East Sussex Pension Fund

Investment Performance
Quarter to 31 December 2022

Isio Investment Advisory

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Document Classification: Confidential

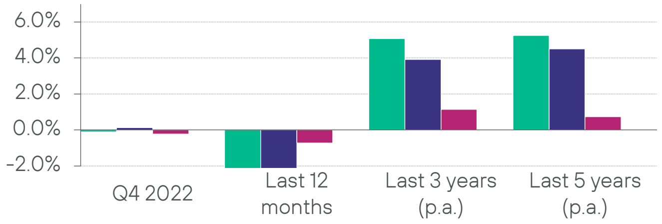
Contents

Highlights

Executive Summary – 31 December 2022

Access Pool	Fund	Q4 2022 Performance			Value at Quarter End	
		Fund	Benchmark	Relative	30-Sep-22	31-Dec-22
Yes	UBS Osmosis – Sustainable Equity	1.7%	1.9%	-0.2%	£221.0m	£224.7m
Yes	Longview - Global Equity	5.3%	1.9%	+3.5%	£506.6m	£533.5m
No	WHEB – Sustainable Equity	3.7%	1.9%	+1.9%	£205.7m	£213.4m
No	Wellington – Sustainable Equity	-0.7%	1.9%	-2.5%	£221.1m	£219.7m
No	Storebrand – Sustainable Equity	1.3%	1.9%	-0.6%	£470.6m	£476.7m
Yes	Baillie Gifford – Global Equity	1.3%	1.9%	-0.6%	£176.7m	£179.0m
No	Harbourvest – Private Equity [1,2]	-8.6%	2.3%	-10.9%	£198.9m	£180.0m
No	Adams Street – Private Equity [1,2]	-9.7%	2.3%	-12.0%	£216.7m	£201.0m
Yes	Newton – Absolute Return	3.3%	1.4%	+1.9%	£469.2m	£343.8m
Yes	Ruffer - Absolute Return	1.2%	1.4%	-0.2%	£539.8m	£485.3m
No	Schroders – Property	-8.1%	-14.1%	+6.0%	£404.1m	£369.1m
No	UBS – Infrastructure [2]	-7.7%	3.2%	-10.9%	£39.0m	£36.5m
No	Pantheon – Infrastructure [2]	-6.7%	3.2%	-9.8%	£87.8m	£87.8m
No	M&G – Infrastructure [2]	-0.1%	3.2%	-3.2%	£45.7m	£50.9m
No	ATLAS - Listed Infrastructure	9.3%	1.6%	+7.7%	£86.7m	£94.8m
No	M&G – Real Estate Debt [2]	-1.4%	1.8%	-3.2%	£36.6m	£35.2m
Yes	M&G – Diversified Credit	1.6%	1.6%	+0.0%	£283.4m	£287.9m
Yes	M&G - Corporate Bonds	7.0%	6.4%	+0.6%	£112.2m	£120.1m
Yes	UBS - Over 5 Year Index-linked Gilts	-7.6%	-7.5%	-0.1%	£96.6m	£89.3m
	Total Assets	-0.1%	0.1%	-0.2%	**£4,502m**	**£4,496m**

Period returns – to 31 December 2022



	Q4 2022	Last 12 months	Last 3 years (p.a.)	Last 5 years (p.a.)
Scheme Return	-0.1%	-5.1%	5.1%	5.2%
Benchmark Return	0.1%	-4.4%	3.9%	4.5%
Relative	-0.2%	-0.7%	1.1%	0.7%
Sample 60:40 Portfolio	0.3%	-11.6%	3.0%	4.5%

Commentary

- The Fund's assets delivered a small negative absolute return over the quarter, underperforming the benchmark by 0.2%.
- The Fund's illiquid holdings in private equity and infrastructure – which had performed strongly over 2022 to-date – fell materially, as lagged private market valuations began to be adjusted to reflect the wider market environment.
- There was material divergence in the performance of fixed income assets, as the interest rate curve steepened, and long-dated inflation expectations fell.
- Despite negative returns over recent quarters, longer term returns at Fund level remain strong, with equity assets adding significant value over the last decade, and unhedged exposure also having benefited from the depreciation in Sterling.

The asset portfolio delivered a marginally negative return of -0.1% over Q4, marginally underperforming the benchmark by 0.2%.

There was significant divergence in mandate returns over the period, with the performance of illiquid assets beginning to reflect the public market falls of earlier in the year.

There was material divergence in the performance of fixed income assets, as the interest rate curve steepened, and long-dated inflation expectations fell, with inflation-linked bonds significantly underperforming.

Note: Sample 60:40 portfolio consists of 60% allocation to MSCI ACWI and a 40% allocation to a bond portfolio split 20% in BofA Merrill Lynch Global Corporate Index, and 10% in FTSE Gilts (all maturities) and FTSE Index Linked Gilts (all maturities) respectively, with all portfolio returns unhedged in GBP terms.

Notes: Totals may not sum precisely due to rounding. All returns are net of fees. Unless stated otherwise, all performance figures and objectives provided by Northern Trust as at 31 December 2022. Fund Total value includes cash held with Northern Trust. [1] Valuation and performance information as at 30 September 2022. [2] Valuations shown are either 3m or 6m lagged and adjusted for distributions / drawdowns and currency movements. **Source:** Investment Managers, Northern Trust, Isio calculations.

Manager Performance – 31 December 2022

Fund	Q4 2022 Performance			1 Year Performance			3 Year Performance			5 Year Performance		
	Fund	Benchmark	Relative	Fund	Objective	Relative	Fund	Objective	Relative	Fund	Objective	Relative
UBS Osmosis – Sustainable Equity	1.7%	1.9%	-0.2%	-	-	-	-	-	-	-	-	-
Longview - Global Equity	5.3%	1.9%	+3.5%	2.3%	-7.8%	+10.2%	6.9%	8.4%	-1.4%	8.6%	8.3%	+0.3%
WHEB - Sustainable Equity	3.7%	1.9%	+1.9%	-16.9%	-7.8%	-9.1%	-	-	-	-	-	-
Wellington – Sustainable Equity	-0.7%	1.9%	-2.5%	-12.6%	-8.1%	-4.5%	-	-	-	-	-	-
Storebrand – Sustainable Equity	1.3%	1.9%	-0.6%	-11.4%	-7.8%	-3.5%	-	-	-	-	-	-
Baillie Gifford – Global Equity	1.3%	1.9%	-0.6%	-20.6%	-8.1%	-12.5%	-	-	-	-	-	-
Harbourvest – Private Equity[1]	-8.6%	2.3%	-10.9%	11.2%	-6.6%	+17.8%	27.1%	8.9%	+18.2%	21.8%	9.0%	+12.7%
Adams Street – Private Equity[1]	-9.7%	2.3%	-12.0%	5.3%	-6.6%	+11.9%	27.4%	8.9%	+18.5%	22.3%	9.0%	+13.3%
Newton – Absolute Return	3.3%	1.4%	+1.9%	-6.8%	4.4%	-11.1%	1.6%	3.3%	-1.7%	3.4%	3.0%	+0.4%
Ruffer - Absolute Return	1.2%	1.4%	-0.2%	5.4%	4.4%	+1.1%	10.1%	3.4%	+6.7%	6.5%	3.0%	+3.5%
Schroders – Property	-8.1%	-14.1%	+6.0%	-3.1%	-9.5%	+6.4%	4.0%	2.2%	+1.8%	4.0%	2.9%	+1.1%
UBS – Infrastructure	-7.7%	3.2%	-10.9%	26.9%	12.5%	+14.4%	3.5%	7.4%	-3.9%	2.3%	5.5%	-3.1%
Pantheon – Infrastructure[1]	-6.7%	3.2%	-9.8%	27.1%	12.5%	+14.6%	16.7%	7.4%	+9.3%	-	-	-
M&G – Infrastructure	-0.1%	3.2%	-3.2%	8.5%	12.5%	-4.1%	8.5%	7.4%	+1.0%	-	-	-
ATLAS – Listed Infrastructure	9.3%	1.6%	+7.7%	7.4%	6.9%	+0.4%	-	-	-	-	-	-
M&G – Real Estate Debt	-1.4%	1.8%	-3.2%	-2.8%	5.9%	-8.7%	1.6%	4.9%	-3.3%	-	-	-
M&G – Diversified Credit	1.6%	1.6%	+0.0%	-0.5%	4.9%	-5.4%	2.9%	3.8%	-0.9%	2.8%	3.5%	-0.6%
M&G - Corporate Bonds	7.0%	6.4%	+0.6%	-26.2%	-26.4%	+0.2%	-7.1%	-7.8%	+0.8%	-2.3%	-2.9%	+0.6%
UBS - Over 5 Year Index-linked Gilts	-7.6%	-7.5%	-0.1%	-38.1%	-38.0%	-0.1%	-10.2%	-10.1%	-0.0%	-	-	-
Total Assets	**-0.1%**	**0.1%**	**-0.2%**	**-5.1%**	**-4.4%**	**-0.7%**	**5.1%**	**3.9%**	**1.1%**	**5.2%**	**4.5%**	**0.7%**

Notes: Totals may not sum precisely due to rounding. All returns are net of fees. Unless stated otherwise, all performance figures and objectives provided by Northern Trust as at 31 December 2022.
[1] Valuation and performance information as at 30 September 2022.
Source: Investment Managers, Northern Trust, Isio calculations.

The table shows manager performance over the short, medium and long-term.

The sustainable active public equity mandates have continued to struggle relative to their benchmarks over the last 12 months, whilst the active mandate from Longview outperforming over this period.

The private equity mandates have delivered very strong performance over the 1, 3 and 5 year periods; however we expect there to be a lag in valuation write downs relative to public markets in the near term.

Looking Forward

Key issues

Item	Action points / Considerations	Status
Overall Investment Strategy	**Infrastructure Equity Implementation** • Following the Committee's agreement at the Q1 2022 meeting to appoint IFM to manage the Fund's Infrastructure Equity mandate, the Fund has successfully onboarded with the full capital allocation drawn down following the end of Q4 2022 in January 2023.	Information only
	Liquid Fixed Income Manager Selection • At the Q1 2022 Committee meeting, Isio presented a paper detailing the proposed implementation approach for selection of the manager to manage the agreed increased allocation to fixed income. The Officers have now reached agreement on a preferred choice of manager and are due to arrange implementation once the fund is available on the ACCESS platform.	Information only
	Illiquid Fixed Income Allocation • The Officers and IWG group have requested Isio consider the options available to the Fund in relation to implementing the strategic allocation to illiquid fixed income. Isio will prepare a briefing paper in early 2023 to further consider this allocation.	Information only
	Strategy re-test • Following the shift in market regime to a higher interest rate environment over 2022, Isio prepared a short paper on the potential opportunity within the Index-Linked Gilts market. The yield triggers to exploit this opportunity, should it occur again, have been agreed by the Committee. UBS are due to come back to Officers with a monitoring and implementation proposal for the allocation.	Information only
	• Isio will prepare a further paper on the broader strategic allocation of the Fund and the appropriateness in the current market environment, for the July strategy day.	Information only
	Engagement vs Divestment of Fossil Fuels • Isio have been working with the Committee to determine a scope for a paper covering the broad merits of engagement vs divestment in fossil fuels, with specific reference to the Fund's circumstances and available options. The findings of which are due to be presented at the July meeting.	Information only
Investment Managers	• Isio continue to work with UBS to improve the level of information they are able to provide in relation to their infrastructure funds on an ongoing basis.	Information only

Summary

This page sets out the main action / discussion points.

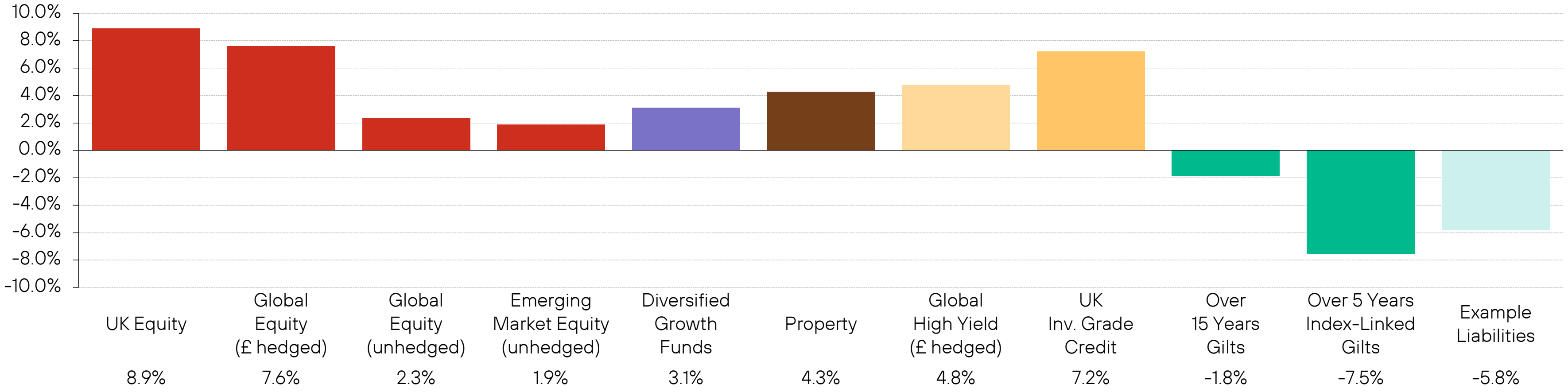
Status key

- Action
- Decision
- Discussion
- Information only

Market Background

Market Background – Overview Q4 2022

Returns by Asset Class – Q4 2022



Key Upcoming Events

- The dates for the Bank of England's Monetary Policy Committee (MPC) announcements in Q1 2023 are 2 February and 23 March.
- The dates for the US Federal Reserve's Federal Open Market Committee (FOMC) announcements in Q1 2023 are 1 February and 22 March.

Commentary

- Growth assets achieved strong gains as investor sentiment improved over the quarter, with UK Equity performing particularly well following the September political crisis.
- In the US, the emergence of stronger than expected corporate earnings combined with indications that the pace of policy tightening would slow, which led to positive performance in certain sectors of the equity markets.
- US and European investment grade and high yield credit generated positive returns and outperformed government bonds over the quarter, as credit spreads tightened globally as risk sentiment improved.
- Volatility in UK government bond markets contributed to the reversal of many of the policies announced in September's 'mini-budget', and the appointment of Rishi Sunak as the country's new prime minister. Gilt yields and interest rate expectations subsequently stabilised, and domestically focused areas of the UK equity market benefitted from the improved outlook. The Bank of England took the decision to slow the pace of interest rate hikes, which also supported these areas.

Summary

Q4 saw markets perform positively after a year of significant devaluations. Despite the gains made over the quarter, investors remain concerned around the prospects of high inflation, slowing growth, and the potential for aggressive monetary policy to cause a recession.

Major central banks reiterated plans to tighten monetary policy despite indications that inflation might fall earlier than expected. As markets priced this in, gilt yields increased, and correspondingly prices fell toward the end of Q4.

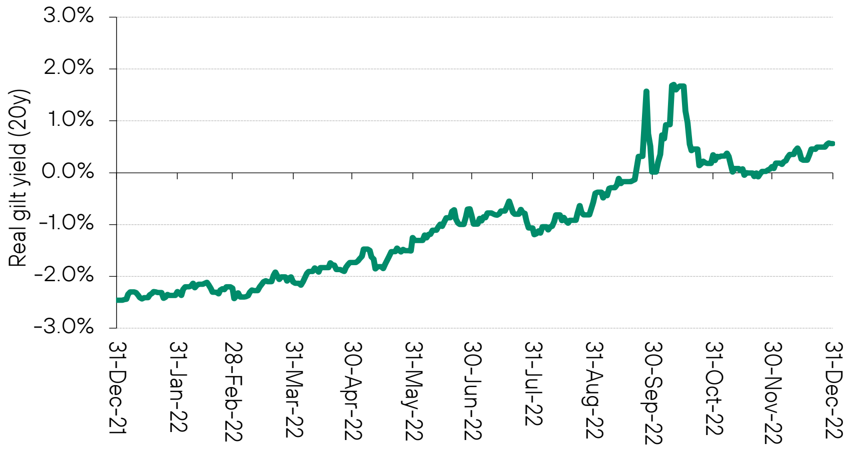
The US Federal Reserve raised rates twice during the quarter, ending at 4.5%. The Bank of England also announced two rate hikes, bringing the UK interest rate to 3.5% at the end of Q4.

Hedged global equities outperformed unhedged over the period, as the pound strengthened against other major currencies.

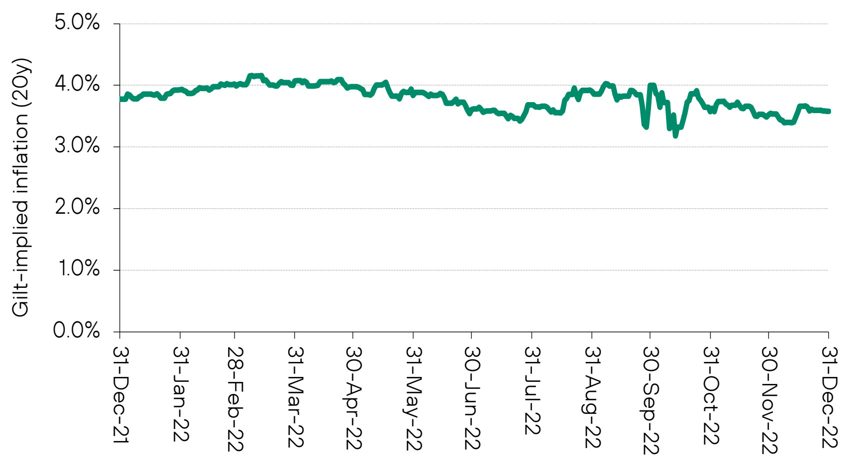
Notes: Please see the 'Explanation of Market Background' appendix for details of the returns representing each asset class.
Sources: Refinitiv, DGF investment managers, Isio calculations.

Market Background – Yields

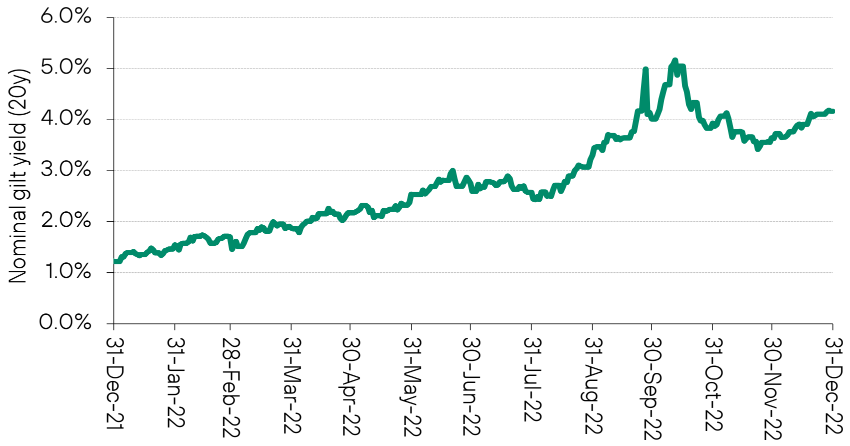
Real Gilt Yields – Last 12 months



Gilt-Implied Inflation – Last 12 months



Nominal Gilt Yields – Last 12 months



Example Liabilities

- The liabilities for an example DB pension scheme decreased by c.5.8% over the quarter. This can be broken down into the following components:
  - c. 5.7% decrease, due to the increase in real yields;
  - c. 1.0% decrease, due to the increase in nominal yields; and
  - c. 0.9% increase due to the "unwinding" effect (also known as "interest" on the liabilities).
- The liabilities for an example DB pension scheme decreased by c.33.7% over the last 12 months.

These charts show yield movements at the 20-year tenor over the past year.

The "Example Liabilities" indicate how a typical scheme's past-service liabilities may have moved.

Gilt Yield and Implied Inflation Changes

20-year Real Gilt Yield	
October	0.33%
November	-0.23%
December	0.44%
Quarter	**0.55%**

20-year Nominal Gilt Yield	
October	-0.08%
November	-0.29%
December	0.52%
Quarter	**0.15%**

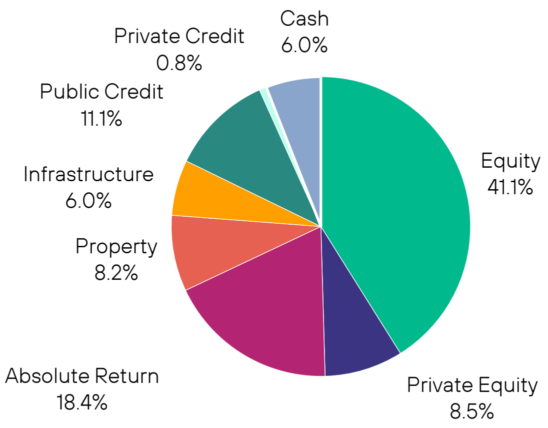
20-year Gilt-Implied Inflation	
October	-0.43%
November	-0.05%
December	0.06%
Quarter	**-0.42%**

Notes: Please see the 'Explanation of Market Background' appendix for details of the example liabilities. Monthly yield changes may not sum to quarterly changes, due to rounding. Zero coupon rates are shown.
Sources: Bank of England, Isio calculations.

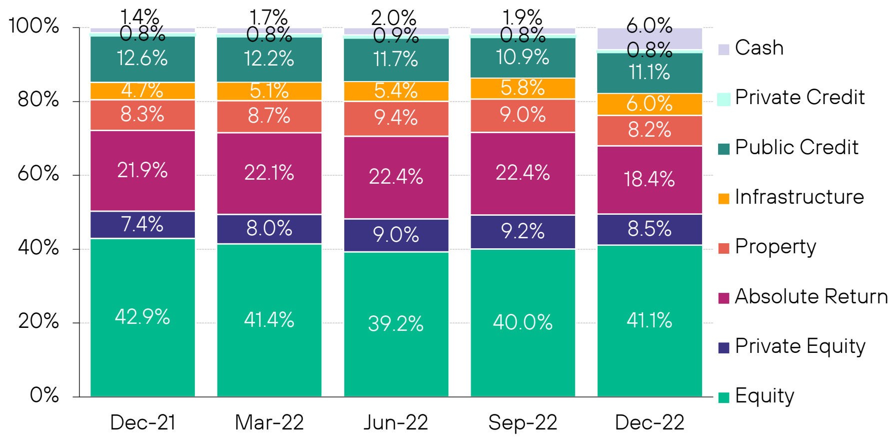
Strategy Overview

Asset Allocation – at 31 December 2022

Asset Allocation – 31 December 2022



Asset Allocation Changes Since 31 December 2021



Summary

As at December 2022, the Fund's asset allocation was off-benchmark following strategic changes to the Fund's asset allocation agreed by the Committee but which are yet to be implemented.

Allocations will be brought more closely in-line to the revised benchmark as managers for the new mandates are agreed and implemented over the coming quarters.

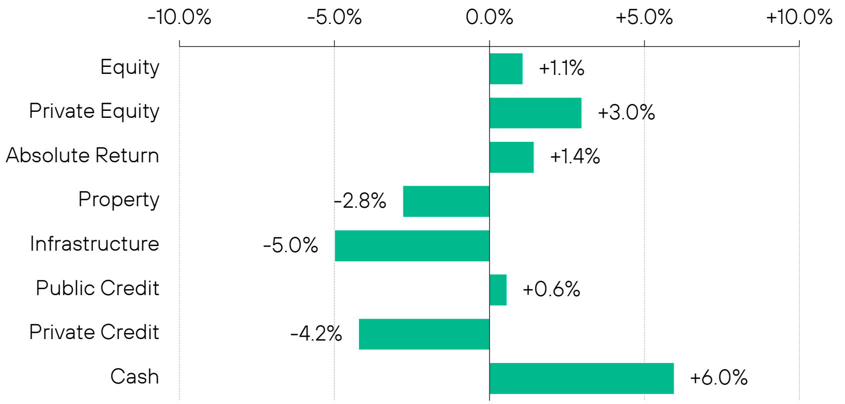
Total Assets

Start of quarter £4,502m
End of quarter £4,496m

Agreed Target Allocation

Equity	40.0%
Private Equity	5.5%
Absolute Return	17.0%
Balanced Property	7.0%
Inflation-Linked Property	4.0%
Infrastructure	11.0%
Public (Diversified) Credit	10.5%
Private Credit	5.0%

Assets Relative to Benchmark – 31 December 2022



Note: Totals may not sum due to rounding.
Source: Investment managers, Isio calculations.

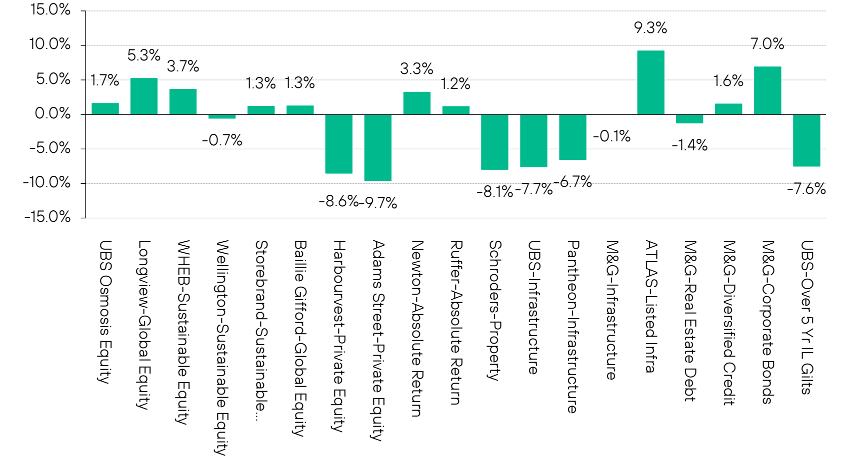
Commentary

- As at December 2022, the Fund's asset allocation remained off-benchmark relative to the target asset allocation; though steps are being taken to address this through continued implementation of the agreed target investment strategy.
- The absolute return, equity and cash allocations continue to be overweight; while the property, infrastructure and private credit allocations remain underweight.
- Private equity also remains overweight, following strong performance over the medium term, relative to other growth asset classes; albeit this has come down since last quarter following the valuation write downs.
- The allocations will be brought more closely in line with the strategic benchmark as the new mandates are agreed and implemented going forward. More specifically:
  - The commitment to infrastructure equity (c. 5% of Fund assets) was being held in cash as at 31 December 2022 and due to be drawn in early January 2023.
  - A commitment to private credit is expected to be made over Q2/Q3 2023, with capital drawn into the chosen fund over the following 12-18 months.
  - For property, the Committee continue to explore the implementation options available to them with the view to progressing this allocation over 2023.

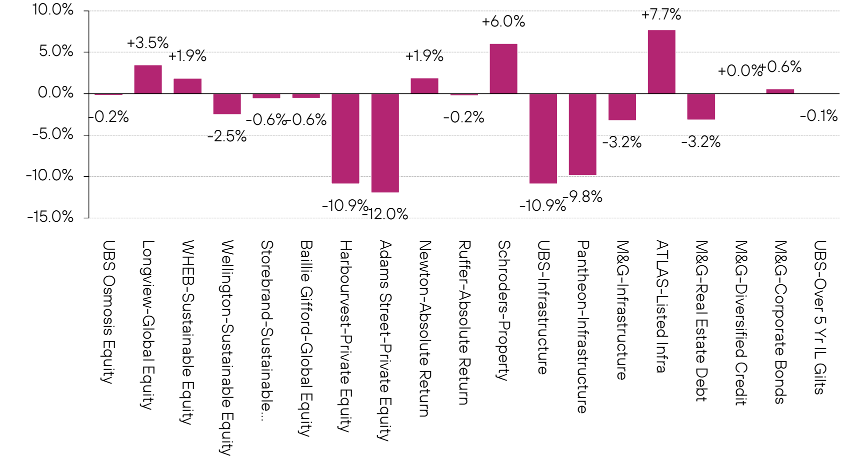
Investment Managers

Performance Summary – to 31 December 2022

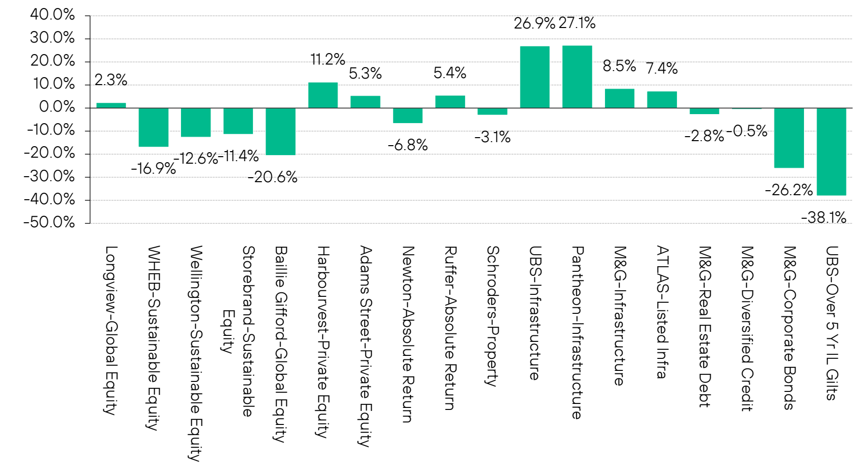
Absolute Return – Q4 2022



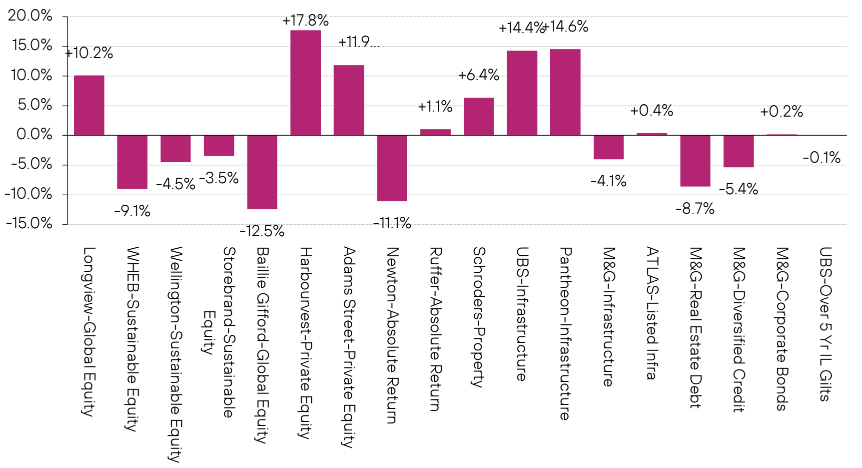
Relative Return – Q4 2022



Absolute Return – 12 months



Relative Return – 12 months



Summary

The Fund's mandates delivered mixed absolute performance over Q4, with private equity funds delivering the most notable negative returns as valuations were marked to market on a lagged basis relative to public markets.

The Fund's listed equity and liquid credit mandates produced positive contributions within the portfolio over Q4 in terms of absolute return levels.

A mixed relative performance was outlined from Q4's results with private equity and infrastructure mandates being the largest detractors within the portfolio following strong performance in recent quarters.

The Schroders property fund, although posted a significantly negative absolute return over Q4 posted a significantly positive relative return over the period.

Note: Returns net of fees. 12 month relative and absolute returns are not available for the UBS Osmosis mandate as it was incepted post 30 September 2021.
Source: Investment Managers, Northern Trust, Isio calculations.

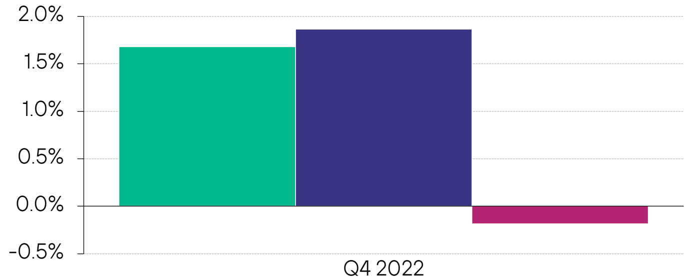
UBS / Osmosis – Sustainable Equity

Overview

The Fund adopts an optimised, smart beta approach, investing in global equities with the aim of approximating the performance and risk profile of the index, with an explicit incorporation of ESG and climate-related risks.

Process	Bottom Up	Top Down
Stock Selection	Low	High
Active Share	Low	High

Performance to 31 December 2022



	Q4 2022
Return	1.7%
Benchmark	1.9%
Relative	-0.2%

Mandate: ESG Focused Global Equities

Current Value: £224.7m

Current Weighting: 5.0%

Inception: March 2022

Benchmark: MSCI World NR

Objective: Achieve superior risk-adjusted returns by targeting maximum resource efficiency exposure while maintaining a tight tracking error to the MSCI World.

Pooled: Via Access Pool

Key area	Comments
Key contributors/ detractors	• Strongest contributors were Gilead Sciences (Health Care), Nucor and Freeport-McMoran (Materials). • Key detractors were Exxon Mobil (Energy), Chevron (Energy) and Merck & Co (Health Care) – all negative active weights.
Portfolio positioning	• Liberty Sirius XM (communications) and IGO Limited (materials) were added to the portfolio. • US Material firms Ecolab and Flavours & Fragrances were sold. • The overall sector and country weights have remained similar to the previous quarter, maintaining the targeted tight factor exposures to the MSCI World benchmark.
Outlook	• Low active risk means that future active returns will continue to be low, with relative performance driven by fossil fuel returns and the success of the resource efficiency signal.

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	550	601	Large change, but in line with quant process
12m turnover	24%	24%	Remained constant
Active share	52%	48%	Low, in line with expectations
Top 3 sectors	Information Technology (22%), Health Care (16%), Financials (13%).		
Top 3 stocks	Apple Inc (5%), Microsoft Corp (4%), UnitedHealth Group Inc (2%).		
Top 3 regions	North America (72%), Europe (18%), Asia (10%).		

Note: Totals may not sum due to rounding. Performance quoted net of fees. Performance shown since inception of the Fund's investment on 3 March 2022.
Source: Investment manager, Northern Trust, Isio calculations.

Longview - Global Equity

Overview

The strategy utilises a bottom-up approach to invest in 30-35 high quality global companies which have strong business fundamentals and a market capitalisation greater than $5 billion.

Process	Bottom Up	Top Down
Stock Selection	Low	High
Active Share	Low	High

Key area	Comments
Key contributors/ detractors	• The Fund outperformed both its benchmark and the broad 'quality' style over the period, with returns particularly driven by significant multiple expansion across the portfolio. • Stock selection was the primary driver of relative performance (compared to sector allocation); this is positive given the Fund's 'bottom-up' investment process.
Portfolio positioning	• The lack of exposure to the Energy and Materials sectors has continued to weigh on longer term relative performance. • No new positions were added to the portfolio and the only sale completed was Fidelity National Information Services (based on perceived deterioration in the business fundamentals).
Outlook	• Longview anticipates continued market volatility but notes that the full economic impact of interest rate rises is currently unclear. The manager continues to focus on firms which can grow cash flows sustainably, and navigate current uncertainty.

Performance to 31 December 2022

	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	5.3%	2.3%	6.9%	8.6%
Benchmark	1.9%	-7.8%	8.4%	8.3%
Relative	+3.5%	+10.2%	-1.4%	+0.3%

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	32	33	In line with expectations
12m turnover	22%	21%	Low relative to peers
Active share	91%	91%	High relative to peers
Top 3 sectors	Health Care (26%), Financials (24%), IT (14%)		
Top 3 stocks	TJX Companies (4%), HCA Healthcare (4%), State Street (4%)		
Top 3 regions	US (83%), UK (8%), Netherlands (6%)		

Mandate: Active Global Equities

Current Value: £533.5m

Current Weighting: 11.9%

Inception: April 2013

Objective: Outperform benchmark by 3% (gross) p.a. over rolling 3 year periods.

Benchmark: MSCI ACWI

Pooled: Via Access Pool

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

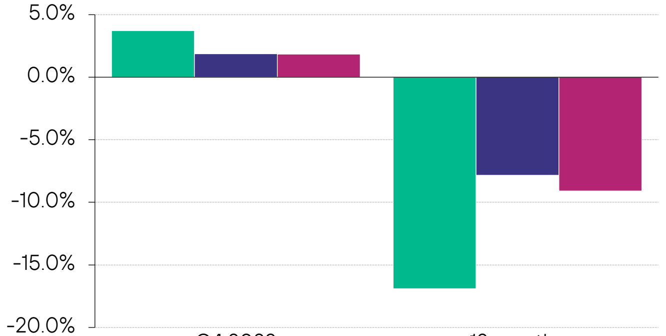
WHEB – Sustainable Equity

Overview

The Fund utilises an unconstrained global equity approach which focuses on investing in companies capitalising on opportunities created by the transition to healthy, low carbon and sustainable economies, across nine broad sustainability themes.

Process	Bottom Up	Top Down
Stock Selection	Low	High
Active Share	Low	High

Performance to 31 December 2022



	Q4 2022	12 months
Return	3.7%	-16.9%
Benchmark	1.9%	-7.8%
Relative	+1.9%	-9.1%

Mandate: ESG focused Global Equity

Current Value: £213.4m

Current Weighting: 4.7%

Inception: December 2020

Benchmark: MSCI World Total Return Net GBP

Objective: To achieve capital growth over the medium to longer term.

Pooled: No

Key area	Comments
Key contributors/ detractors	• Outperformance came despite a difficult quarter for high growth firms; however the healthcare sector did perform well. • The Cleaner Energy and Sustainable Transport themes added particular value; while lack of exposure to large technology stocks Tesla, Amazon and Apple aided relative returns.
Portfolio positioning	• 1 new addition in Lonza (pharmaceutical and biotech manufacturing). • 2 exits: Kion (automation and software solutions for supply chain optimisation) and, Centene (health insurance services).
Outlook	• WHEB are optimistic about the prospects for renewable energy in light of the issues exposed by the war in Ukraine. • With the mandate's higher active share, we expect it to continue to deliver relative return volatility.

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	41	42	Relatively concentrated
12m turnover*	42%	44%	Further detail on right
Active share	97%	97%	High relative to peers
Top 3 sectors	Healthcare (32%), IT (28%), Industrials (22%)		
Top 3 stocks	Thermo Fisher Scientific (3%), Globus Medical (3%), Danaher (3%)		
Top 3 regions	North America (64%), Western Europe (19%), Japan (7%)		

***12m turnover:** The manager has confirmed that the higher turnover is as a result of the higher market volatility, which led to more upgrades and downgrades and ad hoc redemptions, which resulted in higher trading activity. They expect it to come down in future.

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Wellington – Sustainable Equity

Overview

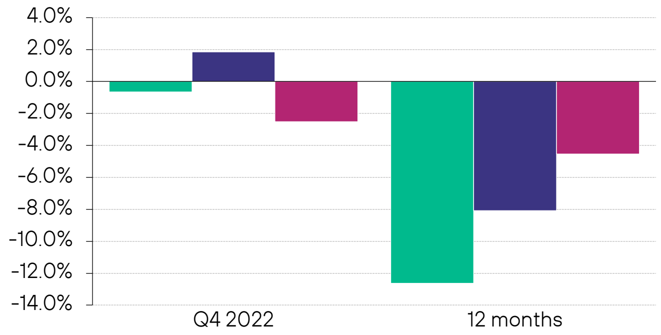
The Fund aims to invest in innovative companies whose core products and services addresses the world's major social and environmental challenges. Wellington choose stocks from the universe list which has been derived from a number of sources such as internal and field research, company meetings, conferences or third party research.

Process	Bottom Up	Top Down
Stock Selection	Low	High
Active Share	Low	High

Key area	Comments
Key contributors/ detractors	• Underperformance can be partially attributed to stock selection in industrials and financials, with the portfolio's holdings in those sectors underperforming their peers. • The portfolio's style footprint (c. 37% of total active risk) also weighed on performance, with the portfolio's smaller average company size and overweight position in fast growing stocks detrimental given market conditions.
Portfolio positioning	• Wellington completed full sales of Boston Properties, Ball and Nexity over the period, as well as adding Autodesk. • 46% of active risk remains driven by stock specific factors. • Wellington have increased exposure to Resource Efficiency and Alternative Energy, based on the belief that they have become more important, following the recent energy crisis.
Outlook	• The Fund is likely to continue to struggle in relative terms if high growth and/or small stocks underperform.

Source: Investment manager, Northern Trust, Isio calculations.

Performance to 31 December 2022



	Q4 2022	12 months
Return	-0.7%	-12.6%
Benchmark	1.9%	-8.1%
Relative	-2.5%	-4.5%

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	68	67	High end of 50-70 range
12m turnover	17%	21%	In line with expectations
Active share	98%	99%	High, in line with expectations
Top 3 sectors	Industrials (24%), IT (21%), Healthcare (21%),		
Top 3 stocks	Boston Scientific (4%), Agilent Technologies (3%), Danaher (3%)		
Top 3 regions	North America (63%), Emerging Markets (16%), Europe ex UK (14%)		

Mandate: Global Impact Equities

Current Value: £219.7m

Current Weighting: 4.9%

Inception: December 2020

Benchmark: MSCI AC World

Objective: To outperform the MSCI All Country World Index over the long-term.

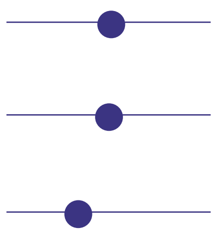
Pooled: No

Storebrand – Sustainable Equity

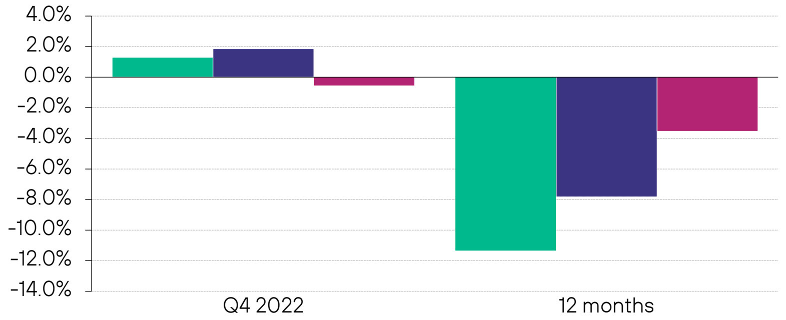
Overview

The Fund adopts an optimised, smart beta approach, investing in global equities with the aim of approximating the performance and risk profile of the index, with an explicit incorporation of ESG and climate-related risks.

Process	Bottom Up		Top Down
Stock Selection	Low		High
Active Share	Low		High



Performance to 31 December 2022



	Q4 2022	12 months
Return	1.3%	-11.4%
Benchmark	1.9%	-7.8%
Relative	-0.6%	-3.5%

Mandate: ESG Focused Global Equities

Current Value: £476.7m

Current Weighting: 10.6%

Inception: December 2020

Benchmark: MSCI World NR

Objective: Reproduce risk-return profile of the MSCI World Index

Pooled: No

Key area	Comments
Key contributors/ detractors	• The Fund's fossil fuel screen contributed negatively to relative returns during the fourth quarter, detracting 0.6%. Applying the Storebrand Standard exclusion list (including controversial weapons) also detracted 0.6% from performance. • The rest of the portfolio (which overweights companies with Science Based Targets, a lower carbon footprint, and high green revenues) returned 0.6%, in relative terms, partly offsetting the impact of the exclusions.
Portfolio positioning	• The portfolio continues to have a low active share, with low expected active returns relative to the benchmark.
Outlook	• Store brand is working on carbon intensity data and implementing change into how this information is used in portfolio construction.

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	685	685	Stable
12m turnover	TBC	14%	TBC
Active share	45%	44%	Slight increase
Top 3 sectors	IT (23%), Health Care (15%), Industrials (14%)		
Top 3 stocks	Apple (4%), Microsoft (4%), Amazon (2%)		
Top 3 regions	United States (66%), Japan (7%), Canada (4%)		

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Baillie Gifford – Global Equity

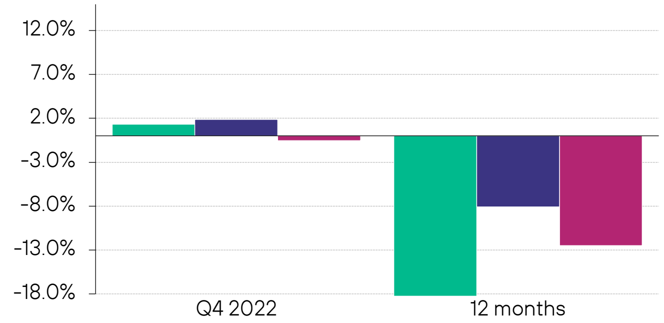
Overview

The Fund utilises an unconstrained global equity approach which focuses on investing in companies displaying above average earnings growth and sustainable competitive advantages in their respective industries, whilst aligning to the UN Paris Agreement climate commitments.

Process	Bottom Up	Top Down
Stock Selection	Low	High
Active Share	Low	High

Key area	Comments
Key contributors/ detractors	• The performance of the core Global Alpha Fund was positive and broadly in line with benchmark over Q4; however the Paris Aligned version suffered from its additional exclusions. • The market rotation out of growth equities has also been a significant headwind for fund relative performance over the short term.
Portfolio positioning / transactions	• BG have reduced exposure to very early-stage, loss-making companies shifted towards compounder stocks. • In Q4, BG made two new purchase (Eaton and Entegris) and three complete sales (Oscar Health, Ubisoft and VK Co Ltd).
Outlook	• Despite the challenging macroeconomic outlook, BG remain confident that the portfolio is well positioned. • The challenging market environment presents opportunity in growth stocks.

Performance to 31 December 2022



	Q4 2022	12 months
Return	1.3%	-20.6%
Benchmark	1.9%	-8.1%
Relative	-0.6%	-12.5%

Metrics	Current Quarter	Last Quarter	View/change
Stocks (no.)	87	88	Broadly unchanged
12m turnover	17%	19%	In line with expectation
Active share	87%	86%	In line with expectation
Top 3 sectors	Financials (19%), Healthcare (19%), Consumer Disc. (19%),		
Top 3 stocks	Elevance Health (5%), Prosus (4%), Microsoft (3%),		
Top 3 regions	North America (60%), Europe ex UK (17%), Emerging Markets (9%)		

Mandate: Global Equities

Current Value: £179.0m

Current Weighting: 4.0%

Inception: August 2021

Benchmark: MSCI AC World Index (GBP)

Objective: Outperform benchmark by 2.0% p.a. (net of fees) over rolling 5-year periods

Pooled: Via Access Pool

Note: Totals may not sum due to rounding. Performance quoted net of fees. The Fund switched into the Paris-aligned version of the Global Alpha Fund over Q2 2022 and performance is combined.
Source: Investment manager, Northern Trust, Isio calculations.

Harbourvest – Private Equity

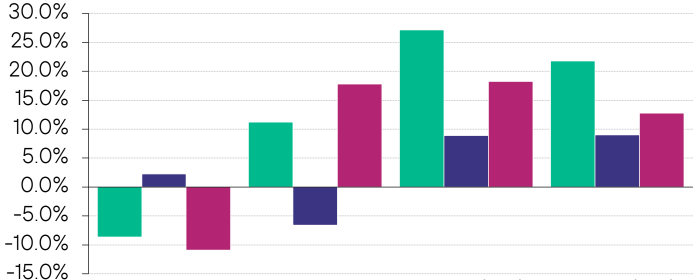
Overview

HarbourVest manage a global private equity portfolio for the Fund, invested globally across a range of subclasses (buyout, venture, debt/credit, among others).

Style	Multiple: Buyout, venture, credit
Stage	Multiple: Primary, secondary
Access	Fund-of-Funds
Vintage Year	Multiple: 2004-2021
Regional Focus	Global

Key area	Comments (3 month lagged)
Performance	• Deal and exit volume trended downwards across private equity over the second half of 2022, as general partners reacted to the macro-economic uncertainty present. • The portfolio produced negative returns over the quarter as private valuations were marked down; however long term performance remains very strong.
Developments over quarter	• Several funds distributed proceeds back to investors during Q3, with the most sizeable distributions coming from HIPEP VII Partnership and Fund IX Cayman Buyout.
Outlook	• HarbourVest have not provided specific outlook for the portfolio. However we believe that broad private equity markets may continue to see write-downs in valuations (and thus return compression) over the coming months as private markets adjust to higher central bank interest rates.

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	-8.6%	11.2%	27.1%	21.8%
Benchmark	2.3%	-6.6%	8.9%	9.0%
Relative	-10.9%	+17.8%	+18.2%	+12.7%

Metrics (3m lag)	Current Quarter	Last Quarter	View/change
IRR (net)	11.0%	11.2%	As expected
Capital Deployed/Raised	66%	63%	Slight increase
DPI	1.0x	1.0x	No change
TVPI	1.8x	1.8x	No change
Top 3 subclasses	Venture (50%), Buyout (49%), Credit (1%)		
Top 3 regions	North America (58%), Europe (24%), Asia (16%)		

Mandate: Private Equity

Current Value: £180.0m

Current Weighting: 4.0%

Inception: January 2003

Benchmark: MSCI World +1.5%

Objective: MSCI World +3.0%

Pooled: No

Source: Investment manager, Northern Trust, Isio calculations.

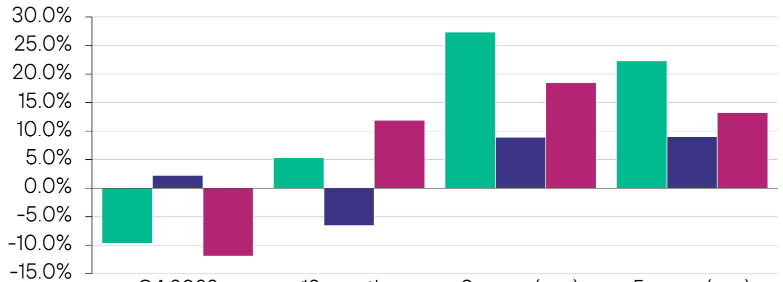
Adams Street – Private Equity

Overview

Adams Street manage a global private equity portfolio for the Fund, combining Partnerships and Co-investments, invested globally across a range of subclasses (buyout, venture, energy, debt/credit, among others).

Style	Multiple: Buyout, venture, debt
Stage	Multiple: Primary, secondary, co-investment
Access	Fund-of-Funds
Vintage Year	Multiple: 2003-2021
Regional Focus	Global

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	-9.7%	5.3%	27.4%	22.3%
Benchmark	2.3%	-6.6%	8.9%	9.0%
Relative	-12.0%	+11.9%	+18.5%	+13.3%

Mandate: Private Equity

Current Value: £201.0m

Current Weighting: 4.5%

Inception: March 2003

Benchmark: MSCI World +1.5%

Objective: MSCI World +3.0%

Pooled: No

Key area	Comments (3 month lagged)
Performance	• Similarly to previous quarter, there was a small reduction in IRR and multiples, which is in line with expectations given ongoing market volatility.
Developments over quarter	• No significant developments over the quarter • c. $8.1m in distributions over Q3 • c. $14.8m capital called over Q3
Outlook	• Adams Street have highlighted that private market valuations have yet to fall materially, despite public market movements; they do note that slower price discovery is normal given the nature of the asset class, and that a lower valuation environment would be an attractive prospect for their underlying managers going forward.

Metrics (3m lag)	Current Quarter	Last Quarter	View/change
IRR (net)	12.1%	12.3%	Slight reduction
Capital Deployed/Raised	77%	75%	Slight increase
DPI	1.1x	1.1x	Unchanged
TVPI	1.9x	1.9x	Unchanged
Top 3 subclasses (Partnerships)	Venture (47%), Buyout (47%), Other (6%)		
Top 3 regions (Partnerships)	United States (66%), Western Europe (19%), Asia (11%)		

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Newton – Absolute Return

Overview

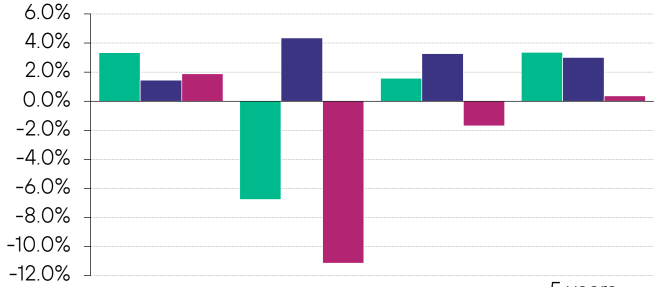
The Fund aims to generate returns by investing in a wide universe of global securities. The Fund allocates between return seeking, and risk reducing positions, dynamically changing asset allocations over time in order to add value. The primary aim is to deliver positive risk adjusted returns in all market economic environments.

Target Return	Low	High
Return Drivers	Market beta	Active management
Diversification	Low	High

Key area	Comments
Key contributors/ detractors	• Equities were the main driver of positive return, with returns aided by positive stock selection as well as tilting towards certain regions such as the US and Europe. • Credit exposure was also positive as investor sentiment increased at the prospect that inflation may have peaked.
Portfolio positioning	• Newton believe that there are further risks in the short term and therefore took the opportunity to trim their equity exposure. The team also added some exposure within credit, sighting that valuations are now more attractive.
Outlook	• The Fund remains cautiously positioned in what they see as a challenging market environment. However they expect that volatility should create opportunities to purchase assets at significant discounts to fair market value.

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	3.3%	-6.8%	1.6%	3.4%
Benchmark	1.4%	4.4%	3.3%	3.0%
Relative	+1.9%	-11.1%	-1.7%	+0.4%

Metrics	Current Quarter	Last Quarter	View/change
Correlation to equity (1 year)	59%	63%	In line with expectations
Volatility (1 year)	6.5%	7.7%	In line with expectations
Top 3 asset-classes	Equities (37%), Alternatives (19%), Corporate Bonds (12%)		
Equity sector breakdown	Healthcare (6.6%), Financials (6.1%), Consumer Discretionary (5.1%),		

Mandate: Diversified Growth Fund

Current Value: £343.8m

Current Weighting: 10.4%

Inception: April 2010

Benchmark: 3 Month LIBOR+2.5%

Objective: 3-month LIBOR + 4% p.a. (gross) over rolling 5 years

Pooled: Via Access Pool

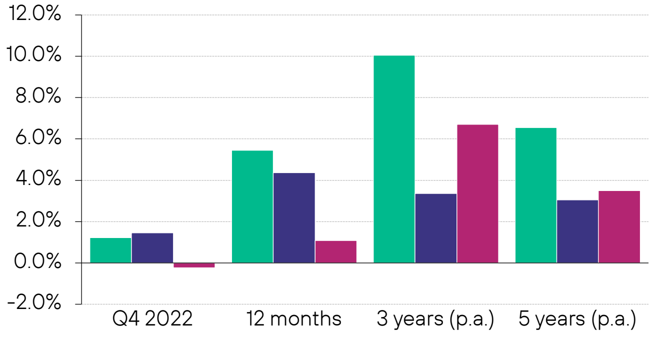
Ruffer – Absolute Return

Overview

The Fund has two investment aims; to deliver positive returns in any rolling twelve month period and ahead of the risk-free rate. The strategy has a strong focus on capital preservation, the core investment objective of the Fund.

Target Return	Low	High
Return Drivers	Market beta	Active management
Diversification	Low	High

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	1.2%	5.4%	10.1%	6.5%
Benchmark	1.4%	4.4%	3.4%	3.0%
Relative	-0.2%	+1.1%	+6.7%	+3.5%

Mandate: Diversified Growth Fund

Current Value: £485.3m

Current Weighting: 12.0%

Inception: April 2010

Benchmark: 3-month LIBOR + 2.5%

Objective: 3-month LIBOR + 4% p.a. (gross) over rolling 5 years

Pooled: Via Access Pool

Key area	Comments
Key contributors/ detractors	• Equity holdings to energy and industrial companies were beneficial as these stocks continued to perform well relative to the broad market.. • Japanese interest rate options which rise in value as government bond yields rise, added value as a change in policy led to an increase in yields.
Portfolio positioning	• Equity protection strategies were cut at the start of Q4 following sharp falls in markets over Q3. • Ruffer increased exposure to long-dated inflation linked bonds and reduced US dollar exposure.
Outlook	• Believe inflation will fall over the short-term but expect this to be temporary and inflationary pressures persist. • Expect the Fed will have to increase rates further which they believe will lead to further pressure on equity markets.

Metrics	Current Quarter	Last Quarter	View/change
Correlation to equity (1 year)	31%	27%	Lower than expected
Volatility (1 year)	6.2%	6.3%	In line with expectations
Top 3 asset-classes	Short-dated bonds (40.1%), Index linked gilts (18.3%) Cash (10.9%)		
Top 3 currency	US inflation-linked bonds (1.2%), UK Equities (0.9%), Japanese interest rate options (0.6%)		

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

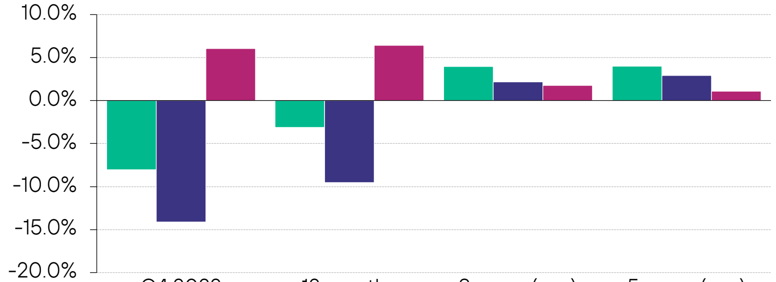
Schroders - Property

Overview

The Schroders Property Fund is a medium risk balanced property fund investing across the retail, offices, industrials and alternative property sectors.

Expected volatility	Low	High
Lease Length	Short	Long
Shape of outcomes	0% Contractual	100% Contractual
Diversification	Low	High

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	-8.1%	-3.1%	4.0%	4.0%
Benchmark	-14.1%	-9.5%	2.2%	2.9%
Relative	+6.0%	+6.4%	+1.8%	+1.1%

Mandate: Balanced Property

Current Value: £369.1m

Current Weighting: 8.2%

Inception: December 2009

Benchmark: IPD All Balanced Fund Index

Objective: Outperform benchmark by 0.75% p.a. (net) over rolling 3 years

Pooled: No

Key area	Comments
Key contributors / detractors	• Outperformance was in line with expectations, given the defensive nature of the portfolio relative to benchmark. • Opportunistic funds (+1.0%), value add holdings (+0.6%) and cash (+0.5%) made positive contributions, which were partially offset by the contribution from core funds (-0.7%). • The Local Retail Fund was the strongest contributor, while the Schroders Special Situations Fund and UNITE UK Student Accommodation Fund also aided relative performance.
Portfolio positioning	• The Portfolio is structured with downside protection provided via the defensive holding in convenience retail. There is an overweight to alternative sectors and underweight to retail and office sectors.
Outlook	• Schroders expects property values to continue to decline in H1 2023 as economic conditions worsen before stabilising. We would expect the portfolio to continue to outperform in this scenario, given its defensive nature.

Metrics	Current Quarter	Last Quarter	View/Change
Net acquisitions / (Sales)	(£7.5m)	(£0.4m)	Increase
Cash yield	3.3%	3.1%	Increased yield as valuations fall
No of assets	18	18	No change
Top 3 sectors	Industrial, Alternatives (via student accommodation, social supported housing, retirement living and care homes) and Regional Offices.		

Note: Totals may not sum due to rounding. Performance quoted net of fees
Source: Investment manager, Northern Trust, Isio calculations.

UBS - Infrastructure

Overview

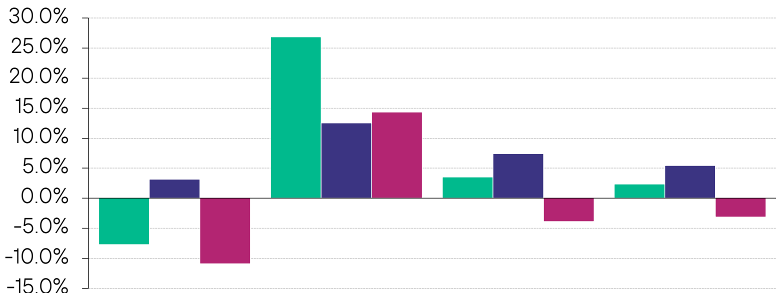
The fund provides investors with access to a diversified portfolio across Fund I and Fund III infrastructure assets. Fund I remains in the value realisation phase and is paying capital back to Investors, whilst Fund III is in its investment phase and continues to draw capital for investment.

Expected volatility	Low	High
Lease Length	Short	Long
Shape of outcomes	0% Contractual	100% Contractual
Diversification	Low	High

Key area	Comments (3m lag)
Portfolio positioning	• Below target performance continued by Fund I, with both revenue and operating profit in the large holding Southern Water (SW) coming in below its budget, as well as an unrealised loss on Saubermacher.
Outlook	• Fund III continues to draw down the committed capital, having drawn $130.7m of the total $185.0m committed. • Fund III has now begun distributing as well, having distributed $36.6m during the quarter.

Note: Totals may not sum due to rounding. Performance quoted net of fees. SI is since inception.
Source: Investment manager, Northern Trust, Isio calculations.

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	-7.7%	26.9%	3.5%	2.3%
Benchmark	3.2%	12.5%	7.4%	5.5%
Relative	-10.9%	+14.4%	-3.9%	-3.1%

Metrics (3m lag)	Current Quarter	Last Quarter	View/Change
Net SI return (Fund I)	2.9%	1.9%	+1.0%
Net SI return (Fund III)	19.4%	18.1%	+1.3%
Total value to paid-in (Fund I)	1.27x	1.14x	Slight Increase in line with expectation
Total value to paid-in (Fund III)	1.28x	1.27x	Slight Increase in line with expectation
Top 3 sectors (Fund I current quarter)	Power generation (55%), Water (23%), Wastewater (15%)		

Mandate: Infrastructure

Current Value: £36.5m

Current Weighting: 0.8%

Inception: January 2008

Benchmark: CPI + 2%

Objective: CPI + 3%

Pooled: No

Notable Actions

The UBS infrastructure funds should be monitored closely going forward given weak historical performance. Isio have engaged UBS to present a summary of the additional monitoring they are able to provide. UBS have discussed with Officers and are in the process of implementation.

Pantheon - Infrastructure

Overview

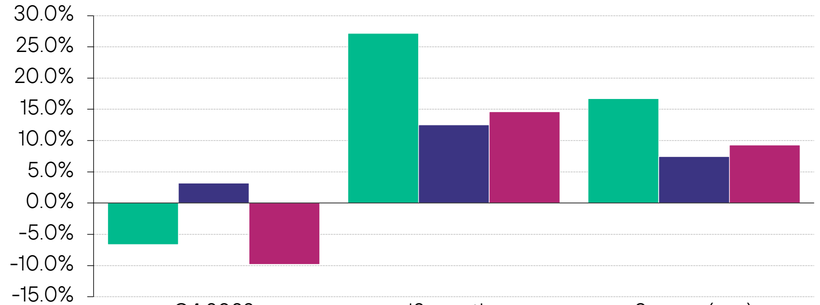
The fund provides investors with access to a diversified portfolio of infrastructure assets.

It focuses on investments which provide a contracted or regulated income stream, which enables the Fund to generate robust cash yields which are inflation-linked, making it attractive to pension scheme investors.

Expected volatility	Low	High
Lease Length	Short	Long
Shape of outcomes	0% Contractual	100% Contractual
Diversification	Low	High

Key area	Comments (3 month lag)
Key contributors/ detractors	• At 30 September, Vantage Datacenters had the highest IRR of the largest 20 underlying assets (50%); a number of Pantheon's other large holdings also have IRRs upwards of 20%. GIP Gemini Fund I has the lowest figure (-5.0%). • The programme has performed very strongly since inception, with co-investments, secondaries and primaries producing a combined Programme IRR of 12.3%.
Portfolio positioning	• The portfolio continues to allocate capital, with $7m commitments drawn down over the period.
Outlook	• The Fund has $117.0m committed, and $23.1m undrawn. The manager is regularly taking advantage of market opportunities. • The assets in the portfolio with highest inflation linkage are expected to continue to perform strongly going forward.

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)
Return	-6.7%	27.1%	16.7%
Benchmark	3.2%	12.5%	7.4%
Relative	-9.8%	+14.6%	+9.3%

Metrics (3m lag)	Current Quarter	Last Quarter	View/change
Cash yield	16.1%	17.3%	-1.2%
Net acquisitions/sales	$22.4	-$57.2	$79.6
Average discount rate	2.96%	2.96%	0.0%
Number of assets	45	45	0
Top 3 sectors	Digital, Transport and Logistics, Renewables / Efficiency		

Mandate: Infrastructure

Current Value: £87.8m

Current Weighting: 2.0%

Inception: May 2018

Benchmark: CPI + 2.5%

Objective: CPI + 3%

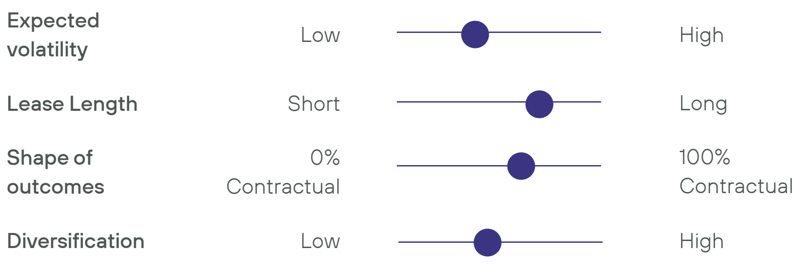
Pooled: No

Note: Totals may not sum due to rounding. Performance quoted net of fees. Manager data is lagged by one quarter.
Source: Investment manager, Northern Trust, Isio calculations.

M&G - Infrastructure

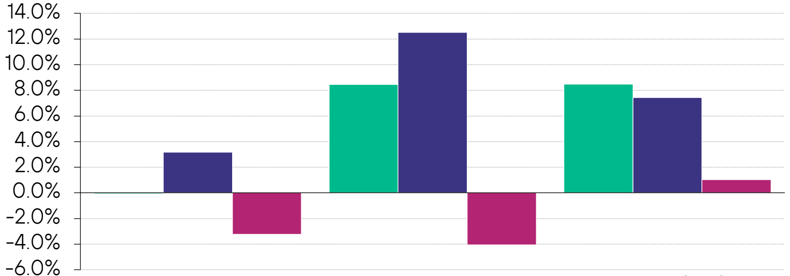
Overview

The fund provides investors with access to a diversified portfolio, Brownfield III and Greenfield II, infrastructure assets. It focuses on investments which provide a contracted or regulated income stream, which enables the Fund to generate robust cash yields which are inflation-linked, making it attractive to pension scheme investors.



Key area	Comments (3 month lag)
Key contributors/ detractors	• Q3 performance was relatively muted for both funds. • The Brownfield fund returned 1.1% over the quarter; this came despite negative performance from Neos, whose EBITTDA was c. 34% behind budget year to-date. • Greenfield returned 2.6%, with higher multiples on Fibrus, Zenobe and Speed Connect Austria only partially offset by a fall on Ogi.
Portfolio positioning	• The Greenfield fund is making progress on deployment, and is expected to continue to draw capital over the near term. The team closed on its seventh asset, Gridserve. • As at 30 Sep, the net IRR of Brownfield III stood at 7.9%, with 83% of available commitments allocated.
Outlook	• Both funds are expected to continue to draw capital over the coming quarters.

Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)
Return	-0.1%	8.5%	8.5%
Benchmark	3.2%	12.5%	7.4%
Relative	-3.2%	-4.1%	+1.0%

Metrics (3m lag)	Brownfield	Greenfield
Portfolio Value to current paid in capital	1.2x	1.5x
Number of assets	6 investments	7 investments
Top sectors	Transport, Fibre Telecoms, Energy and Utilities	Telecoms and Energy Transition

Mandate: Infrastructure

Current Value: £50.9m

Current Weighting: 1.1%

Inception: October 2018

Benchmark: CPI + 2.5%

Objective: CPI + 3%

Pooled: No

Note: Totals may not sum due to rounding. Performance quoted net of fees

Source: Investment manager, Northern Trust, Isio calculations. Manager information has a one quarter lag.

Atlas - Listed Infrastructure

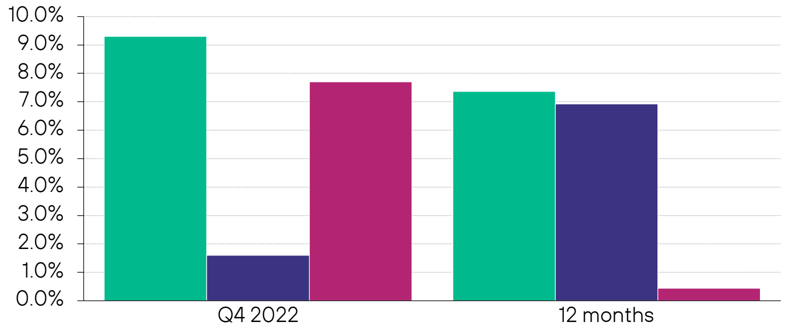
Overview

The fund provides investors with access to a diversified portfolio of brownfield and greenfield infrastructure assets. It focuses on investments which provide a contracted or regulated income stream, which enables the Fund to generate robust cash yields which are inflation-linked, making it attractive to pension scheme investors.

Expected volatility	Low	High
Lease Length	Short	Long
Shape of outcomes	0% Contractual	100% Contractual
Diversification	Low	High

Key area	Comments
Key contributors/ detractors	• The fund outperformed, with North American stock selection in the Electric and Rail sectors adding value. • At a stock level, there were also strong positive returns from holdings in Enel (European Utilities), Allete (US Electric Utilities) and United Utilities (UK Water). • Cellnext (European Towers) and Getlink (European Rail) were key detractors.
Portfolio positioning	• Atlas took a position in Portland (US Electric Utilities) and exited from PG&E (US Electric Utilities); the manager also increased positions in Edison (US Electric Utilities) and Terna (Italian Utilities), and reduced a holding in Asia Pac Toll Roads.
Outlook	• Atlas have made changes to the portfolio with the aim of reducing GDP sensitive exposure and risk of loss (whilst aiming to maintain inflation protection).

Performance to 31 December 2022



	Q4 2022	12 months
Return	9.3%	7.4%
Benchmark	1.6%	6.9%
Relative	+7.7%	+0.4%

Metrics	Current Quarter	Last Quarter	View/change
Cash yield	4.5%	4.4%	Within expectations
Net acquisitions/sales	1 new position established / 2 positions increased/ 1 position exited and 2 reduced.	3 new positions established/ 2 positions increased/ 1 position exited and 2 reduced.	Within expectations
Number of individual positions in portfolio	22	22	Within expectations
Top 3 sectors	Electric utilities (39%), Communications (15%) and Airports (14%)		

Mandate: Global Infrastructure Equity

Current Value: £94.8m

Current Weighting: 2.1%

Inception: December 2020

Benchmark: FTSE Developed Core 50/50 Infrastructure Index

Objective: CPI + 5%

Pooled: No

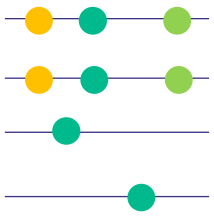
Note: Totals may not sum due to rounding. Performance quoted net of fees. Cash yield is Prospective portfolio yield, pre cash, pre withholding
Source: Investment manager, Northern Trust, Isio calculations.

M&G – Real Estate Debt

Overview

The Funds directly originate private loans that are secured by commercial real estate. REDF VI invests directly in whole loans, while REDF IV and V obtain senior and junior exposure, respectively. The Funds are UK and Europe focused but have scope to invest in the US. The Funds' investment periods ended in June 2021 and reinvestment periods ended December 2022. Wind up is expected in December 2027.

Target Return	Low	High
Target Exposure	Senior only	Mezzanine
Size of Borrower	Large-cap	Small-cap
Target Fund Size	Small	Large



REDF IV   REDF V   Both Funds/REDF VI

Key area	Comments
Capital Deployment	• Project Londinium (office and student accommodation) was repaid In full (£38.5m).
Minor/Major Watchlist Names	• Project Charlie (Minor): Loan is in compliance, so was automatically extended to 2024. M&G are working with the sponsor on refinancing the asset. • Project Carlton (Minor): Refurbishment was required, which has gone over budget and delayed completion. Business plan being reviewed but residential presales and retail lets are strong. • Project Genesis (Major): Shopping centre occupancy is increasing. Tenant is being sought for the office space converted from legacy Debenhams unit. Sponsor injecting £3-4m to improve layout. Not looking to invest more REDF money.
Outlook	• M&G are comfortable with sponsor interest coverage and the potential knock-on impacts to refinancing following a review, given the increase in interest rates over 2022.

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Performance to 31 December 2022

	Q4 2022	12 months	3 years (p.a.)
Return	-1.4%	-2.8%	1.6%
Benchmark	1.8%	5.9%	4.9%
Relative	-3.2%	-8.7%	-3.3%

(IV / V / VI)	Q3 2022	Q2 2022	View/change
IRR (gross projected)	3.8% / 11.9% / 6.3%	3.3% / 11.7% / 5.9%	Increase because of higher base rate on floating debt
Total capital invested	118% / 104% / 105%	118% / 104% / 105%	No change
Total Positions	32 / 17 / 56	33 / 17 / 57	Small decrease, relatively stable
Watchlist	3 / 3 / 3	2 / 2 / 2	Increase
Top 3 sectors	REDF IV: Office (25%), Residential (23%), Retail (19%) REDF V: Retail (44%), Office (22%), Student accom. (14%) REDF VI: Office (32%), Retail (29%), Residential (15%)		
Phase	Distribution period – due to end December 2027		

Mandate: Private Debt

Current Value: £35.2m

Current Weighting: 0.8%

Inception: April 2019

Benchmark: Benchmark: 3m LIBOR +4%

Objective: Objective: 3m LIBOR +5%

Pooled: No

Notable Developments

•We downgraded the Funds to Partially Meets Criteria in mid-2021 following the resignation of four senior members within M&G's Real Estate Debt business in April 2021.

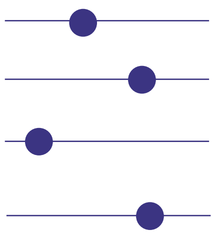
•M&G plc have announced that Andrea Rossi (previously CEO of AXA IM) has been appointed CEO, replacing John Foley. We are continuing to monitor the situation with regards to stability in the leadership following the change in CEO and other senior departures

M&G – Diversified Credit

Overview

The Fund aims to take advantage of diversified opportunities in public credit markets, such as investment grade bonds, high yield bonds, leveraged loans and asset backed securities. M&G will seek to protect capital when the Fund is not being adequately compensated for taking risk. Currency and interest rate risks are typically hedged out of the portfolio.

Target Return	Low		High
Return Drivers	Sector Allocation		Credit Selection
Interest Rate Sensitivity	Low		High
Diversification	Low		High



Performance to 31 December 2022

	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	1.6%	-0.5%	2.9%	2.8%
Benchmark	1.6%	4.9%	3.8%	3.5%
Relative	+0.0%	-5.4%	-0.9%	-0.6%

Mandate: Multi Asset Credit

Current Value: £287.9m

Current Weighting: 6.4%

Inception: November 2009

Benchmark: 3 Month Libor +3%

Objective: 3 Month Libor +5% (gross)

Pooled: Via Access Pool

Key area	Comments
Key contributors/ detractors	• M&G captured some of the wider market recovery in Q4, with returns mainly driven by corporate bonds (+3.6%). • Amidst a Q4 market rally Q4, 12 month performance was strong vs peers as a result of M&G's low duration approach.
Portfolio positioning	• M&G increased their allocation to financials by c.2% over Q4 as they consider large banks to be well capitalised and more profitable in a higher interest rate environment. • M&G took profits on higher risk positions as they rallied, reducing their allocation to high yield bonds. • Cash levels remain high (c.22%) to help meet redemptions, with M&G using derivatives to maintain market exposure.
Outlook	• M&G continue to seek attractive entry points in credit markets and currently favour European credit valuations over the US as the latter rallied by more over Q4.

Metrics	Current Quarter	Last Quarter	View/change
Yield	6.8%	6.6%	Slight increase
Average credit rating	BBB+	BBB+	No change
Modified duration (years)	-0.05	-0.15	No significant change
Spread duration (years)	3.8	3.7	No significant change
Number of issuers	416	437	No significant change

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

M&G - Corporate Bonds

Overview

The Fund invests in a variety of UK Corporate Bonds, including but not limited to Industrial, Financial, Sovereign and Utility bonds.

Target Return	Low	High
Return Drivers	Sector Allocation	Credit Selection
Interest Rate Sensitivity	Low	High
Diversification	Low	High

Performance to 31 December 2022

	Q4 2022	12 months	3 years (p.a.)	5 years (p.a.)
Return	7.0%	-26.2%	-7.1%	-2.3%
Benchmark	6.4%	-26.4%	-7.8%	-2.9%
Relative	+0.6%	0.2%	0.8%	+0.6%

Mandate: Corporate Bonds

Current Value: £120.1m

Current Weighting: 2.7%

Inception: December 1996

Benchmark: Benchmark: - 50% iBoxx Non-Gilts Over 15Y - 50% iBoxx Non-Gilts

Objective: Outperform benchmark by 0.8% p.a. (gross)

Pooled: Via Access Pool

Key area	Comments
Key contributors/ detractors	• Utilities were the strongest contributor, with both active positioning and security selection contributing. • Industrials detracted from performance.
Portfolio positioning	• The manager selectively added risk into the portfolio across a range of sectors; however M&G have retained an underweight position in credit spread duration relative to the benchmark. • The Fund's interest rate exposure remains similar to that of the benchmark.
Outlook	• M&G note that there is some slowing of inflationary pressure, but major economies continue to experience persistent high inflation levels relative to their targets. • M&G are seeing selective opportunities to add exposure in current markets.

Metrics	Current Quarter	Last Quarter	View/change
Yield	6.1%	6.6%	In line with expectations
Average credit rating	BBB	A	Minor reduction, due to increase in BBB and reduction in A rated bonds, within reason
Modified duration	9.4	9.3	In line with expectations

Note: Totals may not sum due to rounding. Performance quoted net of fees
Source: Investment manager, Northern Trust, Isio calculations.

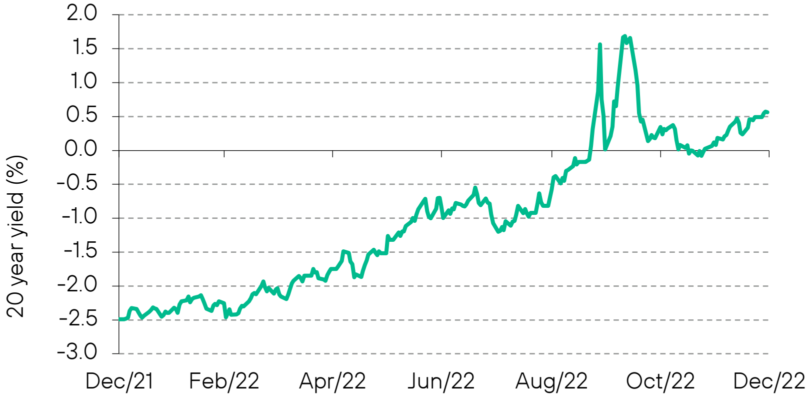
UBS – Over 5 Year Index-linked Gilts

Overview

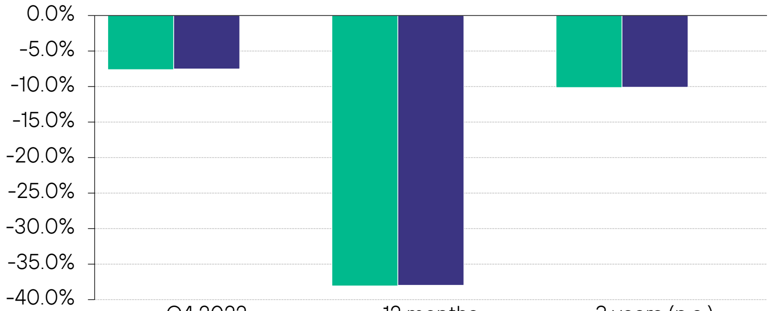
The Fund has defensive characteristics, providing the Fund with protection against the impact of both interest rates and inflation expectations on the value placed on the liabilities.

Target Return	Low	High
Return Drivers	Sector Allocation	Credit Selection
Interest Rate Sensitivity	Low	High
Diversification	Low	High

Real Gilt Yields – Last 12 months



Performance to 31 December 2022



	Q4 2022	12 months	3 years (p.a.)
Return	-7.6%	-38.1%	-10.2%
Benchmark	-7.5%	-38.0%	-10.1%
Relative	-0.1%	-0.1%	-0.0%

Mandate: Index Linked Gilts

Current Value: £89.3m

Current Weighting: 2.0%

Inception: February 2018

Benchmark: FTSE Index- Linked Gilts Over 5 Years

Objective: Match benchmark

Pooled: Via Access Pool

Note: Totals may not sum due to rounding. Performance quoted net of fees.
Source: Investment manager, Northern Trust, Isio calculations.

Appendices

A1: Market Background: Global Equity, Absolute Return, Real Assets, Credit & Yields

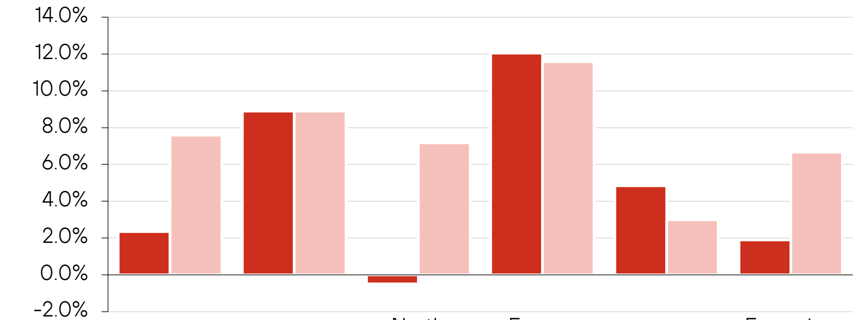
A2: Explanation of Market Background

A3; How to Read the Fund Manager Pages

A4: Disclaimers

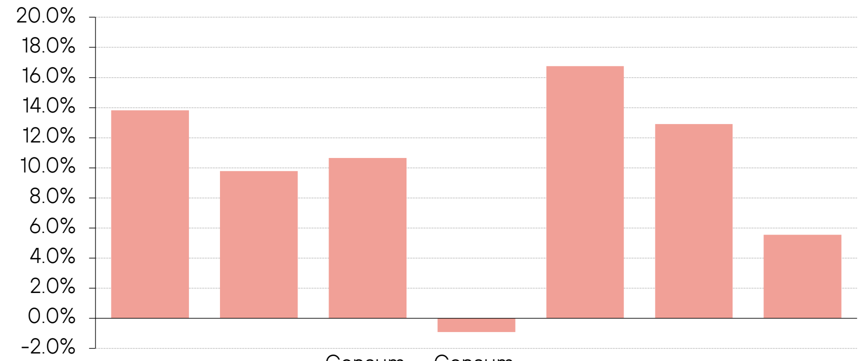
Market Background – Global Equity

Regional Returns – Q4 2022



	World	UK	North America	Europe exc UK	Japan	Emerging Markets
Sterling	2.3%	8.9%	-0.5%	12.0%	4.8%	1.9%
Local	7.6%	8.9%	7.2%	11.6%	3.0%	6.7%

Sector Returns – Q4 2022 (Local)



	Financial	Utilities	Consum. Staples	Consum. Discret.	Energy	Health	Tech
Sector	13.8%	9.8%	10.7%	-0.9%	16.8%	12.9%	5.6%

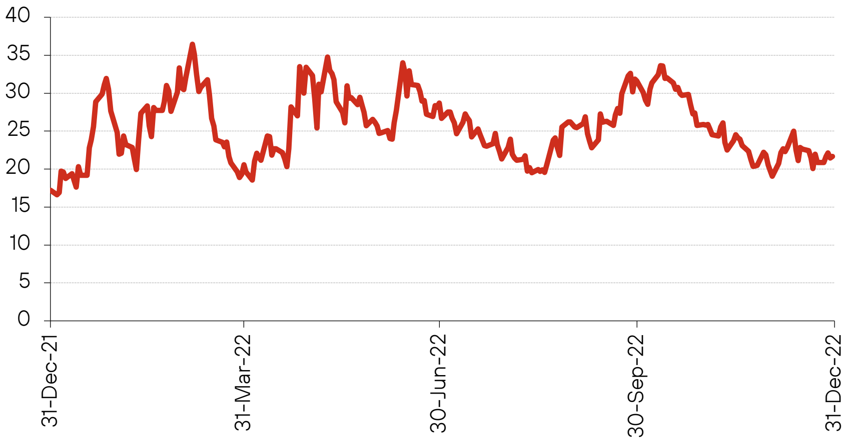
Summary

Global equity markets rose over Q4, largely underpinned by improved investor sentiment. This was due to the notion that US inflation has peaked and there may be potential for a moderation in future interest rate hikes.

European equities outperformed over the period due to energy cost pressures being alleviated within the Eurozone.

Following an extremely volatile Q3, UK equities provided positive returns after the appointment of a new Prime Minister and the reversal of the 'mini budget.'

VIX Volatility Index – Last 12 months



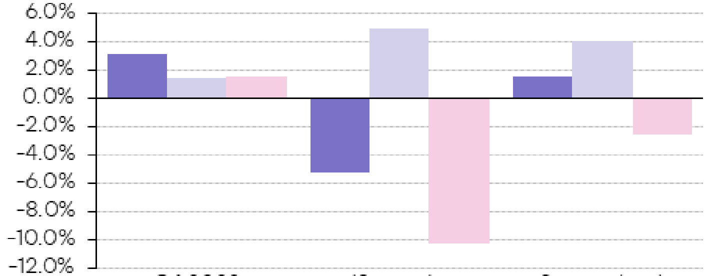
Commentary

- Equity markets in major regions provided positive returns over the quarter, based on the expectation that global inflationary pressures have peaked.
- European equities outperformed, with the impact of rising energy costs beginning to abate, in part being driven by milder than expected weather conditions. US equity performance was also strong as investor sentiment improved following robust corporate earnings announcements. However, US equities suffered in Sterling terms due to the US dollar depreciating relative to global currencies.
- UK equities rose following a volatile Q3 driven by the UK Government's September mini-budget statement. The appointment of a new Prime Minister and Chancellor in Q4 provided positive assertions to investors that the UK would adopt a fiscally prudent approach to managing the country's finances.
- Emerging markets followed the uptrend of global equity markets, providing positive returns with performance being underpinned by a weakening US dollar and China's relaxation of Covid regulations.

Notes: Please see the 'Explanation of Market Background' appendix for details of the underlying indices. Please note that sector returns are based on local USD pricing.
Sources: Refinitiv.

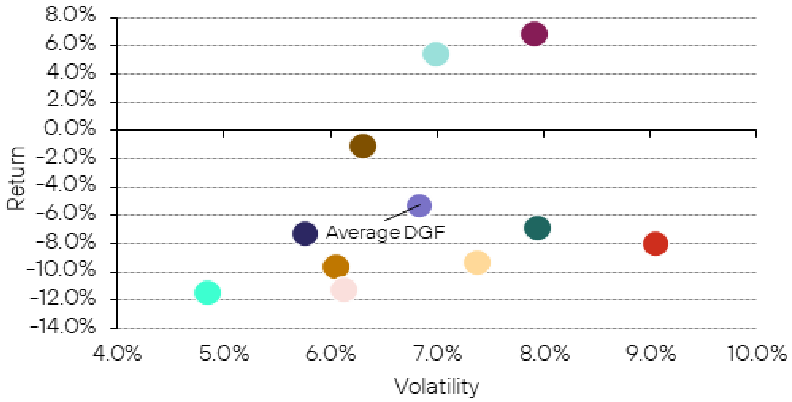
Market Background – Absolute Return

Sample Manager Average Returns– Q4 2022

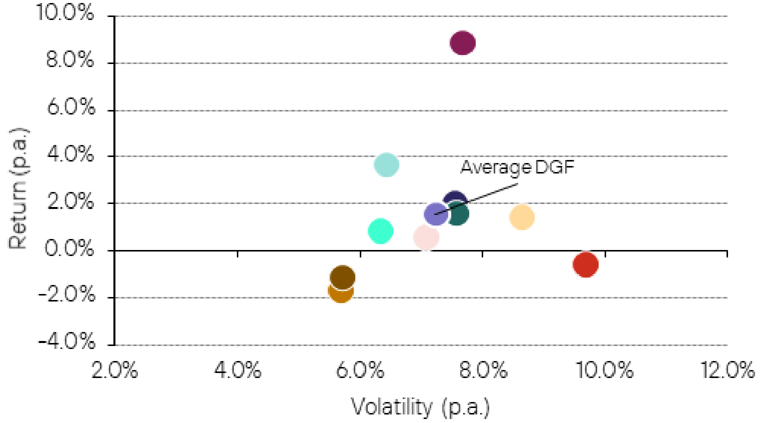


	Q4 2022	12 months	3 years (p.a.)
Average DGF	3.1%	-5.3%	1.6%
Cash +3.5%	1.5%	5.0%	4.1%
Relative	1.6%	-10.2%	-2.5%

Sample Manager Returns and Volatility – 12 months



Sample Manager Returns and Volatility – 3 Years (p.a.)



Commentary

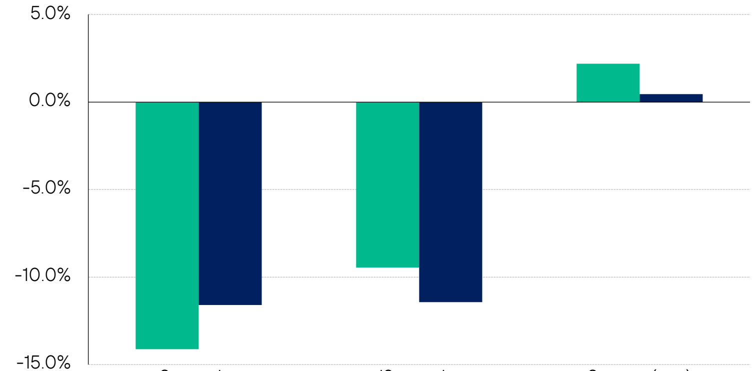
- The average Absolute Return Fund outperformed the 'cash plus' target over Q4 2022, as asset values began to recover some of the losses experienced earlier in the year. The longer term performance numbers for most Absolute Return Fund remain below that of the absolute return performance objective.
- Most broad equity markets offered positive returns for the first period this year, as investor sentiment improved over hopes that inflation has peaked. Performance was also aided by the tightening of credit spreads across most major economies.
- Returns over the longer term have suffered from the sell-off over 2022 with managers finding it difficult to source positive returns from most asset classes. Whilst the broad market backdrop posed significant challenges, some managers fared better than others in terms of providing downside protection.
- The majority of managers remain aware of geopolitical tensions, as well as the impact of economic policy, as inflation continues to be of concern to most global economies.

Within our sample of managers we have incorporated the performance of ten Absolute Return Funds with various manager styles, aiming to give a balanced view of the market.

Notes: Please see the 'Explanation of Market Background' appendix for details of the underlying indices. All returns quoted are net of management fees.
Sources: Investment Managers, Isio calculations

Market Background – Real Assets

UK Commercial Property - Balanced and Long Lease

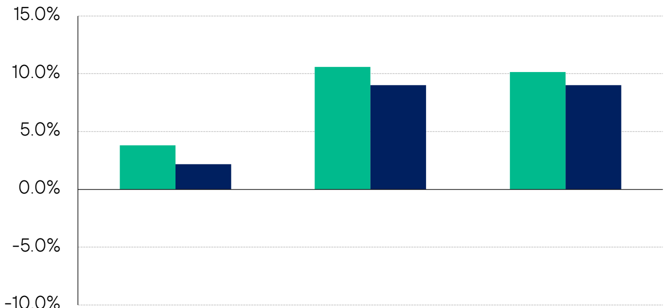


	3 months	12 months	3 years (p.a.)
■ Balanced Index	-14.1%	-9.5%	2.2%
■ Long Income Index	-11.6%	-11.4%	0.5%

Commentary

- Commercial property returns were materially negative on the back of significant valuation declines, this followed the c.4% decline experienced in Q3 2022 for both the core balanced and long income markets.
- The main drivers were rising interest rates negatively impacting valuations (and the cost of debt) across the market, as well as concerns that a recessionary environment will negatively impact occupier demand and rental prices. These factors combined resulting in falling investor appetite
- Given valuation falls, the index* yield rose from 4.2% in Q2 2022 to 5.0% in Nov 2022.
- Long lease property outperformed balanced property over Q4 largely due lower exposure to the industrials sector on average (particularly the more cyclical areas such as factories, plants and warehouses), which underperformed given expectations of weakness in consumer demand, as well as a higher average exposure to the alternatives sector (pubs, hotels etc.), which performed relatively better.
- The aftermath of the mini-budget resulted in a wave of property redemptions requests in late Q3 and Q4 2022 with the anticipation of more to come. As a result, some managers deferred redemption requests in an effort to protect value for investors.

Global Core Infrastructure



	3 months	12 months	3 years (p.a.)
■ Illustrative Infrastructure Manager	3.8%	10.6%	10.2%
■ Objective *	2.2%	9.0%	9.0%

- Objective: 9.0% p.a. net of all fees over the long term, ranging between 8%-12% depending on market cycle stage.

Commentary

- Infrastructure performed strongly over the quarter, on an absolute basis and relative to other real asset classes e.g. UK commercial property, on the back of declining energy prices, stronger than expected global economic data and continued elevated inflation levels..
- The continued recovery in the travel sector post the COVID-19 period led to the transportation sector outperforming, with strong pent-up demand and optimism as travel restrictions continued to be lifted. Toll road valuations held up, evidenced with recent market transactions indicating strong investor demand for high quality revenue generating investments with an element of cyclical demand (core plus investments).
- Data centres, while performing well, lagged other sectors as healthy quarterly earnings were outweighed by concerns that higher interest rates may affect the 2023 earnings in these sectors specifically.
- Global fuel supply issues continue to present a challenging environment for the midstream (transportation, storage, and wholesale marketing) energy operators. However, assets focused on the energy transition appear to be better placed.

Summary

UK Commercial Property

After a strong first half of 2022, commercial property performance was negative in Q3 and significantly down in Q4 2022. Valuation declines were driven by rising interest rates, the rising cost of debt, as well as concerns that a recessionary environment will negatively impact occupier demand and rental prices.

Recent falls in retails sales, house prices, consumer spending are showing signs the UK is in or heading into a recession..

Given the correlation to GDP, we expect capital values for property sectors to continue to come under pressure in the near-term, having fallen by 10-20% in the second half of 2022., ahead of stabilising in late Q1 or early Q2 2023.

Infrastructure

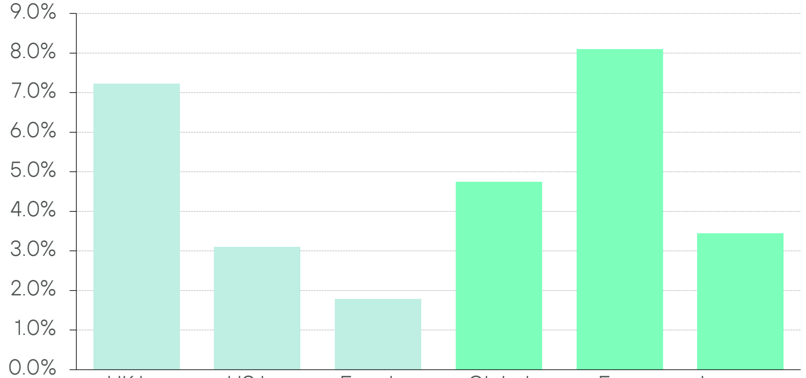
Infrastructure performed positively in Q4 as a number of headwinds over the majority of 2022 (e.g. high energy prices and weakening economic data) calmed somewhat in Q4. 12 month performance continues to be strong.

In the coming months and quarters, we remain cautious that infrastructure could come under pressure due to the impact of lagged valuations. We believe a focus on a prudent approach targeting assets that are well underwritten, with high inflation linkage in revenues and low levels of leverage will serve investors well.

Note: Please see the 'Explanation of Market Background' appendix for details of the underlying indices. Source: MSCI / IPD and Investment Managers. * UK All Property Fund Index

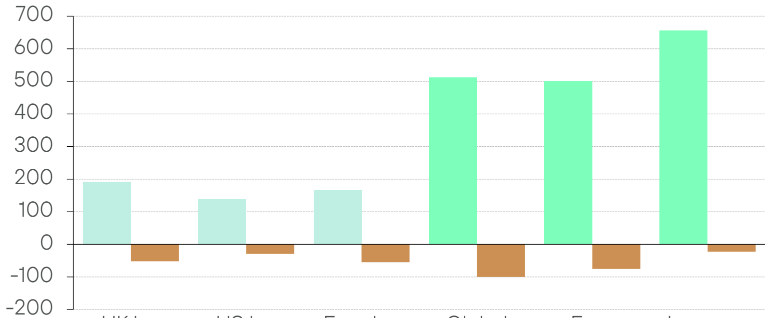
Market Background – Credit

Credit Market Returns – Q4 2022



	UK Inv Grade	US Inv Grade	Euro Inv Grade	Global High Yld	Emg Markets	Leverag. Loans
£ Hedged	7.2%	3.1%	1.8%	4.8%	8.1%	3.4%

Credit Spreads – Q4 2022



	UK Inv Grade	US Inv Grade	Euro Inv Grade	Global High Yld	Emg Markets	Leverag. Loans
End of qtr	192	138	166	513	501	656
Qtr change	-52	-29	-55	-100	-75	-22

Summary

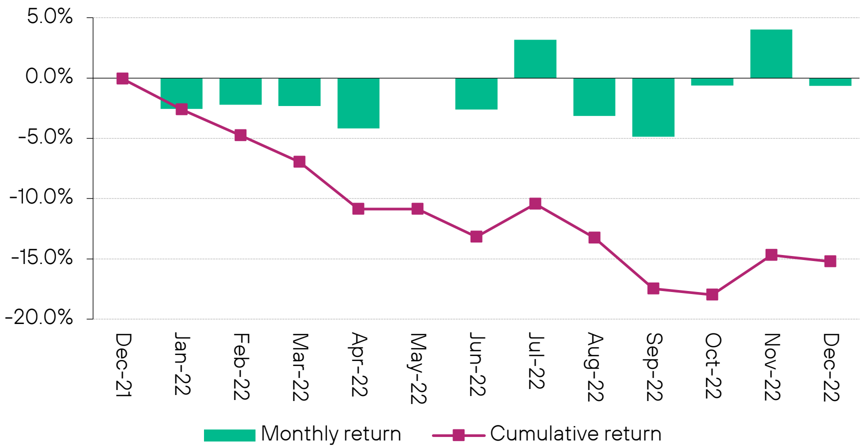
Credit markets delivered positive returns over Q4 as government bond yields fell. In the UK, gilt yields in particular fell from elevated levels following the 'mini-budget' announcement, initially due to the Bank of England's intervention in the gilt market.

Rishi Sunak became the new Prime Minister following Liz Truss' resignation, signalling the reversal of the 'mini-budget' proposals and allowing gilt yields to stabilise somewhat.

Signs of inflation peaking and softer central bank messaging contributed to global government bond yields falling. Gilts outperformed other developed market government bonds, which in turn helped UK IG outperform US and Euro IG.

The recovery in loans lagged the high yield market over the quarter given the floating rate nature of loans. This meant they were less exposed to the movements in yields, which helped fixed rate assets - such as high yield - to outperform.

Global Broad Credit Market Return – Last 12 months



Commentary

Despite expectations of a recession in 2023, credit returns were positive in Q4 as global inflation began to show some signs of moderating. This led to suggestions from central banks that future rate rises might be slower than those seen in 2022, which in turn led to falling government bond yields, thus supporting corporate credit valuations.

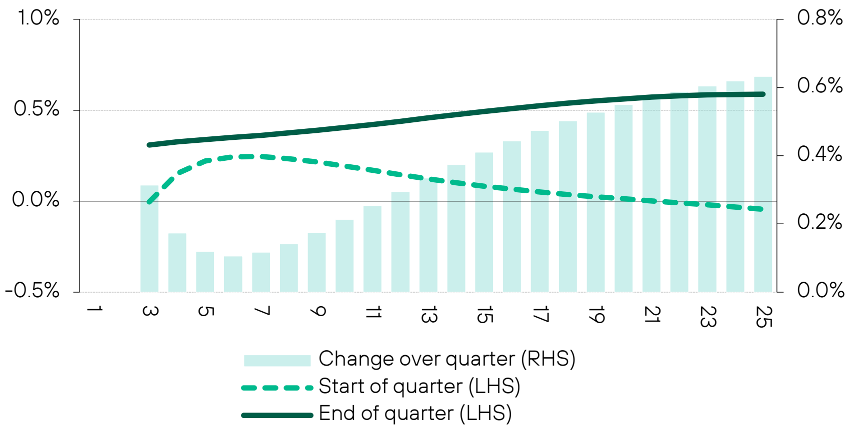
- **Investment grade ('IG') bonds** generated positive returns, benefitting from their interest rate sensitivity over a period when government bond yields fell.
- **High yield ('HY') bonds** also produced positive returns, their first positive quarter in 2022. Supported by low new issuance, both US and European markets performed well, primarily due to central bank messaging and improving economic data.
- **Emerging market ('EM') debt** recorded strong positive returns, largely driven by improved investor sentiment on the back of the re-opening of China's economy. EM debt also outperformed broader credit markets amid Q4's recovery due to its greater cyclicality and longer duration, which were both rewarded during the quarter.

Notes: Please see the 'Explanation of Market Background' appendix for details on the underlying indices shown. Credit spreads are shown in basis points (100bps = 1%) and correspond to the incremental yield available on corporate bonds above government bonds of a similar maturity. Floating rate assets have reduced interest rate sensitivity than fixed rate and are therefore less exposed to rising interest rates.

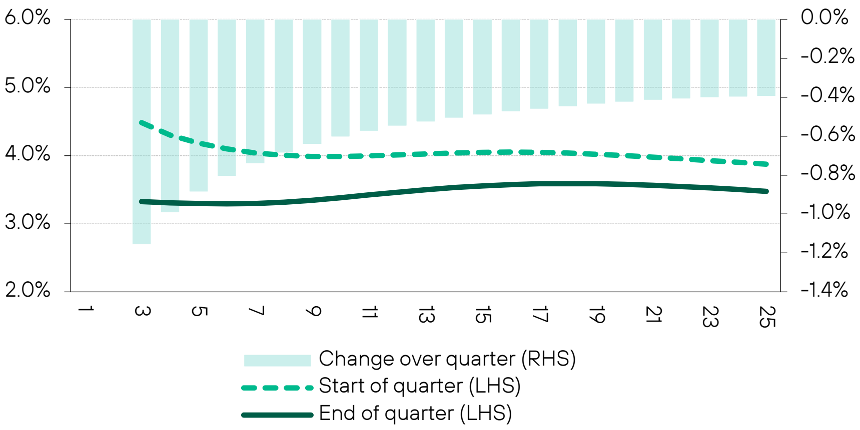
Sources: Thomson Reuters, PIMCO, Fidelity.

Market Background – Yields

Real Gilt Yields – Q4 2022

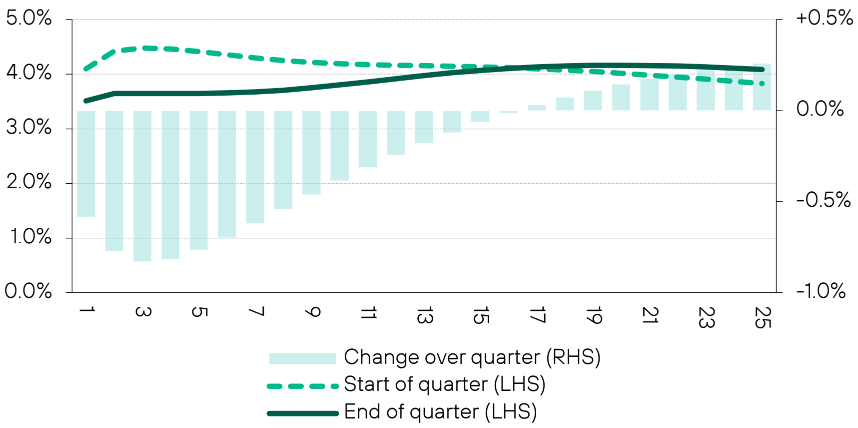


Gilt-Implied Inflation – Q4 2022



These curves show gilt yields and inflation expectations at varying time horizons. The horizontal axis represents the number of years.

Nominal Gilt Yields – Q4 2022



Commentary

- Long-dated (20-year) yields at the quarter-end were:
  - Real gilt yield: 0.6%
  - Nominal gilt yield: 4.2%
  - Gilt-implied inflation expectation: 3.6%

Sources: Bank of England, Isio calculations.

Explanation of Market Background

Market Background – Overview

- Returns by Asset Class – The market indices underlying this chart are as follows:
  - UK Equity: FTSE All-Share
  - Global Equity: FTSE World (Unhedged and Hedged)
  - Emerging Market Equity: MSCI Emerging Markets
  - Absolute Return Funds: mean of a sample of managers
  - Property: IPD Monthly UK
  - Global High Yield: BoAML Global High Yield (GBP Hedged)
  - UK Inv. Grade Credit: BoAML Sterling Non-Gilt
  - Over 15 Years Gilts: FTSE Over 15 Year Gilt
  - Over 5 Years Index-Linked Gilts: FTSE Over 5 Year Index-Linked Gilt
  - Example Liabilities: a simplified calculation illustrating how a typical pension scheme's past-service liabilities may have moved

Market Background – Global Equity

- Regional Returns – The market indices underlying this chart are as follows:
  - World: FTSE World
  - UK: FTSE All Share
  - North America: FTSE North America
  - Europe ex UK: FTSE Europe ex UK
  - Japan: FTSE Japan
  - Emg Mkts: MSCI Emerging Markets
- Sector Returns – The market indices underlying this chart are the relevant sectors from the MSCI All-Countries index.
- VIX Volatility Index – This is a forward-looking indicator. It represents the expected range of movement (in percentage terms) in the S&P 500 index (i.e. US equities in dollar terms) over the next year, at a 68% confidence level. It is calculated using options prices over a 30-day horizon.

This glossary explains the components of the Market Background charts in Appendix 1.

All returns are in Sterling terms, unhedged, unless otherwise stated. Where "hedged" returns are quoted, these are local currency returns (i.e. any costs and imprecisions in hedging are assumed to be negligible).

Explanation of Market Background (cont.)

Market Background – Absolute Return

- **Absolute Return Funds** – Due to the lack of a market index for Absolute Return, we illustrate the performance of this by showing the returns of 10 of the largest funds by assets under management. Specifically:
  - Aberdeen Standard Global Absolute Return Strategies
  - Aviva Multi-Strategy Target Return
  - Baillie Gifford Diversified Growth
  - BlackRock Dynamic Diversified Growth
  - Invesco Perpetual Global Targeted Returns
  - L&G Diversified
  - Newton Real Return
  - Nordea Stable Return
  - Ruffer Absolute Return
  - Schroder Diversified Growth
- The 'Average Absolute Return Fund' performance is an equally-weighted average of the sample of 10 managers' performance figures.
- Returns are shown net of each manager's standard fee. While every effort has been taken to select vehicles with institutional/clean fee structures, the impact may not necessarily reflect any particular client's fee arrangements.
- Volatility is calculated by annualising the volatility of daily returns.
- As clients have specific selection criteria, the managers listed here may not meet any given client's criteria.
- Absolute Return encompass a range of investment approaches, return targets, and risk profiles. Consequently, different managers' returns are not necessarily a like-for-like comparison.

Market Background – Real Assets

- Real Assets – The market indices underlying these charts are:
  - Core UK Property: IPD Monthly UK Index
  - Long Lease UK Property: IPD Long Income Property Fund Index

This glossary explains the components of the Market Background charts in Appendix 1.

All returns are in Sterling terms, unhedged, unless otherwise stated. Where "hedged" returns are quoted, these are local currency returns (i.e. any costs and imprecisions in hedging are assumed to be negligible).

Explanation of Market Background (cont.)

Market Background – Credit

- Sector Returns and Credit Spreads – The market indices underlying this chart are as follows:
  - UK Inv Grade: BoAML Sterling Non-Gilt
  - US Inv Grade: BoAML US Corporate (GBP Hedged)
  - Euro Inv Grade: BoAML Euro Corporate (GBP Hedged)
  - Global High Yield: BoAML Global High Yield (GBP Hedged)
  - Emerging Markets: JP Morgan EMBI Global (GBP Hedged)
  - Leveraged Loans: S&P/LSTA US Leveraged Loan Equity (GBP Hedged)
- Global broad credit market return – The market index underlying this chart is the BoAML Global Broad Market Corporate Index (GBP Hedged):
  - The Global Broad Market Index tracks the performance of investment grade public debt issued in the major domestic and eurobond markets, including 'global' bonds.
  - Qualifying bonds must have at least one year remaining term to maturity and a fixed coupon schedule. Bonds must be rated investment grade and be domiciled in a country having an investment grade foreign currency long-term debt rating (based on a composite of Moody's and S&P).

Market Background – Yields

- Yields – Yields shown are annual yields (i.e. they have been converted from the "continuously compounded" basis quoted by the Bank of England).
- Example Liabilities – This illustrates how a typical scheme's past-service liabilities may have moved.
  - It is based on a simplified calculation assuming a scheme with duration 20 years and liabilities split 70% inflation-linked and 30% fixed.
  - Liability movement is calculated using yield changes and unwinding (short-term interest rate with no premium) only, with no accrual, outgo, or inflation experience.
  - A rise in yields equates to a fall in the calculated value of the liabilities (due to the higher discount rate at which the future cashflows are valued); conversely, a fall in yields means a rise in liabilities.

This glossary explains the components of the Market Background charts in Appendix 1.

All returns are in Sterling terms, unhedged, unless otherwise stated. Where "hedged" returns are quoted, these are local currency returns (i.e. any costs and imprecisions in hedging are assumed to be negligible).

How to Read the Fund Manager Pages

How to Read the "Overview" Section

Expected Volatility	Low	High

- This is a standard quantitative measure of our expectation of absolute annual volatility of the fund.
- The measure ranges from 1% p.a. for the least volatile strategies (e.g. Cash) to 30% p.a. for the most volatile strategies (e.g. Emerging Markets Equity).

Shape of Outcomes	0% Contractual	100% Contractual

- This is an Isio-specific measure of how "contractual" the expected return from the fund is.
- The measure ranges from 0% for strategies that have no fixed return component and are instead based on a share of any profits (e.g. Global Equity) to 100% for strategies where the return in normal conditions is fixed and predictable (e.g. Corporate Bonds).

Diversification	Low	High

- This Isio-specific measure shows how diversified we consider the fund to be, in terms of broad market risk drivers.
- The measure ranges from "low" for mandates that invest in a single asset class that is concentrated in other respects, such as geography (e.g. European Direct Lending) to "high" for mandates that invest in a wide range of diversified asset classes (e.g. Diversified Growth Funds).

Manager Ratings

We show two ratings for a manager:

Research View: This comprises our opinion of the manager as a whole, judged against the client's specific selection criteria (which usually include ESG considerations). The possible ratings are:

- Meets Criteria
- Partially Meets Criteria
- Significantly Fails to Meet the Criteria
- Not Evaluated

ESG View: This is a narrower opinion focusing specifically on the manager's treatment of ESG (Environmental, Social, and Governance) issues. The possible ratings are:

- Green
- Amber
- Red
- Not Evaluated

This page contains guidance on how to read the fund manager pages

Disclaimers

Performance, Opinions, and Estimated Liabilities

- This report sets out the past performance of various asset classes and fund managers. It should be noted that past performance is not a guide to the future.
- Our opinions (and comparison vs criteria) of the investment managers stated in this report are based on Isio's research and are not a guarantee of future performance. These are valid at the time of this report but may change over time.
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- Funds that make use of derivatives are exposed to additional forms of risk and can result in losses greater than the amount of invested capital.
- The estimated liabilities (where quoted) have been "rolled forward" from the last actuarial valuation and/or funding update, by taking current bond yields and inflation expectations into account. The methodology underlying the actuarial assumptions (e.g. discount-rate premium, mortality, real salary growth etc.) is assumed to remain constant for this estimate. Due to the approximate nature of the calculations, the Fund's actual experience and changes in future valuation assumptions may mean that the liabilities and funding position calculated at the next actuarial valuation (or funding update) could be significantly different from the quoted estimate.

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