTA US Leveraged Loan Index	2.3	7.3	9.2	6.0

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

Performance commentary

The second quarter of 2025 was volatile but ultimately a positive one for leveraged finance. April was the most volatile period as the United States (US) announced global tariffs that caught financial markets off guard. Risk assets sold off globally but ultimately recovered as tariffs were rolled back with deadlines extended.

US government yields fell slightly over the period, with the 2-year yield falling from 3.89% to 3.71%. Rate volatility was extremely high given the tariff uncertainty, with 2-year yields going as low as 3.6% in April. Credit spreads initially rose in April by over 90bps to 470bps, ultimately falling to 332bps at quarter end.

The lower rates and spreads benefitted fixed rate securities more than floating. High Yield bonds – fixed rate instruments - returned almost 5% in local terms. Whereas Leveraged Loans – floating rate instruments – returned just over 2% in local terms. Convertible Bonds were the best performers, rising over 8%; conversely, Collateralised Loan Obligations were the lowest performer with many sub-investment grade tranches returning in the region of 1%.

The Multi-Asset Credit portfolio returned +2.6%; this was ahead of the primary target (SONIA+4%) but behind the composite secondary benchmark. These benchmarks returned +2.0% and +3.1% respectively. All three managers experienced similar levels of performance.

Spreads are once again tight and moving nearer to all-time lows following a rally last quarter. Investors should be mindful of the mark to market impact from widening but should take comfort with a yield to worst of 6.9%.

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

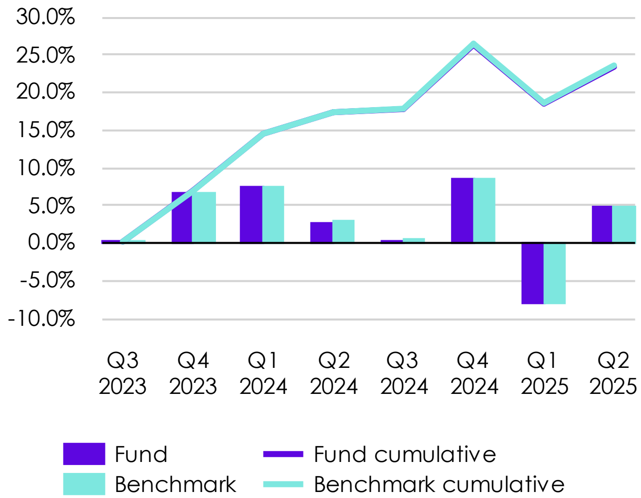
Outperformance target
Match

Total fund value
£2,654m

Risk profile
High

Avon's Holding:
GBP464m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.9	5.4	13.3	8.0
FTSE Dev World PAB	5.0	5.6	13.4	8.0
Excess	-0.0	-0.1	-0.1	-0.1

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

Performance commentary

The FTSE Developed Paris Aligned index (PAB) product returned 4.9% over Q2 2025 and 5.4% for the 12 month period ending 30th June 2025. The PAB product closely replicated the performance of the benchmark index over these periods.

Although the product has a positive tilt to growth and overweight allocation to the Technology sector, both in favour over the quarter, returns were held back by weak stock selection within the Technology sector. The majority of this is attributable to underweight positions in Nvidia and Broadcom. Following a challenging Q1 for AI exposed stocks such as Nvidia and Broadcom, they again found investor favour in Q2, following positive trading updates and as companies continue to spend on AI infrastructure.

Nvidia and Broadcom are both held in the fund, but the size of their position is restricted by lower than average Green Revenue and TPI Management Quality scores, and due to the index constraint on the magnitude of exposure to any sector. In simple terms, this last point means there is a limit to how much the index can invest in the Technology sector and companies with better scores on targeted metrics are favoured over Broadcom and Nvidia.

The product's low exposure to the Energy sector was beneficial this quarter. Energy was the worst performing sector over the period as oil prices fell and not owning companies such as Exxon Mobil and Chevron helped returns.

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)*
AMAZON.COM INC	**5.73**	**26,576,412**
TESLA INC	**5.46**	**25,303,195**
ALPHABET INC	**5.07**	**23,519,468**
MICROSOFT CORP	**4.62**	**21,400,654**
APPLE INC	**4.21**	**19,508,352**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q1 2025	Q2 2025
AMAZON.COM INC	**26.10**	**25.82**
TESLA INC	**24.76**	**24.76**
MICROSOFT CORP	**13.65**	**17.39**
APPLE INC	**18.75**	**18.99**
ALPHABET INC-CL A	**24.89**	**24.89**

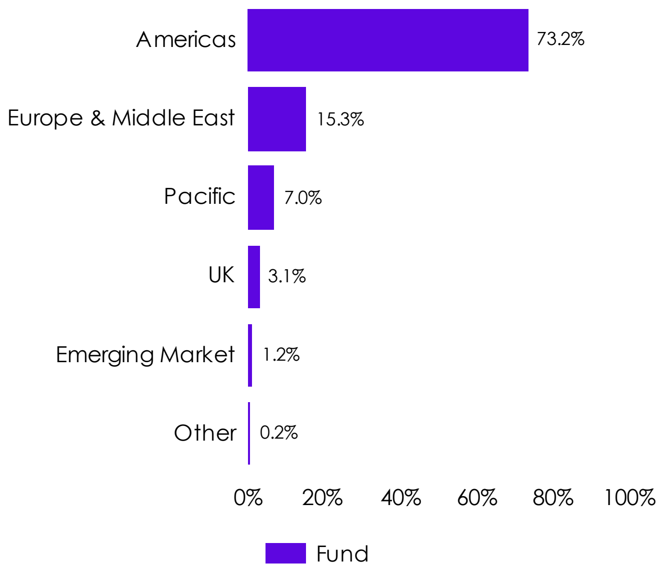
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

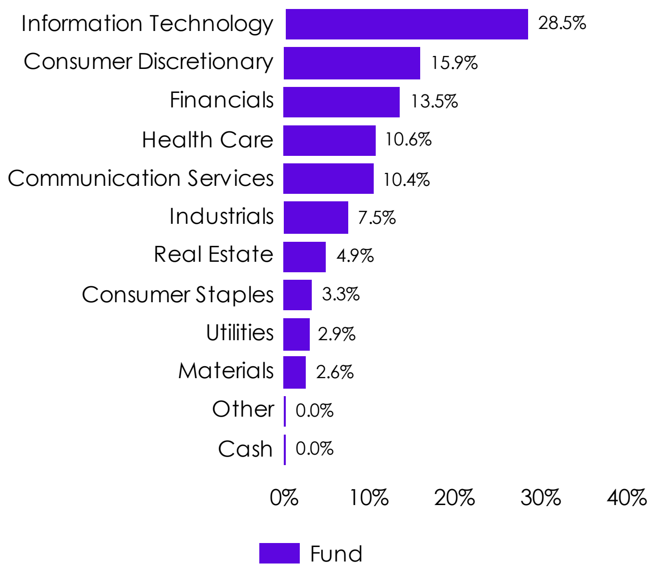
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2025 Q1	2025 Q2	2025 Q1	2025 Q2	2025 Q1	2025 Q2
PAB Passive Global	**90**	**91**	0.84	0.84	3.49	3.34
FTSE Dev World TR	**134**	**135**	3.07	3.11	8.37	7.51

*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

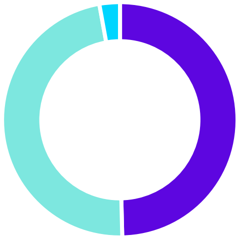
% called to date
76.83

Number of underlying funds
1

Avon's Holding:
GBP188.33m

Country

Invested in underlying investments

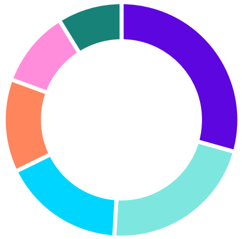


Europe	49.7%
North America	47.5%
Asia Pacific	2.8%
Other	-

Source: Aksia and underlying managers
Country data is lagged by two quarters

Sector

GICs level 1



Health Care	29.4%
Information Technology	21.6%
Industrials	16.8%
Consumer Discretionary	12.8%
Financials	10.5%
Other	8.9%

Source: Aksia and underlying managers
Sector data is lagged by two quarters

Performance commentary

At the end of Q2, the portfolio was 77% invested and 100% committed to seven funds (2 US, 3 European & 2 Global). Performance, hedged to GBP, remained strong relative to the very challenging target return. Some strategies in the portfolio are largely finalising their investment activity and/or completing their investment periods. We would expect all strategies to have finalised their investment periods and be in/ entering 'harvest-mode' across the next ~18 months. ICG SDP 4, for instance, had realised over 50% of its entire loan book by end-Q2.

During the quarter, it emerged that foreign investors could face adverse tax treatment under provisions in the Republicans' 'One Big Beautiful Bill Act', which was being debated by Congress, posing a potential material threat to post-tax returns for foreign investors in US private direct loans, regardless of treaty or exemptions benefits. These provisions were mercifully short-lived and were ultimately removed from the final bill, but only once the G7 offered a concession to exempt the US from the Global Minimum Tax.

The second quarter of 2025 was characterised by acute US policy volatility that weighed heavily on private markets. The Trump administration's sudden imposition of global tariffs in April sent shockwaves through financial markets, triggering a temporary freeze in deal activity as corporates and investors adopted a cautious stance. A dramatic reversal and upswing in deal activity occurred in Q2, with US LBOs totalling $46bn in April alone, a 25% increase year-on-year and almost twice the 3-year monthly average.

This movement impacted direct lending markets in several ways: (i) a slowing of new-platform deals for Brunel lenders,

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
188.3	9.2%	7.6%	0	0	0	4,194,970	1.18	0.3%	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 2

thus skewing deal-flow to follow-on financings for incumbent borrowers (and presenting further opportunities for direct lenders to win business by participating in follow-on financings for borrowers they weren't previously working with); and (ii) a moderate reversal of spread compression as markets are generally demanding a (slightly) higher risk premium for assets for new financing. On the latter point, this is not a uniform trend, as we have seen some notable examples of wider pricing on ~2020/2021deals underwritten by direct lenders that have been able to refinance via the BSL markets. (One notable example is a large US compliance software firm which replaced its direct lending tranche with a BSL priced ~3% tighter).

As relates to the Brunel direct lending book, the historic focus on middle-market borrowers has been a source of stability as: (i) the portfolio is less exposed to large borrowers moving in and out of BSL markets; and (ii) these businesses (be they North American or European) are generally less reliant on international trade, so US tariff policy is less of a shock-factor.

Overall, DPI remains strong for the Brunel direct lending book (due to its contractual cashflow profile and less reliance on M&A exit activity). Whilst we continue to monitor the portfolio for signs of stress, we have not seen any significant or unexpected increase in either underperforming credits or adverse expected tariff impacts to date. This may change if threatened tariffs are enacted and become permanent.

Pipeline

There is no fund pipeline as the portfolio is fully committed.

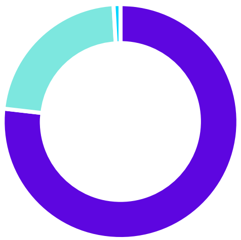
Private Debt Cycle 3

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
£73.92m
% called to date
43.48
Number of underlying funds
6
Avon's Holding:
GBP72.59m

Country

Invested in underlying investments

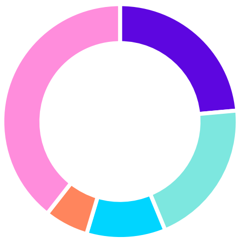


Europe	76.7%
North America	22.3%
Asia Pacific	1.0%
Other	-

Source: Aksia and underlying managers
Country data is lagged by two quarters

Sector

GICs level 1



Software	23.5%
Health Care	20.2%
Financials & Insurance	10.9%
Professional Services	6.1%
Other	39.3%

Source: Aksia and underlying managers
Sector data is lagged by two quarters

Performance commentary

The portfolio is fully committed to six funds (3 European, 3 US) with all now called capital. The portfolio is >40% invested and performance is positive but flat versus the prior quarter.

During the quarter, it emerged that foreign investors could face adverse tax treatment under provisions in the Republican's One Big Beautiful Bill Act (OBBBA) that was being debated by Congress, posing a potential material threat to post-tax returns for foreign investors in US Private Direct Loans, regardless of Treaty or Exemptions benefits. These provisions were mercifully short-lived and ultimately removed from the Final Bill, but only once the G7 had conceded to exempt the US from Global Minimum Tax.

The second quarter of 2025 was characterised by acute U.S. policy volatility that weighed heavily on private markets. The Trump administration's sudden imposition of global tariffs in April sent shockwaves through financial markets, triggering a temporary freeze in deal activity as corporates and investors adopted a cautious stance. A dramatic reversal and upswing in deal activity occurred in Q2, with US LBOs totalling $46bn in April alone, a 25% increase y-o-y and almost twice the 3-year monthly average.

This has impacted direct lending markets in several ways: (i) a slowing of new-platform deals for Brunel lenders thus skewing deal-flow to follow-on financings for incumbent borrowers (and presenting further opportunities for direct lenders to win business by participating in follow-on financings for borrowers they weren't previously working with); and (ii) a moderate reversal of spread compression as markets are generally demanding a (slightly) higher risk premium for assets for new financing. On the latter point, this

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
72.6	10.4%	10.4%	5,497,205	1,897,442	3,599,763	1,024,020	1.13	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

is not a uniform trend as we have seen some notable examples of wider pricing on ~2020/2021deals underwritten by direct lenders that have been able to refinance via the BSL markets (one notable example is a large US compliance software firm which replaced its direct lending tranche with a BSL priced ~3% tighter).

The historic focus on middle-market borrowers in the Brunel direct lending book has been a source of stability as: (i) the portfolio is less exposed to large borrowers moving in and out of BSL markets; and (ii) these businesses (both North American and European) are generally less reliant on international trade so US tariff policy is less of a shock-factor.

Overall, DPI remains strong for the Brunel direct lending book (due to its mechanical contractual cashflow profile, and less reliance on M&A exit activity). Whilst we continue to monitor the portfolio for signs of stress, we have not seen any significant, unexpected increase in either underperforming credits or adverse expected tariff impacts to date. This may change if threatened tariffs are enacted and become permanent.

Pipeline

There is no fund pipeline as the portfolio is fully committed.

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
£111.91m

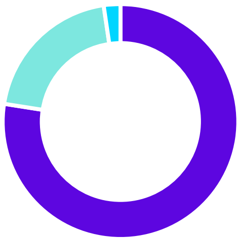
% called to date
97.76

Number of underlying funds
5

Avon's Holding:
GBP118.13m

Country

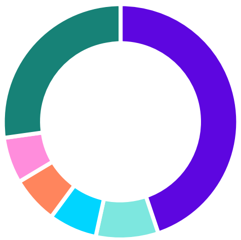
Commitment in underlying investments



Europe (incl. UK)	77.4%
North America	20.3%
Rest Of World	2.3%

Source: Stepstone
Country data is lagged by one quarter

Sector



Wind & Solar	44.8%
Utilities	8.6%
Diversified Social	6.6%
Diversified Renewables	6.5%
Rail	6.3%
Other	27.2%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

As at the end of Q2 2025, the portfolio was ~97% invested and 97% committed across nine primary funds, five tactical co-investments and one secondary investment, following the exit from Pattern Energy. Overall, we are pleased with the evolution and performance of Cycle 1, which had 76% sustainable infrastructure exposure (as of September 2024). Realisation proceeds from the sale of Pattern Energy, announced in previous reports, were distributed to clients in June 2025. USD depreciation versus GBP took some of the shine off what was a very attractive exit valuation for an investment that has delivered huge environmental and societal impact during your hold period.

Q2 2025 saw US policy uncertainty surge to crisis-era levels, driven by Trump's aggressive tariff agenda and shifting fiscal priorities. The Baker-Bloom-Davis Policy Uncertainty Index hit levels last seen during COVID and the 2008 crisis. Inflation expectations rose to 30-year highs, constraining the Fed and increasing stagflation risks. Outside of Tariffs, there was Trump's One Big Beautiful Bill Act (OBBBA) of which Section 899 created huge consternation for foreign investors in US assets and the broader energy transition respectively. Despite Section 899 being dropped from the tax bill post quarter end, as the US was exempted from G7 Global Minimum Tax Regulations, it emphasises the heightened risks posed to non-US investors in the President's 'new America'.

Europe is moving in the opposite direction. Germany's €1 trillion defence and infrastructure stimulus and proposed EU-wide initiatives could total €1.7 trillion (c.10% of EU GDP). The question remains whether countries other than Germany have the fiscal headroom to finance this. Germany appears overly focused on subsidies to reduce energy costs, as

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
118.1	9.4%	6.9%	1,740,379	3,584,405	-1,844,026	2,429,150	1.26	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.

Infrastructure Cycle 1

opposed to reconsidering significant prior policy mistakes - particularly the total phase-out of nuclear power. Attractive new investment opportunities are presenting themselves, especially in transport, energy transition, and digital connectivity.

Existing infrastructure investments face a complex backdrop. Core assets with inflation-linked cash flows remain defensive, but rising discount rates are lowering valuations to differing degrees, based on Central Bank policy rate differentials, inflation expectations and currency fluctuations. Value-add and greenfield strategies face cost inflation, significant supply chain risks and funding headwinds but may benefit from fiscal tailwinds and market dislocations.

Renewable energy development is split, Europe still benefits from policy support, but the outlook in the US has become more uncertain. The favourable Biden era IRA has been repealed to varying degrees for different technologies by the OBBBA, which severely restricts tax credits and other favourable regulations. Even if renewables remain the cheaper source of energy on a levelized cost of energy basis, this fact is being ignored despite A.I driven rapid energy demand growth. Mag 7 hyperscaler customers are signing multi-decade PPAs for firm power sources such as hydro, nuclear, and gas-fired generation, given the necessity of reliable power. There is a question whether renewable developers will be able to adapt to the new environment in the short-term. Bankruptcies and company liquidations are rising in solar and battery manufacturing sectors.

Some uncertainty has dissipated over the summer, as post quarter end the UK government announced its rejection of Zonal Pricing and laid out the Reformed National Pricing package, though these impacts remain to be seen. We believe this is a sensible decision, if overdue.

In this volatile, rapidly diverging global landscape, diversification across vintages, geographies, sectors, technologies and managers is crucial. The cycle 1 Brunel infrastructure portfolio was built accordingly, from the outset in 2018, and performance relative to a very challenging target is strong.

Pipeline

Cycle 1 is fully committed, 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
£90.73m

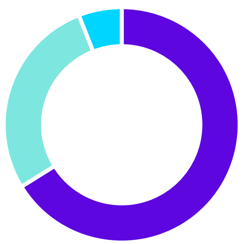
% called to date
75.61

Number of underlying funds
1

Avon's Holding:
GBP96.15m

Country

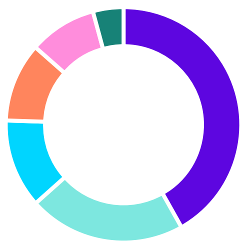
Commitment in underlying investments



Europe (incl. UK)	66.2%
North America	27.9%
Rest Of World	5.9%

Source: Stepstone
Country data is lagged by one quarter

Sector



Solar	41.8%
Wind	21.6%
Diversified Renewables	12.2%
Energy Efficiency	10.9%
Energy Storage	9.3%
Other	4.2%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

At the end of Q2 2025, the Cycle 2 Renewables portfolio was ~94% committed and ~78% invested across seven primary funds and ten tactical co-investments following the strong exit from Akuo by ICG during the quarter. Cycle 2-R had 100% sustainable infra exposure (as of Sep 2024).

Q2 2025 saw US policy uncertainty surge to crisis-era levels, driven by Trump's aggressive tariff agenda and shifting fiscal priorities. The Baker-Bloom-Davis Policy Uncertainty Index hit levels last seen during COVID and the 2008 crisis. Inflation expectations rose to 30-year highs, constraining the Fed and increasing stagflation risks. Outside of Tariffs, there was Trumps' One Big Beautiful Bill Act (OBBA) and Section 899, which created further uncertainty for renewables and foreign investors respectively. Despite Section 899 being dropped from the tax bill post quarter end, it emphasises the heightened regulatory risk posed under Trump.

Given the uncertainty around tariffs, OBBA, and their impacts on renewables development, there is a heightened risk of negative impacts on the renewables market. The US battery supplier for the Waratah Super Battery (WSB) project in Australia (a Blackrock/GIP coinvest), is facing financial distress due to its use of Chinese-manufactured cells. Akaysha, the project developer and main contractor for WSB, is attempting to mitigate risks. The project is mechanically complete, although the Commercial Operation Date (COD) has been pushed back to later in 2025 from the original expected date of March 2025. The investment remains sound but shows the challenges even late-stage greenfield projects are facing, not envisaged at entry.

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
96.2	2.2%	5.3%	2,865,418	877,829	1,987,589	1,180,780	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 (Renewables) Cycle 2

The U.S. residential solar industry is under severe pressure from high interest rates, heavy corporate debt, and mounting policy uncertainty, including the potential loss of key federal tax credits. Recent bankruptcies like Sunnova and Solar Mosaic highlight how the sector's reliance on cheap financing and subsidies has become unsustainable amid the Trump administration's pro-fossil fuel stance and ongoing regulatory headwinds.

Renewable energy development is split, Europe still benefits from policy support, but the outlook in the US has become more uncertain. The favourable Biden era IRA has been repealed to varying degrees for different technologies by the OBBBA which severely restricts tax credits and other favourable regulations. Even if renewables remain the cheaper source of energy on a levelized cost of energy basis, this fact is being ignored in spite of A.I driven rapid energy demand growth. Mag 7 hyperscaler customers are signing multi-decade PPAs for firm power sources such as hydro, nuclear and gas-fired generation, given the necessity of reliable power. There is a question whether renewable developers will be able to adapt to the new environment in the short-term, with bankruptcies and company liquidations on the rise in solar and battery manufacturing sectors.

Some uncertainty has dissipated over the summer, as post quarter end the UK government announced its rejection of Zonal Pricing and laid out the Reformed National Pricing package, though these impacts remain to be seen. We believe this is a sensible decision, if overdue.

Pipeline

The Cycle 2 Renewables portfolio is now fully committed, so no new investments are required.

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
£25.23m

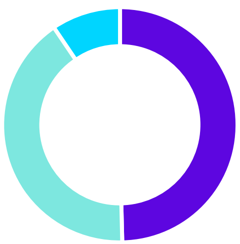
% called to date
45.88

Number of underlying funds
1

Avon's Holding:
GBP26.53m

Country

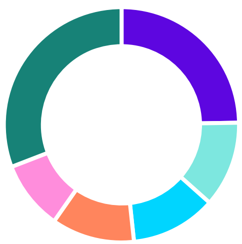
Commitment in underlying investments



Europe (incl. UK)	49.7%
North America	40.8%
Rest Of World	9.5%

Source: Stepstone
Country data is lagged by one quarter

Sector



Diversified Renewables	24.7%
Agriculture	11.8%
Wind	11.8%
Fibre	11.4%
Timber	9.5%
Other	30.8%

Source: Stepstone.
Sector data is lagged by one quarter

Performance commentary

At the end of Q2 2025, Cycle 3 was ~80% committed and ~50% invested across ten primary funds, one secondary fund, eight tactical coinvests and a tactical, mini-secondaries portfolio of 6 investments. One tactical coinvest that had been agreed has since been removed. Therefore ~4 co-investments remain to be sourced to complete the commitment of Cycle 3 Infrastructure. (The deadline is September 2025, so an extension will be required by mutual agreement between StepStone and Brunel). UK opportunities in particular are being targeted, given improvement in deal flow.

Q2 2025 saw US policy uncertainty surge to crisis-era levels, driven by Trump's aggressive tariff agenda and shifting fiscal priorities. The Baker-Bloom-Davis Policy Uncertainty Index hit levels last seen during COVID and the 2008 crisis. Inflation expectations rose to 30-year highs, constraining the Fed and increasing stagflation risks. Outside of Tariffs, there was Trump's "One Big Beautiful Bill Act" (OBBBA) of which Section 899 created huge consternation for foreign investors in US assets and the broader energy transition respectively. Despite Section 899 being dropped from the tax bill post quarter end, as the US was exempted from G7 Global Minimum Tax Regulations that the previous Trump administration had agreed to, it emphasises the heightened risks posed to non-US investors in the President's 'new America'.

Europe is moving in the opposite direction. Germany's €1 trillion defence and infrastructure stimulus and proposed EU-wide initiatives could total €1.7 trillion (about 10% of EU GDP). The question remains whether countries other than Germany have the fiscal headroom to provide the finance. Germany appears overly focused on subsidies to reduce energy costs,

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
26.5	9.8%	5.7%	2,170,837	2,270,089	-99,252	1,540,220	1.08	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

as opposed to reconsidering significant prior policy mistakes - in particular, the total phase-out of nuclear power. Attractive new investment opportunities are presenting themselves, especially in transport, energy transition, and digital connectivity.

During the quarter, Aurora Sustainable Lands announced a 10-year agreement with Microsoft to deliver 4.8 million nature-based carbon removal credits, protecting the forests generating the carbon removal for more than 100 years and surpassing the minimum 40-year agreements for carbon projects. At 425,000 acres, this is (to Aurora's knowledge) the largest-ever permanent conservation project in the eastern US. The deal will provide investments and jobs across timberland communities, and it is ground-breaking in three crucial respects. Firstly, it starts delivering credits immediately. Secondly, it uses the new Improved Forestry Management v2.1 protocol, which incorporates dynamic baselines, enhanced additionality and monitoring requirements, improved quantification accuracy, and increased transparency. Thirdly, it unifies carbon capture and forest permanency requirements, which until now had been generally dissociated.

In further good news, the proceeds from Havfram were distributed in May. Over the past two years, as vessel construction progressed on-schedule, the company built a contract backlog in excess of $800 million. This represented approximately 11GW of new offshore wind generation capacity across 11 projects. While the timing of this exit is early relative to expectations at entry, we see it as a prudent derisking in the current volatile renewables environment. Brunel and StepStone will look to recycle the proceeds given we are still in the investment period of Cycle 3 tacticals, hence the increase in required new deals - from two last quarter to four this quarter.

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

By agreement per the specification, the portfolio will again be skewed to Core/Core+ assets at c.60%, with Value-add making more than 30%, which is higher than previous cycles.

Pipeline

Work continues reviewing new tactical opportunities that are currently in the pipeline. Four tactical coinvests are now required to complete Cycle 3 deployment. Stepstone presented a US RNG opportunity to Brunel for veto during the quarter, which was rejected by Brunel due to heightened US risks and uncertainties, as described above.

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
£344.16m

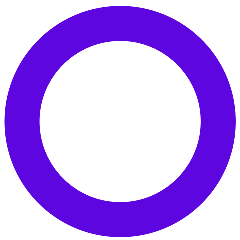
% called to date
99.76

Number of underlying funds
3

Avon's Holding:
GBP287.56m

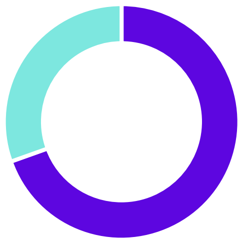
Country

Invested in underlying investments



Source: Colmore
Country data is lagged by one quarter

Strategy



Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance remained positive during the reporting period. The Bank of England cut short-term interest rates to 4.25% in May, and the resulting benefits on performance should be seen in coming quarters. Performance throughout 2025 has been driven by income. As anticipated there has been a lack of yield compression across the UK Real Estate market so capital values remain challenged amid macro uncertainty, especially around tariff impacts, and muted investment volumes. However, both long lease property funds maintain attractive return forecasts.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and Aberdeen's Long Lease Property (LLP), continue to make progress with paying down redemption queues. SPIF has seen inflows continue into 2025, with meaningful commitments received during Q1, and verbal confirmation of a large commitment post-quarter end which would largely offset the remaining redemption queue. LLP has an active sales pipeline and expects to sell several assets over the next 12 months to meet redemption requests. SPIF outperformed the MSCI UK Long Income Property Fund Index on an annual basis, as well as on a longer-term basis. Both funds continue to see strong distribution yields above 5% and a high degree of inflation-linkage in cashflows (albeit collared).

During the reporting period, Aberdeen concluded the process to bring the Aberdeen Long Lease Property fund over to abrdn Life Limited from Phoenix Life. This will allow the manager to review other vehicle structures for the fund, with the ultimate goal of broadening the investor base and securing inflows, thus improving the viability of the product.

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
287.6	5.1%	-0.1%	95,696,035	99,733,251	-4,037,216	3,262,850	1.00	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 1

Schroders Greencoat UK (f.k.a GRI) has now called 90.4% of total investor commitments as of Q1 2025, after a small investment into Stokeford Solar. The fund experienced a slight decrease in NAV in Q1, mainly due to changes in power price assumptions, operational assumptions, and Speyside (Scottish bioenergy asset) enduring longer-than-planned outages, which subsequently impacted the DCF valuation. However, the fund saw strong asset-level performance. Solar assets, including Toucan 3 (the non-Cornwall, non-Wessex Gardens assets from the original Toucan transaction), saw improved performance due to high irradiance over the period. It is anticipated that strong solar returns should continue into Q2, given one of the driest, sunniest Springs on record. The portfolio also benefits from contracted power price agreements while maintaining some merchant exposure, allowing Greencoat to take advantage of power price increases. The Toucan 3 assets are expected to begin distributing cash back to investors in July 2025. The most recent investment, Tiln battery and solar, is performing very well. It was marked at a 26% gross IRR in Q1 and has performed as well as standalone sites in country-wide battery leaderboards. Gross hold-to-life returns remain above fund target at 7.4% in the reporting period, and annual cash yield remained high at 6.3%.

Despite the headwinds of macro uncertainty and the geopolitical shifts experienced following the inauguration of President Trump, the UK renewables market is supported by structural tailwinds, including increased demand arising from the electrification of transport, heating, green hydrogen, and the advancements in artificial intelligence and data centres. Furthermore, companies are increasingly entering into Power Purchase Agreements to meet their and their supply chain's global decarbonisation targets. Some uncertainty has dissipated over the summer, as post quarter end the UK government announced its rejection of Zonal Pricing and laid out the Reformed National Pricing package, though these impacts remain to be seen. We believe this is a sensible decision, if overdue.

Pipeline

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

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
£119.86m

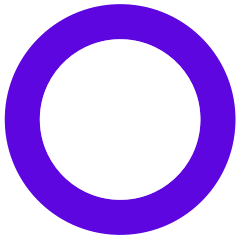
% called to date
99.89

Number of underlying funds
3

Avon's Holding:
GBP97.69m

Country

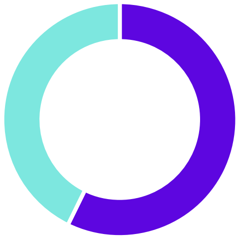
Invested in underlying investments



United Kingdom	100.0%

Source: Colmore
Country data is lagged by one quarter

Strategy



Long Lease Property	57.3%
Operational	42.7%

Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance remained positive during the reporting period. The Bank of England cut short-term interest rates to 4.25% in May, and the resulting benefits on performance should be seen in coming quarters. Performance throughout 2025 has been driven by income. As anticipated there has been a lack of yield compression across the UK Real Estate market so capital values remain challenged amid macro uncertainty, especially around tariff impacts, and muted investment volumes. However, both long lease property funds maintain attractive return forecasts.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and Aberdeen's Long Lease Property (LLP), continue to make progress with paying down redemption queues. SPIF has seen inflows continue into 2025, with meaningful commitments received during Q1, and verbal confirmation of a large commitment post-quarter end which would largely offset the remaining redemption queue. LLP has an active sales pipeline and expects to sell several assets over the next 12 months to meet redemption requests. SPIF outperformed the MSCI UK Long Income Property Fund Index on an annual basis, as well as on a longer-term basis. Both funds continue to see strong distribution yields above 5% and a high degree of inflation-linkage in cashflows (albeit collared).

During the reporting period, Aberdeen concluded the process to bring the Aberdeen Long Lease Property fund over to abrdn Life Limited from Phoenix Life. This will allow the manager to review other vehicle structures for the fund, with the ultimate goal of broadening the investor base and securing inflows, thus improving the viability of the product.

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
97.7	6.9%	1.3%	27,115,983	28,524,209	-1,408,226	895,381	0.97	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

Schroders Greencoat UK (f.k.a GRI) has now called 90.4% of total investor commitments as of Q1 2025, after a small investment into Stokeford Solar. The fund experienced a slight decrease in NAV in Q1, mainly due to changes in power price assumptions, operational assumptions, and Speyside (Scottish bioenergy asset) enduring longer-than-planned outages, which subsequently impacted the DCF valuation. However, the fund saw strong asset-level performance. Solar assets, including Toucan 3 (the non-Cornwall, non-Wessex Gardens assets from the original Toucan transaction), saw improved performance due to high irradiance over the period. It is anticipated that strong solar returns should continue into Q2, given one of the driest, sunniest Springs on record. The portfolio also benefits from contracted power price agreements while maintaining some merchant exposure, allowing Greencoat to take advantage of power price increases. The Toucan 3 assets are expected to begin distributing cash back to investors in July 2025. The most recent investment, Tiln battery and solar, is performing very well. It was marked at a 26% gross IRR in Q1 and has performed as well as standalone sites in country-wide battery leaderboards. Gross hold-to-life returns remain above fund target at 7.4% in the reporting period, and annual cash yield remained high at 6.3%.

Despite the headwinds of macro uncertainty and the geopolitical shifts experienced following the inauguration of President Trump, the UK renewables market is supported by structural tailwinds, including increased demand arising from the electrification of transport, heating, green hydrogen, and the advancements in artificial intelligence and data centres. Furthermore, companies are increasingly entering into Power Purchase Agreements to meet their and their supply chain's global decarbonisation targets. Some uncertainty has dissipated over the summer, as post quarter end the UK government announced its rejection of Zonal Pricing and laid out the Reformed National Pricing package, though these impacts remain to be seen. We believe this is a sensible decision, if overdue.

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
£240.00m

Amount Called
£239.74m

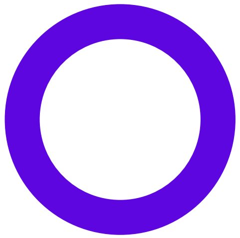
% called to date
99.89

Number of underlying funds
3

Avon's Holding:
GBP233.15m

Country

Invested in underlying investments



United Kingdom	100.0%

Source: Colmore
Country data is lagged by one quarter

Strategy

Long Lease Property	61.2%
Operational	38.8%

Source: Colmore
Strategy data is lagged by one quarter

Performance commentary

Performance remained positive during the reporting period. The Bank of England cut short-term interest rates to 4.25% in May, and the resulting benefits on performance should be seen in coming quarters. Performance throughout 2025 has been driven by income. As anticipated there has been a lack of yield compression across the UK Real Estate market so capital values remain challenged amid macro uncertainty, especially around tariff impacts, and muted investment volumes. However, both long lease property funds maintain attractive return forecasts.

Open-ended long lease property funds, including M&G Secured Property Income Fund (SPIF) and Aberdeen's Long Lease Property (LLP), continue to make progress with paying down redemption queues. SPIF has seen inflows continue into 2025, with meaningful commitments received during Q1, and verbal confirmation of a large commitment post-quarter end which would largely offset the remaining redemption queue. LLP has an active sales pipeline and expects to sell several assets over the next 12 months to meet redemption requests. SPIF outperformed the MSCI UK Long Income Property Fund Index on an annual basis, as well as on a longer-term basis. Both funds continue to see strong distribution yields above 5% and a high degree of inflation-linkage in cashflows (albeit collared).

During the reporting period, Aberdeen concluded the process to bring the Aberdeen Long Lease Property fund over to abrdn Life Limited from Phoenix Life. This will allow the manager to review other vehicle structures for the fund, with the ultimate goal of broadening the investor base and securing inflows, thus improving the viability of the product.

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
233.2	1.9%	-	68,987,960	72,218,519	-3,230,559	2,228,600	1.05	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

Schroders Greencoat UK (f.k.a GRI) has now called 90.4% of total investor commitments as of Q1 2025, after a small investment into Stokeford Solar. The fund experienced a slight decrease in NAV in Q1, mainly due to changes in power price assumptions, operational assumptions, and Speyside (Scottish bioenergy asset) enduring longer-than-planned outages, which subsequently impacted the DCF valuation. However, the fund saw strong asset-level performance. Solar assets, including Toucan 3 (the non-Cornwall, non-Wessex Gardens assets from the original Toucan transaction), saw improved performance due to high irradiance over the period. It is anticipated that strong solar returns should continue into Q2, given one of the driest, sunniest Springs on record. The portfolio also benefits from contracted power price agreements while maintaining some merchant exposure, allowing Greencoat to take advantage of power price increases. The Toucan 3 assets are expected to begin distributing cash back to investors in July 2025. The most recent investment, Tiln battery and solar, is performing very well. It was marked at a 26% gross IRR in Q1 and has performed as well as standalone sites in country-wide battery leaderboards. Gross hold-to-life returns remain above fund target at 7.4% in the reporting period, and annual cash yield remained high at 6.3%.

Despite the headwinds of macro uncertainty and the geopolitical shifts experienced following the inauguration of President Trump, the UK renewables market is supported by structural tailwinds, including increased demand arising from the electrification of transport, heating, green hydrogen, and the advancements in artificial intelligence and data centres. Furthermore, companies are increasingly entering into Power Purchase Agreements to meet their and their supply chain's global decarbonisation targets. Some uncertainty has dissipated over the summer, as post quarter end the UK government announced its rejection of Zonal Pricing and laid out the Reformed National Pricing package, though these impacts remain to be seen. We believe this is a sensible decision, if overdue.

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

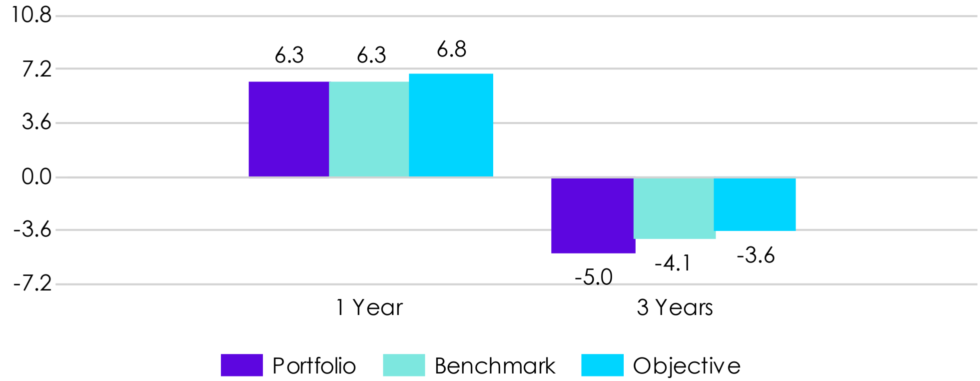
£210.0m

Amount Called

£194.9m

Number of portfolios

13



Performance commentary

Q2 2025 marked a cautiously optimistic phase for the UK property market, with early signs of stabilisation emerging across several sectors despite ongoing macroeconomic headwinds. Market consensus anticipates a gradual Bank of England easing cycle continuing later this year. Inflation, however, remains sticky and above-target, with services inflation proving particularly stubborn. These dynamics continue to shape investor sentiment and capital flows into real estate, as does hostility from the US.

UK REITs have become prime targets for public-to-private transactions, driven by wide share price discounts to NAV, strong institutional demand from well-capitalised private market fund managers, and strategic consolidation, thereby reshaping the property investment landscape. This trend reflects a broader shift toward privatised control of income-generating real estate assets across the logistics, residential, and healthcare sectors. The bidding war for Assura, a major landlord to NHS GP surgeries, between fellow REIT PHP and two private infrastructure fund managers (KKR and Stonepeak), exemplifies the situation, with both property and infrastructure managers eyeing up unrealised value.

The MSCI/AREF UK Quarterly Property Fund Index reported a total return of 1.4% for Q1 2025 and 6.3% over the trailing 12 months, with Q2 data expected to reflect a similar trajectory.

The industrial sector experienced a slowdown in leasing activity and a decline in new development starts, reflecting elevated construction costs and rising vacancy rates. However, demand for energy-efficient logistics assets remains robust. Opportunistic capital is returning to the retail sector, particularly in shopping centres, where repricing has created selective value opportunities.

Build-to-rent and affordable housing continue to attract institutional capital, supported by strong rental growth and demographic tailwinds. In early July, the UK government launched a landmark £39 billion Social and Affordable Homes Programme, aiming to deliver 300,000 new homes

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	194.9	190.6	6.3%	-5.0%	-	3.0%	1.35	Jan 2021

UK Property

over the next decade. This was notable in both size and term, designed to tackle the nationwide lack of affordable housing stock and provide longer-term certainty for councils, developers, and housing associations. (Previous settlement had been for only 5 years).

Post quarter end, the UK government announced plans to ban upward-only rent reviews (UORRs) in new commercial leases as part of the English Devolution and Community Empowerment Bill, aiming to support small businesses, reduce high street vacancies, and allow rents to reflect market conditions.

Several of Brunel's open-ended funds are undergoing structural changes. The Federated Hermes Property Unit Trust is progressing toward a merger with L&G's Managed Property Fund, which Brunel supports as part of a revised UK model portfolio. A full protective redemption was submitted for the entire combined holdings of our clients in Schroders Capital UK Real Estate Fund, with the intention of preserving optionality while they explore available liquidity management options. This includes potential suspension or gating of the fund to manage deferred redemptions which, we understand, have risen to greater than half the fund's NAV.

Pipeline

There is no fund pipeline, with the portfolio fully committed to model funds. However, the L&G fund will become part of the UK model portfolio if the merger with HPUT concludes. The annual review of the UK model portfolio with Townsend may result in further changes.

*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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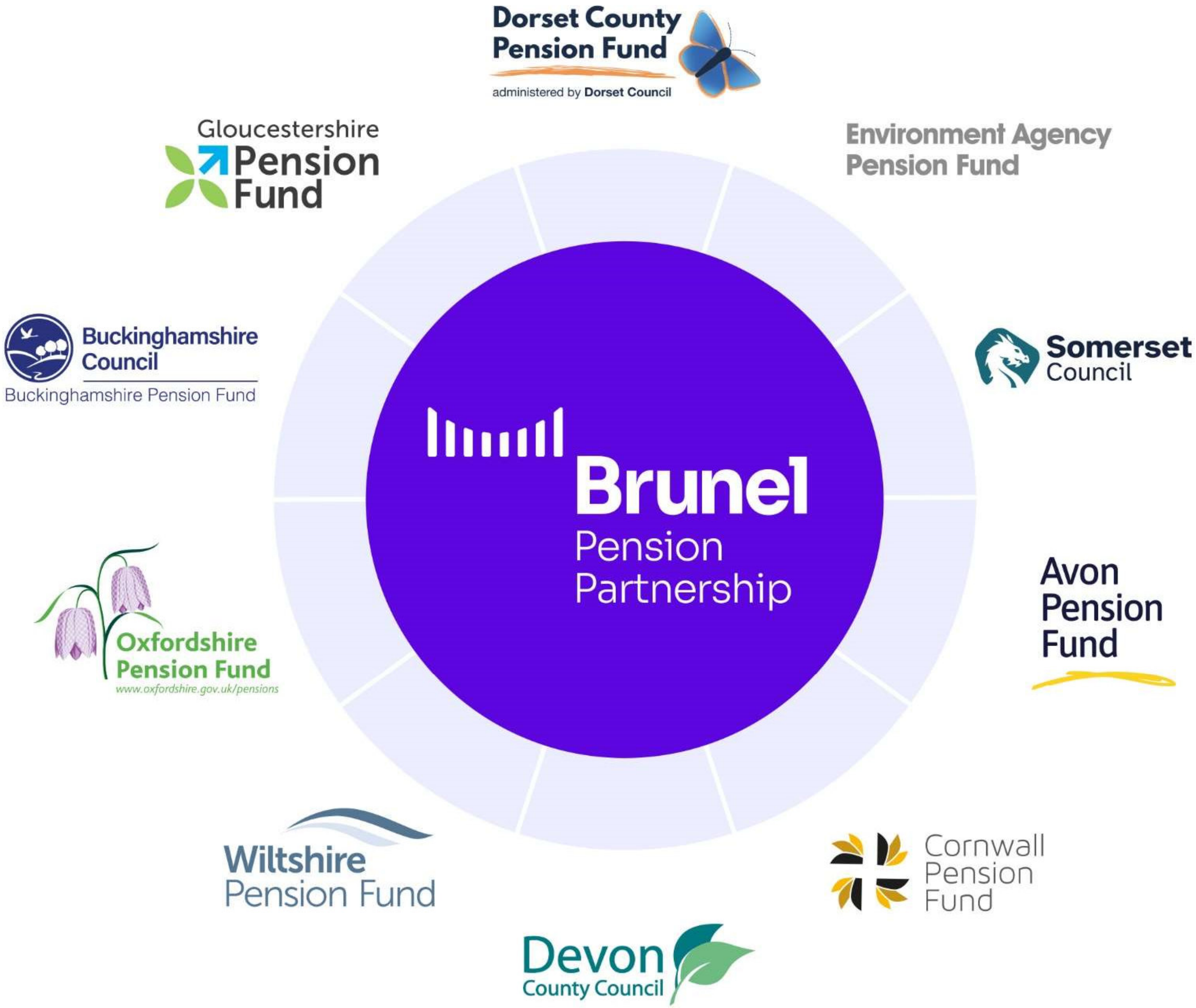
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Environment Agency Pension Fund
Somerset Council
Avon Pension Fund
Cornwall Pension Fund
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