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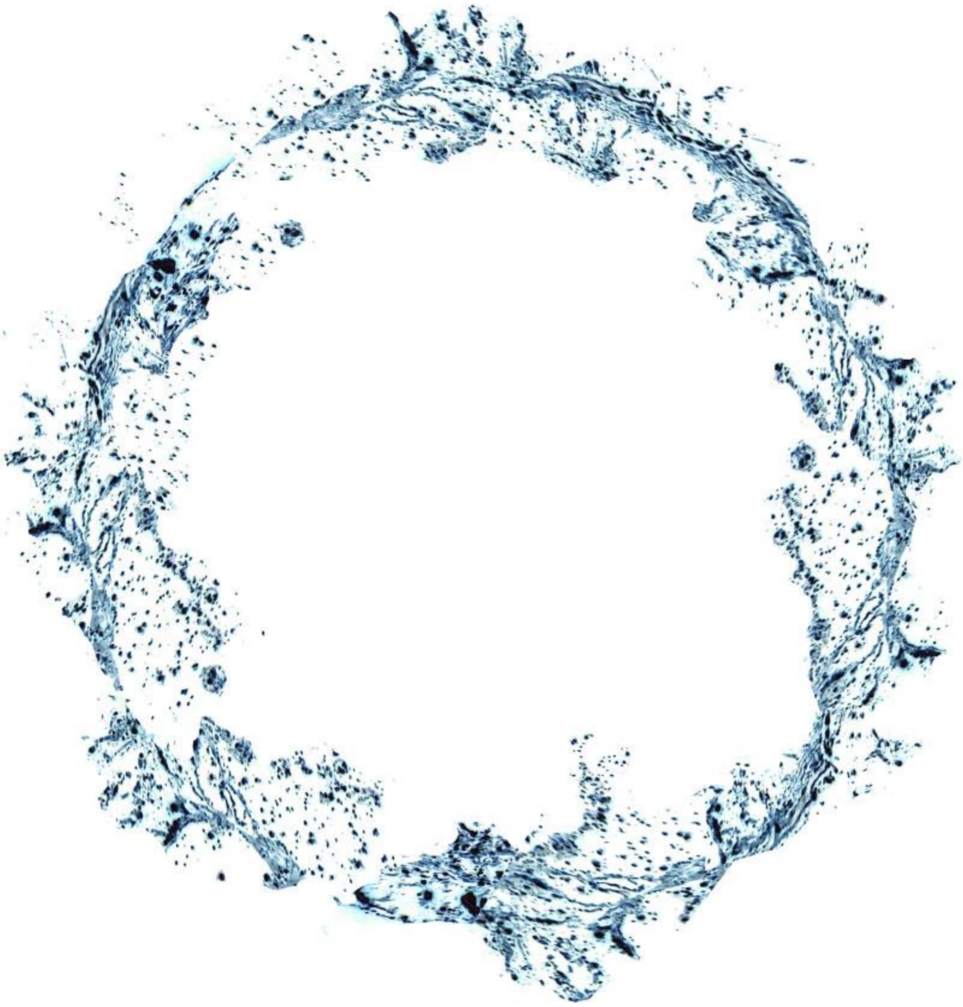


London Borough of Hammersmith & Fulham Pension Fund

Investment Performance Report to 30 June 2020

Deloitte Total Reward and Benefits Limited
September 2020

Contents

1 Market Background

Global Equities

At the start of the second quarter, the ‘epicentre’ of the COVID-19 outbreak was still in Europe, but latterly moved west to both North and South America with countries such as USA and Brazil experiencing large spikes in reported cases. By the end of June, most countries in Europe had brought the outbreak under some form of control, albeit local outbreaks were still emerging.

Economic data for April showed the damage caused by lockdown restrictions with unprecedented contractions in economic activity around the world. However, by the end of the second quarter some early economic indicators - such as US jobs and retail data - suggested that the economic recovery was underway. That said, the global economy has a long way to go to get back to pre COVID-19 levels of economic activity and recover significant falls in GDP.

After the sharp downturn in global equity markets during March, global equity markets rebounded strongly in the second quarter of 2020, returning 18.4% in local currency terms (or 19.7% in sterling terms). Investors were undoubtedly reassured by unprecedented levels of fiscal and monetary stimulus which had a stabilising effect on capital markets around the world. Equity markets were also buoyed by the gradual easing of lockdown restrictions and hopes of a speedy V-shaped economic recovery.

There was a large dispersion in returns at a sector level with different industries impacted by the COVID-19 outbreak to differing degrees. Basic Materials was the best performing sector in the second quarter returning 26.6%, whilst Industrials (19.3%) and Technology (16.8%) also made large gains. Oil & Gas (-9.4%) was the one sector to deliver a negative return over the second quarter with investors recognising that it would take some time for global oil demand to recover to pre COVID-19 levels.

UK equities also rebounded over the quarter (the FTSE All Share index returned 10.2%) but lagged overseas markets. The UK market’s high concentration to underperforming sectors such as Oil & Gas and Financials and continued uncertainty over the UK’s future trading relationship with the EU are likely contributors to underperformance. The FTSE 250 Index (13.9%) outperformed the FTSE 100 Index (9.1%) due to its greater diversification and smaller exposure to the Oil & Gas and Financials sectors.

Government bonds

Nominal gilt yields continued to trend lower over the quarter decreasing 15-20 bps across the curve. In fact, for the first time in history yields fell into negative territory at shorter maturities. Demand for gilts remains elevated in such uncertain economic times. The Bank of England has committed to buy sufficient quantities of gilts, through its recently expanded quantitative easing programme, to offset the necessary increase in gilt issuance required to fund the government’s enlarged spending plans. The All Stocks Gilt Index subsequently delivered a positive return of 2.5% over the 3 months to 30 June 2020.

Real yields on index-linked gilts also trended lower, decreasing by 20-30 bps at the short-end and by 40-50 bps for longer maturities with a corresponding rise in long term inflation expectations, perhaps as a result of record levels of monetary stimulus. The All Stocks Over 5 Year Index-Linked Gilts Index returned 11.5% over the quarter.

Corporate bonds

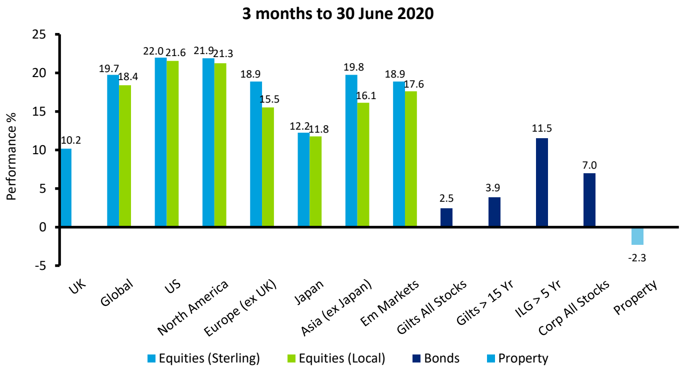
Credit spreads narrowed 65 basis points in the second quarter as risk appetite returned, underpinned by central bank support, which includes promises to purchase both investment grade and high yield corporate debt. Corporate bonds therefore outperformed equivalent gilts over the quarter with the iBoxx All Stocks Non-Gilt Index returning 7.0%.

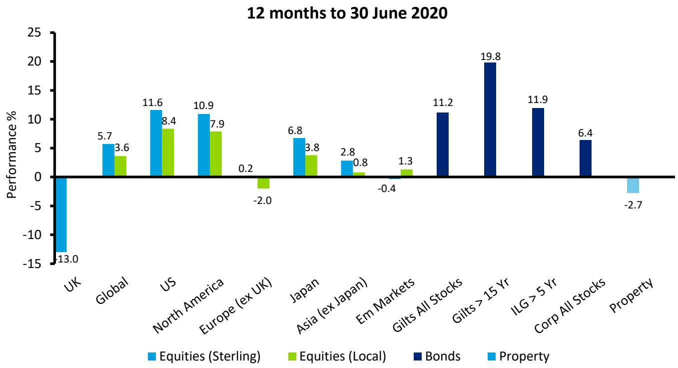
Although credit spreads have narrowed, they remain above historic average levels. However, the risk of default remains elevated and shouldn’t be underestimated given the severity of COVID-19’s economic impact. Although the first peak of the COVID-19 virus appears to have passed its worst point, the exact shape and speed of the economic recovery remains as uncertain as the future spread of the virus.

Property

The UK property market trended lower over the second quarter with the MSCI UK All Property Index delivering a negative return of -2.3%. Whilst there was increased activity over the second quarter transactions remains suppressed versus pre-pandemic levels. Consequently, gating restrictions remain in place across many property funds. Furthermore, negative performance over the second quarter is unlikely to represent the full extent of property market depreciation. Further valuation falls seem likely in the months ahead.

The reduction in business activity during lockdown has severely disrupted corporate cashflows over the second quarter and tenants across all sectors requested rental deferments, most notably in the holiday and leisure industries. The COVID-19 lockdown has also accelerated longer term structural trends including the decline in high street shopping in favour of online shopping, whilst increased levels of remote working may affect future demand for central offices.





2 Performance Overview

2.1 Investment Performance to 30 June 2020

Breakdown of Fund Performance by Manager as at 30 June 2020 Fund	 Manager	3 month	1 year	3 year p.a.	5 year p.a.
Equity Mandate					
	LGIM Low Carbon Mandate	19.9	7.1	n/a	n/a
MSCI World Low Carbon Target Index		20.0	7.2	n/a	n/a
Difference		-0.1	-0.1	n/a	n/a
Dynamic Asset Allocation					
	LCIV Absolute Return Fund	6.4	8.1	2.5	3.4
3 Month Sterling LIBOR + 4% p.a.		1.1	4.6	4.7	4.6
Difference		5.3	3.5	-2.1	-1.2
Global Bonds					
	LCIV Global Bond Fund	7.5	2.7	n/a	n/a
Barclays Credit Index (Hedged)		6.8	5.5	n/a	n/a
Difference		0.7	-2.8	n/a	n/a
Private Equity					
	Invesco	-0.5	16.1	12.6	13.6
	Unigestion	3.0	3.8	4.0	9.9
Secure Income					
	Partners Group MAC[2]	-4.1	-1.4	2.8	4.3
3 Month Sterling LIBOR + 4% p.a.		1.1	4.6	4.7	4.6
Difference		-5.1	-6.1	-1.9	-0.2
	Oak Hill Advisors	11.2	-2.1	0.8	2.1
3 Month Sterling LIBOR + 4% p.a.		1.1	4.6	4.7	4.6
Difference		10.2	-6.7	-3.9	-2.5
	ASI MSPC Fund[4]	n/a	n/a	n/a	n/a
3 Month Sterling LIBOR[5]		n/a	n/a	n/a	n/a
Difference		n/a	n/a	n/a	n/a
	Partners Group Infra[2]	0.8	11.3	7.2	n/a
	Aviva Infra Income[3]	6.3	-0.1	n/a	n/a
Inflation *Protection*					
	M&G	3.1	5.0	6.7	8.3
RPI + 2.5% p.a.		0.7	3.6	4.9	5.0
Difference		2.4	1.5	1.8	3.3
	ASI Long Lease Property Fund	0.3	4.7	6.9	7.0
FT British Government All Stocks		2.9	13.2	8.0	8.0
Difference		-2.6	-8.5	-1.1	-1.0
Total Fund		11.1	4.8	5.0	6.8
Benchmark[1]		10.0	6.5	6.8	7.8
Difference		1.1	-1.7	-1.8	-0.9

Source: Northern Trust (Custodian). Figures are quoted net of fees. Differences may not tie due to rounding.
[1] The Total Assets benchmark is calculated using the fixed weight target asset allocation.
[2] Partners Group Multi Asset Credit and Direct Infrastructure Fund performance provided to 31 May 2020.
[3] Aviva Investors performance figures provided by Northern Trust take into account a c. 2% income distribution from the Infrastructure Income Fund towards the end of each quarter.
[4] ASI MSPC Fund date of inception 24 April 2020.
[5] ASI MSPC Fund is measured against a blended benchmark of 3 Month Sterling LIBOR and the ICE ML Sterling BBB Corporate Bond Index while the strategy is in the process of deploying invested capital. The weight of the benchmark allocated to the ICE ML Sterling BBB Corporate Bond Index reflects the proportion of the Fund's investment in the MSPC Fund which has been deployed by ASI. Once the Fund's investment has been fully deployed, the MSPC Fund will be measured against a benchmark consisting 100% of the ICE ML Sterling BBB Corporate Bond Index. Over the quarter to 30 June 2020, the MSPC Fund has been measured against a benchmark of 100% 3 Month Sterling LIBOR.

Over previous quarters, we have estimated net of fees returns based on gross of fees performance figures provided by the Fund's custodian, Northern Trust. We received communication following quarter end that the returns provided by Northern Trust are now calculated on a net of fees basis.

We have updated our historical data to reflect this. All performance figures quoted in this report are consistent with the net of fees figures provided by Northern Trust.

3 Total Fund

3.1 Investment Performance to 30 June 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Total Fund - Net of fees	11.1	4.8	5.0	6.8
Benchmark[1]	10.0	6.5	6.8	7.8
Net performance relative to benchmark	1.1	-1.7	-1.8	-0.9

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

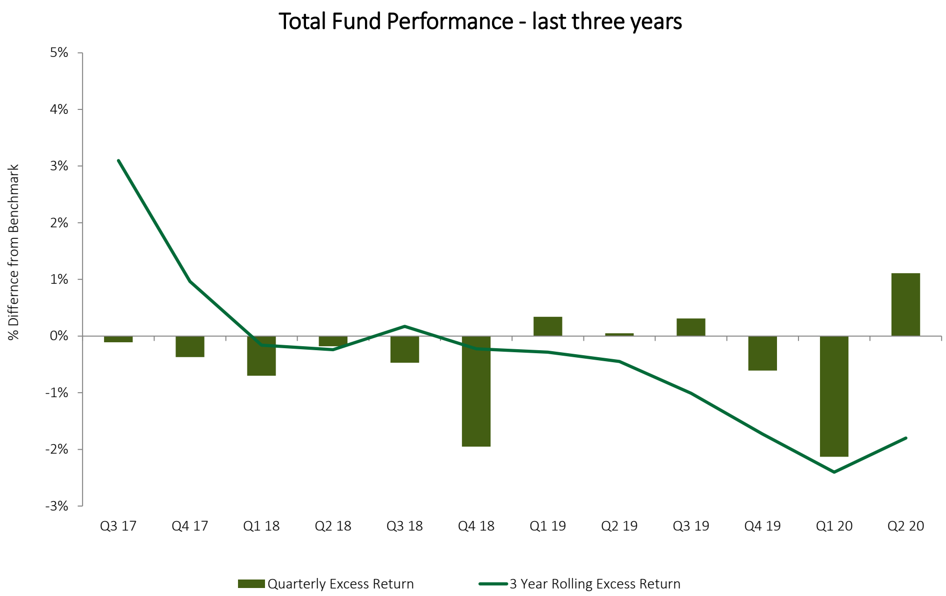
(1) Fixed weight benchmark

The Total Fund returned a positive return of 11.1% over the quarter to 30 June 2020 on a net of fees basis, outperforming the fixed weight benchmark by 1.1%.

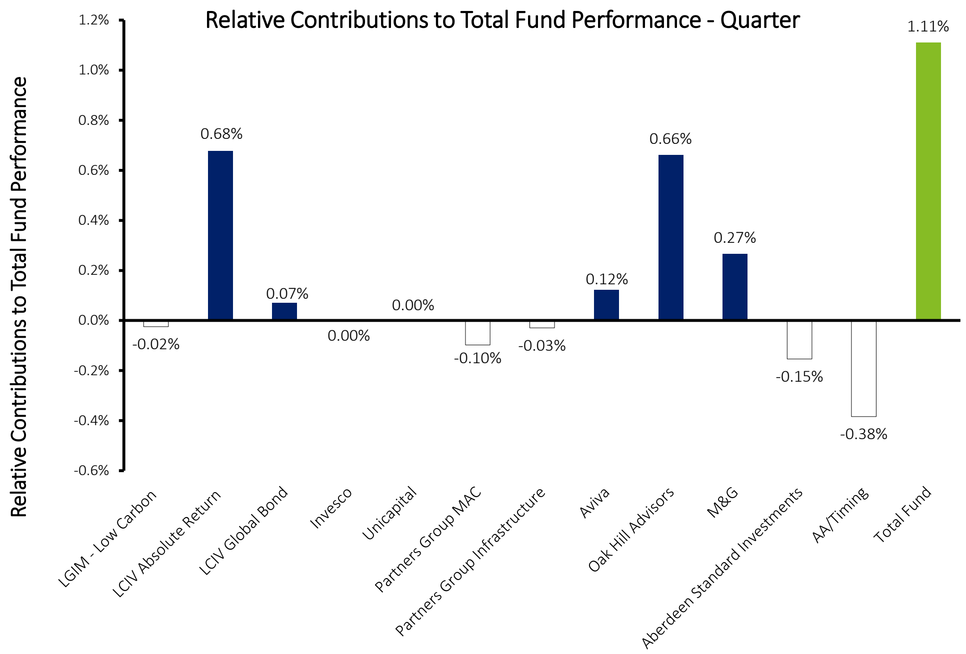
Over the year to 30 June 2020, the Total Fund delivered a return of 4.8% on a net of fees basis, underperforming the fixed weight benchmark by 1.7%. Meanwhile, over the three and five year periods to 30 June 2020, the Total Fund delivered positive returns of 5.0% p.a. and 6.8% p.a. respectively on a net of fees basis, underperforming the fixed weight benchmark by 1.8% p.a. and 0.9% p.a. respectively over both periods.

Over the three year period to 30 June 2020, underperformance can be somewhat attributed to the Fund's allocation to the LCIV UK Equity Fund. The UK equity strategy, managed by Majedie, underperformed its FTSE-based benchmark by 5.2% p.a. on a net of fees basis over a three-year period until point of disinvestment in December 2019.

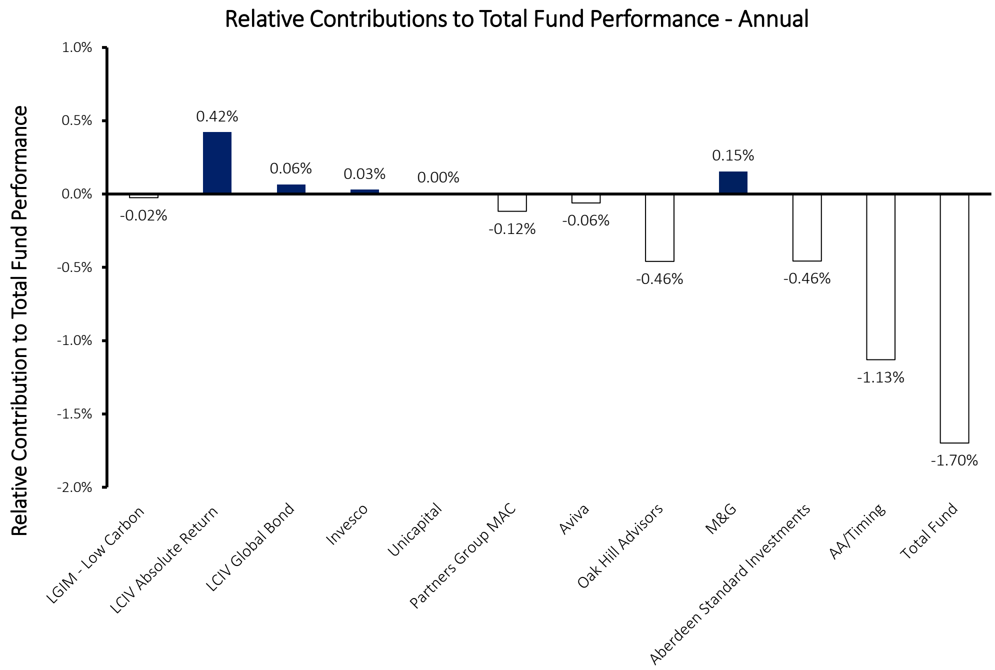
The chart below compares the net performance of the Fund relative to the fixed weight benchmark over the three years to 30 June 2020. The 3-year rolling excess return increased over the quarter but remained negative.



3.2 Attribution of Performance to 30 June 2020



Over the second quarter of 2020, the Fund outperformed its benchmark primarily as a result of outperformance from Oak Hill Advisors and the LCIV Absolute Return Fund, relative to their respective cash-plus benchmarks. Both of these strategies were the largest detractors to performance over the first quarter of 2020. It should be noted that Oak Hill Advisors and the LCIV Absolute Return Fund are measured against a cash plus benchmark, which over shorter time horizons will result in relative performance differences.



The Fund underperformed its fixed weight benchmark by 1.7% over the year to 30 June 2020. Underperformance can largely be attributed to underperformance from Oak Hill Advisors, such was the degree of underperformance over the first quarter of 2020, and the Aberdeen Standard Investments Long Lease Property Fund which has underperformed its gilts-based benchmark over three of the four quarters to 30 June 2020. The Aberdeen Standard Investments Long Lease Property Fund is measured against a gilt-based benchmark which, again, can result in short term differences. The negative contribution provided by the "AA/Timing" bar represents the impact of the Fund having an overweight allocation to the Partners Group MAC and Aberdeen Standard Investments strategies during a period of negative performance, and includes the underperformance from the LCIV UK Equity Fund over Q3 and Q4 2019.

3.3 Asset Allocation

The table below shows the value of assets held by each manager as at 30 June 2020 alongside the Target Benchmark Allocation.

Manager	Asset Class	Actual Asset Allocation				Benchmark Allocation (%)
		31 Mar 2020 (£m)	30 June 2020 (£m)	31 Mar 2020 (%)	30 June 2020 (%)	
LGIM	Low Carbon Equity (passive)	411.5	493.3	40.9	44.1	45.0
	Total Equity	**411.5**	**493.3**	**40.9**	**44.1**	**45.0**
LCIV	Absolute Return	128.5	136.7	12.8	12.2	10.0
LCIV	Global Bond	101.0	107.5	10.0	9.6	10.0
	Total Dynamic Asset Allocation	**229.5**	**244.3**	**22.8**	**21.8**	**20.0**
Invesco	Private Equity	1.5	1.4	0.2	0.1	0.0
Unicapital	Private Equity	0.7	0.7	0.1	0.1	0.0
	Total Private Equity	**2.2**	**2.1**	**0.2**	**0.2**	**0.0**
Partners Group[1]	Multi Asset Credit	19.2	19.3	1.9	1.7	0.0
Oak Hill Advisors	Diversified Credit Strategy	65.6	72.9	6.5	6.5	7.5
Partners Group[1]	Direct Infrastructure	23.0	27.6	2.3	2.5	5.0
Aviva	Infrastructure Income	26.1	27.2	2.6	2.4	2.5
Aberdeen Standard Investments	Multi Sector Private Credit	-	55.0	-	4.9	5.0
	Secure Income	**133.8**	**202.0**	**13.3**	**18.1**	**20.0**
M&G	Inflation Opportunities	111.0	114.4	11.0	10.2	10.0
Aberdeen Standard Investments	Long Lease Property	58.9	59.1	5.9	5.3	5.0
	Total Inflation Protection	**169.9**	**173.4**	**16.9**	**15.5**	**15.0**
Northern Trust	Trustee Bank Account	59.5	3.5	5.9	0.3	0.0
	Total	**1,006.4**	**1,118.7**	**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
[1]Partners Group Multi Asset Credit and Direct Infrastructure valuations provided by Northern Trust with a month's lag (i.e. as at 28 Febraury 2020 and 31 May 2020)

Over the second quarter of 2020, the Fund's underweight position to equities reduced from 4.1% to 0.9%, such was the extent of the rebound in global equity markets following the COVID-19 outbreak.

The Fund's secure income allocation increased over the quarter following the £55m commitment to the ASI Multi Sector Private Credit Fund being fully drawn for investment in April. The funds were transferred from the Northern Trust bank account, where they were being held following disinvestment from Legal & General. The Fund's Secure Income allocation remains underweight as at 30 June 2020, with the Partners Group Direct Infrastructure Fund yet to be fully drawn for investment.

The Fund's Dynamic Asset and Inflation Protection allocations are 1.8% and 0.5% overweight respectively as at 30 June 2020.

On 27 May 2020, the Partners Group Direct Infrastructure Fund issued a net capital distribution of €0.5m to the Fund, comprising a capital call, drawing down an additional c. 2.3% (€1.3m), and a €1.8m distribution of capital. Total drawn down following this call was c. 54.3%.

Over the quarter, it was agreed to invest approximately one third of the Fund's equity allocation to a new active equity manager. Following a manager selection exercise in April 2020, the Sub-Committee decided to allocate this investment to the Morgan Stanley Global Sustain Fund, via the London CIV platform. The strategy has yet to be launched by the London CIV. Once launched, funds will be transferred from the Legal & General World Low Carbon Equity Fund.

In addition, over the second quarter of 2020, the Fund agreed to disinvest from the M&G Inflation Opportunities V Fund primarily due to the Fund's over-exposure to the UK property market. The Fund is targeting M&G's dealing date of 1 September 2020, however as the Fund's investment represents a large allocation of the Inflation Opportunities Fund's NAV, the full redemption may be spread over several monthly dealing dates, meaning the total value may not be fully redeemed immediately.

3.4 Yield Analysis as at 30 June 2020

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

Manager	Asset Class	Yield as at 30 June 2020
LGIM	Low Carbon Equity	N/A[1]
LCIV	Absolute Return	1.15%
LCIV	Global Bond	3.27%
Partners Group	Multi-Asset Credit	3.59%
Oak Hill Advisors	Diversified Credit Strategy	7.70%
Aviva Investors	Infrastructure	7.90%[2]
M&G	Inflation Opportunities	2.10%
Aberdeen Standard Investments	Long Lease Property	4.30%
	Total	**1.34%**

[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 31 March 2020.

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
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
	Multi Sector Private Credit	Significant changes to the investment team responsible for the Fund	1

4.1 London CIV

Business

As at 30 June 2020, the London CIV had assets under management of £8,971m within the 13 sub-funds (not including commitments to the London CIV Infrastructure Fund and London CIV Inflation Plus Fund), an increase of £1,328m over the quarter primarily as a result of positive market movements over the period. The total assets under oversight, including passive investments held outside the London CIV platform was £19.6bn, an increase of £2.9bn over the three month period with a further £0.5bn committed to the recently launched London CIV Infrastructure Fund and London CIV Inflation Plus Fund.

COVID-19 Impact:

The London CIV's employees continue to work remotely, and are expected to remain so for the foreseeable future. The London CIV has continued to host monthly LCIV Business Updates to keep investors informed and up to date with regards to progress with mandate developments and fund launches. All Meet the Manager sessions continue to go ahead as planned.

Personnel

As reported last quarter, Jason Fletcher was appointed as permanent Chief Investment Officer and started the role in July following a short handover period. Jason takes over from Kevin Corrigan, who has been interim CIO since November 2019.

It was also reported last quarter that Jacqueline Jackson had been appointed Head of Responsible Investment. Jacqueline joined in June and is working alongside pool members to better understand ESG requirements and expectations alongside continuing to develop the London CIV's commitment to responsible investment. Jacqueline has already signed the London CIV up as an affiliate to Pensions for Purpose and the Task Force on Climate Related Disclosures ("TCFD").

The London CIV is expected to appoint a new Head of Operations following terms being accepted for the position and will begin advertising for a new Head of Private Markets. The London CIV is also looking to appoint a third Client Relations Manager.

Deloitte view – It is positive to see a permanent Chief Investment Officer and we hope for continued stability going forward. We are continuing to monitor developments on the business side as well as the new fund launches.

4.2 LGIM

Business

As at 30 June 2020, Legal & General Investment Management ("LGIM") had assets under management ("AuM") of c. £1,241m, an increase of c. £45m since 31 December 2019.

COVID-19 Impact and Reporting Issues:

Whilst only announced biannually, we expect LGIM's assets under management to have suffered a material fall from the COVID-19 market crash in early 2020.

More widely, LGIM had to adjust its business operations in light of the COVID-19 lockdown restrictions. LGIM reported that it enacted its business contingency planning, and that it had evolved to enable greater agile working for employees to ensure business continuity.

Despite enacting these contingency plans, we have recently noted a number of reporting/operational concerns on a range of reporting issues which LGIM has cited have been delayed due to the impact of remote working and a spike in annual leave over the summer. We plan to follow-up with LGIM with the aim of resolving these issues to ensure that the Fund receives timely information going forwards.

Personnel

Please note, at the time of writing, we had not yet received a personnel update from LGIM for Q2 2020 on the Index team, and we will provide an update when we receive this.

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

4.3 Ruffer

Business

As at 30 June 2020, Ruffer held assets under management of £20.1bn, an increase of c. £1.0bn over the quarter.

Personnel

There were no significant team or personnel changes to the Absolute Return Fund over the quarter.

COVID-19 Impact:

As reported last quarter, in line with government guidance, Ruffer closed its London, Edinburgh and Paris offices in March with all employees and partners successfully transitioning to remote working. All staff have been provided remote access to key systems such that portfolio management and dealing activities are not impacted. Prior to the move to remote working, Ruffer had successfully implemented a split workforce to test its systems which proved successful.

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.

4.4 PIMCO

Business

As at 30 June 2020, PIMCO held $1.9tn in assets under management, an increase of c. $0.1tn over the quarter. The LCIV Global Bond Fund stood at £338.6m in assets under management as at 30 June 2020, representing an increase over the quarter of £62.8m.

COVID-19 Impact:

There have been no notable changes to PIMCO's control environment, including trade flow and middle/back office processes which are maintaining the appropriate segregation of duty requirements and independent reconciliations.

PIMCO has also stated that there has been no changes to valuation methodology and has been in close contact with pricing vendors over recent weeks. Reporting of PIMCO's assets also remains within respective timelines and has not faced any dealing issues or delays due to COVID-19.

At a fund level, the Global Bond Fund has witnessed no defaults in the portfolio as a result of COVID-19. Two issuers were downgraded to below investment grade over the quarter, with PIMCO deciding to sell one and keep hold of the other.

Personnel

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

In June 2020, PIMCO announced that Tom Otterbein, managing director and Head of Client Management Americas, will be retiring from the firm at the end of the month. Candice Stack, managing director and current Head of the US Institutional Client Management team since 2016, has been appointed to replace Tom.

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

4.5 Partners Group

Business

As at 30 June 2020, Partners Group had total assets under management of $96.3bn, an increase of c. $4.9bn since 31 December 2019.

COVID-19 Impact:

Following COVID-19 restrictions having weighed on investments in the portfolio, the distributions of the MAC 2014 Fund have been extended by a year from July 2020 to July 2021 to support the cashflow of the underlying companies invested in over the short to medium term, which will in turn support the long-term performance of the Fund.

More widely, Partners Group organised its Crisis Response Team and immediately put its business continuity plan into effect for a pandemic scenario in early 2020 that subsequently was borne out. The team was expanding to include both Partners Group CEO and CRO, to ensure that key business functions were represented and accounted for and holds daily calls for regular updates.

Partners Group has placed health and safety as its number one priority and has actioned temporary closure of the majority of offices, with those still open offering restricted numbers of workers with strict social distancing and hygiene protocols and has discouraged the use of public transport. Additionally, Partners Group has extended its remote working capabilities to ensure there is no interruption to business and restricted travel globally. Overall, Partners Group has stated that there have been no major interruptions to either critical or non-critical business functions to date.

Multi Asset Credit

The Partners Group MAC Fund had a net asset value of £94.3m at 30 June 2020, a decrease of £3.6m since the previous quarter end valuation at 31 March 2020 due to a combination of negative returns over the quarter and a distribution made back to investors in June 2020. 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, with the Partners Group MAC Fund making one further distribution over the quarter, which totaled £2m across all investors.

Partners Group expects to issue a further distribution of £10m from the MAC Fund, shared between all investors, towards the end of August 2020. The London Borough of Hammersmith and Fulham Pension Fund would expect to receive a total of c. £2.0m from this distribution.

Direct Infrastructure

As at 30 June 2020 the Direct Infrastructure Fund had drawn down c. 54% of its total €1,081m commitment value for investment, with 78% of the total Direct Infrastructure Fund's portfolio committed to investment opportunities at the end of the quarter.

Personnel

There were no significant team or personnel changes to the Multi Asset Credit or Direct Infrastructure Fund teams over the quarter.

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

4.6 Aberdeen Standard Investments – Multi-Sector Private Credit

Business

As at 30 June 2020, the Aberdeen Standard Investments Multi-Sector Private Credit Fund had a commitment value of £91m. On 1 July 2020, the strategy received an additional subscription of £6m and ASI expects to receive £41m of further subscriptions on 1 October 2020.

The MSPC Fund has a robust indicative pipeline of private credit assets for the coming months and has closed on two private deals since the start of Q3.

COVID-19 Impact:

The MSPC Fund was launched in April, following the initial onset of the COVID-19 pandemic. As such, the portfolio is able to be built up in a cautious and more 'COVID-aware' manner. All investments made to date are performing as expected, and ASI states that it does not have any loans in the MSPC Fund which are on the 'Watchlist' or that have experienced credit downgrades.

After the initial uncertainty of lockdown in early Q2, deal flow has picked up and has continued into Q3.

Personnel

There were no significant team or personnel changes to the Multi-Sector Private Credit Fund over the quarter,

In the wider credit team, Ray Ellis joined the Commercial Real Estate Debt team and Helen Zheng joined the Structured Credit team. Ray and Helen have 35 and 3 years' experience respectively.

***Deloitte View* –** We continue to rate Aberdeen Standard Investments for its private credit capabilities.

4.7 Oak Hill Advisors – Diversified Credit Strategies (DCS)

Business

As at 1 May 2020, Oak Hill Advisors held assets under management of $40.0bn, an increase of $1.1bn since 1 February 2020.

The DCS net asset value stood at $3.8bn as at 30 June 2020, an increase of c. $0.4bn over the quarter, with c. $3m of net inflows over the period.

COVID-19 Impact:

As reported last quarter, during March 2020, Oak Hill Advisors enacted a formal initiative which included restrictions to all non-essential business travel, all travelers to carry a laptop and remote connectivity to enable remote working if needed. Oak Hill Advisors employees have been working remotely since 16 March, following a test of Oak Hill Advisors' system capacity. This accompanied Oak Hill Advisors' upgrade of its IT systems and infrastructure in early 2019.

Oak Hill Advisors has provided cross training between a couple of its offices to ensure that key operational functions have the necessary cover, for example to ensure trade/settlement and treasury functions have several people who can perform each task. Oak Hill Advisors performs weekly portfolio reviews to ensure each team is familiar with the mandate and positioning alongside each industry being covered by both senior and junior investment professionals should senior research professionals not be able to perform these tasks.

At a fund level, the DCS Fund has seen a wave a downgrades by rating agencies following the economic slowdown caused by COVID-19. Although, Oak Hill Advisors states that this has not materially changed the composition of the portfolio and the strategy has maintained the same average credit quality since the beginning of 2020.

Personnel

At managing director level and above, OHA advisors saw one new joiner and two leavers over the quarter.

Izzy Goncalves joined the firm as a managing director to work as a product specialist with her role including client coverage. It has not been determined yet which product Izzy will specialise in over the long-term, however Izzy is currently working with the Diversified Credit Strategies team. Izzy has been hired to help streamline some operations within the business.

Alex Jung, senior advisor and co-head of Oak Hill's European business, left the firm over the quarter to start her own company. Chad Valerio, portfolio manager and managing director for distressed assets also left Oak Hill over the quarter, to join ONEX where he is looking to help build out the distressed assets business.

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

The Aviva Investors Infrastructure Income Fund had total subscription value of £1,253m as at 30 June 2020, remaining unchanged over the second quarter of 2020 as no new investor commitments were received. As at 30 June 2020, the undrawn amount for the AIIIF was c. £100m.

COVID-19 Impact:

Following the COVID-19 outbreak, the Aviva Investors Infrastructure Income Fund and its underlying assets have been valued in line with Aviva's usual valuation policy and methodology, with Q1 and Q2 2020 valuations reflecting the potential impact on assets from COVID-19 related factors. Aviva has confirmed that it has not applied material uncertainty or suspended or delayed pricing or issuing units in the Fund.

At the onset of the pandemic, Aviva implemented a heightened asset monitoring process with weekly meetings with external asset management and service providers to identify and rectify any issues as quickly as possible.

AIIIF Structure

In July 2020, Aviva contacted investors with the aim of gauging interest on holding a vote on the future of the AIIIF. Specifically, Aviva is keen to understand whether investors wish to keep the AIIIF as an open-ended, actively marketed product, or to soft close at the point NAV plus undrawn commitments reaches £2bn.

It is important to note at this stage that Aviva is only asking investors if they would like to hold a vote, not to formally vote at this stage.

Personnel

There were no significant team or personnel changes over the quarter to 30 June 2020 at the Director level.

An associate, Leo Pillemont, left the team over the second quarter of 2020. Leo has left Aviva Investors to work for a windfarm developer.

Deloitte View – We continue to rate Aviva Investors positively for its infrastructure capabilities. Regarding the structure, our view would be not to hold a vote, as we see no benefit to changing the structure of the fund.

4.9 M&G – Inflation Opportunities Fund

Business

As at 30 June 2020, the M&G Inflation Opportunities Fund V held assets under management of £544m, an increase of c. £16m over the quarter.

COVID-19 Impact:

As reported last quarter, M&G has implemented business continuity plans across its business. M&G adopted flexible working in most locations over a year ago, such that staff, including fund managers and dealers, have the necessary operational connectivity and equipment to work from home and in most cases were used to doing so already. This has allowed the vast majority of M&G's business to continue as usual, with all critical services functioning. M&G has replaced face to face meeting with video or audio conferencing counterparts.

At a fund level both the Secure Property Income Fund and Secured Lease Income Fund, which form part of the wider Inflation Opportunities Fund, have received rent concession requests from tenants, primarily in the hotel and leisure sectors and largely in the form of rent deferrals. M&G has stated that it will continue to support the short term liquidity of tenants in this difficult period but continues to monitor government packages that it believes will support tenants to ensure that tenants are accessing these where applicable to improve their short-term liquidity. M&G states that the two aforementioned funds have reasonable liquidity positions with a high quality and diversified tenant base. M&G believes this will assist with short term cash flow.

M&G added a "material uncertainty clause" to all 31 March 2020 valuations. As at 30 June 2020, the "material uncertainty clause" was lifted for:

- c. 35% of long lease assets, following assertions from the fund's valuer, CBRE, that these valuations can be relied upon; and

- c. 62% of income strips assets, following an announcement from RICS that it will be removed from all institutionally managed student accommodation.

Personnel

There were no significant team or personnel changes to the M&G Inflation Opportunities Fund over the second quarter of 2020.

Deloitte view – Given the Fund's over-exposure to the UK property market, the Sub-Committee has decided to make a full redemption from the M&G Inflation Opportunities Fund.

4.10 Aberdeen Standard Investments – Long Lease Property

Business

As at 30 June 2020, the Aberdeen Standard Investments Long Lease Property Fund had a total fund value of c. £2.6bn, increasing by c. £9m over the quarter.

COVID-19 Impact:

As reported over the first quarter of 2020, due to material valuation uncertainty, ASI announced the decision to suspend trading on the ASI Long Lease Property Fund, effective 18 March 2020, due to the market disruption caused by COVID-19 and the material uncertainty it has created around valuing the Fund's investments fairly in order to protect the interests of all investors in the Fund.

Following quarter end, Aberdeen Standard Investments has been informed by the Long Lease Property Fund's independent valuers that there is sufficient market based evidence to remove the material valuation uncertainty clause. As such, ASI has lifted the suspension on trading, effective 3 August 2020. As a result, the Long Lease Property Fund's dealing has reverted to normal.

Personnel

In April 2020, ASI announced that as part of their real estate management team restructure to align with the future direction of the business, Richard Marshall, Portfolio Manager of the ASI Long Lease Property Fund, will leave ASI at the end of October 2020. Les Ross, Deputy Portfolio Manager will formally become the new Portfolio Manager from 1 August 2020. Richard has held the position of Portfolio Manager of the ASI Long Lease Property Fund since 2006 and his contribution has been viewed as one of the key factors to the Fund's success.

The announcement of Richard's departure follows ASI's previous announcement in March 2020 that they would be restructuring their real estate leadership and management teams to better align with the future direction of the business led by Neil Slater. Three new leadership roles of Head of Real Estate Investment Strategy, Head of Real Estate Investment Management and Head of Real Estate Business Management, Finance, Operations & Structuring were subsequently created, with Anne Breen, Andy Creighton and Paolo Alonzi taking on the roles respectively from 1 April 2020. Mike Hannigan, Head of Real Estate UK also stated his intention to retire from ASI, with an interim corporate strategy role created for him during the period to retirement reporting to Neil.

Later in April 2020, a further update was provided by ASI with a new Global Real Estate Management Team created to work alongside the Real Estate Leadership Team who will take ownership of key investments and functional outcomes. The Team will be further split into fund management and asset management, with fund management appointing Heads of each area of business who will provide line management responsibility of the respective fund managers in that area.

In May 2020, Martin Gilbert, Chairman of ASI, retired from most of his board roles at the AGM but will remain as Chairman of ASI until September 2020 to ensure a smooth transition period.

At the end of June 2020, ASI announced the appointment of Stephen Bird as the new CEO Designate and Director of Standard Life Aberdeen (SLA) to take effect from 1 July 2020. Stephen Bird will succeed the incumbent Keith Skeoch, who will formally step down as CEO and from the board of directors in September 2020, subject to regulatory approval.

Deloitte View – We are closely monitoring the changes to senior leadership at ASI. Keith Skeoch's departure was somewhat expected in the near future, and we see Stephen Bird as a very capable appointment. With regards to real estate and the Long Lease Property Fund, while the departure of Richard Marshall was a surprise, Les Ross is the obvious replacement and is very experienced and well positioned to take over. That said, Richard's contribution to the fund was significant and we continue to closely monitor both the fund and wider business.

5 London CIV

5.1 Investment Performance to 30 June 2020

At the end of the second quarter of 2020, the assets under management within the 13 sub-funds of the London CIV was £8,971m with a further £506m committed to the Infrastructure and Inflation Plus Funds. The total assets under oversight (which includes passive investments held outside of the CIV platform) increased by c. £2.9bn to c. £19.6bn 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 31 Mar 2020 (£m)	Total AuM as at 30 June 2020 (£m)	Number of London CIV clients	Inception Date
LCIV Global Alpha Growth	Global Equity	Baillie Gifford	2,415	3,089	13	11/04/16
LCIV Global Equity	Global Equity	Newton	584	692	3	22/05/17
LCIV Global Equity Focus	Global Equity	Longview Partners	678	776	5	17/07/17
LCIV Equity Income	Global Equity	Epoch Investment Partners	210	236	2	08/11/17
LCIV Emerging Market Equity	Global Equity	Henderson Global Investors	302	366	6	11/01/18
LCIV Sustainable Equity Fund	Global Equity	RBC Global Asset Management (UK)	382	470	3	18/04/18
LCIV Sustainable Equity Exclusion Fund	Global Equity	RBC Global Asset Management (UK)	210	321	2	11/03/20
LCIV Global Total Return	Diversified Growth Fund	Pyrford	309	270	4	17/06/16
LCIV Diversified Growth	Diversified Growth Fund	Baillie Gifford	589	602	7	15/02/16
LCIV Absolute Return	Diversified Growth Fund	Ruffer	862	754	8	21/06/16
LCIV Real Return	Diversified Growth Fund	Newton	113	122	2	16/12/16
LCIV MAC	Fixed Income	CQS	713	936	12	31/05/18
LCIV Global Bond	Fixed Income	PIMCO	276	338	3	30/11/18
Total			**7,643**	**8,971**		

Over the quarter to 30 June 2020, the LCIV Sustainable Equity Exclusion Fund gained one new investor, whilst one London Borough disinvested from the LCIV Global Total Return Fund and the LCIV Diversified Growth Fund and two disinvestments were made from the LCIV Absolute Return Fund.

6 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.

6.1 World Low Carbon Equity – Investment Performance to 30 June 2020

	Last Quarter (%)	One Year (%)
Net of fees	19.9	7.1
Benchmark (MSCI World Low Carbon Target)	20.0	7.2
MSCI World Equity Index	19.9	6.5
Net Performance relative to Benchmark	-0.1	-0.1

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

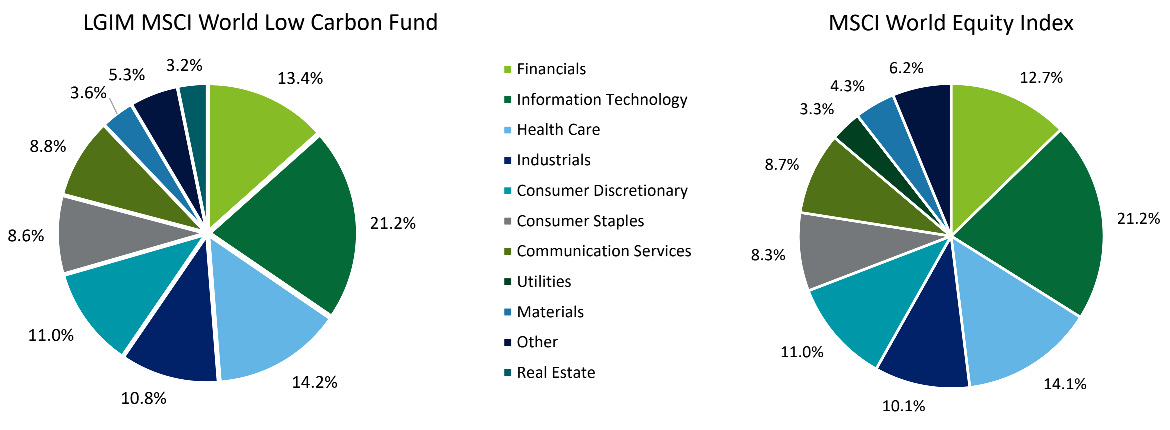
The LGIM MSCI World Low Carbon Index Fund delivered an absolute return of 19.9% on a net of fees basis over the second quarter of 2020, making up much of the losses realised over the first quarter of 2020.

The strategy slightly underperformed its MSCI World Low Carbon Target Index benchmark by 0.1% over the quarter but performed in line with the MSCI World Equity Index.

Over the one-year period to 30 June 2020, the LGIM MSCI World Low Carbon Fund has marginally underperformed its benchmark by 0.1%, returning 7.1% on a net of fees basis. However, the sustainable-focused fund outperformed the MSCI World Equity Index by 0.6% over the year, owing to the strategy's larger allocation to financials and industrials, and lower allocation to energy, transport and materials, which was favourable positioning over the first quarter of 2020.

6.2 Portfolio Sector Breakdown at 30 June 2020

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 June 2020.



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 utilities and materials represents the low carbon nature of the Fund.

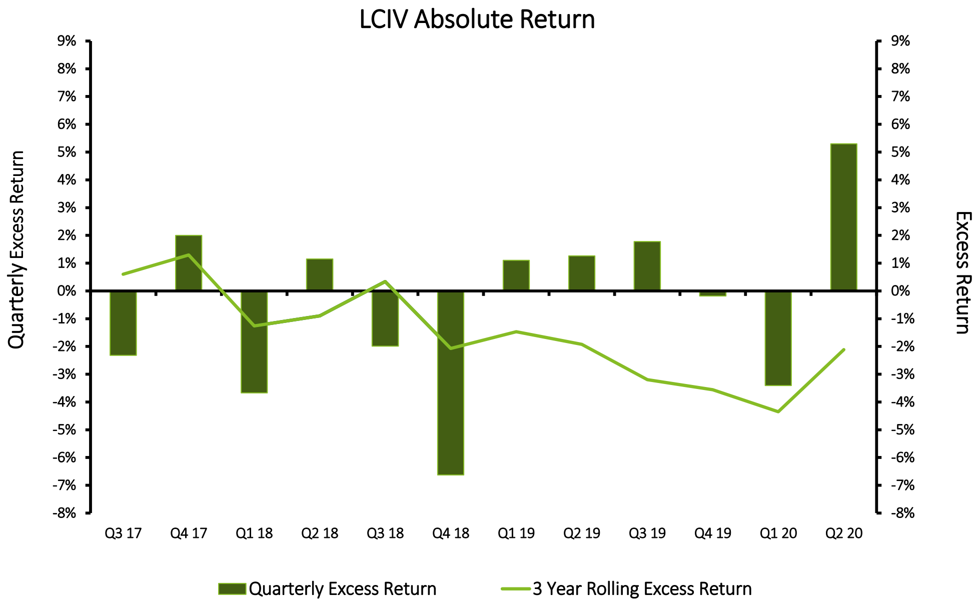
7 LCIV – Absolute Return

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.

7.1 Dynamic Asset Allocation – Investment Performance to 30 June 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	6.4	8.1	2.5	3.4
Target	1.1	4.6	4.7	4.6
Net performance relative to Target	5.3	3.5	-2.1	-1.2

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



The Absolute Return Fund returned 6.4% on a net of fees basis over the quarter to 30 June 2020, outperforming its LIBOR +4% target by 5.3%. Over the year to 30 June 2020, the fund outperformed its target by 3.5%, delivering a positive return of 8.1% on a net of fees basis. However, despite delivering a positive absolute performance of 2.5% p.a. on a net of fees basis over the three year period to 30 June 2020, the fund has underperformed its target by 2.1% p.a. over this period.

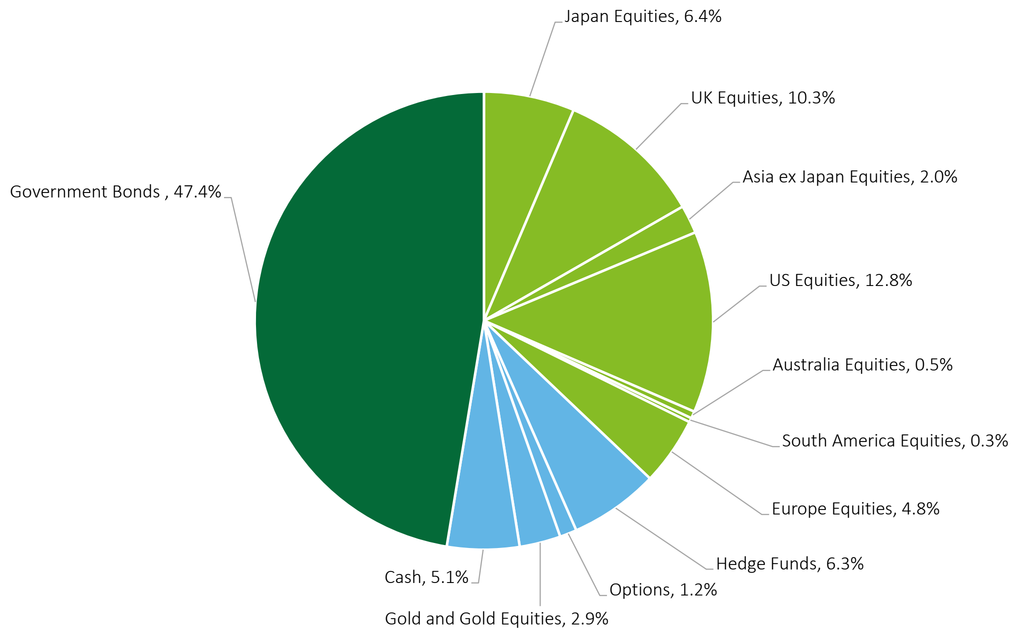
Over the second quarter of 2020, the LCIV Absolute Return Fund's positive performance was primarily driven by the strategy's exposures to gold and gold equities, which Ruffer accredits c. 4% of its return to over the quarter. With gold price rising by c. 11%, the portfolio's gold holdings rose by 50% owing largely to a bias to gold mining stocks which Ruffer added to at the end of March 2020.

Ruffer also made a c. 15% strategic allocation to US Inflation-linked bonds before the close of the first quarter, with a rise in US real yields causing prices to fall at the time. This allocation proved to be a large contributor to positive performance over the quarter to 30 June 2020 as inflation expectations rose from a very low base and, at least initially, investors sought safer assets.

In addition, the strategy was able to participate, to some extent, in the equity market rebound over the second quarter owing to its 37% equity exposure. Although, after providing the largest detraction to negative performance over the first quarter of 2020, the strategy's options and credit protection detracted from performance over the quarter. Ruffer altered its credit protections over March and April 2020, switching focus to distress in high yield and moving away from investment grade credit exposures, which weakened returns despite investment grade spreads falling by c. 50%.

7.2 Asset Allocation

The chart below represents the asset allocation of the LCIV Absolute Return Fund portfolio as at 30 June 2020.



Source: London CIV

8 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.

8.1 Global Bond – Investment Performance to 30 June 2020

	Last Quarter (%)	One Year (%)
Net of fees	7.5	2.7
Benchmark	6.8	5.5
Net Performance relative to Benchmark	0.7	-2.8

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

Over the quarter to 30 June 2020, the LCIV Global Bond Fund returned 7.5% on a net of fees basis, outperforming its Barclays Aggregate – Credit Index Hedged (GBP) Index by 0.7%. Over the year, the strategy underperformed its benchmark by 2.8% owing to the underperformance realised over the first quarter of 2020, despite achieving a positive return of 2.7% on a net of fees basis over the period.

The Global Bond Fund's credit positions, particularly the financials allocation which PIMCO remains overweight to, contributed positively to performance over the quarter as credit spreads tightened. The financials sector provided the largest detraction to performance over the first quarter of 2020, the rally over the quarter to 30 June 2020 has largely recovered much of the losses realised although spreads remain above historic average levels.

The strategy's macro positioning, driven by an overweight allocation to the US and tactical positioning in local emerging market debt, also contributed positively to performance over the quarter.

At the onset of the quarter, the strategy was initially cautiously positioned in order to protect from any further widening of spreads. As such, the strategy experienced low levels of participation in the general credit market uplift in early April when credit spreads contracted.

The strategy experienced no defaults over the quarter, although two issuers, which represent a small proportion of the portfolio, were downgraded to below investment grade. Of these downgraded issuers, PIMCO sold one but maintained the other as the manager still holds conviction in the issuer.

The strategy remains relatively well positioned to cope with downgrades and there have been no forced sales over the quarter. The Global Bond Fund has the ability to hold up to 10% in sub-investment grade credit.

8.2 Performance Analysis

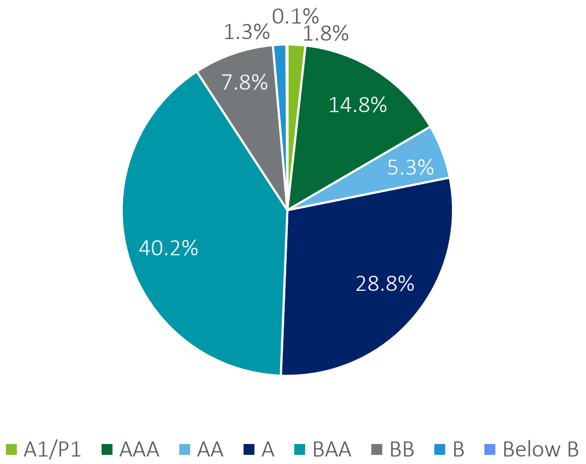
The table below summarises the Global Bond portfolio's key characteristics as at 30 June 2020.

	31 March 2020	30 June 2020
No. of Holdings	709	806
No. of Countries	43	45
Coupon	3.25	3.45
Effective Duration	6.27	6.89
Rating	A	A-
Yield to Maturity (%)	3.96	2.78

Source: London CIV

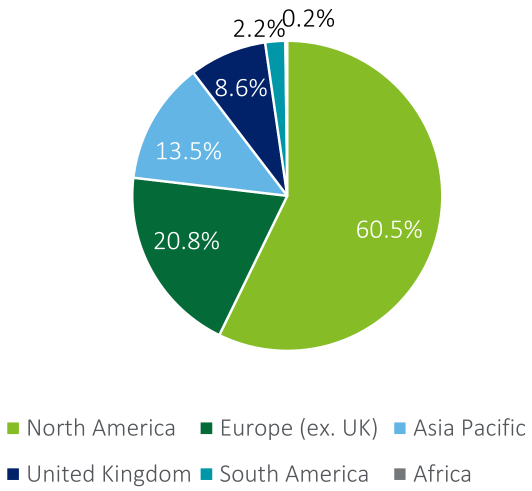
The number of holdings increased by 97 over the quarter with PIMCO taking advantage of new issues coming to the market at spreads higher than their pre COVID-19 levels. The number of holdings as at 30 June 2020 are now roughly consistent with pre COVID-19 levels.

The chart below represents the split of the Global Bond portfolio by credit rating. The Fund's investment grade holdings made up c. 90.8% as at 30 June 2020, a decrease of 1.6% over the quarter, with the Fund predominately invested in BAA and A rated bonds.



Source: London CIV

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.

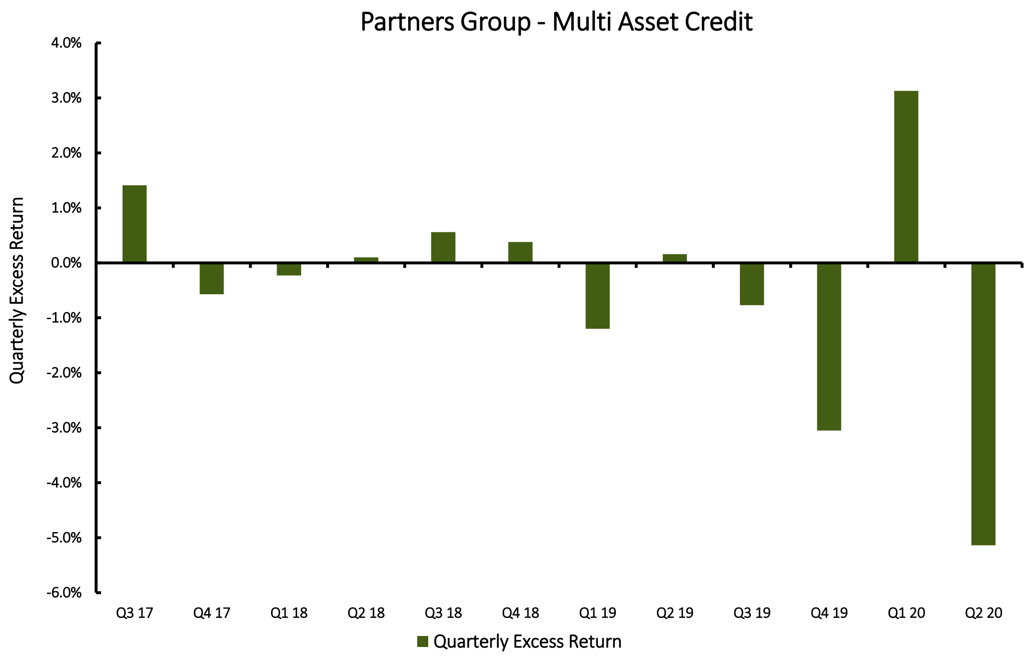
9 Partners Group – Multi Asset Credit

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.

9.1 Multi Asset Credit - Investment Performance to 31 May 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	-4.1	-1.4	2.8	4.3
Benchmark / Target	1.1	4.6	4.7	4.6
Net performance relative to Benchmark	-5.1	-6.1	-1.9	-0.2

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



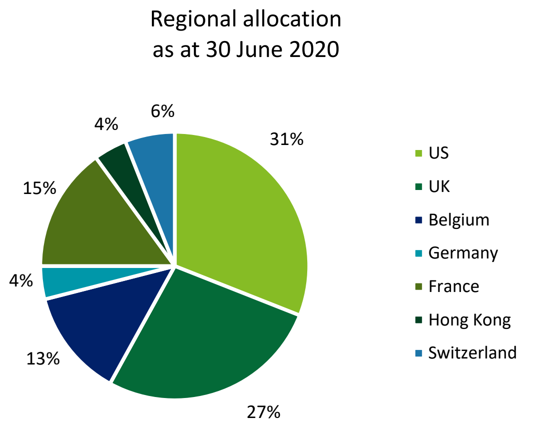
Please note, performance shown is to 31 May 2020.

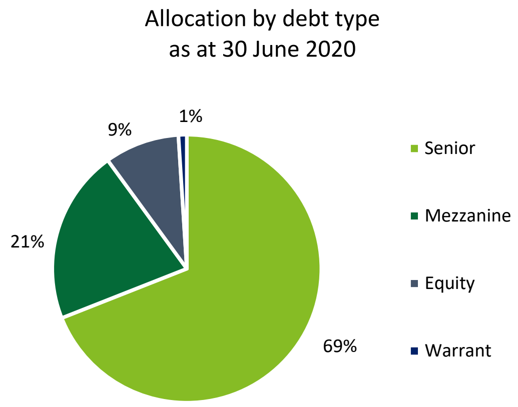
The Multi Asset Credit strategy has underperformed its 3 Month LIBOR +4% benchmark by 5.1% over the three month period to 31 May 2020, delivering a negative return of -4.1% on a net of fees basis. Over the quarter to 30 June 2020, we expect the MAC Fund to have delivered a return of -1.6% on a net of fees basis, based on an estimation of the strategy's time-weighted rate of return using cashflow information.

Negative performance can be attributed to impairments to the underlying investments of the portfolio, as a result of the impact of COVID-19.

9.2 Asset Allocation

The charts below show the regional split of the Fund as at 30 June 2020.





Note: Based on information provided by Partners Group.

The table below shows details of the Fund's holdings based on net asset value as at 30 June 2020. Partners Group no longer assesses its portfolio directly against the impacts of COVID-19, citing market recovery. Partners Group instead provides details of its standard watchlist rating, where investments rated "red" have an estimated high likelihood of default and "yellow" rated investments have a medium likelihood of default. The relevant ratings have been included in the table below.

Investment	Description	Type of Debt	Tranche	Maturity Date	Current IRR (%)	NAV (£m)	% of Total NAV	Watchlist Rating
AS Adventure	Large European specialist multi-brand outdoor retail group	Corporate	First Lien	28 Apr 2022	0.7	11.2	12.6%	
IDEMIA	Security and identity solutions company	Corporate	Mezzanine	31 May 2027	11.4	13.4	15.1%	n/a
Affordable Care, Inc.	US dental support organisation	Corporate	Second Lien	22 April 2023	1.6	4.8	13.3%	n/a
		Corporate	Second Lien	22 April 2023	11.7	7.0		
Cote Bistro	UK café chain	Corporate	First Lien	24 May 2024	8.0	8.6	9.7%	
Springer	Scientific publishing company	Corporate	First Lien	15 Aug 2022	5.1	0.7	0.8%	n/a
Project Silk	Hotel/Gaming	Corporate	Mezzanine	21 Dec 2020	5.1	5.8	6.5%	
Claranet	Cyber security, networks and telecommunications services	Corporate	First Lien	24 May 2022	2.9	1.1	7.8%	n/a
		Corporate	First Lien	24 May 2022	5.9	5.8		

ICCNexergy	Power system developer and manufacturer	Corporate	First Lien	30 Apr 2021	8.2	6.8	7.7%	n/a
Diligent Corporation	Corporate software	Corporate	First Lien	15 Apr 2022	7.8	5.1	5.7%	n/a
VFS Global Services	Country visa related services	Corporate	First Lien	29 July 2024	5.1	5.7	6.4%	
Vistra Group	Private equity firm	Corporate	Second Lien	26 Oct 2023	12.3	2.0	4.1%	n/a
		Corporate	Second Lien	26 Oct 2023	10.5	1.6		
Panda Stonewall	Power plant project	Corporate	First Lien	31 Nov 2021	6.7	0.0	0.0%	n/a
Lifeways Community Care	Social care	Corporate	First Lien	31 May 2022	1.5	2.8	3.2%	
Vestcom International	Marketing solutions to retailers	Corporate	First Lien	19 Dec 2023	6.1	1.9	2.1%	n/a
Plano Synergy	Fishing equipment manufacturer	Corporate	First Lien	12 May 2021	1.2	1.5	1.7%	
Bartec GmbH	Machinery explosion protection	Corporate	First Lien	15 November 2026	N/a	N/a	N/a	

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.

Of the investments currently on Partners Group's watchlist which have been rated "red":

- AS Adventure, a European retail business specialising in outdoor equipment and clothing, has been impacted by temporary store closures. Lack of summer tourism has had a material impact;
- Bartec, an oil and gas services company, has suffered due to the sharp drop in oil and gas prices seen in Q1 and Q2;
- Lifeways is the UK's largest provider of living/home care support for complex physical and mental needs. A key part of its offering is being able to work with patients in the patient's home, this has been substantially limited due to COVID-19;
- Plano, an American designer, manufacturer and marketer of outdoor sporting equipment, has seen lower retail sales and less outdoor activity due to the impact of COVID-19;
- Project Silk, a real estate investment in a portfolio of UK hotels, has seen blanket hotel closures have a severe impact; and
- Cote Bistro, a London based chain of French bistros, has seen substantial restaurant closures impact cashflows.

9.3 Fund Activity

As at 30 June 2020 the Partners Group Multi Asset Credit Fund had made 54 investments of which 38 have been fully realised. The Fund's three year investment period ended in July 2017 and, therefore, any investments realised have subsequently been repaid to investors. Over the quarter, the maturity of the Fund was extended an additional year to 28 July 2021 to facilitate the wind-down of the portfolio given the changes to the market over the first quarter of 2020.

Partners Group issued one distribution over the quarter, with £0.4m distributed to the London Borough of Hammersmith and Fulham Pension Fund on 29 June 2020.

10 Aberdeen Standard Investments – Multi-Sector Private Credit Fund

Aberdeen Standard Investments was appointed to manage a multi sector private credit mandate, with the Fund drawing down capital for investment on 8 April 2020. The Multi Sector Private Credit Fund aims to outperform the ICE ML Sterling BBB Corporate Bond Index once it has been fully deployed. The manager has an annual management fee

10.1 Multi-Sector Private Credit - Investment Performance to 30 June 2020

	Last Quarter (%)
Net of fees	0.0
Benchmark / Target	0.2
Net performance relative to Benchmark	-0.3

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

The Multi Sector Private Credit Fund was launched and incepted into the Fund's portfolio on 24 April 2020. As such, the performance and benchmark figures quoted above reflect the returns since the date of inception to 30 June 2020.

Once fully committed, the strategy will be measured against the ICE ML Sterling BBB Corporate Bond Index. While the strategy is in the process of deploying invested capital, the strategy is measured against a blended benchmark of 3 Month Sterling LIBOR and the ICE ML Sterling BBB Corporate Bond Index, with the weight of the benchmark allocated to the ICE ML Sterling BBB Corporate Bond Index reflecting the proportion of the Fund's investment in the MSPC Fund which has been deployed by ASI. Over the quarter to 30 June 2020, the MSPC Fund has been measured against a benchmark of 100% 3 Month Sterling LIBOR.

10.2 Portfolio Composition

Aberdeen Standard Investments aims to deploy invested capital in line with its long-term target asset allocation over two phases – an initial allocation via liquid opportunities, and a second phase made up of illiquid investments.

Phase 1 – Initial Asset Allocation

The target initial asset allocation, and allocation as at 20 August 2020, is provided in the table below:

	Target Phase 1 Allocation (%)	20 August Allocation (%)
Cash/Liquid Instruments		
Liquid ABS	10.0	9.4
Short Duration Fund	15.0	13.4
Cash	10.0	27.4
Corporate Loans		
Global Loans Fund	15.0	12.5
Public Opportunities		

Short Duration Corp Bonds (6 month duration)	15.0	6.3
IG Corp Bonds (3-4 year duration)	25.0	22.3
Structured Credit – Mezzanine ABS		
CMBS	5.0	0.0
CLO's	5.0	0.9

Source: Aberdeen Standard Investments

Phase 2 – Illiquid Investments

The table below provides details of the illiquid investments the strategy has invested in since inception, as at 20 August 2020:

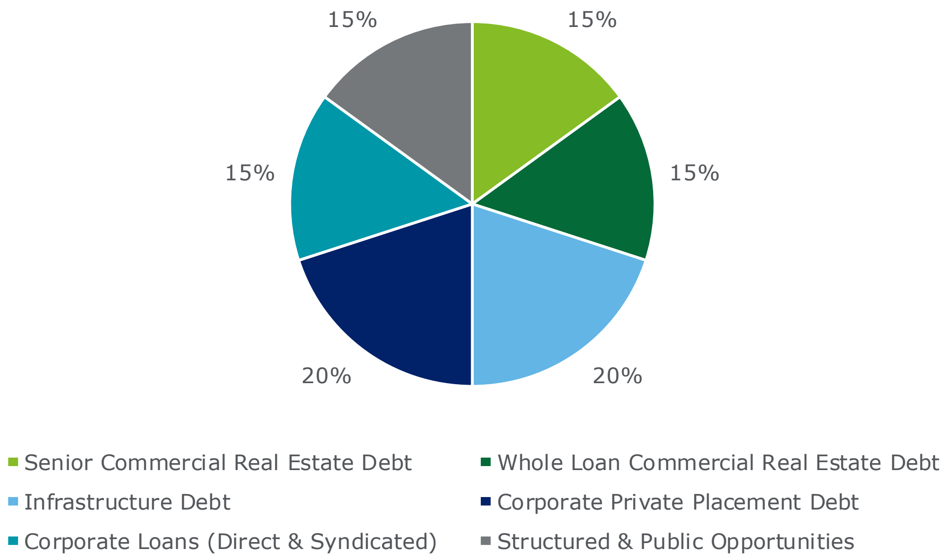
Project Name	Date Completed	MSPC Investment	Total Debt Raised	Maturity	Credit Rating	Spread*	Yield Pick-Up
Infrastructure Debt							
Infra 1 (UK Smart Meter)	July 2020	£4.4m	£1.1bn (4.4% by ASI)	14 years	BBB	250 bps	50 bps
Commercial Real Estate Debt							
CREL 1 (Industrial)	July 2020	£3.2m	£44m (100% by ASI)	3 years	BBB	362bps	145 bps

Source: Aberdeen Standard Investments

*Relative to 8 year gilts

Long-Term Target Allocation

The long-term target allocation of the ASI MSPC Fund is shown below:



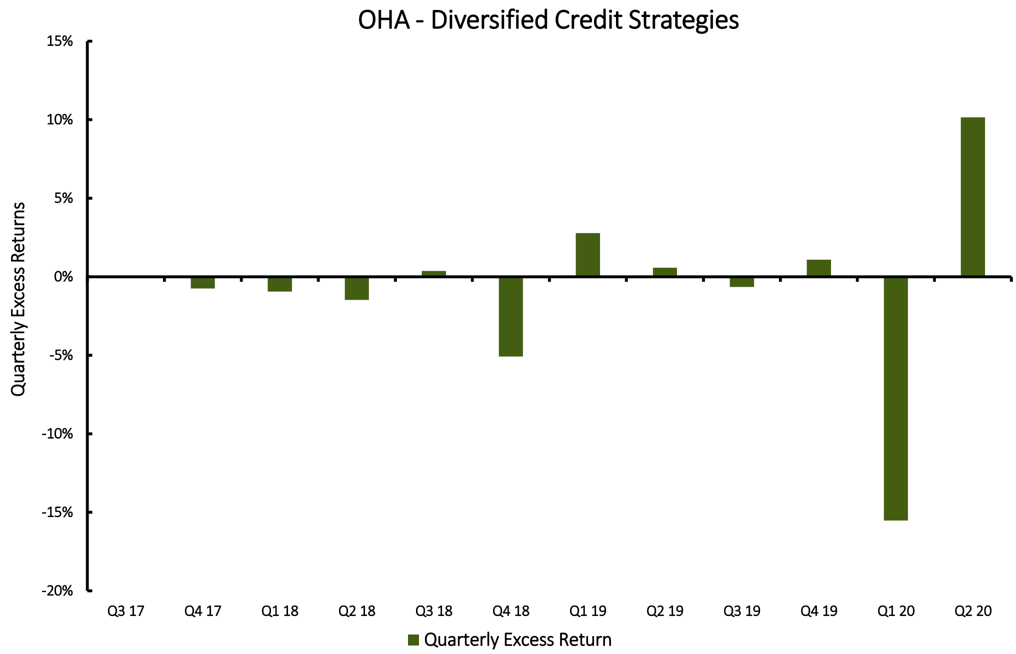
11 Oak Hill Advisors – Diversified Credit Strategies Fund

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 June 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	11.2	-2.1	0.8	2.1
Benchmark / Target	1.1	4.6	4.7	4.6
Net Performance relative to Benchmark	10.2	-6.7	-3.9	-2.5

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



Following considerable underperformance over the first quarter of 2020, the Oak Hill Advisors Diversified Credit Strategies Fund outperformed its 3 Month Sterling LIBOR +4% p.a. benchmark by 10.2% over the quarter to 30 June 2020, returning 11.2% on a net of fees basis. However, such was the extent of the underperformance over the first quarter of 2020, the strategy has underperformed its benchmark by 6.7% over the year to 30 June 2020 on a net of fees basis, delivering a negative return of -2.1% in absolute terms.

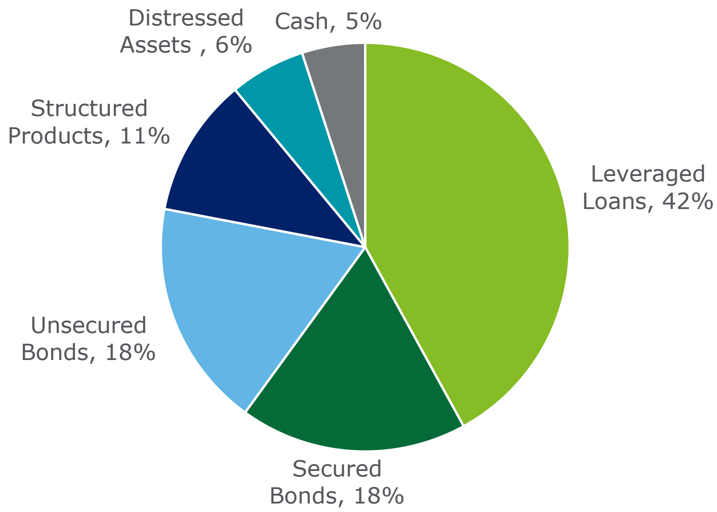
The strategy's high yield bonds and leveraged loans exposures rallied over the quarter as credit spreads narrowed with risk appetite returning to the market, recovering a large proportion of the drawdown over the first quarter of 2020. The strategy's high yield bonds allocation has in fact delivered marginally negative returns of -0.2% since the start of 2020, outperforming the ICE BofAML US High Yield Index 4.6% over the period.

During the second quarter of 2020, out of the strategy's 429 positions, 64 assets (c. 15%) from 44 issuers were downgraded. Of which: 56% were high yield bonds; 33% were leveraged loans; and 11% were structured products. Oak Hill Advisors has, however, confirmed that the downgrades themselves have not materially altered the composition of the strategy's portfolio and the strategy has managed to maintain the same average credit rating since the start of 2020.

Oak Hill Advisors does not track the number of defaults within its portfolio. The strategy's opportunistic nature means that the fund can take on restructuring opportunities for issuers. However, the manager does track when an issuer becomes "non-performing". Oak Hill Advisors has stated that no positions in the portfolio became "non-performing" over the quarter.

11.2 Asset allocation

The below chart shows the composition of the Diversified Credit Strategies Fund's Portfolio as at 30 June 2020.



Source: Oak Hill Advisors

Over the quarter, the Diversified Credit Strategies Fund decreased its allocation to leveraged loans, whilst increasing its exposure to secured and unsecured bonds.

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 June 2020

Activity

Over the quarter, the Fund made no commitments to new investments. Partners Group only expects to add one new investment to the Direct Infrastructure Fund portfolio before the end of the investment period.

As at 30 June 2020, the total capacity of the Direct Infrastructure Fund was €1.08 billion. Of this, c. 78% (c. €0.8bn) has been committed to investments, with 54% (c. €0.6bn) of the total capacity drawn down from investors.

The Partners Group Direct Infrastructure Fund's portfolio is made up of investments where c. 58% have no direct correlation to GDP. The remaining c. 42% of assets have limited correlation with GDP, however these assets provide an essential service with contract-based structures and high barriers to entry. As such, Partners Group sees no immediate causes for concern, however the true impact will not yet be known.

Capital Calls and Distributions

27 May 2020

- The Fund issued a net capital distribution of c. €10m to investors, comprising:
  - Its 23rd capital call, drawing down an additional c. 2.3% (€25m); and
  - Its 2nd distribution of capital, returning €35m to investors.
- Total drawn down following this call was c. 54.3%.

The distribution to investors represents distributions received by the Direct Infrastructure Fund. Partners Group received residual proceeds stemming from the sale of Axia NetMedia, a fiber network operator in Canada that owned a 50% stake in Covage, a leading wholesale fiber infrastructure provider in France that sells access to fiber services enterprises and SME businesses. The Canadian business was sold to telecommunications company Bell Canada in August 2018 and Partners Group remained invested in Covage. In November 2019, Partners Group announced that it had, on behalf of its clients, signed a binding sale agreement alongside 50% co-investor Cube to sell a 100% stake in Covage to SFR FTTH. The sale, which gives Covage a minimum equity value of €1 billion and is subject to customary regulatory clearances, was expected to take place during the first half of 2020. Upon completion, this transaction will conclude the exit from the Axia fiber platform in all material aspects.

Pipeline

Partners Group currently has 25 transactions in due diligence, representing investment opportunities of c. $9bn across the whole group. The opportunities are predominately within the Communication, Waste Management and Transportation sectors, with c. 82% of the pipeline being split between Europe and North America.

12.2 Investments Held

The table below shows a list of the investments held by the Partners Group Direct Infrastructure Fund as at 30 June 2020. Partners Group no longer assesses its portfolio directly against the impacts of COVID-19, citing market recovery. Partners Group instead provides details of its standard watchlist rating. Investments which are performing below the underwriting base case are rated "With Issues". The relevant ratings have been included in the table below.

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

EnfraGen	Renewable Power Generation and back-up power provider	TBC	Renewable Energy	South America	September 2019	n/a
VSB	Renewable energy project development and asset management	Lead	Renewable Energy	Germany	January 2020	n/a

Superior Pipeline Company, a US midstream pipeline investment focusing on upstream services, has recognised a substantial impact due to falling oil and gas prices which started in Q4 2018 and has grown in severity since the COVID-19 outbreak. Additionally, lower levels of drilling during the COVID-19 period has impacted revenues.

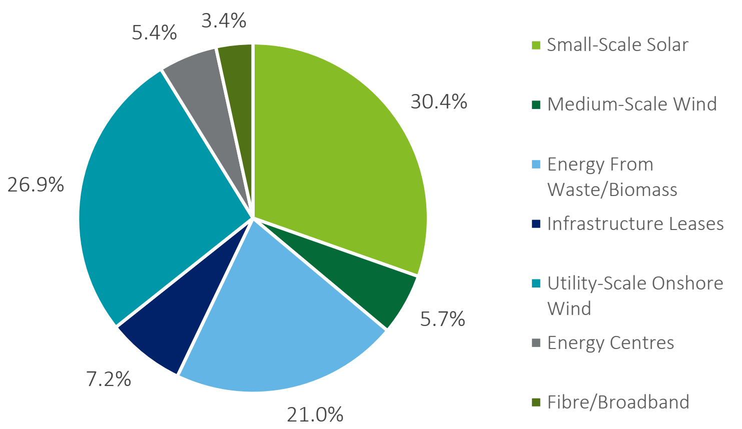
13 Aviva Investors – Infrastructure Income

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 31 March 2020

Sector Breakdown

The chart below shows the split of the portfolio by sector as at 31 March 2020.



Source: Aviva Investors.

Small-scale solar and utility-scale onshore wind make up c. 58% of the portfolio.

Holdings

The top 10 holdings in the Infrastructure Income Fund account for c. 53.3% of the Fund and are detailed below.

Top 10 holdings as at 31 March 2020	Asset	Proportion of Fund
Brockloch Rig Wind Farm	Utility-scale Onshore Wind	7.9%
Biomass UK No.3	Energy from Waste	5.5%
Hooton Bio Power	Energy from waste	5.4%
Aviva Investors Energy Centres No.1	Energy Centres	5.4%
Homesun	Small-scale Solar PV	5.3%
Biomass UK No.2	Energy from Waste	4.9%
EES Operations No.1	Small-scale Solar PV	4.8%
Biomass UK No.1	Energy from Waste	4.8%
Turncole Wind Farm	Utility-scale Onshore Wind	4.7%
Minnygap Energy	Utility-scale Onshore Wind	4.7%
Total		**53.3%**

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

Source: Aviva Investors.

Pipeline

As at 30 June 2020, the queue for the Infrastructure Income Fund was c. £99.8m, with no new commitments being onboarded. Aviva currently has a "priority pipeline", representing transactions which the Fund has exclusivity on, are in due diligence for or are strongly positioned to complete on 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. £312.8m as at 31 March 2020.

The Aviva Investors Infrastructure Income Fund completed two transactions over the quarter to 30 June 2020. In April, Aviva Investors completed on a c. £5m infrastructure lease, underlying the construction of a biogas plant in Hampshire. In May, Aviva Investors completed the c. £23m acquisition of an operational biogas plant.

COVID-19 Impact

Following the COVID-19 outbreak, the Aviva Investors Infrastructure Income Fund and its underlying assets have been valued in line with Aviva's usual valuation policy and methodology, with Q1 and Q2 2020 valuations reflecting the potential impact on assets from COVID-19 related factors. Aviva has confirmed that it has not applied material uncertainty or suspended pricing or issuing units in the Fund.

The strategy has proven to be resilient during the COVID-19 pandemic. All sectors were designated by the government as key sectors and there was therefore no requirement to cease operations. As the majority of the assets in the portfolio were obtained on an unlevered basis, any additional financial risk that may arise from levered assets has been mitigated. The remaining risk is largely expected to come via some price risk on certain wind and energy from waste assets, alongside supply chain risk.

Despite market activity slowing, Aviva closed two deals over the second quarter of 2020. Aviva is optimistic that further opportunities will arise throughout the remainder of 2020, particularly in the digital and fiber sectors.

Further details of the impact on each sector can be found in the table below, which has been provided by Aviva. Since last quarter, Aviva has downgraded its view of the impact of COVID-19 on utility-scale onshore wind from "moderate" to "low".

Sector	Aviva view on impact
Small-scale solar	Low impact, as revenue comes from assets with low operational complexity and low counterparty risk alongside income coming from regulated sources.
Medium-scale wind	Low impact, as revenue comes from assets with low operational complexity and low counterparty risk alongside income coming from regulated sources.
Energy from waste	Moderate impact, primarily as a result of supply chain disruption with insufficient staff to supply assets and operate assets.
Infrastructure leases	Low impact as lease structures are collateralised against assets.
Utility-scale onshore wind	Low impact as revenue comes from assets with low operational complexity and low counterparty risk with a mix of regulated income and power price exposure.
Energy centres	Low impact as lease structures are collateralised against assets and the counterparty is the public sector.
Fibre broadband	Low impact as installed network operated remotely with capacity to increase network growth already in place. Some construction projects suffered some delays in rolling-out new assets, however this is not expected to increase costs but will delay the planned roll out schedule.

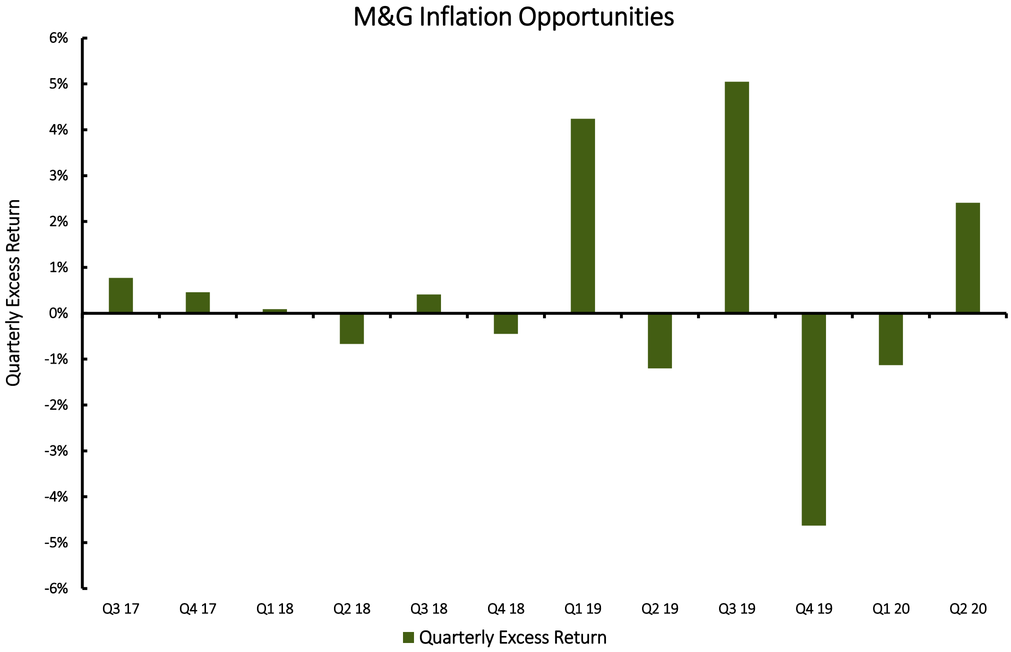
14 M&G – Inflation Opportunities

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 June 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	3.1	5.0	6.7	8.3
Benchmark / Target	0.7	3.6	4.9	5.0
Net Performance relative to Benchmark	2.4	1.5	1.8	3.3

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



Over the quarter to 30 June 2020, the Inflation Opportunities Fund delivered a return of 3.1% on a net of fees basis, outperforming its FTSE Index-Linked Gilts 5+ years benchmark by 2.4%. Over the year and three year periods to 30 June 2020, the strategy outperformed its benchmark by 1.5% and 1.8% p.a. respectively, delivering 5.0% and 6.7% in absolute terms on a net of fees basis.

Positive performance over the quarter was primarily driven by the strategy's ground rents exposure, despite providing the largest contribution to negative performance over the first quarter of 2020, alongside housing associations and local authorities. Ground rent assets are long dated in nature and sensitive to changes in credit spreads, as such these assets in particular realised significant gains in absolute value over the quarter synonymous with the tightening of spreads.

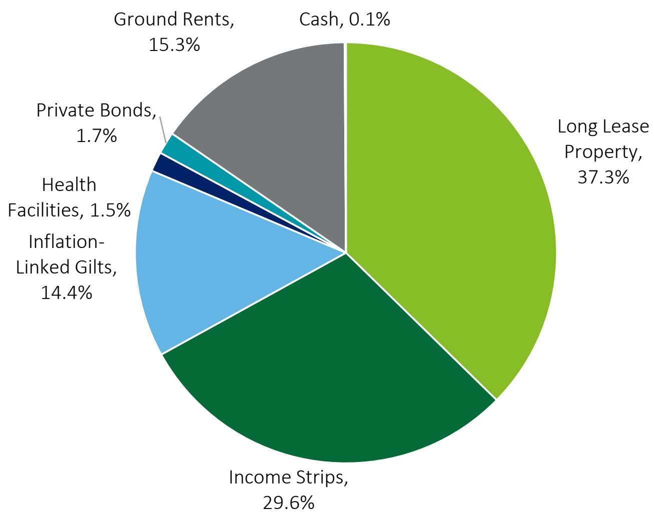
The strategy's long lease property and income strips assets provided negative contributions to performance over the quarter following headwinds faced by the underlying real estate occupiers given the economic and current lockdown restrictions, in particular the retail, leisure and hospitality sectors.

The strategy's long lease property exposure is held through the M&G Secured Property Income Fund (the "SPIF"). The SPIF has collected c. 82% of its Q2 2020 rent and expects the collection rate to remain at this level for Q3 2020. The hotel and leisure sectors in particular have been the most impacted by COVID-19. All three of the SPIF's leisure sector tenants have failed to pay rent for Q2 and Q3, meanwhile three of the SPIF's seven hotel tenants and one of its four student accommodation tenants have failed to pay rent either just for Q3, or over both Q2 and Q3. Active discussions are ongoing to ensure tenants have sufficient liquidity over the short term and to agree terms for the repayment of deferred rent (c. 10% of portfolio rent deferred). However, two tenants, Travelodge and Buzz Bingo (c. 8% of the portfolio), have entered a restructuring process with rent levels likely to be compromised.

The strategy's income strips exposure is held through the M&G Secured Lease Income Fund (the "SLIF"). The SLIF has collected c. 67% of Q2 rental income (c. 71% of total income), with c. 22% of rent deferred. M&G expects rent collection to be c. 78% over Q3 2020 once Marston's pays its rent monthly during the quarter, following the pubs' reopening on 4th July, and David Lloyd starts paying rent from August, with gyms and health clubs reopened on 25th July across much of the UK. M&G expects all rental deferrals to be repaid over 2020 or shortly after.

14.2 Asset allocation

The below chart shows the composition of the Inflation Opportunities Fund's portfolio as at 30 June 2020.



Source: M&G

Over the quarter, the Inflation Opportunities Fund's allocation to long lease property and income strips decreased, whilst inflation linked gilts and ground rents increased largely as a result of mark to market movements.

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 June 2020

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	0.3	4.7	6.9	7.0
Benchmark / Target	2.9	13.2	8.0	8.0
Net Performance relative to Benchmark	-2.6	-8.5	-1.1	-1.0

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

Over the quarter to 30 June 2020, the ASI Long Lease Property Fund delivered 0.3% on a net of fees basis, underperforming its FT British Government All Stocks Index benchmark by 2.6%.

The Long Lease Property Fund has outperformed the wider property market, as measured by the MSCI (formerly IPD Monthly) UK All Property Index, by 2.6% over the quarter on a net of fees basis. Outperformance relative to IPD can be attributed to the Fund's stronger tenant quality, with the impact of COVID-19 continuing to dominate the property market over the second quarter of 2020. Outperformance has also been driven by the portfolio's long, inflation-linked leases and the lack of any high street, shopping centre or retail warehouse exposure with these sectors particularly impacted by the COVID-19 outbreak.

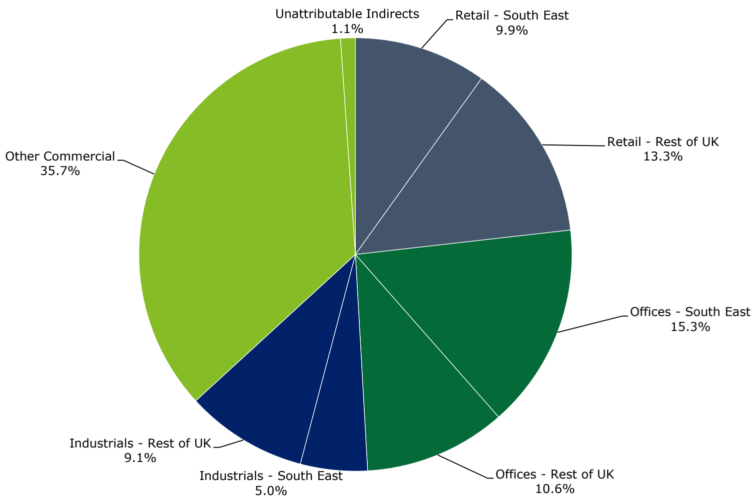
As a result of the continued lack of transactional activity, and therefore the lack of market evidence for external valuers, ASI stated that the "material uncertainty clause" remained in place regarding the valuation of the portfolio as at 30 June 2020. Following quarter end, ASI announced that the deferral of trading of the Long Lease Property Fund, alongside the "material uncertainty clause" relating to valuations, has been lifted with dealing returning to normal as at 3rd August 2020. This follows confirmation from the external valuers that there is sufficient market based evidence to provide accurate and reliable valuations for the strategy's assets.

As markets begin to return to a degree of normality, ASI expects long lease property to continue to outperform the wider market. Whilst ASI suspects the values of its higher quality assets may strengthen, the manager admits that those assets in the hospitality, leisure, pub and restaurant sectors are expected to realise a decline in values.

Rent collection has proved to be a challenge for landlords as a result of the COVID-19 outbreak. The Long Lease Property Fund has collected 92.2% of its rental income over the second quarter of 2020, with 3.8% subject to deferment arrangements and 3.8% of rent unpaid or subject to ongoing discussions with tenants. ASI has collected 89.7% of its Q3 2020 rent as at 8 September, with the proportion of the portfolio subject to deferment arrangements increasing to 6.1% and the proportion unpaid or subject to ongoing discussions with tenants increasing to 4.2%.

15.2 Portfolio Holdings

The sector allocation in the Long Lease Property Fund as at 30 June 2020 is shown in the graph below.



Over the quarter to 30 June 2020, the Fund's allocation to the office and retail sectors remained at 25.9% and 23.2% respectively. The allocations to industrials and other commercial properties decreased by 0.2% to 14.1% and increased by 0.2% to 35.7% respectively over the quarter.

Q2 and Q3 2020 rent collection, split by sector, as at 18 August 2020 is reflected in the table below:

Sector	Proportion of Fund (%)	Q2 2020 collection rate (%)	Q3 2020 collection rate (%)
Alternatives	6.1	99.2	100.0
Car Parks	3.7	100.0	100.0
Car Showrooms	2.9	100.0	79.6
Hotels	7.9	92.1	82.8
Industrial	15.0	100.0	90.1
Leisure	3.3	50.0	66.0
Public Houses	5.6	0.0	25.8
Offices	27.4	100.0	90.7
Student Accommodation	9.6	100.0	83.2
Supermarkets	18.5	100.0	99.7
Total	**100.0**	**89.6**	**81.0**

The leisure sector, primarily pubs and restaurants, has been impacted the most by the COVID-19 outbreak with assets with tenants subject to restrictions having limited trade.

As at 15 July 2020, six tenants have issued requests to ASI for rent deferment, representing 13.7% of Fund income:

- Marstons' plc, whose pubs had closed for trade but have now largely re-opened, has deferred its rent payments for Q2, to be repaid over the next 12 months. Q3 rent is to be paid monthly.

- Park Holidays, which has had holiday bookings cancelled, on park leisure facilities closed and parks only open to existing lodge and caravan owners, has had 50% of its rent deferred for Q2 to be repaid in Q4. Parks have since re-opened on a reduced service basis and Q3 rent is to be paid monthly.

- Caprice (The Ivy) has re-opened after previously being closed for trade. Rent deferment is being discussed.

- Z-hotels has re-opened, previously closed for trade. Rent has been deferred for Q2, to be repaid over the next 12 months.

- Merlin Attractions' Legoland park and hotel has now re-opened, following previous closure. Rent deferment is being discussed for Q3, having paid rent in full for Q2.

- Napier University, following concerns over the lack of summer trade as a result of no summer schools and the cancellation of the Edinburgh Fringe Festival, has deferred 50% of its Q3 rent.

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

Tenant	% Net Income	Credit Rating
Tesco	7.6	BBB
Whitbread	5.8	BBB
Sainsbury's	4.7	BB
Marston's	4.5	BB
Asda	3.9	BBB
Salford University	3.7	A
QVC	3.5	BB
Save the Children	3.5	BB
Lloyds Bank	3.4	AA
Poundland	3.4	B
Total	**44.0***	

*Total may not equal sum of values due to rounding

As at 30 June 2020, the top 10 tenants contributed 44.0% of the total net income of the Fund. Of which 16.2% 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 25.0 years as at 31 March to 24.7 years as at 30 June 2020. The proportion of income with fixed, CPI or RPI rental increases increased by 0.1% to 90.5% over the quarter. The progression of the UK Statistics Authority's announcement to reform RPI to bring it into line with CPIH is being monitored as, should this take place, this would reduce the Fund's long term rental income growth.

15.3 Sales and Purchases

Due to the impact of the UK lockdown, ASI has continued to see a significant reduction in market activity.

Due to the suspension of drawing funds, ASI currently had one sale and leaseback acquisition on hold. The Fund expects to complete this transaction once the investment restrictions are lifted.

Additionally, two pre-let funding hotel projects, equating to 3.5% of total Fund value, have had construction suspended in line with government advice. The Dalata hotel in Glasgow was due to complete in Summer 2021 and the Dalata hotel in Bristol was due to complete in Autumn 2021. Completion dates for both properties have now been delayed until Autumn 2021 and early 2022 respectively.

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
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	0.0%	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
Aberdeen Standard Investments	Multi Sector Private Credit	5.0%	3 Month Sterling LIBOR / ICE ML Sterling BBB Corporate Bond Index	08/04/2020
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.

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