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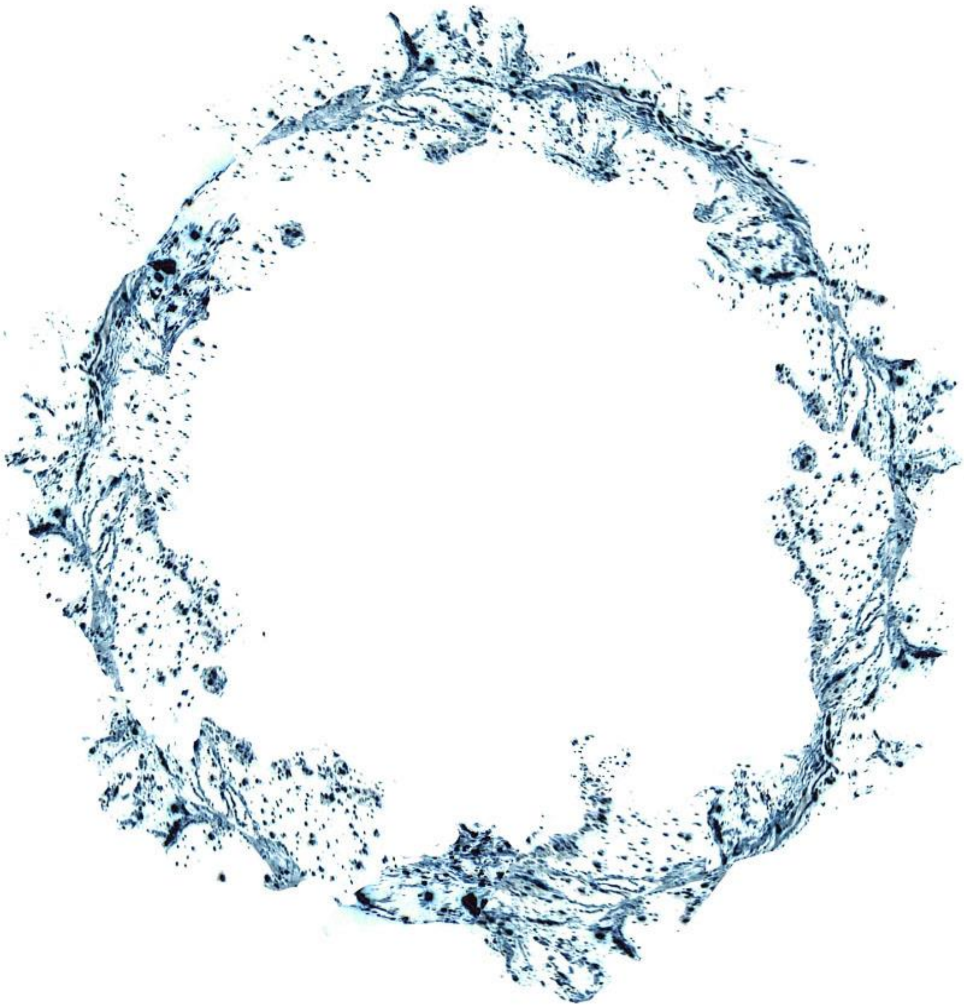


London Borough of Hammersmith & Fulham Pension Fund

Investment Performance Report to 30 September 2019

Deloitte Total Reward and Benefits Limited
November 2019

Contents

1 Market Background

1.1 Three months and twelve months to 30 September 2019

After a strong first half of 2019, global equity markets delivered a small positive return in the third quarter as the Fed (which cut rates twice) and other central banks eased monetary policy against a backdrop of slowing global growth and the ongoing US-China trade dispute. Gains were shared across most developed markets, but emerging markets, which are particularly sensitive to the ongoing global trade tensions, suffered losses as a result.

UK equities made modest gains over the quarter to 30 September 2019, with the FTSE All Share Index returning 1.3%. It was confirmed that the UK economy had contracted by 0.2% over the second quarter, whilst subsequent data suggested a continued slowdown in economic activity over the third quarter. Brexit uncertainty remained high as Boris Johnson took over as Prime Minister on a pledge to leave the EU with or without a deal on 31 October. However, the lack of progress in negotiations with the EU, the UK Parliament's opposition to 'no deal', and the bill it passed to request an extension to avoid such an outcome, raised expectations that Brexit may be delayed beyond October.

The FTSE 100 Index gained 1.0% while the FTSE 250 gained 3.3%, as the FTSE 100 was weighed down by its large concentration to economically sensitive sectors such as Financials (-1.8%) and Oil & Gas (-6.6%), which suffered as investors rotated more towards defensive growth sectors such as Health Care (11.6%) and Utilities (5.1%) in response to the slowdown in global growth. Telecommunications was the best performing sector returning 13.1%, while Technology was the poorest performing sector falling 15.7% in the third quarter, having made large gains in the previous quarter.

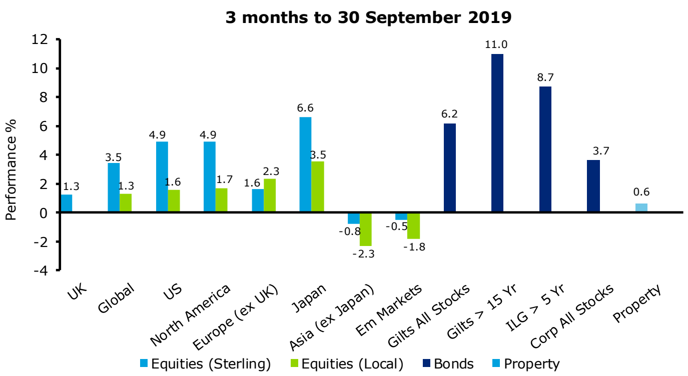
Global markets as a whole performed broadly in line with UK equities in local currency terms (1.3%) but outperformed in sterling terms (3.5%) following further sterling depreciation in an uncertain political environment. Most developed markets made positive returns in local currency terms, with Japan the best performer, returning 3.5%. However, the other Asia-Pacific (ex-Japan) markets (-2.3%) and Emerging Markets (-1.8%) suffered losses in local terms, suffering most from the trade tensions which rumbled on through the quarter.

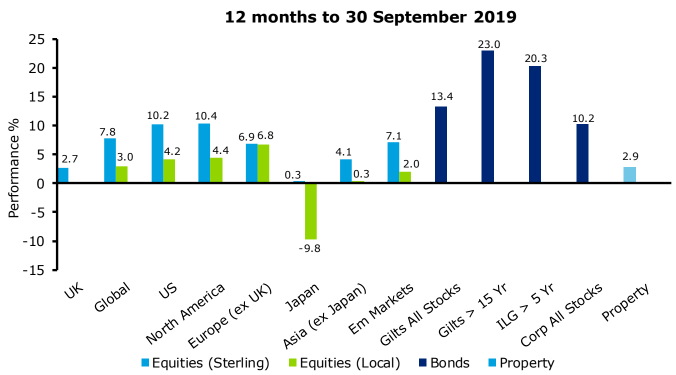
Government bond yields fell sharply over the quarter due to global growth concerns and the prospect of further rate cuts. In the UK, nominal gilt yields fell significantly across the curve, dropping c. 40-50 bps at mid to long durations, as investors downgraded their future growth expectations and fears of a 'no deal' Brexit fuelled a 'flight to quality'. The All Stocks Gilts Index delivered a positive return of 6.2% over the quarter with the Over 15 Year Index returning 11.0%. Real yields also fell sharply with the Over 5 Year Index-Linked Gilts Index delivering a return of 8.7% over the same period. Credit spreads widened over the quarter which led to underperformance of equivalent gilts. The iBoxx All Stocks Non Gilt Index returned 3.7%.

Over the 12 months to 30 September 2019, the FTSE All Share Index delivered a positive return of 2.7% as the gains made through 2019 more than offset the sharp sell-off at the end of 2018. There was a wide dispersion in returns at the sector level with Health Care the best performer, returning 16.7%, whilst Oil & Gas was the poorest performing sector falling by 11.2%. Global markets performed broadly in line with UK equities in local currency terms (3.0%) but significantly outperformed in sterling terms (7.8%) due to the depreciation of sterling over the year.

UK nominal gilts achieved strong returns over the 12 months to 30 September 2019 as nominal gilt yields fell sharply across the curve. The All Stocks Gilts Index returned 13.4% and the Over 15 Year Gilts Index returned 23.0% over the year. UK index-linked gilts delivered positive returns as real yields also fell across the curve with the Over 5 Year Index-Linked Gilts Index returning 20.3%. The iBoxx All Stocks Non Gilt Index returned 10.2% lagging gilts as credit spreads widened slightly over the year.

The MSCI UK All Property Index returned 0.6% over the 3 months to 30 September 2019 and 2.9% over the 12 months to 30 September 2019. The property market has continued to cool in light of heightened Brexit uncertainty and a slowing UK economy.





2 Performance Overview

2.1 Investment Performance to 30 September 2019

Breakdown of Fund Performance by Manager as at 30 Sep 2019		3	1	2 year	3 year	5 year
Fund	Manager	month	year	p.a.	p.a.	p.a.
Equity Mandate						
	LCIV UK Equity Fund[2]	1.0	-3.0	0.2	4.3	5.4
FTSE All Share		1.3	2.7	4.2	6.7	6.7
Difference		-0.3	-5.6	-4.0	-2.4	-1.3
	LGIM Low Carbon Mandate	4.3	n/a	n/a	n/a	n/a
MSCI World Low Carbon Target		4.3	n/a	n/a	n/a	n/a
Difference		0.0	n/a	n/a	n/a	n/a
Dynamic Asset Allocation						
	LCIV Absolute Return Fund[2]	2.9	2.0	2.1	1.2	3.9
3 Month Sterling LIBOR + 4%		1.2	4.8	4.7	4.6	4.6
Difference		1.8	-2.8	-2.6	-3.4	-0.7
Global Bonds						
	LCIV Global Bond Fund	2.4	n/a	n/a	n/a	n/a
Barclays Credit Index (Hedged)		2.4	n/a	n/a	n/a	n/a
Difference		0.1	n/a	n/a	n/a	n/a
Private Equity						
	Invesco	25.0	24.2	24.9	16.0	17.6
	Unigestion	-8.5	-6.5	-1.0	1.3	6.4
Secure Income						
	Partners Group MAC	0.2	2.5	3.0	4.1	n/a
3 Month Sterling LIBOR + 4%		1.2	4.8	4.7	4.6	n/a
Difference		-1.0	-2.4	-1.7	-0.5	n/a
	Oak Hill Advisors	0.4	1.6	1.3	2.5	n/a
3 Month Sterling LIBOR + 4%		1.2	4.8	4.7	4.6	n/a
Difference		-0.8	-3.3	-3.4	-2.1	n/a
	Partners Group Infra	2.4	12.8	7.9	2.4	n/a
	Aviva Infra Income[3]	-4.5	-1.7	n/a	n/a	n/a
Inflation *Protection*						
	M&G	6.1	12.6	9.1	7.0	n/a
RPI + 2.5% p.a.		1.1	4.9	5.3	5.7	n/a
Difference		5.0	7.7	3.8	1.3	n/a
	Aberdeen Standard	1.0	5.0	6.6	7.8	n/a
FT British Government All Stocks		6.6	15.4	8.8	5.2	n/a
Difference		-5.6	-10.5	-2.2	2.6	n/a
Total Fund		2.9	5.5	5.4	6.4	8.0
Benchmark[1]		2.6	7.9	7.7	7.9	7.5
Difference		0.4	-2.4	-2.3	-1.5	0.5

Source: Northern Trust (Custodian). Figures are quoted net of fees and estimated by Deloitte. Differences may not tie due to rounding.

[1] The Total Assets benchmark is the weighted average performance of the target asset allocation.

[2] Quarter and year performance figures estimated using London CIV quarterly reports. Longer term performance has been provided by Northern Trust. LCIV UK Equity Fund is managed by Majedie and was incepted on 18 May 2017. LCIV Absolute Return Fund is managed by Ruffer and was incepted on 21 June 2016.

[3] Performance figures provided by Aviva. Aviva Infrastructure Income Fund NAV has been restated, dating back to 30 September 2018, in respect of accounting treatment of a legal dispute.

3 Total Fund

3.1 Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)	Three Years (% p.a.)	Five Years (% p.a.)
Total Fund – Gross of fees	3.0	5.9	5.8	6.8	8.4
Net of fees(1)	2.9	5.5	5.4	6.4	8.0
Benchmark(2)	2.6	7.9	7.7	7.9	7.5
Net performance relative to benchmark	0.4	-2.4	-2.3	-1.5	0.5

Source: Northern Trust. Relative performance may not sum due to rounding.

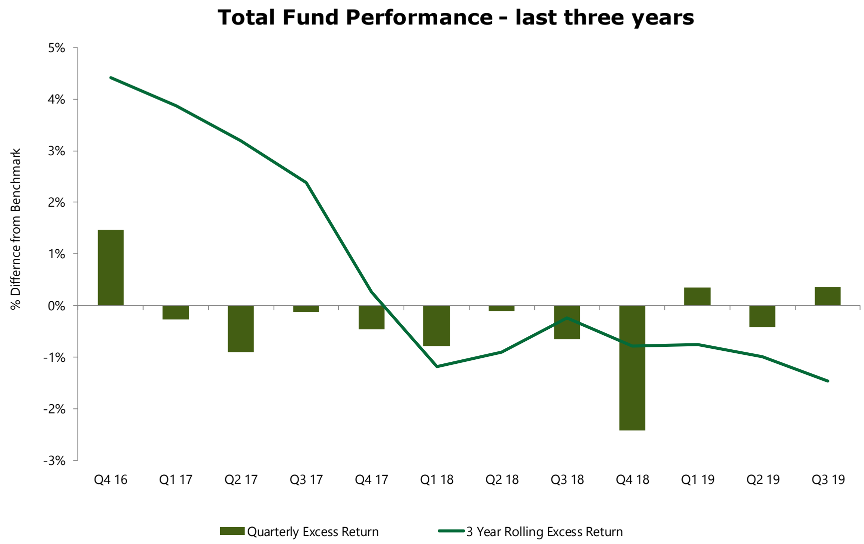
(1) Estimated by Deloitte

(2) Average weighted benchmark

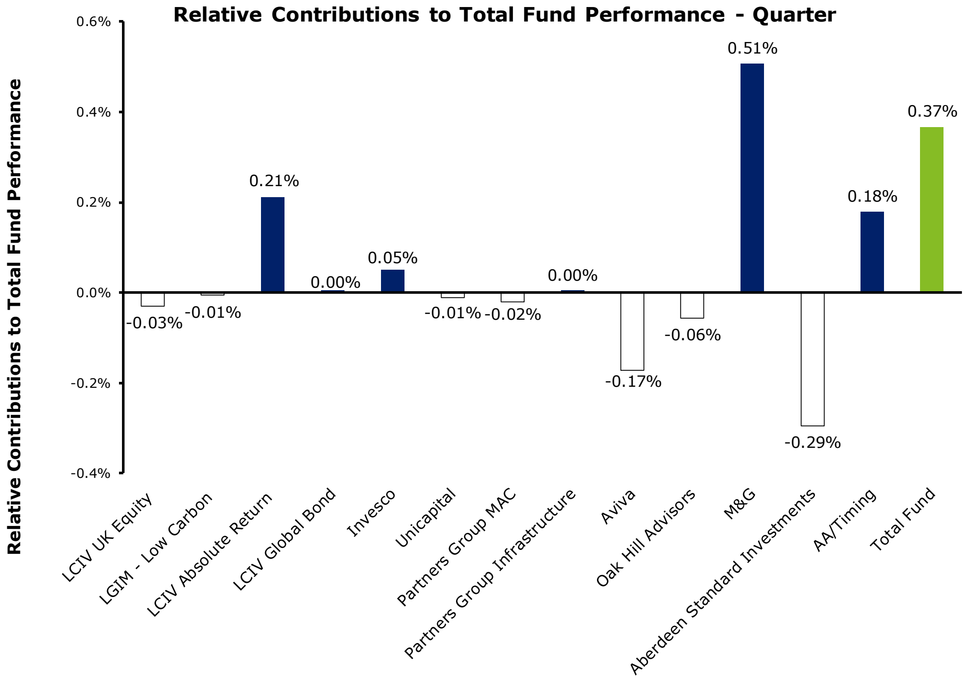
Over the quarter to 30 September 2019, the Fund delivered a return of 2.9% net of fees outperforming the fixed weight benchmark by 0.4%.

The fund returned 5.5% on a net fees basis over the year to 30 September 2019 and returned 6.4% p.a. over the three-year period to 30 September 2019; over both periods the Fund underperformed the fixed weight benchmark by 2.4% and 1.5% p.a. respectively. The fund delivered 8.0% net of fees over the five-year period, outperforming the benchmark by 0.5% p.a.

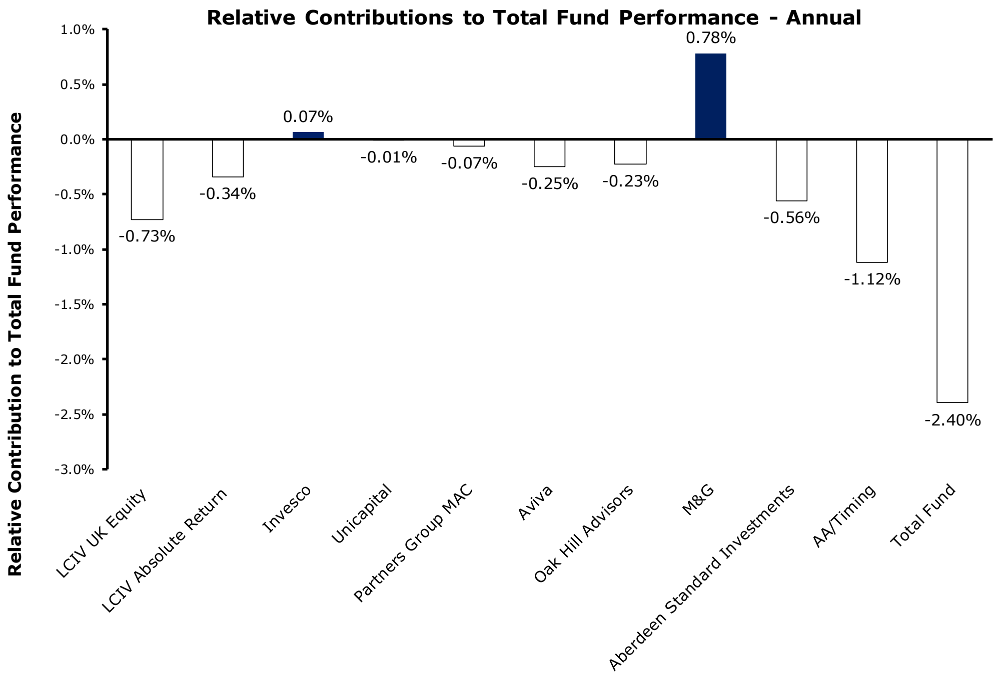
The chart below compares the net performance of the Fund relative to the fixed weight benchmark over the three years to 30 September 2019. The 3-year rolling excess return fell and remained negative over the quarter.



3.2 Attribution of Performance to 30 September 2019



The Fund's outperformance of its benchmark over the quarter was largely a result of outperformance by M&G Inflation Opportunities Fund and LCIV UK Absolute Return Fund. Additionally, the AA/Timing bar showed a positive contribution, representing the impact of the Fund being overweight to the LCIV Absolute Return during a period of positive performance in the quarter. Underperformance by Aviva and Aberdeen Standard Investments partially offset the overall outperformance.



Over the year to 30 September 2019, the Fund underperformed the composite benchmark by 2.4% net of fees. This was largely because of underperformance from the LCIV UK Equity Fund and Aberdeen Standard Investments Long Lease Property Fund, with the LCIV Absolute Return Fund, Aviva and Oak Hill Advisors also contributing. The negative contribution shown by the "AA/Timing" bar represents the impact of the Fund having an overweight Dynamic Asset Allocation holding during a period of underperformance, and includes the underperformance delivered by the Insight Bonds Plus Fund over the year prior to disinvestment.

3.3 Asset Allocation

The table below shows the value of assets held by each manager as at 30 September 2019 alongside the Target Benchmark Allocation.

Manager	Asset Class	Actual Asset Allocation				Benchmark Allocation (%)
		30 June 2019 (£m)	30 Sep 2019 (£m)	30 June 2019 (%)	30 Sep 2019 (%)	
LCIV	UK Equity (Active)	124.9	124.4	11.7	11.3	15.0
LGIM	Low Carbon Equity (passive)	400.0	417.2	37.5	38.0	30.0
	Total Equity	**525.0**	**541.6**	**49.2**	**49.3**	**45.0**
LCIV	Absolute Return	128.7	131.6	12.1	12.0	10.0
LCIV	Global Bond	87.5	88.8	8.2	8.1	10.0
	Total Dynamic Asset Allocation	**216.2**	**220.4**	**20.3**	**20.1**	**20.0**
Invesco	Private Equity	2.1	2.6	0.2	0.2	0.0
Unicapital	Private Equity	1.3	1.1	0.1	0.1	0.0
	Total Private Equity	**3.4**	**3.7**	**0.3**	**0.3**	**0.0**
Partners Group	Multi Asset Credit	22.0	22.1	2.1	2.0	5.0
Oak Hill Advisors	Diversified Credit Strategy	74.5	74.9	7.0	6.8	7.5
Partners Group	Direct Infrastructure	20.3	23.5	1.9	2.1	5.0
Aviva	Infrastructure Income	29.6	28.7	2.8	2.6	2.5
	Secure Income	**146.4**	**149.2**	**13.7**	**13.6**	**20.0**
M&G	Inflation Opportunities	108.9	115.6	10.2	10.5	10.0
Aberdeen Standard Investments	Long Lease Property	56.4	57.0	5.3	5.2	5.0
	Total Inflation Protection	**165.3**	**172.6**	**15.5**	**15.7**	**15.0**
LGIM	Liquidity Fund	11.1	11.1	1.0	1.0	0.0
	Total	**1,067.3**	**1,098.6**	**100.0**	**100.0**	**100.0**

Source: Northern Trust (Custodian) and have not been independently verified
Figures may not sum to total due to rounding

At the end of the third quarter of 2019, the Fund was 4.3% overweight to equities with the secure income allocation underweight by 6.4%. This is a result of the Partners Group Multi Asset Credit Fund continuing to distribute funds back to investors and the Partners Group Direct Infrastructure Fund being in the process of drawing funds into its portfolio.

During the third quarter, the decision was taken to disinvest from the LCIV UK Equity Fund. The allocation is to be transferred to the LGIM World Low Carbon Equity Portfolio in the interim. As at the end of the third quarter of 2019, the Fund was yet to complete this transition.

3.4 Yield Analysis as at 30 September 2019

The following table shows the running yield on the Fund's investments:

Manager	Asset Class	Yield as at 30 Sep 2019
LCIV	UK Equity	4.10%
LGIM	Low Carbon Equity	N/A[1]
LCIV	Absolute Return	1.44%
LCIV	Global Bond	3.52%
Partners Group	Multi-Asset Credit	3.58%[2]
Oak Hill Advisors	Diversified Credit Strategy	6.80%
Aviva Investors	Infrastructure	7.90%[2]
M&G	Inflation Opportunities	2.46%[2]
Aberdeen Standard Investments	Long Lease Property	4.10%
	Total	**2.13%**

[1]The LGIM MSCI World Low Carbon Target Index Fund is not currently eligible for NDIP payments and so there is no yield available for the fund.
[2]Represents yield to 30 June 2019.

4 Summary of Manager Ratings

The table below summarises Deloitte's ratings of the managers employed by the Fund and triggers against which managers should be reviewed.

Manager	Mandate	Triggers for Review	Rating
Majedie	LCIV UK Equity	Further turnover within the core investment team Re-opening the UK equity products with no clear limits on the value of assets that they would take on	2
LGIM	Low Carbon Equity	Major deviation from the benchmark return Significant loss of assets under management	1
Ruffer	LCIV Absolute Return	Departure of either of the co-portfolio managers from the business Any significant change in ownership structure	1
PIMCO	LCIV Global Bond	A significant increase or decrease to the assets under management Significant changes to the investment team responsible for the Fund	1
Partners Group	Multi Asset Credit	Significant changes to the investment team responsible for the Fund *Note the mandate is subject to a 7 year lock-up period	1
	Direct Infrastructure	Significant changes to the investment team responsible for the Fund. *Note the mandate is subject to a 10 year lock-up period	1
Oak Hill Partners	Diversified Credit Strategy	Significant changes to the investment team responsible for the Fund. Significant changes to the liquidity of underlying holdings within the Fund.	1
Aviva Investors	Infrastructure Income	Significant changes to the investment team responsible for the Fund	1
M&G	Inflation Opportunities	If the Fund's portfolio manager Gary Parker was to leave the business or cease to be actively involved in the Fund, this would trigger a review of the Fund. Failure to find suitable investments within the initial two year funding period.	1
Aberdeen Standard Investments	Long Lease Property	Richard Marshall leaving the business or ceasing to be actively involved in the Fund without having gone through an appropriate hand-over. A build up within the Fund of holdings with remaining lease lengths around 10 years.	1

4.1 London CIV

Business

As at 30 September 2019, the London CIV had assets under management of £8,823m within the 14 sub-funds, an increase of £30m over the quarter. The total assets under oversight, including passive investments held outside the CIV platform, increased by £0.4bn over the quarter to £19.5bn.

Following quarter end, Ares Management Limited communicated to the London CIV that the plans to launch a Liquid Loans and a Private Debt product were to be withdrawn. This decision was made due to the lack of commitments to the products and the length of time taken to implement the strategies.

Given the demand for the strategies currently, the London CIV will look to open discussions with the London Boroughs on their current requirements and see if there is sufficient demand for similar asset classes.

Personnel

At the end of the quarter, the London CIV announced that Mark Thompson had resigned from his role as Chief Investment Officer. Mark was appointed during the second quarter of 2019 and had started the role in September. The decision by Mark was made after concluded that he believed he was not ready to return to a full time and demanding role.

The London CIV has stated that they understand the decision taken by Mark and are currently in the process of identifying an interim and permanent replacement for the role of Chief Investment Officer. The London CIV are also looking into the prospect of recruiting an additional person to lead on ESG work in advance of this appointment.

Deloitte view – It is crucial that steps are taken to rebuild the senior management team and an appropriate strategy agreed for taking the pool forward, getting "buy-in" from the shareholders. We are continuing to monitor developments on the business side as well as the new fund launches.

4.2 Majedie

Business

As at 30 September, Majedie had total assets under management of £10.8bn, a further decrease of £0.8bn over the quarter.

Personnel

During the quarter, it was announced that Majedie were in the process of hiring John King from AXA. John will join as the Lead Manager on the Majedie UK Smaller Companies part of the UK Equity Fund.

Deloitte view – We have recently removed Majedie's UK Equity strategy from our rated manager list following a run of poor performance. As such, going forward, we will not be recommending the Majedie UK Equity strategy to clients.

4.3 LGIM

Business

As at 30 June 2019, Legal & General Investment Management ("LGIM") had total assets under management ("AuM") of £1,135bn, an increase of £30bn since 31 December 2018.

During the third quarter, LGIM launched a number of new funds in both the fixed income and equity index sustainable investing space. Within fixed income, LGIM launched a short dated corporate bond index fund alongside an ESG focused emerging market government bond index fund. Within sustainable investment, LGIM continued to add to the new equity "Future World" fund range. The new funds launched included regional index funds which track a range of ESG focused alternative indices.

Personnel

As mentioned in the previous quarter, LGIM (UK) CEO Michelle Scrimgeour was appointed in July 2019 and has come in to replace outgoing Mark Zinkula who retired from the business in August. Michelle joined from Columbia Threadneedle where she held the role of CEO with responsibility for the EMEA (Europe, Middle East and Africa) region. Michelle has over 30 years' experience at asset management firms and before Threadneedle she was Chief Risk Officer at M&G Investments.

At the Index Team level, there were three new joiners during the third quarter of 2019. Anupe Dhanday joined as a Portfolio Manager, Aude Martin as an Investment Specialist and Fhambren olde Scheper as an Equity Fund Manager.

Deloitte View - We continue to rate Legal & General positively for its passive and LDI capabilities.

4.4 Ruffer

Business

As at 30 September 2019 Ruffer had assets under management of £20.4bn, a decrease of £0.3bn over the past three months.

Personnel

There were no significant team or personnel changes over the third quarter of 2019.

Deloitte view – The Ruffer product is distinctive within the universe of diversified growth managers with the manager willing to take contrarian, long term positions, where necessary drawing on the expertise of external funds.

4.5 PIMCO

Business

PIMCO held $1.9tn in assets under management as at 30 September 2019. The LCIV Global Bond Fund had assets under management of £273.6m at the end of the third quarter of 2019.

Personnel
There were no significant team or personal changes to the Global Bond Fund over the quarter.

During September, PIMCO announced that Nick Granger would be joining the group as Managing Director and Portfolio Manager for Quantitative Analytics. Nick will join in the first quarter of 2020, with his focus on increasing the use of quantitative strategies within the firm's portfolios and will lead the quantitative team.

Deloitte View – We continue to rate PIMCO highly for its global bond capabilities.

4.6 Partners Group

Business – Partners Group
As at 30 June 2019, Partners Group had total assets under management of €79.8bn.

Business - Multi Asset Credit
The net asset value of the Partners Group MAC Fund as at 30 September 2019 was £112m, with no change over the quarter as there were no further distributions. The investment period for the 2014 MAC vintage finished at the end of July 2017, and the Fund continues to make distributions back to investors.

Business - Direct Infrastructure
Total commitment value as at 30 September 2019 was c. €1,081m.

As at 30 September 2019 the Fund was c. 47.8% drawn down, with 74.7% of the total Direct Infrastructure Fund's portfolio committed to investment opportunities at the end of quarter.

Deloitte View - We continue to rate Partners Group for its private market capabilities.

4.7 Oak Hill Advisors – Diversified Credit Strategy (DCS)

Business
As at 1 July 2019, Oak Hill Advisors assets under management was $35.0bn, an increase of c. $0.7bn since 1 May 2019.

The net asset value of the Diversified Credit Strategy as at 30 September 2019 was $3.7bn, a decrease of $0.2bn following approximately $155m of net outflows during the quarter.

Personnel
There were no significant team or personnel changes over the third quarter of 2019.

Deloitte view – We are comfortable with how the strategy is being managed and the level of risk within the strategy.

4.8 Aviva Investors

Business
As at 30 September 2019, the Aviva Investors Infrastructure Fund had a total subscription value of £1,252m, with £74m of investor commitments made over the quarter. The undrawn amount as at 30 September was £214.8m.

During the quarter, Aviva provided an update on the Fund's structure that had been discussed earlier in the year at the Investment Advisory Committee.

The Fund was initially established to attract UK based investors, however, over the last year a large increase in international investment has been seen. In order to continue to grow the Fund and take advantage of this new growth the Fund will create an additional feeder fund. The feeder fund will take the form of a Scottish Limited Partnership. It is expected that the majority of changes should not impact current investors, who hold units in the Funds Jersey Unit Trust. Any proposed changes to align the two funds will be in favour of existing investors, with any changes that require investor consent to be communicated going forward. Aviva will also provide a further paper with further details of the proposed changes.

During October, Aviva announced that a review of the fee structure of the Infrastructure Income Fund had been finalised, with fees for new business to be increased going forward. Aviva has attributed the increase to the addition of new resource to the team which in turn has delivered higher returns. The fee structure will be based on aggregate assets under management of the client as follows:

Aggregate Assets Under Management	Annual Management Charge (Charge on NAV)
<£100m	0.85%
>£100m	0.75%

Aviva has stated that existing clients will be unaffected by these charges on current investments, with any additional investments charged at the new higher fee rate. Additionally, the 50bps AMC share class will no longer available to new investors.

During the second quarter of 2019, Aviva informed investors of a restatement of the Infrastructure Funds NAV, following a legal dispute with a construction counterparty in relation to the costs and delays involved with three energy from waste assets. As the legal process is currently being undertaken Aviva are not able to give a further update until the matter is settled.

Personnel
During the quarter, Co-Manager of the Infrastructure Income Fund Sarah Wall announced her resignation following a period of long term illness. During this time Barry Fowler, Managing Director of Alternative Income, had covered for Sarah and will continue to do so whilst Aviva look for alternative arrangements.

Deloitte View - We continue to rate Aviva Investors positively for its infrastructure capabilities. The changes to the fee structure that occurred over the quarter will have an impact on future investments to the Infrastructure Fund, however, current investments such as those by London Borough of Hammersmith and Fulham Pension Fund will not be impacted.

4.9 M&G – Inflation Opportunities Fund

Business
As at 30 September, M&G's Inflation Opportunities V Fund held total assets under management of c. £552m, an increase of c. £30m over the quarter.

Personnel
There were no significant changes to the M&G Inflation Opportunities Fund at a team level over the third quarter of 2019.

Deloitte view – The strategy has a high allocation to long lease property, while we are positive on this asset class, it does create overlap with the Fund's Long Lease Property mandate with Aberdeen Standard Investments. As such, the Committee may wish to consider whether there are alternative options that could be considered for all or part of the allocation in this strategy which offer at least a degree of "inflation proofing".

4.10 Aberdeen Standard Investments – Long Lease Property

Business
At the end of the third quarter of 2019, the ASI Long Lease Property Fund held assets under management of £2.5bn. The Fund queue of investor commitments was c. £260m as at 30 September 2019, an increase of c. £44m over the quarter.

Personnel
In October, Aberdeen Standard Investments announced that Martin Gilbert would be stepping down from his current positions and retire from his roles on the boards of Standard Life Aberdeen plc., Standard Life Investments Limited and Aberdeen Asset Management PLC at the next AGM in May 2020. Martin had started with Aberdeen Asset Management over 30 years ago and currently holds the positions of Chairman at Aberdeen Standard Investments and Vice Chairman of the Standard Life Aberdeen group. Martin will continue to focus on the strengthening of current client relationships and establishing new ones, and continue to work closely with ASI's leadership team to ensure that his responsibilities are smoothly passed over and that service remains the same.

Deloitte View – We continue to rate Aberdeen Standard Investments positively for its long lease property capabilities.

5 London CIV

5.1 Investment Performance to 30 September 2019

At the end of the third quarter of 2019, the assets under management within the 14 sub-funds of the London CIV was £8,823m. The total assets under oversight (which includes passive investment held outside of the CIV platform) increased by c. £0.4bn to c. £19.5bn over the quarter. The table below provides an overview of the sub-funds currently available on the London CIV platform.

Sub-fund	Asset Class	Manager	Total AuM as at 30 June 2019 (£m)	Total AuM as at 30 Sep 2019 (£m)	Number of London CIV clients	Inception Date
LCIV UK Equity	UK Equity	Majedie	417	415	2	18/05/17
LCIV Global Equity Alpha	Global Equity	Allianz Global Investors	128	-	1	02/12/15
LCIV Global Alpha Growth	Global Equity	Baillie Gifford	2,689	2,705	13	11/04/16
LCIV Global Equity	Global Equity	Newton	639	660	3	22/05/17
LCIV Global Equity Focus	Global Equity	Longview Partners	809	847	5	17/07/17
LCIV Equity Income	Global Equity	Epoch Investment Partners	250	262	2	08/11/17
LCIV Emerging Market Equity	Global Equity	Henderson Global Investors	402	352	6	11/01/18
LCIV Sustainable Equity Fund	Global Equity	RBC Global Asset Management (UK)	303	434	3	18/04/18
LCIV Global Total Return	Diversified growth fund	Pyrford	320	323	5	17/06/16
LCIV Diversified Growth	Diversified growth fund	Baillie Gifford	672	685	8	15/02/16
LCIV Absolute Return	Diversified growth fund	Ruffer	869	868	10	21/06/16
LCIV Real Return	Diversified growth fund	Newton	184	152	2	16/12/16
LCIV MAC	Fixed Income	CQS	842	846	12	31/05/18
LCIV Global Bond	Fixed Income	PIMCO	269	274	3	30/11/18
Total			**8,793**	**8,823**		

The Sustainable Equity Fund managed by RBC added one new London borough during the quarter. No new sub-funds were launched over the quarter.

6 LCIV – UK Equity

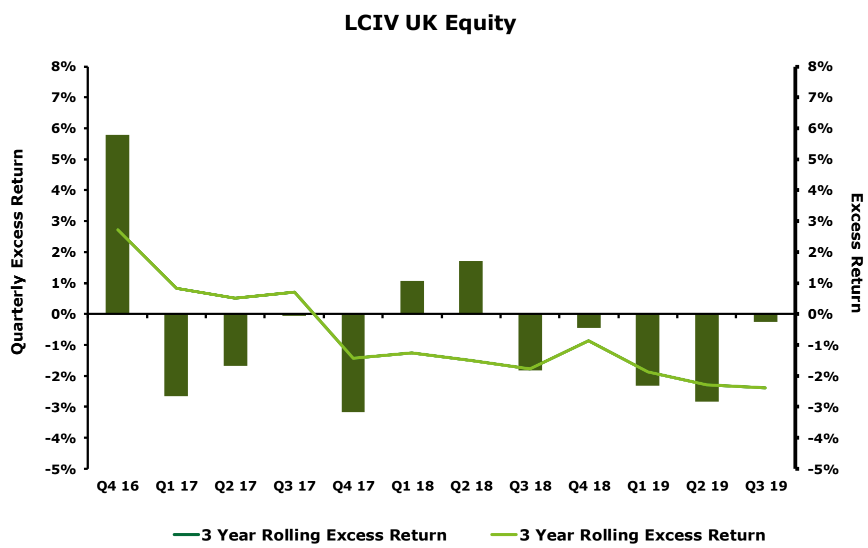
Majedie was appointed to manage an actively managed segregated UK equity portfolio, held as a sub-fund under the London CIV platform from 18 May 2017. The manager's remuneration is a combination of a tiered fixed fee, based on the value of assets and a performance related fee of 20% of the outperformance which is payable when the excess return over the FTSE All Share +2% p.a. target benchmark over a rolling three year period is more than 1% p.a.

6.1 Active UK Equity – Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)(1)	Three Years (% p.a.)	Five Years (% p.a.)
Majedie – Gross of fees	1.2	-2.4	0.8	4.9	5.9
Net of fees(1)	1.0	-3.0	0.2	4.3	5.4
Benchmark	1.3	2.7	4.2	6.7	6.7
Target	1.8	4.7	6.2	8.7	8.7
Net performance relative to Benchmark	-0.3	-5.6	-4.0	-2.4	-1.3

Source: London CIV and Northern Trust. Relative performance may not tie due to rounding.

(1) Estimated by Deloitte



Over the quarter to 30 September 2019, Majedie delivered an absolute return of 1.0% net of fees, underperforming its FTSE All Share benchmark by 0.3%. Majedie has performed negatively over the one-year period, returning -3.0% net of fees underperforming the benchmark by 5.6%. Over the long three-year period the Fund has underperformed its benchmark by 2.4% p.a.

The underperformance seen over the quarter was largely attributed to stock specifics, with Pearson being one of the largest detractors following poor print sales in US. Over the last few months, Majedie has continued to reduce its exposure to cyclicality in its small cap stocks, notably through the sale of small cap mining stocks.

Additionally, the Fund has a larger exposure to sterling than its comparable benchmark, with a domestic focus being taken by Majedie..

While the portfolio is aiming to be more growth oriented, it is currently weighted towards 'value' stocks.

6.2 Performance Analysis

The top 10 holdings in the UK Equity strategy account for c. 42.6% of the Fund and are detailed below.

Top 10 holdings as at 30 September 2019	Proportion of Majedie Fund
BP	7.2%
Royal Dutch Shell	6.5%
Majedie UK Smaller Companies Sub-Fund	5.8%
Tesco	5.3%
GlaxoSmithKline	5.2%
Pearson	2.9%
Morrison Supermarkets	2.5%
Electrocomponents	2.5%
Barrick Gold	2.4%
Associated British Foods	2.3%
Total	**42.6%**

Note: The numbers in this table may not sum due to rounding.
Source: London CIV.

The tables below show the top 5 and bottom 5 contributors to performance over the quarter to 30 September 2019.

Top 5 contributors as at 30 September 2019	Contribution (bps)
GlaxoSmithKline	+0.59
Vodafone Group	+0.41
Firstgroup	+0.36
Tesco	+0.35
Barrick Gold	+0.30

Top 5 detractors as at 30 September 2019	Contribution (bps)
Royal Dutch Shell	-0.43
BP	-0.36
Pearson	-0.30
Centrica	-0.28
Anglo American	-0.22

7 Legal and General – World Low Carbon Equity

Legal and General Investment Management ("LGIM") was appointed on 18 December 2018 to manage a low carbon portfolio with the aim of replicating the performance of the MSCI World Low Carbon Target Index. The manager has an annual management fee, in addition to On Fund Costs.

7.1 World Low Carbon Equity – Investment Performance to 30 September 2019

	Last Quarter (%)
LGIM – Gross of fees	4.3
Net of fees[(1)]	4.3
Benchmark (MSCI World Low Carbon Target)	4.3
MSCI World Equity Index	4.0
Net Performance relative to Benchmark	0.0

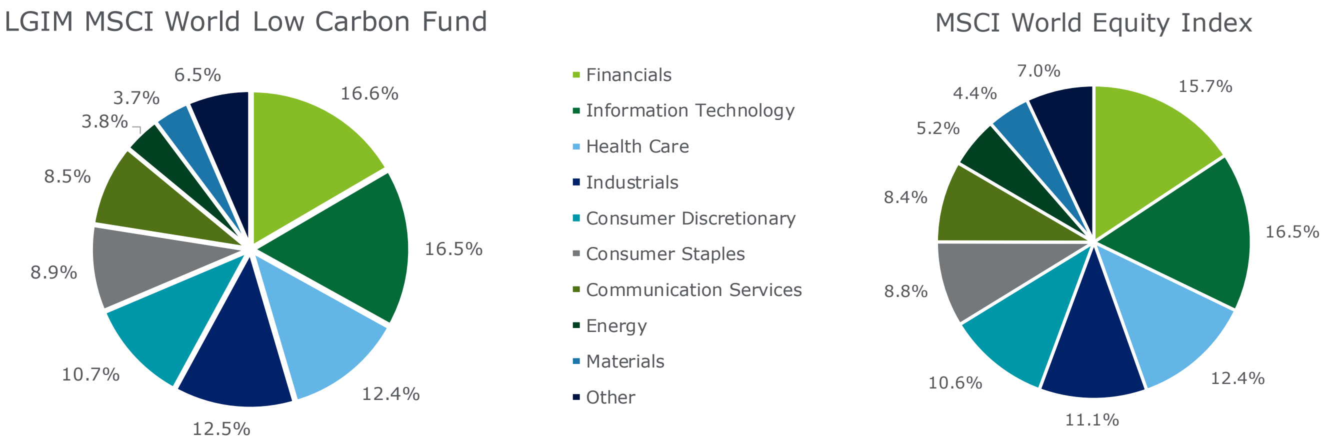
Source: LGIM and Northern Trust. Relative performance may not tie due to rounding.
(1) Estimated by Deloitte

The LGIM MSCI World Low Carbon Target Index Fund successfully tracked its MSCI World Low Carbon Target Index benchmark on a net of fees basis over the quarter to 30 September 2019.

The World Low Carbon Fund outperformed the MSCI World Equity Index by 0.3% over the third quarter of 2019.

7.2 Portfolio Sector Breakdown at 30 September 2019

The below charts compare the relative weightings of the sectors in the LGIM MSCI World Low Carbon Target Fund and the MSCI World Equity Index as at 30 September 2019.



The LGIM MSCI Low Carbon Target Fund has a larger allocation to financials and industrials than the MSCI World Equity Index, whilst the lower allocation to energy and materials represents the low carbon nature of the Fund.

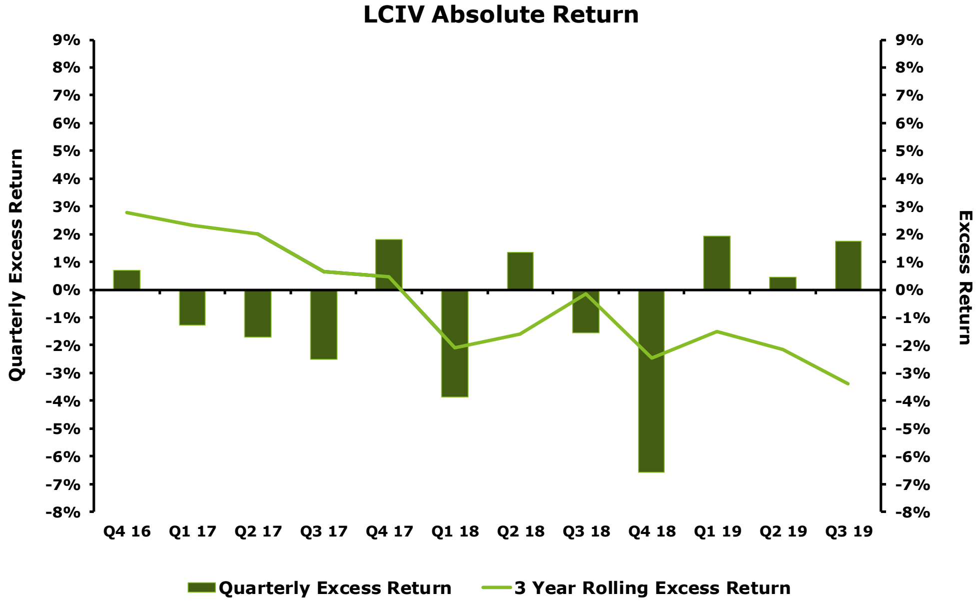
8 LCIV – Absolute Return

Ruffer was appointed to manage an absolute return mandate, held as a sub-fund under the London CIV platform from 21 June 2016, with the aim of outperforming the 3 month Sterling LIBOR benchmark by 4% p.a. The manager has a fixed fee based on the value of assets.

8.1 Dynamic Asset Allocation – Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)(1)	Three Years (% p.a.)	Five Years (% p.a.)
Ruffer - Gross of fees	3.1	2.9	2.9	2.0	4.7
Net of fees(1)	2.9	2.0	2.1	1.2	3.9
Target	1.2	4.8	4.7	4.6	4.6
Net performance relative to Target	1.8	-2.8	-2.6	-3.4	-0.7

Source: London CIV and Northern Trust. Relative performance may not tie due to rounding.
(1) Estimated by Deloitte



Over the quarter to 30 September, the Absolute Return Fund outperformed its Libor +4% target by 1.8%, returning 2.9% on a net of fees basis. Over the one and three year periods to 30 September 2019, Ruffer underperformed the target by 2.8% and 3.4% p.a. respectively.

The Absolute Return Fund delivered a third consecutive positive quarter, outperforming its benchmark. This was attributed to the Fund's holdings in Japanese equity, which performed particularly well, and UK index-linked bonds values rising following a decrease in government bond yields. The performance of Ruffer during the fourth quarter of 2018 continued to prove detrimental to overall performance over the year to 30 September 2019. As noted Ruffer feels that the current positioning taken by the Fund reduces the likelihood of another quarter like that at the end of 2018.

9 LCIV – Global Bond

PIMCO was appointed on 8 May 2019 to manage a Global Bond mandate, held as a sub-fund under the London CIV platform from 30 November 2018. The aim of the Fund is to outperform the Barclays Aggregate – Credit Index Hedged (GBP) Index. The manager has a fixed fee based on the value of assets.

9.1 Global Bond – Investment Performance to 30 September 2019

	Last Quarter (%)
PIMCO – Gross of fees(1)	2.5
Net of fees(1)	2.4
Benchmark	2.4
Net Performance relative to Benchmark	0.0

Source: London CIV. Relative performance may not tie due to rounding.
(1) Estimated by Deloitte

Over the quarter to 30 September, the PIMCO Global Bond Fund returned 2.4% net of fees, tracking its Barclays Aggregate – Credit Index Hedged (GBP) Index benchmark. The Global Bond Fund's performance was mainly attributed to credit spread tightening over the quarter.

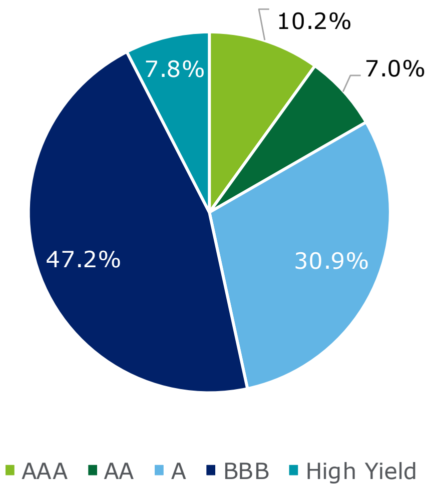
9.2 Performance Analysis

The table below summarises the Global Bond portfolio's key characteristics as at 30 September 2019.

	30 June 2019	30 September 2019
No. of Holdings	643	591
No. of Countries	40	39
Total Volatility	2.75	3.35%
Total VaR (95%, 2 weeks)(£)	2,383,253	2,965,498
Coupon	3.68	3.64
Effective Duration	6.12	6.64
Rating	A-	A-
Yield to Maturity (%)	3.2	2.98

Source: London CIV

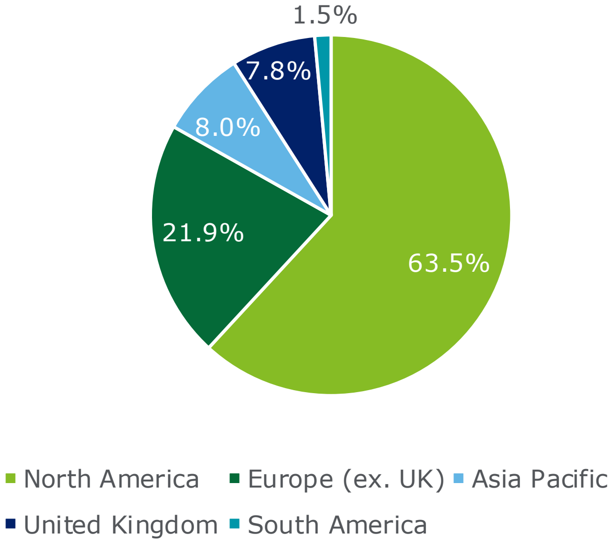
The chart below represents the split of the Global Bond portfolio by credit rating. The Fund's investment grade holdings made up c. 95.6% as at 30 September 2019, with the Fund predominately invested in BBB and A rated bonds.



Source: London CIV

Note that figures do not sum to 100% due to short holdings in cash and currency forwards.

The chart below represents the regional split of the Global Bond portfolio.



Source: London CIV

Note that figures do not sum to 100% due to short holdings in cash and currency forwards.

10 Partners Group – Multi Asset Credit

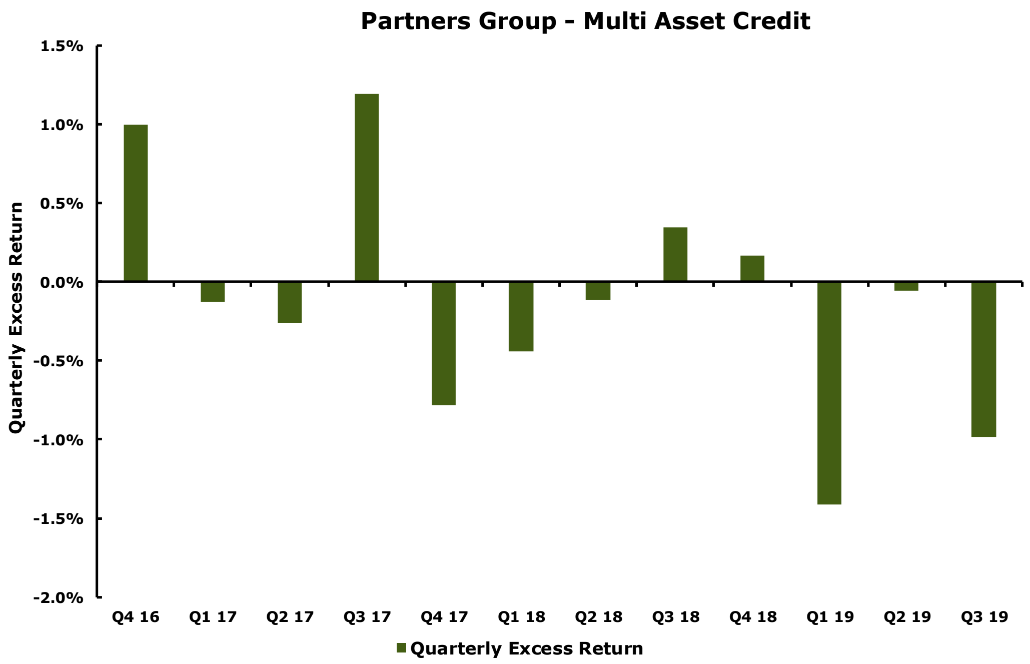
Partners Group was appointed to manage a multi asset credit mandate with the aim of outperforming the 3 month Sterling LIBOR benchmark by 4% p.a. The manager has an annual management fee and performance fee.

10.1 Multi Asset Credit - Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)	Three Years (% p.a.)
Partners Group MAC - Gross of fees	0.4	3.3	3.9	5.0
Net of fees[(1)]	0.2	2.5	3.0	4.1
Benchmark / Target	1.2	4.8	4.7	4.6
Net performance relative to Benchmark	-1.0	-2.4	-1.7	-0.5

Source: Northern Trust. Relative performance may not tie due to rounding.

(1) Estimated by Deloitte



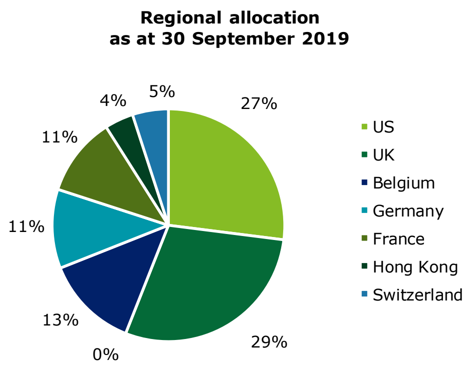
Over the quarter to 30 September 2019, the Partners Multi-Asset Credit Fund underperformed its target by 1.0%, returning 0.2% net of fees.

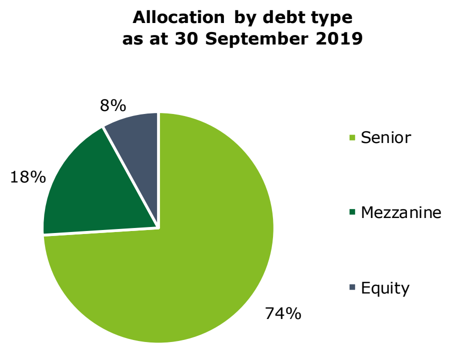
The Multi-Asset Credit Fund made no further distributions over the quarter.

The Fund underperformed its target by 2.4% over the one-year period to 30 September 2019, delivering 2.5%. Over the longer three-year period, the Fund returned 4.1% p.a. net of fees underperforming its target by 0.5%.

10.2 Asset Allocation

The charts below show the regional split of the Fund as at 30 September 2019.





Note: Based on information provided by Partners Group.

The table below shows details of the Fund's five largest holdings based on net asset value as at 30 September 2019.

Investment	Description	Type of Debt	Tranche	Maturity Date	Current IRR (%)	NAV (£m)	% of NAV
AS Adventure	Large European specialist multi-brand outdoor retail group	Corporate	First Lien	28 Apr 2022	5.6	14.2	12.8%
Affordable Care, Inc.	US dental support organisation	Corporate	Second Lien	22 April 2023	6.4	5.6	11.0%
		Corporate	Second Lien	22 April 2023	11.8	6.7	
IDEMIA	Security and identity solutions company	Corporate	Mezzanine	31 May 2027	11.8	12.1	10.9%
Cote Bistro	UK café chain	Corporate	First Lien	24 May 2024	8.3	8.6	7.8%
Springer	Scientific publishing company	Corporate	First Lien	15 Aug 2022	5.4	7.8	7.0%

Note: Information provided by Partners Group. Current IRR is net of cost and fees of the investment partner but gross of Partners Group fees. For investments with a holding period less than 12 months, the IRR is not annualised.

10.3 Fund Activity

At the end of the third quarter of 2019, the Fund has made investments in 54 companies, of which 37 have been fully realised. Two further realisations were made during the quarter.

The Fund's three year investment period ended in July 2017 and, therefore, any investments realised have subsequently been repaid to investors. As a result, the distribution rate has increased since; no further distributions were made during the quarter.

In July 2019, the Fund fully realised its debt investment in National Fostering Agency, a UK based company that aids children and young people by providing home environments. The investment made by Partners Group was made in 2016, and assisted with an acquisition of Acorn Care and Education that furthered the work that the combined entity were capable of carrying out.

11 Oak Hill Advisors – Diversified Credit Strategies Fund

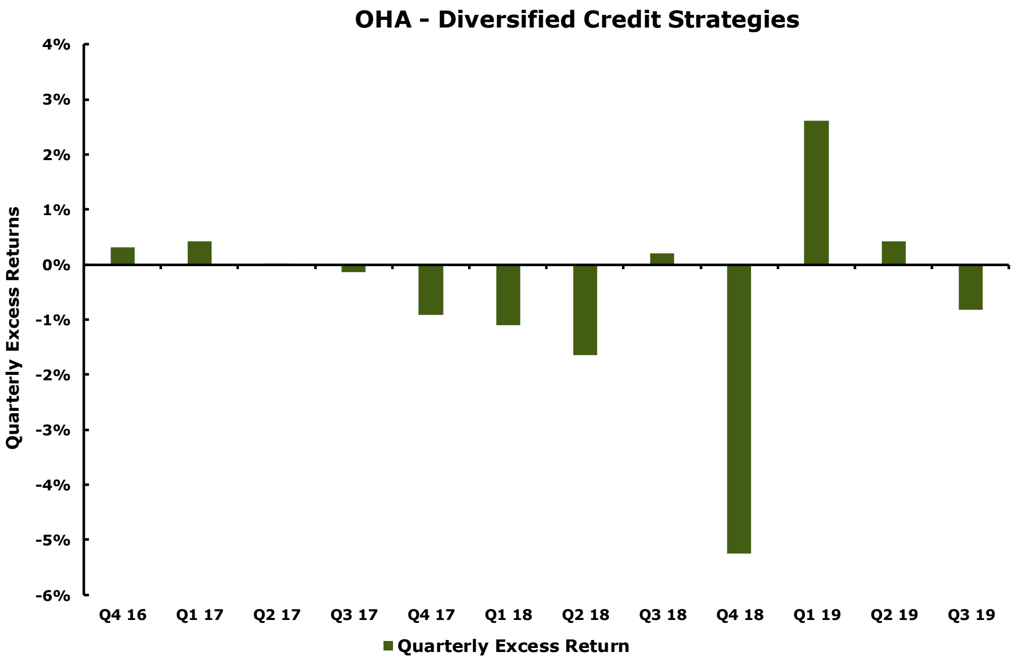
Oak Hill Advisors was appointed to manage a multi asset credit mandate with the aim of outperforming the 3 month Sterling LIBOR benchmark by 4% p.a. The manager has an annual management fee and performance fee.

11.1 Diversified Credit Strategies - Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (%)	Three Years (% p.a.)
OHA – Gross of fees	0.5	2.2	2.0	3.2
Net of fees(1)	0.4	1.6	1.3	2.5
Benchmark / Target	1.2	4.8	4.7	4.6
Net Performance relative to Benchmark	-0.8	-3.3	-3.4	-2.1

Source: Northern Trust. Relative performance may not tie due to rounding.

(1) Estimated by Deloitte



Over the quarter to 30 September 2019, the Diversified Credit Strategies Fund underperformed its target by 0.8%, returning 0.4% net of fees. The Fund also underperformed a blended benchmark of high yield and leveraged loans by 0.1% over the third quarter of 2019 on a net of fees basis. On a sector level, the Fund's absolute performance over the quarter was largely a result of positive contributions from the Services, Healthcare and Insurance sectors. The fund's allocation to the Oil and Gas sector during the quarter proved detrimental, providing the largest negative contribution.

Over the one-year and three year periods to 30 September, the Fund delivered returns of 1.6% and 2.5% p.a. on a net of fees basis. The Diversified Credit Strategies Fund underperformed its target over the two periods by 3.3% and 2.1% p.a. respectively. While the Services sector provided the greatest negative performance over 2018, since the start of 2019 this sector has provided the greatest positive attribution, along with the High Technology and Structured Finance sectors.

12 Partners Group – Direct Infrastructure

Partners Group was appointed to manage a global infrastructure mandate with the aim of outperforming the 3 month Sterling LIBOR benchmark by 8% p.a. The manager has an annual management fee and performance fee.

12.1 Direct Infrastructure - Investment Performance to 30 September 2019

Activity

Over the quarter, the Fund committed to one new investments:

- EnfraGen, a leading developer, owner and operator of power generation assets primarily in Latin America. Enfragen provides back up power for grid stability and additionally generates power through renewable sources. Partners Group committed to the company in September 2019.

As at 30 September 2019, the total capacity of the Direct Infrastructure Fund was €1.08 billion. Of this, c. 74.7% (€0.8 billion) has been committed by investors, with 47.8% (€0.5 billion) of the total capacity drawn down.

Capital Calls and Distributions
9 September 2019

- The Fund issued its 21st capital call, drawing down an additional c. 5.6% (€60m).
- Total drawn down following this call was c. 47.8%.

Pipeline

Partners Group currently has 16 transactions in due diligence, representing investment opportunities of c. $8bn across the whole group. The opportunities are predominately within the Communication and Transportation sectors, with c.73% of the pipeline being split equally between Europe and North America.

Partners Group expects two final investments to be made by the Direct Infrastructure Fund before it reaches its full investment level.

Investments Held

The table below shows a list of the investments held by the Partners Group Direct Infrastructure Fund as at 30 September 2019.

Investment	Description	Type	Sector	Country	Commitment Date
Fermaca	Gas infrastructure operator based in Mexico.	Lead	Energy	Mexico	July 2015
Silicon Ranch	Solar platform based in US	Lead	Solar Power	USA	April 2016
Axia NetMedie	Internet and data network provider based in Canada and France	Lead	Communication	Canada & France	July 2016
Merkur Offshore	Wind farm based in German North Sea.	Lead	Wind Power	Germany	August 2016
Green Island Renewable Solar Platform	Solar power platform in Taiwan.	Lead	Solar Power	Taiwan	September 2016
High Capacity Metro Trains PPP	Delivery and maintenance of rolling stock for Australian State government.	Co-lead	Transportation	Australia	November 2016
USIC	Utility location services	Lead	Utilities	USA	August 2017
Arcanum Infrastructure	Develops and acquires infrastructure assets to supply strategic materials	Lead	Chemical Infrastructure	North America	tbc
Borssele III/IV	Wind farm based in Netherlands	Lead	Wind Power	Netherlands	tbc
Grassroots Renewable Energy Platform	Wind/solar/energy storage platform	Lead	Renewable Energy	Australia	tbc
Murra Warra Wind Farm	Onshore windfarm	Lead	Renewable Energy	Australia	tbc
Superior Pipeline Company	LNG pipeline platform	Co-lead	Energy Infrastructure	North America	tbc
Techem AG	Energy metering services provider	Lead	Infrastructure Services	Germany	tbc
Greenlink Interconnector	Subsea Power Interconnector	Lead	Energy Infrastructure	Western Europe	March 2019
CapeOmega	Midstream energy infrastructure solutions for oil and gas	Lead	Energy Infrastructure	Norway	April 2019
EnfraGen	Renewable Power Generation and back-up power provider	TBC	Renewable Energy	South America	September 2019

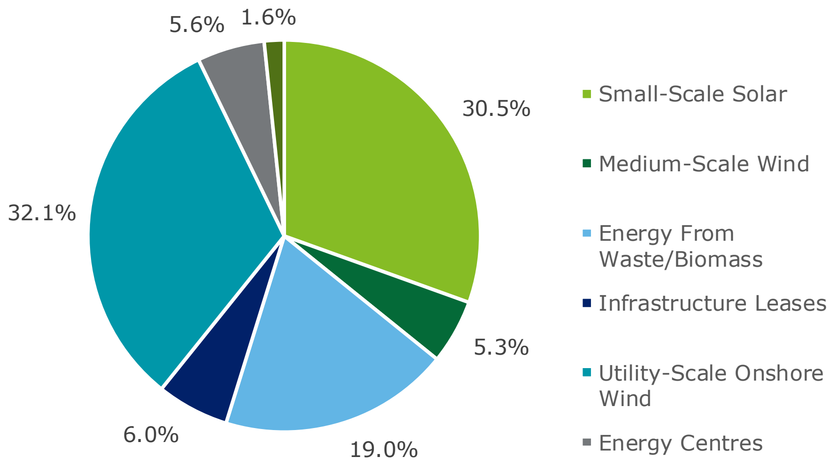
13 Aviva Investors – Infrastructure Income

Aviva Investors was appointed to manage an infrastructure income mandate with the aim of outperforming the 3 month Sterling LIBOR benchmark by 6% p.a. The manager has an annual management fee and performance fee.

13.1 Infrastructure Income - Investment Performance to 30 June 2019

Sector Breakdown

The chart below shows the split of the portfolio by sector as at 30 June 2019.



Source: Aviva Investors.

Small-scale solar and utility-scale onshore wind make up c. 63% of the portfolio.

Holdings

The top 10 holdings in the Infrastructure Income Fund account for c. 61.3% of the Fund and are detailed below.

Top 10 holdings as at 30 June 2019	Asset	Proportion of Fund
Brockloch Rig Wind Farm	Utility-scale Onshore Wind	9.6%
Biomass UK No.3	Energy from Waste	6.1%
Biomass UK No.2	Energy from Waste	6.0%
Aviva Investors REaLM Infrastructure No. 4	Infrastructure Leases	6.0%
Biomass UK No.1	Energy from Waste	6.0%
HomeSun	Small-scale Solar PV	5.7%
Turncole Wind Farm	Utility-scale Onshore Wind	5.7%
Minnygap Energy	Utility-scale Onshore Wind	5.6%
Aviva Investors Energy Centres No.1	Energy Centres	5.5%
EES Operations 1	Small-scale solar PV	5.2%
Total		**61.3%**

Note: The numbers in this table may not sum due to rounding.
Source: Aviva Investors.

Pipeline

At the 30 September 2019, the Fund had undrawn commitments of £214.8m. Aviva currently has a “priority pipeline”, representing transactions which the Fund has exclusivity on, are in due diligence or are strongly positioned due to Aviva’s leading position in the relevant sector or relationship with the opportunity partner. The opportunities within the priority pipeline amount to c. £517m as at 30 September 2019.

The Aviva Infrastructure Income Fund did not complete any transactions over the quarter to 30 September 2019.

The queue for the Infrastructure Income Fund was £214.8m at 30 September, a growth of £84m over the quarter. Aviva expects this to be drawn in 6-9 months. However, since quarter-end, the queue has increased to c.£460m, where Aviva estimate they will start to draw the last investments in the queue in Q1/Q2 2021.

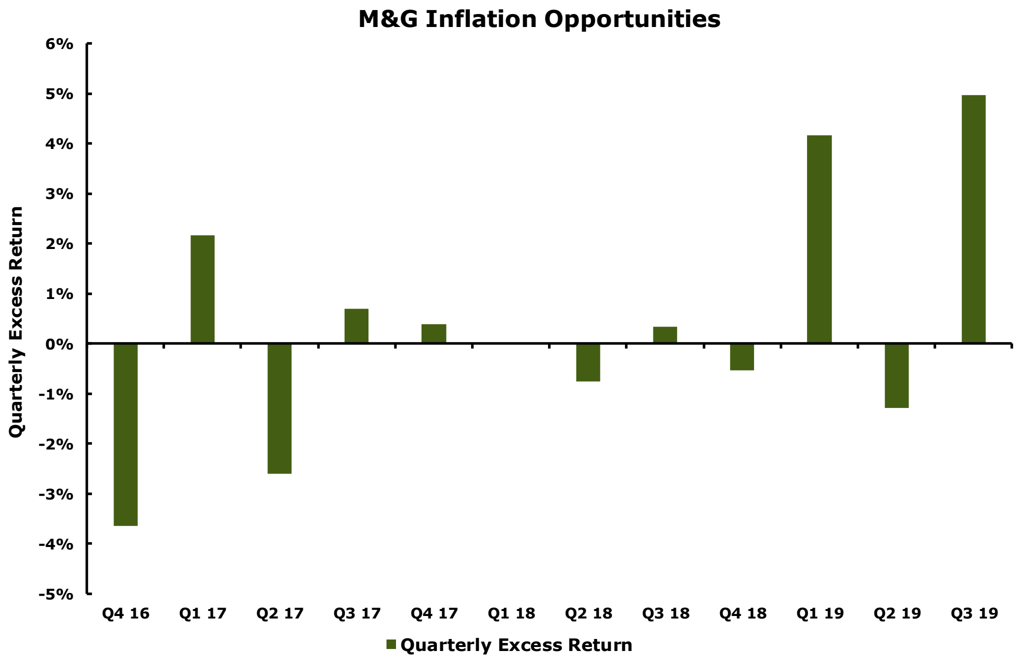
14 M&G – Inflation Opportunities

M&G was appointed to manage an inflation opportunities mandate with the aim of outperforming the RPI benchmark by 2.5% p.a. The manager has an annual management fee which is calculated based on the underlying assets

14.1 M&G Inflation Opportunities - Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)	Three Years (% p.a.)
M&G Inflation Opportunities – Gross of fees	6.1	13.0	9.5	7.3
Net of fees[(1)]	6.1	12.6	9.1	7.0
Benchmark / Target	1.1	4.9	5.3	5.7
Net Performance relative to Benchmark	5.0	7.7	3.8	1.3

Source: Northern Trust. Relative performance may not tie due to rounding.



Over the third quarter of 2019, the Inflation Opportunities Fund outperformed its benchmark by 5.0%, delivering an absolute return of 6.1% net of fees.

Over the year to 30 September 2019, the Fund has returned 12.6% on a net of fees basis, outperforming the RPI benchmark by 7.7%. Over the longer three-year period the Inflation Opportunities Fund has outperformed its benchmark by 1.3% p.a., returning 7.0% p.a. net of fees.

As at 30 September 2019, the Fund's exposure to long lease property decreased to c. 37%, remaining the largest component in the portfolio. The Fund's income strips exposure decreased to 30%, whilst exposure to ground rents increased to 15%. Index-Linked gilts exposure within the portfolio also increased to c. 14%.

15 Aberdeen Standard Investments – Long Lease Property

Aberdeen Standard Investments was appointed to manage a long lease property mandate with the aim of outperforming the FT British Government All Stocks Index benchmark by 2.0% p.a. The manager has an annual management fee.

15.1 Long Lease Property - Investment Performance to 30 September 2019

	Last Quarter (%)	One Year (%)	Two Years (% p.a.)	Three Years (% p.a.)
ASI Long Lease Property – Gross of fees	1.2	5.5	7.1	8.3
Net of fees(1)	1.0	5.0	6.6	7.8
Benchmark / Target	6.6	15.4	8.8	5.2
Net Performance relative to Benchmark	-5.6	-10.5	-2.2	2.6

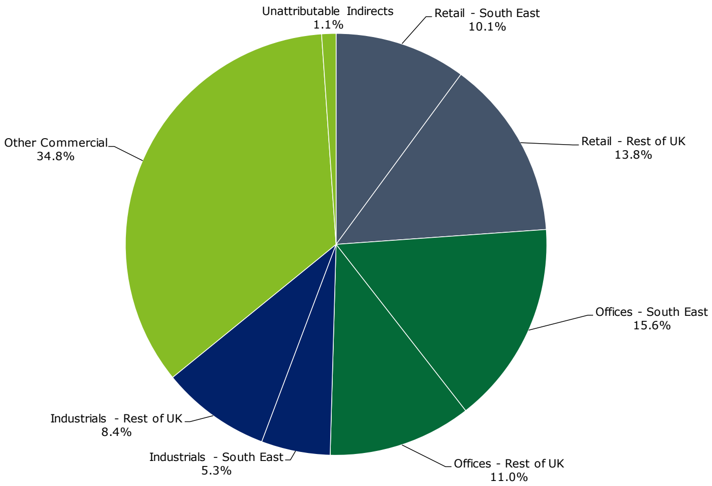
Source: Northern Trust. Relative performance may not tie due to rounding.

Over the quarter to 30 September 2019, the ASI Long Lease Property Fund delivered 1.0% net of fees, underperforming its FT British Government All Stocks Index benchmark by 5.6%.

During the quarter the Fund saw capital growth compared to wider real estate market. The Fund continues to outperform the wider real estate market as a whole, with the MSCI Monthly Real Estate Index reporting a return of 0.6% for the quarter. The Fund's performance continues to be benefiting from the stronger tenant credit quality within the portfolio, long inflation-linked leases and lack of any high street, shopping centre or retail warehouse exposure.

15.2 Portfolio Holdings

The sector allocation in the Long Lease Property Fund as at 30 September 2019 is shown in the graph below.



Over the quarter to 30 September 2019, the Fund's allocation to the office sector decreased by 0.5% to 26.6%. The allocation to the retail decreased by 0.1% over the quarter to 23.9%, whilst the allocation to other commercial increased by 0.3% to 34.8% over the quarter.

The table below shows details of the top ten tenants in the fund measured by percentage of net rental income:

Tenant	% Net Income
Tesco	8.1
Whitbread	6.0
Marston's	4.8
Sainsbury's	4.6
Asda	4.2
Salford University	3.9
QVC	3.8
Save the Children	3.7
Lloyds Bank	3.7
Park Holidays UK Limited	3.5
Total	**46.3 ***

*Total may not equal sum of values due to rounding

As at 30 September 2019, the top 10 tenants contributed 46.3% of the total net income of the Fund. Of which 16.9% of the net income came from the supermarket sector, with Tesco, Sainsbury's and Asda continuing to make up a significant proportion of the Fund at quarter end.

The unexpired lease term decreased from 25.9 years as at 30 June 2019 to 25.7 years as at 30 September 2019. The proportion of income with fixed, CPI or RPI rental increases marginally increased to 90.8% over the quarter.

15.3 Sales and Purchases

Over the quarter, contracts were exchanged to fund a pre-let development of a 300-bedroom hotel in Glasgow. The transaction was completed off-market with a developer contractor that the Fund had worked with previously in the development of the Fund's Premier Inn hotel in Aldgate. The pre-let has been agreed with Dalata Hotel Group Plc, with a 35-year term and five-yearly RPI linked reviews. The total consideration is around £40m, with a resulting net initial yield of 4.4%.

Appendix 1 – Fund and Manager Benchmarks

The tables in this Appendix detail the benchmarks and outperformance targets, for the Total Fund and each individual manager.

Total Fund

Inception: 31 December 1999.

Manager	Asset Class	Allocation	Benchmark	Inception Date
Majedie	UK Equity	15.0%	FTSE All-Share Index +2% p.a. over three year rolling periods	31/08/05
LGIM	Low Carbon Target	30.0%	MSCI World Low Carbon Target Index	18/12/18
Ruffer	Dynamic Asset Allocation	10.0%	3 Month Sterling LIBOR +4% p.a.	31/07/08
PIMCO	Global Bond	10.0%	Barclays Global Aggregate – Credit Index Hedged (GBP)	09/05/19
Invesco	Private Equity	0.0%	n/a	30/09/09
Unigestion	Private Equity	0.0%	n/a	30/09/09
Partners Group	Multi Asset Credit	5.0%	3 Month Sterling LIBOR +4% p.a.	28/01/15
Oak Hill Advisors	Multi Asset Credit	7.5%	3 Month Sterling LIBOR +4% p.a.	01/05/15
Partners Group	Infrastructure Fund	5.0%	3 Month Sterling LIBOR +8% p.a.	31/08/15
Aviva Investors	Infrastructure Income Fund	2.5%	3 Month Sterling LIBOR +6% p.a.	23/05/18
M&G	Inflation Opportunities	10.0%	RPI +2.5%	01/05/15
Aberdeen Standard Investments	Long Lease Property	5.0%	FT British Government All Stocks Index +2.0%	09/04/15
	Total	**100.0%**		

Appendix 2 – Manager Ratings

Based on our manager research process, we assign ratings to the investment managers for specific products or services. The ratings are based on a combination of quantitative and qualitative factors, where the inputs for the qualitative factors come from a series of focused meetings with the investment managers. The ratings reflect our expectations of the future performance of the particular product or service, based on an assessment of:

- The manager's business management;
- The sources of ideas that go to form the portfolio ("alpha generation");
- The process for including the ideas into the portfolio ("alpha harnessing"); and
- How the performance is delivered to the clients.

On the basis of the research and analysis, managers are rated from 1 (most positive) to 4 (most negative), where managers rated 1 are considered most likely to deliver outperformance, net of fees, on a reasonably consistent basis. Managers rated 1 will typically form the basis of any manager selection short-lists.

Where there are developments with an investment manager that cause an element of uncertainty we will make the rating provisional for a short period of time, while we carry out further assessment of the situation.

Appendix 3 – Risk warnings & Disclosures

- Past performance is not necessarily a guide to the future.
- The value of investments may fall as well as rise and you may not get back the amount invested.
- Income from investments may fluctuate in value.
- Where charges are deducted from capital, the capital may be eroded or future growth constrained.
- Investors should be aware that changing investment strategy will incur some costs.
- Any recommendation in this report should not be viewed as a guarantee regarding the future performance of the products or strategy.

Our advice will be specific to your current circumstances and intentions and therefore will not be suitable for use at any other time, in different circumstances or to achieve other aims or for the use of others. Accordingly, you should only use the advice for the intended purpose.

Our advice must not be copied or recited to any other person than you and no other person is entitled to rely on our advice for any purpose. We do not owe or accept any responsibility, liability or duty towards any person other than you.

Deloitte Total Reward and Benefits Limited is authorised and regulated by the Financial Conduct Authority.

Appendix 4 – MiFID II Cost Summary

On 3 January 2018, the Markets in Financial Instruments Directive II (“MiFID II”) was introduced. A key component of this legislation is for fund managers to disclose all costs incurred, with the view to increasing transparency. MiFID II Costs and Charges disclosures are performed annually and will be provided during the first quarterly report of each year. A summary over the year to 31 March 2019 can be found below:

CLIENT NAME: London Borough of Hammersmith & Fulham Pension Fund
Reporting Period: 1st April 2018- 31st March 2019
Value of Scheme as at 31st March 2019: £1,037,040,048

Aggregation of all Costs and Charges incurred during the reporting period:

Cost Category	Amount (£)	% of investment
Investment services and/or ancillary services	106,080	0.01
Third Party payments received by the Investment Firm	-	-
Investment product costs	5,326,545	0.53
Total costs and charges	**5,432,625**	**0.54**

Totals may not sum due to rounding.

Cumulative effect of costs and charges on return
The illustration below uses Reduction in Yield (RIY) methodology to show impact of the total costs you have incurred on the return of your investment. The amounts shown are the cumulative costs of investment services and products.

	Amount (£)	Percentage (%)
Cumulative effect of costs and charges on return	5,778,089	0.58

Annual performance figures sourced from Northern Trust. LCIV UK Equity Fund and LCIV Global Equity Fund performance figures estimated using London CIV quarterly reports.

Description of the illustration.
The following is an example of the cumulative effect of costs over time:
An investment portfolio with a beginning value of £998m, gaining an annual return of 10%, and subject to a fee of 0.5% per annum (calculated and paid monthly), would grow to £2,452m after 10 years.
In comparison, an investment portfolio with a beginning value of £998m, gaining an annual return of 10% but not subject to any fees would grow to £2,588m after 10 years.
The annualised returns over a 10-year period would be 10.0% (gross of fees) and 9.4% (net of fees).
Therefore the cumulative impact of costs (fees) on investment return (reduction in yield) would be 0.59% per annum.

Deloitte.