Gloucestershire County Council Performance Report

Quarter ending 30 September 2024

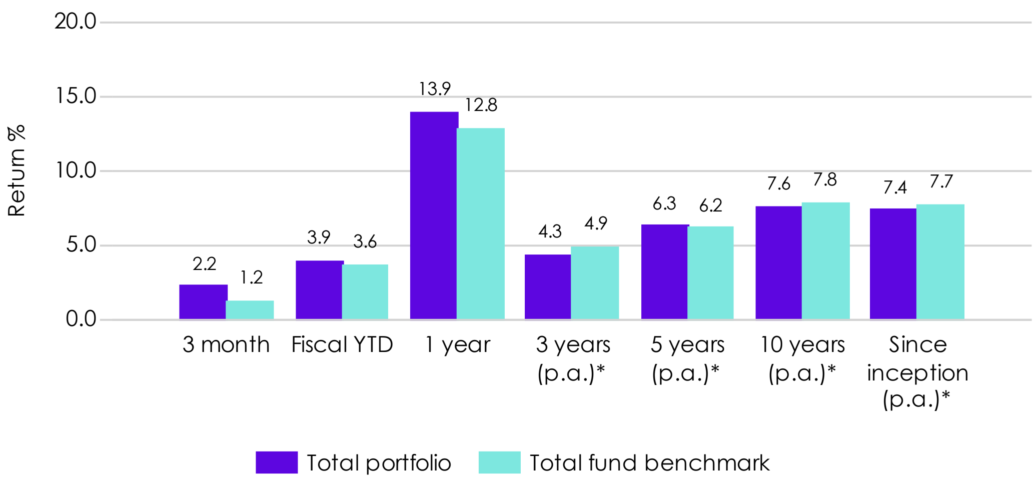
Gloucestershire Pension Fund

Brunel Pension Partnership

Contents

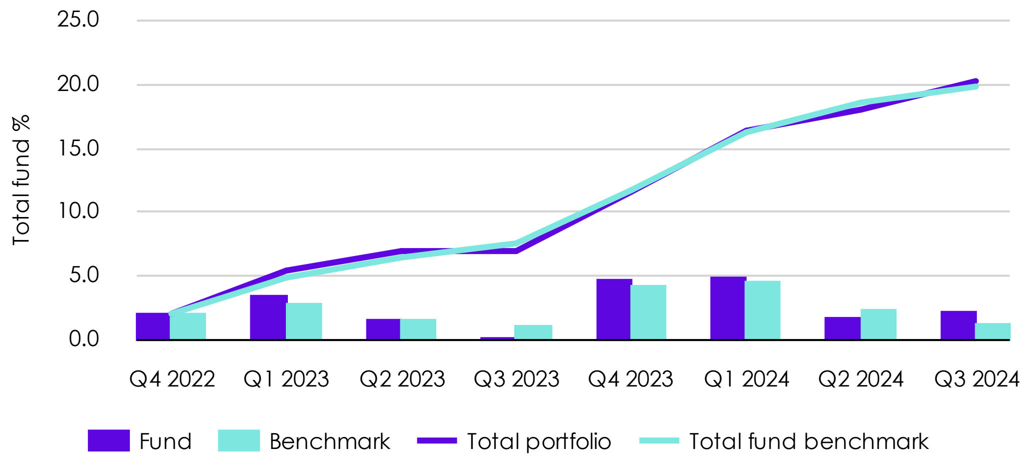
Pension Fund performance

Performance (annualised)



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

Quarterly performance



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

Key events

The third quarter of 2024 was another positive one for most financial assets. It is worth noting, though, that the quarterly rise in equities masked significant volatility. Nvidia, for example, fell more than 20%, twice, before rallying back. Emerging markets, and China in particular, rallied strongly following the announcement of the first phase of a government stimulus package. Recession fears, caused by weaker employment data, continues to periodically undermine confidence, whilst rate cuts are helping. The Fed cut 50bps, the first reduction in more than four years. The European Central Bank and the Bank of England also cut, albeit by only 25bps. Sterling had a good quarter, undermining unhedged returns.

The total fund was up 2.2% during the quarter, ahead of the 1.2% rise in the benchmark. Over the last year, the fund grew 13.9% vs the benchmark return of 12.8%.

Brunel's listed portfolios generally saw positive absolute performance in the quarter, reflecting the sturdy backdrop for assets.

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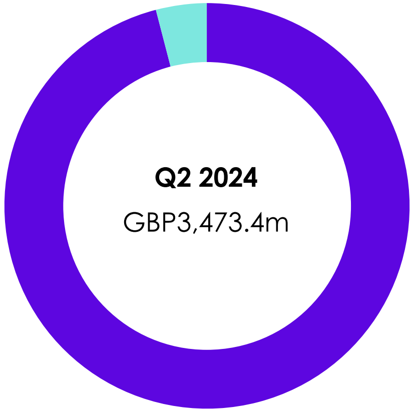
Asset summary

Assets transitioned to Brunel

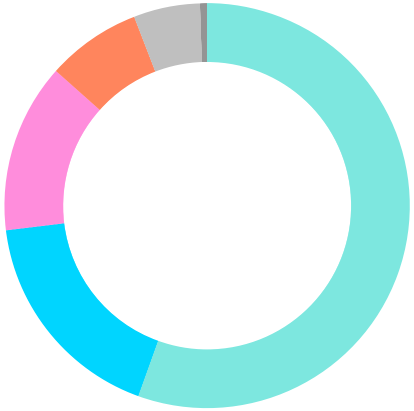
Transitioned	95.70%
Legacy assets	4.30%



Transitioned	95.93%
Legacy assets	4.07%

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

Asset allocation breakdown



Key:

Equities	55.51%
Fixed income	17.54%
Private markets	13.55%
Property	7.53%
Other	5.33%
Cash	0.55%

Source: State Street Global Services. Net of all fees.
Data includes legacy assets

Overview of assets

Detailed asset allocation

Equities	£1,973.33m	55.51%
Global High Alpha Equities	£497.60m	14.00%
Global Sustainable Equities	£448.95m	12.63%
UK Active Equities	£425.50m	11.97%
PAB Passive Global Equities	£388.00m	10.91%
Emerging Markets Equities	£213.29m	6.00%

Fixed income	£623.60m	17.54%
Sterling Corporate Bonds	£365.00m	10.27%
Multi-Asset Credit	£258.60m	7.27%

Private markets (incl. property)	£749.28m	21.08%
UK Property	£209.78m	5.90%
Private Debt Cycle 2	£92.72m	2.61%
International Property	£57.85m	1.63%
Infrastructure (General) Cycle 2	£56.57m	1.59%
Infrastructure (Renewables) Cycle 2	£47.33m	1.33%
Private Equity Cycle 2	£46.17m	1.30%
Infrastructure Cycle 1	£43.63m	1.23%
Private Equity Cycle 1	£40.54m	1.14%
Private Debt Cycle 3	£12.64m	0.36%
Infrastructure Cycle 3	£7.09m	0.20%
Private Equity Cycle 3	£1.44m	0.04%
Legacy Assets	£133.54m	3.76%

Other	£189.41m	5.33%
Diversifying Returns Fund	£180.27m	5.07%
Blackrock Risk Management	£9.14m	0.26%

Cash not included

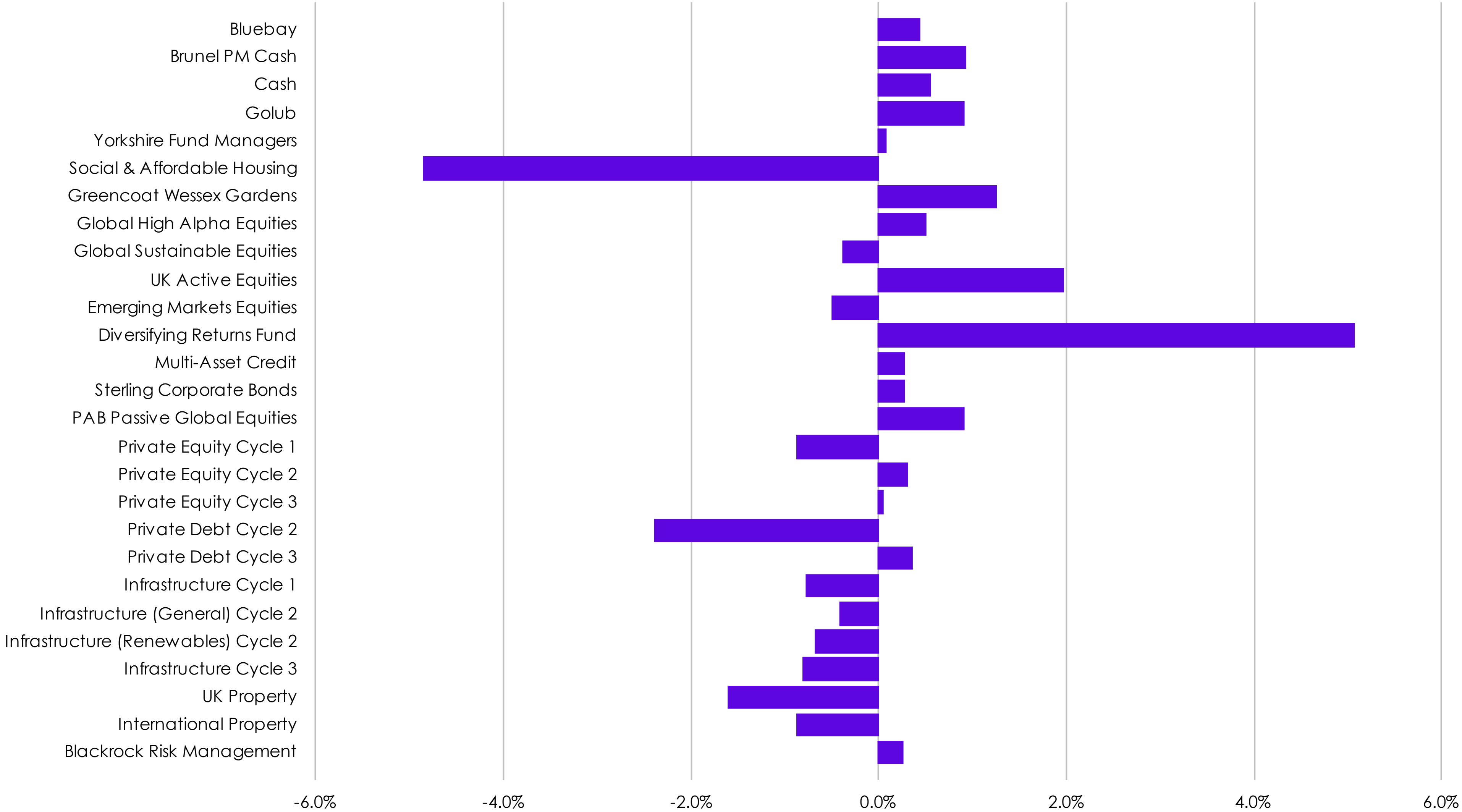
Overview of assets

Top 10 Equity Holdings at Pension Fund

ISIN	Security Name	Sector	Sub-sector	Country	Market Value (£)	% of Pension fund	ESG Score
US5949181045	MICROSOFT CORP	Information Technology	Systems Software	UNITED STATES	59,223,841.97	1.67%	14.23
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	45,767,018.42	1.29%	29.01
GB00B10RZP78	UNILEVER PLC	Consumer Staples	Personal Care Products	UNITED KINGDOM	29,413,271.62	0.83%	21.15
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	29,024,883.72	0.82%	13.17
GB0009895292	ASTRAZENECA PLC	Health Care	Pharmaceuticals	UNITED KINGDOM	28,981,299.85	0.82%	21.49
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	27,885,371.72	0.78%	15.59
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	24,562,711.20	0.69%	23.89
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	24,514,161.81	0.69%	16.79
US8740391003	TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	Semiconductors	TAIWAN	21,816,348.67	0.61%	13.48
TW0002330008	TAIWAN SEMICONDUCTOR	Information Technology	Semiconductors	TAIWAN	21,246,654.56	0.60%	13.48

Table excludes cash and legacy assets. This is an estimated aggregate position using Brunel Portfolios.

Strategic asset allocation



Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Bluebay	15,437	0.4%	-	0.4%	1.5%	0.0%
Brunel PM Cash	32,987	0.9%	-	0.9%	2.3%	0.0%
Cash	19,434	0.5%	-	0.5%	-0.0%	-0.0%
Golub	32,616	0.9%	-	0.9%	-4.1%	-0.0%
Yorkshire Fund Managers	2,630	0.1%	-	0.1%	1.4%	0.0%
Social & Affordable Housing	5,357	0.2%	5.00%	-4.8%	-0.8%	-0.0%
Greencoat Wessex Gardens	44,513	1.3%	-	1.3%	6.0%	0.1%
Global High Alpha Equities	497,597	14.0%	13.50%	0.5%	-0.5%	-0.1%
Global Sustainable Equities	448,945	12.6%	13.00%	-0.4%	0.0%	0.0%
UK Active Equities	425,498	12.0%	10.00%	2.0%	4.1%	0.5%
Emerging Markets Equities	213,289	6.0%	6.50%	-0.5%	2.6%	0.1%
Diversifying Returns Fund	180,269	5.1%	-	5.1%	1.7%	0.1%
Multi-Asset Credit	258,602	7.3%	7.00%	0.3%	3.9%	0.3%
Sterling Corporate Bonds	365,000	10.3%	10.00%	0.3%	2.7%	0.3%
PAB Passive Global Equities	388,003	10.9%	10.00%	0.9%	0.4%	0.0%
Private Equity Cycle 1	40,539	1.1%	2.00%	-0.9%	N/M	N/M

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Private Equity Cycle 2	46,169	1.3%	1.00%	0.3%	N/M	N/M
Private Equity Cycle 3	1,444	0.0%	-	0.0%	N/M	N/M
Private Debt Cycle 2	92,717	2.6%	5.00%	-2.4%	N/M	N/M
Private Debt Cycle 3	12,637	0.4%	-	0.4%	N/M	N/M
Infrastructure Cycle 1	43,625	1.2%	2.00%	-0.8%	N/M	N/M
Infrastructure (General) Cycle 2	56,565	1.6%	2.00%	-0.4%	N/M	N/M
Infrastructure (Renewables) Cycle 2	47,330	1.3%	2.00%	-0.7%	N/M	N/M
Infrastructure Cycle 3	7,087	0.2%	1.00%	-0.8%	N/M	N/M
UK Property	209,778	5.9%	7.50%	-1.6%	N/M	N/M
International Property	57,846	1.6%	2.50%	-0.9%	N/M	N/M
Blackrock Risk Management	9,137	0.3%	-	0.3%	-2,129,339.4%	0.8%

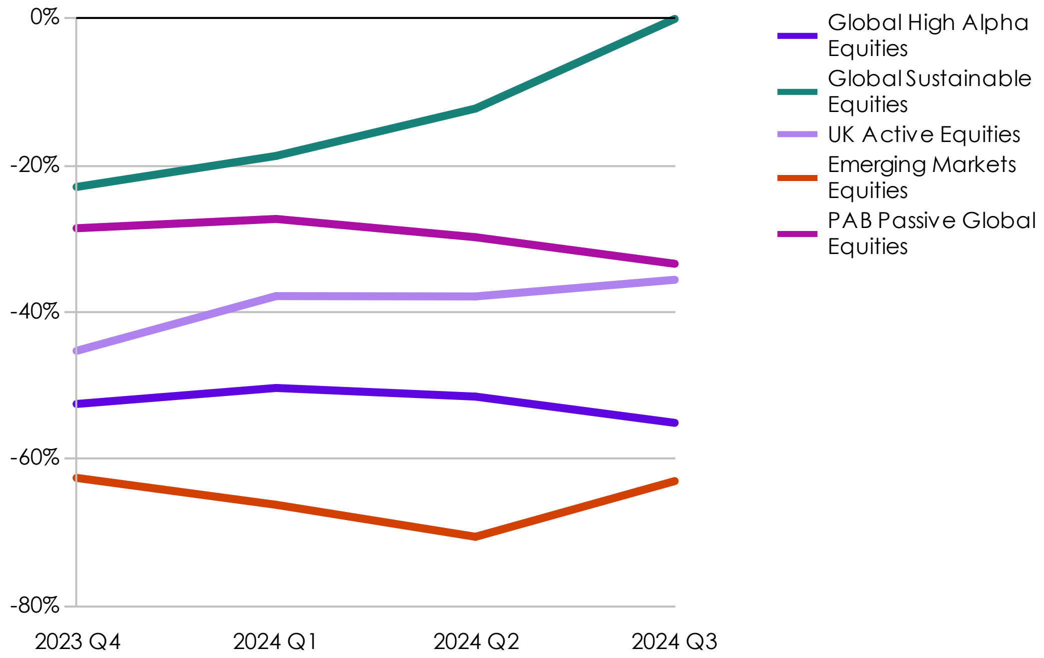
Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q2	2024 Q3	2024 Q2	2024 Q3	2024 Q2	2024 Q3
Global High Alpha Equities	**77**	**62**	**1.3**	**1.0**	**2.4**	**1.8**
MSCI World*	158	137	4.2	3.5	7.9	8.0
Global Sustainable Equities	**178**	**172**	**1.9**	**1.6**	**5.4**	**8.2**
MSCI ACWI*	203	172	4.2	3.5	8.0	8.0
UK Active Equities	**82**	**68**	**6.4**	**5.3**	**11.1**	**10.3**
FTSE All Share ex Inv Tr*	132	105	7.0	6.3	18.9	17.3
Emerging Markets Equities	**175**	**175**	**2.0**	**1.6**	**4.5**	**3.9**
MSCI Emerging Markets*	596	474	6.1	6.1	8.4	7.9
PAB Passive Global Equities	**117**	**94**	**1.1**	**1.0**	**3.2**	**3.6**
FTSE Dev World TR UKPD*	166	141	4.0	3.3	8.4	8.3
Passive Developed Equities (Hedged)	**161**	**139**	**3.5**	**3.1**	**8.1**	**8.3**

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

Weighted Average Carbon Intensity relative to benchmark



Stewardship reporting links

Engagement records
www.brunelpensionpartnership.org/stewardship/engagement-records/
Holdings records
www.brunelpensionpartnership.org/stewardship/holdings-records/
Voting records
www.brunelpensionpartnership.org/stewardship/voting-records/

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Equities				
Global High Alpha Equities	6.0%	13.0%	9.8%	11.4%
Global Sustainable Equities	2.3%	13.7%	8.8%	10.9%
UK Active Equities	7.1%	11.9%	8.0%	11.1%
Emerging Markets Equities	-1.1%	13.5%	1.0%	13.4%
Fixed income				
Multi-Asset Credit	3.7%	6.3%	7.5%	0.6%
Sterling Corporate Bonds	-1.9%	9.4%	-2.9%	9.1%
Other				
Diversifying Returns Fund	3.2%	4.0%	6.4%	0.6%
Private markets (incl. property)				
Private Equity Cycle 1	7.8%	8.9%	8.8%	10.9%
Private Equity Cycle 2	1.3%	11.8%	8.8%	10.9%
Private Debt Cycle 2	10.8%	10.5%	7.5%	0.6%
Infrastructure Cycle 1	9.4%	4.2%	6.1%	2.2%

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Private markets (incl. property)				
Infrastructure (General) Cycle 2	7.5%	5.4%	6.1%	2.2%
Infrastructure (Renewables) Cycle 2	7.2%	7.2%	6.1%	2.2%
UK Property	-1.6%	6.8%	-0.9%	9.9%
International Property**	-0.4%	9.4%	1.3%	6.7%

**Performance data shown up to 30 June 2024

Risk and return summary

Legacy manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Bluebay	5.9%	4.3%	8.5%	0.6%
Brunel PM Cash	8.0%	-	-	-
Cash	-0.0%	-	-	-
Golub	11.2%	8.6%	8.5%	0.6%
Yorkshire Fund Managers	-10.4%	-	-	-
Gloucestershire County Council	4.3%	7.6%	4.9%	7.2%

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Equities (55.51%)			**1,973.33**									
Global High Alpha Equities	MSCI World	+2-3%	497.60	-0.5%	-0.9%	17.3%	-3.8%	6.0%	-3.8%	12.5%	0.5%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	448.95	-	-0.6%	17.4%	-3.0%	2.3%	-6.5%	7.1%	-5.0%	30 Sep 2020
UK Active Equities	FTSE All Share ex Inv Tr	+2%	425.50	4.1%	1.7%	16.7%	3.4%	7.1%	-1.0%	6.3%	-0.4%	21 Nov 2018
Emerging Markets Equities	MSCI Emerging Markets	+2-3%	213.29	2.6%	-	15.5%	0.3%	-1.1%	-2.1%	2.7%	-1.6%	09 Oct 2019
PAB Passive Global Equities	FTSE Dev World PAB	Match	388.00	0.4%	-	18.6%	-0.1%	-	-	10.3%	-0.1%	25 Jan 2022
Fixed income (17.54%)			**623.60**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	258.60	3.9%	1.5%	14.0%	4.5%	3.7%	-3.7%	3.6%	-3.5%	01 Jun 2021
Sterling Corporate Bonds	iBoxx Sterling Non Gilt x	+1%	365.00	2.7%	0.4%	12.1%	2.4%	-1.9%	1.0%	-2.0%	1.0%	02 Jul 2021
Private markets (incl. property) (17.32%)			**615.74**									
Private Equity Cycle 1	MSCI ACWI	+3%	40.54	N/M	N/M	-2.9%	-23.3%	7.8%	-1.0%	11.0%	-1.1%	26 Mar 2019
Private Equity Cycle 2	MSCI ACWI	+3%	46.17	N/M	N/M	-1.5%	-22.0%	1.3%	-7.5%	2.3%	-8.2%	05 Jan 2021
Private Equity Cycle 3	MSCI ACWI	+3%	1.44	N/M	N/M	-4.1%	-24.5%	-	-	-3.8%	-21.2%	28 Apr 2023
Private Debt Cycle 2	SONIA	+4%	92.72	N/M	N/M	7.6%	-1.9%	10.8%	3.3%	10.8%	3.4%	17 Sep 2021
Private Debt Cycle 3	SONIA	+4%	12.64	N/M	N/M	11.9%	2.4%	-	-	11.7%	2.6%	20 Dec 2022
Infrastructure Cycle 1	CPI	+4%	43.63	N/M	N/M	7.6%	6.0%	9.4%	3.3%	8.2%	4.2%	02 Jan 2019

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Private markets (incl. property) (17.32%)			**615.74**									
Infrastructure (General) Cycle 2	CPI	+4%	56.57	N/M	N/M	7.8%	6.1%	7.5%	1.4%	7.2%	1.8%	19 Oct 2020
Infrastructure (Renewables) Cycle 2	CPI	+4%	47.33	N/M	N/M	3.9%	2.3%	7.2%	1.1%	6.7%	1.3%	12 Oct 2020
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	7.09	N/M	N/M	6.4%	4.8%	-	-	2.3%	-1.9%	13 Oct 2022
UK Property	MSCI/AREF UK	+0.5%	209.78	N/M	N/M	-2.6%	-4.6%	-1.6%	-0.7%	0.9%	-0.3%	01 Apr 2020
International Property**	GREFI	+0.5%	57.85	N/M	N/M	-6.4%	-0.4%	-0.4%	-1.7%	-0.7%	-3.1%	01 Apr 2020
Other (5.07%)			**180.27**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	180.27	1.7%	-0.3%	8.9%	0.5%	3.2%	-3.2%	3.8%	-1.6%	27 Jul 2020
Total Brunel assets (excl. cash) (95.44%)			**3,392.94**									

*Since initial investment
**Performance data shown up to 30 June 2024
+ Excess to benchmark, may not include outperformance
Private Markets 3 month performance is not material. Private Markets interim period performance is calculated using NAVs provided on business day 8. Later revisions to these NAVs are not captured in the calculations so please use caution when using this data.
Table above excludes Blackrock Risk Management

Portfolio overview

Legacy assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Private markets (incl. property) (3.76%)			**133.54**							
Bluebay	15.44	1.5%	-1.1%	8.1%	-2.4%	5.9%	-2.6%	6.7%	-0.1%	01 Aug 2017
Brunel PM Cash	32.99	2.3%	2.3%	13.9%	13.9%	8.0%	8.0%	4.9%	-	14 Dec 2018
Golub	32.62	-4.1%	-6.6%	2.5%	-8.0%	11.2%	2.7%	9.1%	2.3%	01 Jul 2017
Yorkshire Fund Managers	2.63	1.4%	1.4%	-11.3%	-11.3%	-10.4%	-10.4%	-	-	01 Oct 2017
Social & Affordable Housing	5.36	-0.8%	-1.9%	-	-	-	-	-0.8%	-2.0%	20 Jun 2024
Greencoat Wessex Gardens	44.51	6.0%	6.0%	-	-	-	-	5.7%	3.7%	12 Feb 2024
Other (0.55%)			**19.43**							
Cash	19.43	-	-	-0.1%	-0.1%	-	-	-	-	01 Oct 2017
Total legacy assets (excl. cash) (4.30%)	**152.97**									

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

Chief Investment Officer commentary

The third quarter of 2024 was another positive one for most financial assets. However, if overseas assets were left unhedged, the strength of sterling, notably against the US dollar, undid most of those hard-won gains. Worthy of note is that the quarterly rise in equities masked more significant volatility than has been seen for a while, both at the index level and within the underlying constituents. As an example, the S&P 500 fell (from peak to trough) by close to 9%.

Nvidia fell more than 20%, twice, rallying back strongly after both drops. The rest of the so-called Magnificent Seven were also much less magnificent over the quarter, albeit Apple and Meta outperformed handsomely.

Emerging markets, and China in particular, rallied very strongly and appreciated by more than 20%, thereby meeting the technical definition of a “bull market”. The catalyst was the announcement of the first phase of a new government stimulus package. Whilst these measures have been put in place before, it was the co-ordinated nature of the announcement and the anticipation of further measures which gave the market comfort that Beijing is ready and able to support the Chinese economy.

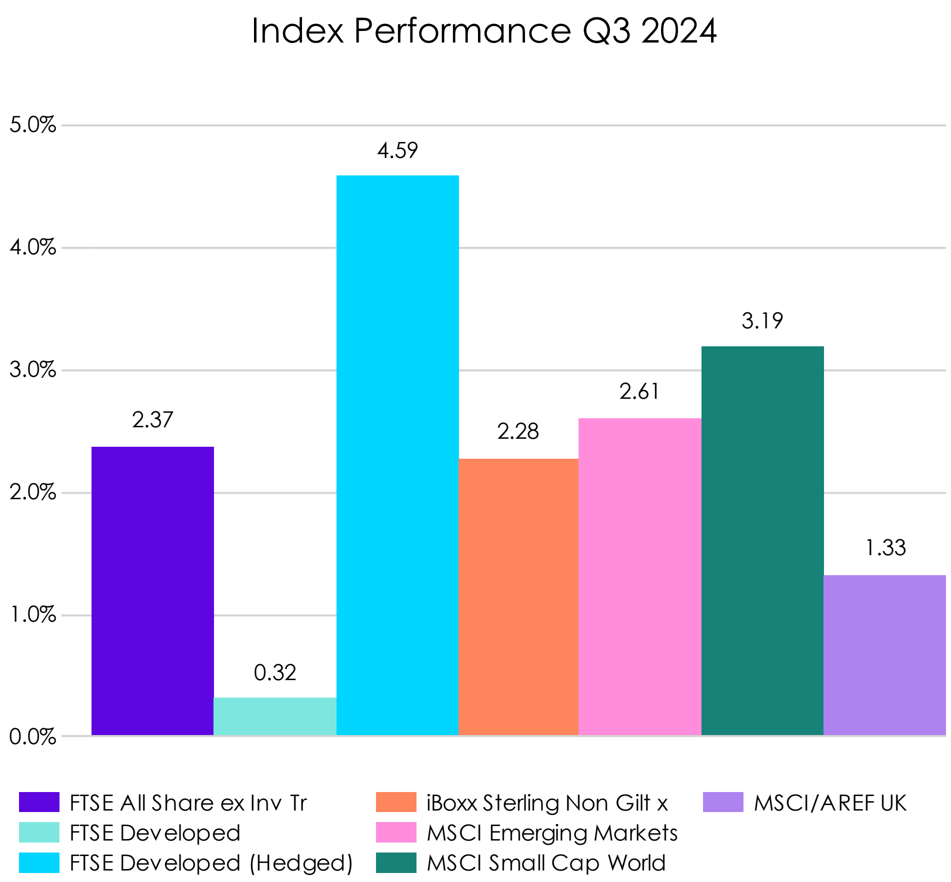
The turbulence experienced by investors can be hung on three main developments; firstly, a collective fear that following weaker employment data, which showed a large slowing in jobs added and a higher level of unemployment, that a recession hitherto dismissed may indeed be increasingly likely. Secondly, there was a dawning realisation that the significant amounts being spent on AI might not have as quick a payback as was perhaps required to justify recent share price appreciation. Thirdly, and as a result of the first development, investors took the Fed’s first rate cut in more than four years to be the start of a long-anticipated interest rate cutting cycle by the Federal Reserve (FED). The FED began with a 50bp cut and in the accompanying statement made it clear that they have limited tolerance for further economic weakening. This spurred the broad market higher but specifically interest rate sensitive sectors such as property and small cap stocks. However, to some it raised the spectre that the central banks may be “behind the curve”, a view given credibility by a data release that showed a significant decline in consumer confidence.

In Europe, both the Bank of England and European Central Bank also delivered rate cuts of 25bp. The narrative of the FED pushed Government bond prices higher. The US Treasury market was the standout performer. UK government bonds, whilst still up over 2%, lagged, primarily due to a perception that UK wage inflation would be sticky. Credit also performed well, and spreads continued to nudge lower, increasing the gains already seen this year in sub investment grade debt.

Property, which has been firmly in the cross currents of macro-economic developments over the last few years, has begun to see tentative shoots of recovery. Indeed, over the quarter Investment activity hit £12.3 billion, the strongest in nearly two years. Investment yields appeared to be stabilising, driven by a more benign inflation outlook and stable borrowing rates. Mild compression is expected in almost all sectors by the end of the year, but economic growth is likely to be to the key as this drives tenant demand.

The broader outlook remains finely balanced with a question mark over whether the FED has indeed managed to control inflation without engineering a destructive recession. It is therefore important to note the increasing rhetoric from Trump about his intentions and views with regards to the Federal Reserve and its independence. Whilst I’ve learnt not to predict elections, I’m sure next quarter’s commentary will major on the ramifications of the US election on 5 November.

Chief Investment Officer commentary



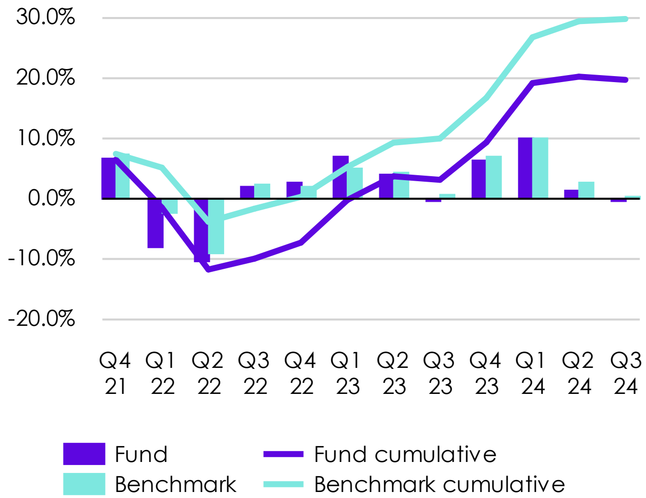
Source: State Street

Global High Alpha Equities

Launch date
6 December 2019
Investment strategy & key drivers
High conviction, unconstrained global equity portfolio
Liquidity
Managed
Benchmark
MSCI World
Outperformance target
+2-3%
Total fund value
£4,394m
Risk profile
High

Gloucestershire's Holding:
GBP498m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	-0.5	17.3	6.0	13.0
MSCI World	0.3	21.1	9.8	12.6
Excess	-0.9	-3.8	-3.8	0.5

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

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 0.3% in GBP terms over the quarter. Equity markets suffered a short-lived sell-off in July, followed by a recovery supported by the cut in US interest rates. In a significant contrast to the preceding quarters, markets experienced a rotation away from the small number of names that have driven index returns, and performance was more broad-based, albeit at a lower absolute level in aggregate. Broad style indices showed Value outperformed significantly, whilst both Quality and Growth underperformed the broad index.

The portfolio returned -0.5%, underperforming the index by 0.9%, as stock selection was unable to offset the headwind from the portfolio's tilt to Growth and Quality.

Sector attribution showed selection as the main driver of underperformance. Selection was particularly weak in the Consumer Staples sector, where an overweight holding in Dollar General (the largest discount retailer in the US) was the largest detractor, as the company reported weaker sales growth driven by macro headwinds affecting their customer base. Sector allocation was marginally negative, as the benefit of being underweight Energy (the poorest-performing sector) was more than offset by the negative impact of not holding Utilities (the best-performing sector). Two other large detractors (alongside Dollar General) were overweight holdings in ASML (a semi-conductor equipment manufacturer) and Novo Nordisk (a provider of diabetes and obesity treatments). Both holdings delivered strong returns over recent quarters and were impacted in Q3 by the market rotation, which in the latter case was exacerbated by potential side effects of its GLP1 drugs and competition concerns around US pricing.

Manager performance varied over the quarter. Harris outperformed the benchmark by 2%, benefiting from an environment in which its Value style was rewarded. Harris's underweight to the IT sector (a result of that sector being more expensive) contributed 1% to relative performance. Strong selection in the Health Care sector also drove relative returns. Disappointingly, the four other managers all underperformed the benchmark, as they failed to overcome the headwind of not having as much exposure to Value.

From inception to quarter-end, the portfolio outperformed the benchmark by 0.5% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	**6.05**	**4.34**	**30,104,390**
AMAZON.COM INC	**4.14**	**2.49**	**20,597,211**
TAIWAN SEMICONDUCTOR	**2.94**	**-**	**14,616,499**
MASTERCARD INC	**2.88**	**0.59**	**14,332,621**
ALPHABET INC	**2.80**	**2.60**	**13,942,256**

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	**2.94**	**-**
MASTERCARD INC	**2.88**	**0.59**
MICROSOFT CORP	**6.05**	**4.34**
AMAZON.COM INC	**4.14**	**2.49**
UNITEDHEALTH GROUP INC	**2.36**	**0.77**

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	**0.99**	**4.85**
NVIDIA CORP	**2.13**	**4.27**
META PLATFORMS INC	**-**	**1.79**
BROADCOM INC	**-**	**1.09**
BERKSHIRE HATHAWAY INC	**-**	**0.87**

Largest contributors to ESG risk

	ESG risk score* Q2 2024	ESG risk score* Q3 2024
AMAZON.COM INC	**29.32**	**29.01**
MICROSOFT CORP	**14.18**	**14.23**
ALPHABET INC-CL A	**24.81**	**23.89**
MASTERCARD INC - A	**15.59**	**15.59**
TAIWAN SEMICONDUCTOR-SP	**13.48**	**13.48**

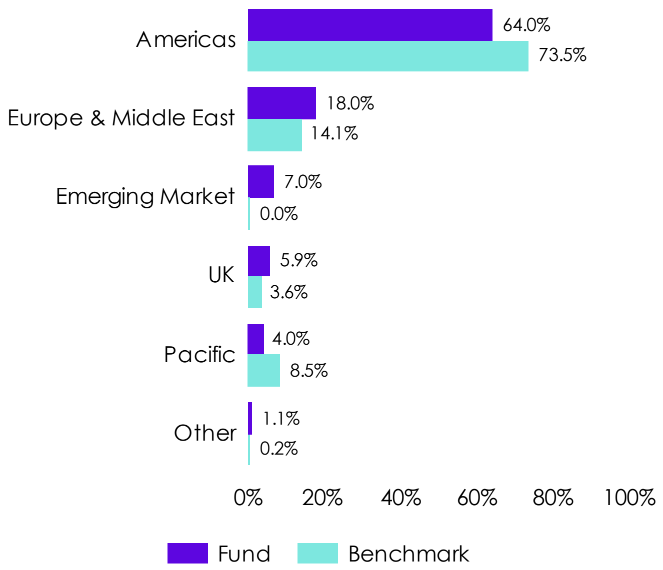
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

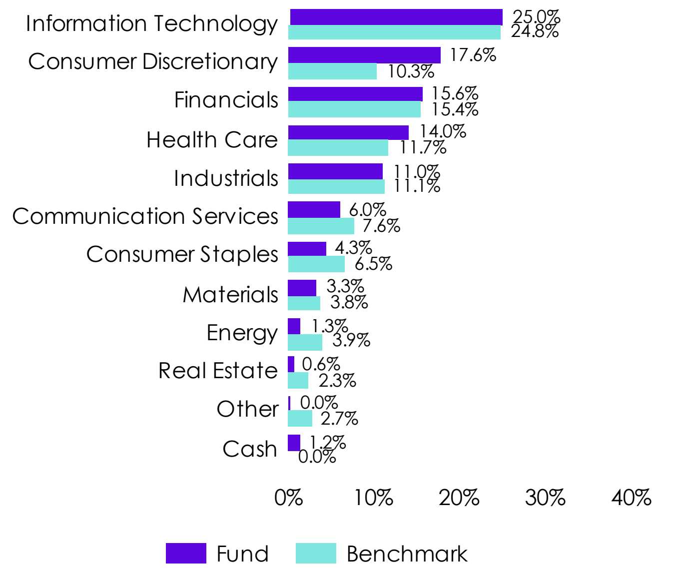
Portfolio	WACI 2024 Q2	WACI 2024 Q3	Total Extractive Exposure[1] 2024 Q2	Total Extractive Exposure[1] 2024 Q3	Extractive Industries (VOH)[2] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q3
Global High Alpha	**77**	**62**	1.25	1.01	2.42	1.84
MSCI World*	**158**	**137**	4.16	3.48	7.90	8.03

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

Regional exposure



Sector exposure



Global Sustainable Equities

Launch date
20 October 2020

Investment strategy & key drivers
Global equity exposure concentrating on ESG factors

Liquidity
Managed

Benchmark
MSCI ACWI

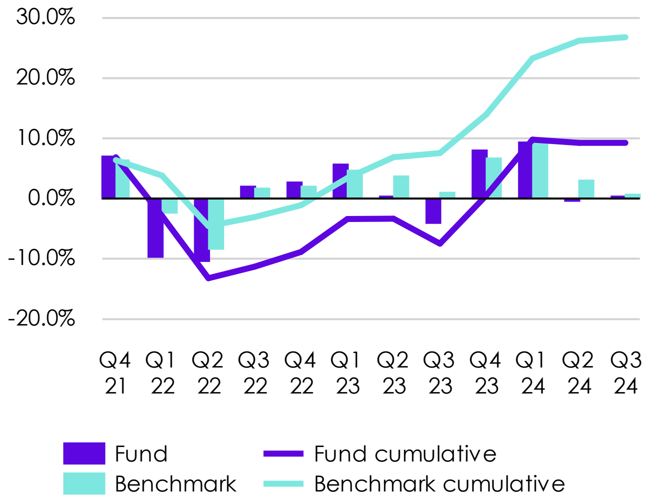
Outperformance target
+2%

Total fund value
£3,767m

Risk profile
High

Gloucestershire's Holding:
GBP449m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	0.0	17.4	2.3	6.7
MSCI ACWI	0.6	20.4	8.8	11.8
Excess	-0.6	-3.0	-6.5	-5.0

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

Performance commentary

The portfolio returned 0% net of fees over Q3 2024, marginally behind the MSCI ACWI return of 0.6%. Over the first three quarters of 2024, the fund returned 8.7% relative to the MSCI ACWI return of 13.1%. On a 1-year basis (to quarter-end), the fund returned 17.4%, whilst the ACWI returned 20.4%.

The end of Q1 brought to a close an incredibly volatile three months for the global equity market. At one point in early August, the MSCI ACWI was down 5.7% for the quarter. The decline first started in late July with disappointing earnings results for some notable large cap companies. This decline was then compounded in early August, as the release of several economic signals brought recessionary fears to the forefront, the market falling 4.9% in two days. Over this period, the portfolio provided a significant level of outperformance, as it has a natural underweight to the very large tech positions which dictate much of the market's performance (and were a large contributor to the market's decline over the period). However, the market later rallied on the back of a US rate cut and renewed investor sentiment for big tech names, eventually ending the quarter relatively flat at 0.6%.

As per the above, the GSE fund ended the quarter flat in an absolute sense and marginally behind in a relative sense. However, over this short period, we did see a significant level of outperformance when big tech sold off and there was a small amount of de-concentration. If we were to see these conditions again in the future, we can expect to see some outperformance from the GSE fund.

Given the volatility over the quarter, the best performing parts of the market were Small Cap/Value/Defensive parts, which favoured sectors such as Financials, Materials and Utilities. The fund's positioning in these sectors added relative Value above the benchmark. The worst-performing sector was Energy, which returned -7.6%. As would be expected, the Sustainable Equity portfolio has no exposure to this sector, which also added relative value.

At the time of writing, 75 peers have reported their numbers, and we are pleased that the portfolio outperformed the median and sits comfortably within the 2nd quartile for the quarter-to-date, year-to-date and 1-year periods. At a manager level, Jupiter provided significant relative outperformance through its defensive allocation.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	2.84	3.88	12,750,274
MASTERCARD INC	2.53	0.52	11,343,952
TAIWAN SEMICONDUCTOR	2.11	0.95	9,463,769
NVIDIA CORP	1.99	3.82	8,939,311
WASTE MANAGEMENT INC	1.80	0.11	8,077,201

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MASTERCARD INC	2.53	0.52
WASTE MANAGEMENT INC	1.80	0.11
AMERICAN WATER WORKS CO INC	1.44	0.04
ASML HOLDING NV	1.79	0.43
ACCENTURE PLC	1.63	0.28

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	4.34
ALPHABET INC	-	2.33
NVIDIA CORP	1.99	3.82
META PLATFORMS INC	-	1.60
AMAZON.COM INC	1.16	2.23

Largest contributors to ESG risk

	ESG risk score* Q2 2024	ESG risk score* Q3 2024
MICROSOFT CORP	14.18	14.23
MASTERCARD INC - A	15.59	15.59
WASTE MANAGEMENT INC	18.83	18.83
AMAZON.COM INC	29.32	29.01
ECOLAB INC	23.86	23.86

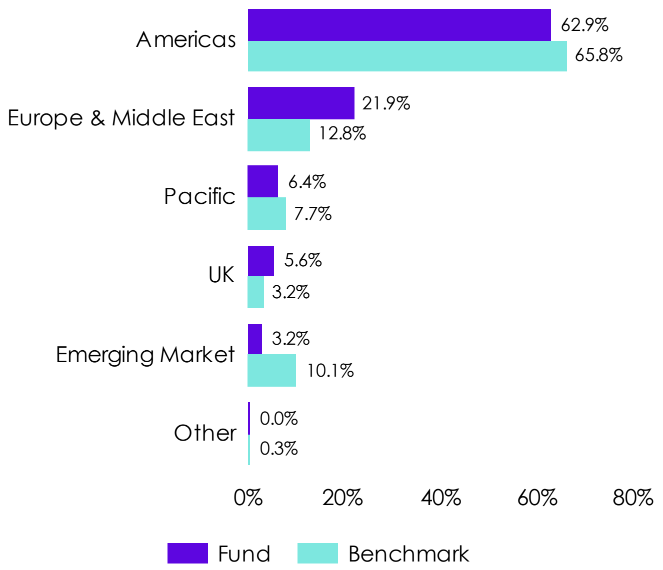
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

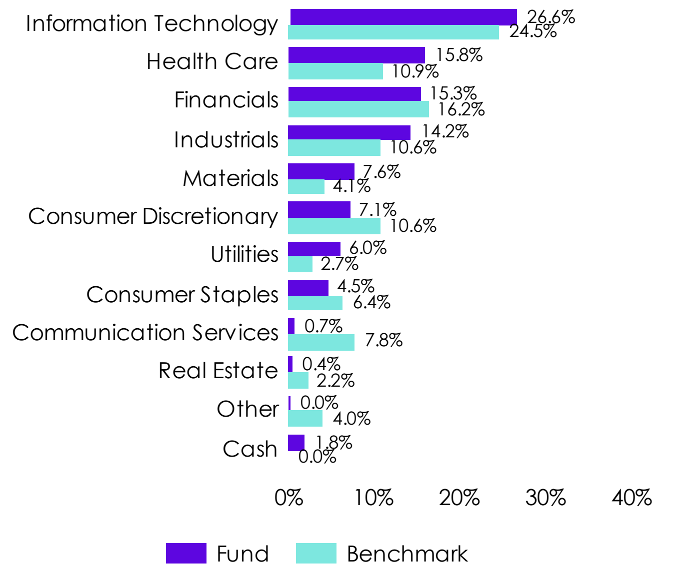
Portfolio	WACI 2024 Q2	WACI 2024 Q3	Total Extractive Exposure[1] 2024 Q2	Total Extractive Exposure[1] 2024 Q3	Extractive Industries (VOH)[2] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q3
Global Sustainable	**178**	**172**	1.89	1.59	5.36	8.19
MSCI ACWI*	**203**	**172**	4.20	3.53	7.95	8.01

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

Regional exposure



Sector exposure



UK Active Equities

Launch date
1 December 2018

Investment strategy & key drivers
Active stock and sector exposure to UK equity markets

Liquidity
Managed

Benchmark
FTSE All Share ex Inv Tr

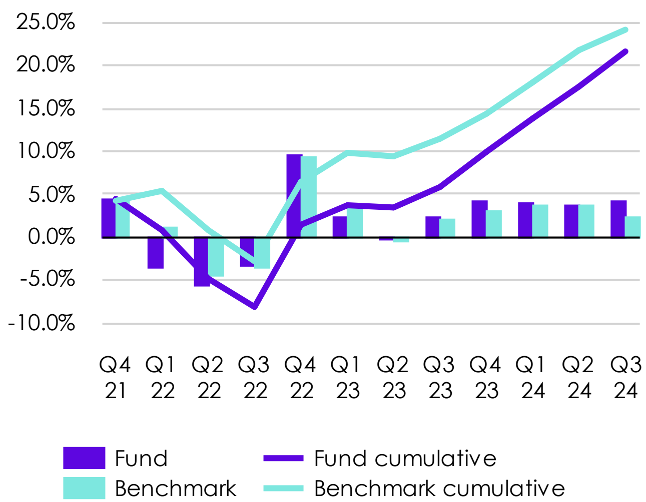
Outperformance target
+2%

Total fund value
£1,389m

Risk profile
High

Gloucestershire's Holding:
GBP425m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.1	16.7	7.0	6.2
FTSE All Share ex Inv Tr	2.4	13.3	8.0	6.7
Excess	1.7	3.4	-1.0	-0.5

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

Performance commentary

Over Q3 the FTSE All-Share Index excluding Investment Trusts returned 2.4%, outperforming the developed market index (MSCI World) for the second quarter in a row - this time by 2.1% in GBP terms. Outperformance partly reflected the UK's higher allocation to Consumer Staples and relative strength in the sector versus peers this quarter, as well as a lower exposure to Technology which performed weakly. This is despite the large allocation to the Energy sector within the UK negatively impacting index returns. FTSE 250 beat FTSE 100 in the quarter, and factor returns showed that Size (small) was the strong outperformer, whilst Value and Quality detracted.

The portfolio returned 4.1% during the period, outperforming the benchmark by 1.7%, continuing the trend of now six successive quarters of performance at or above benchmark.

Sector attribution showed a positive impact from allocation, driven almost entirely by the underweight to the Energy sector which was by far the poorest performing sector as oil companies faced excess capacity and weak demand in key markets. Selection was also positive overall, with strongest selection in the Financials sector, where overweight holdings in Just Group (retirement income products and services) and St James's Place (wealth manager) were the largest contributors. The underweight in Shell had the largest single name relative impact on the Fund, contributing 0.53%. Market cap allocation was a tailwind over the quarter, contributing 1% to relative returns, driven by both the portfolio's underweight to the largest quintile of companies and overweight to the smallest (and best performing) quintile of companies.

On a manager-by-manager basis, Invesco performed in line with the index, as the positive contribution from the Momentum and Value factors was offset by the negative impact of Quality, the other targeted factor. This follows a period of strong outperformance over the last five quarters. Baillie Gifford outperformed by 4.6% over the quarter, driven by strong selection in Financials and Industrials. Sector allocation was also positive, resulting from a large underweight to Energy, contributing 2%. Market cap allocation had a positive impact on relative returns, with an underweight to the largest quintile and overweight to the smallest quintile contributing 1.7% and 1.1%, respectively.

From inception to quarter-end, the portfolio underperformed the benchmark by 0.5% per annum.

UK Active Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
ASTRAZENECA PLC	6.13	7.67	26,065,859
UNILEVER PLC	5.57	5.27	23,680,179
SHELL PLC	3.59	6.85	15,268,856
HSBC HOLDINGS PLC	2.83	5.57	12,049,711
MARKS & SPENCER GROUP PLC	2.46	0.34	10,482,731

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MARKS & SPENCER GROUP PLC	2.46	0.34
STANDARD CHARTERED PLC	2.34	0.75
AUTO TRADER GROUP PLC	1.91	0.34
BUNZL PLC	2.06	0.53
HOWDEN JOINERY GROUP PLC	1.63	0.22

Top 5 active underweights

	Weight %	Benchmark weight %
SHELL PLC	3.59	6.85
HSBC HOLDINGS PLC	2.83	5.57
NATIONAL GRID PLC	-	2.19
LONDON STOCK EXCHANGE	0.55	2.24
ASTRAZENECA PLC	6.13	7.67

Largest contributors to ESG risk

	ESG risk score* Q2 2024	ESG risk score* Q3 2024
ASTRAZENECA PLC	21.09	21.49
UNILEVER PLC	22.20	21.15
SHELL PLC	32.43	32.43
GLENCORE PLC	36.85	36.85
BP PLC	33.82	33.82

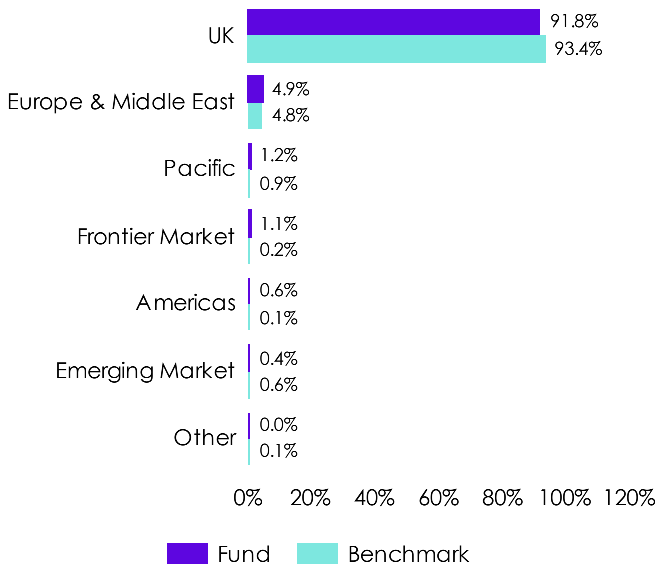
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

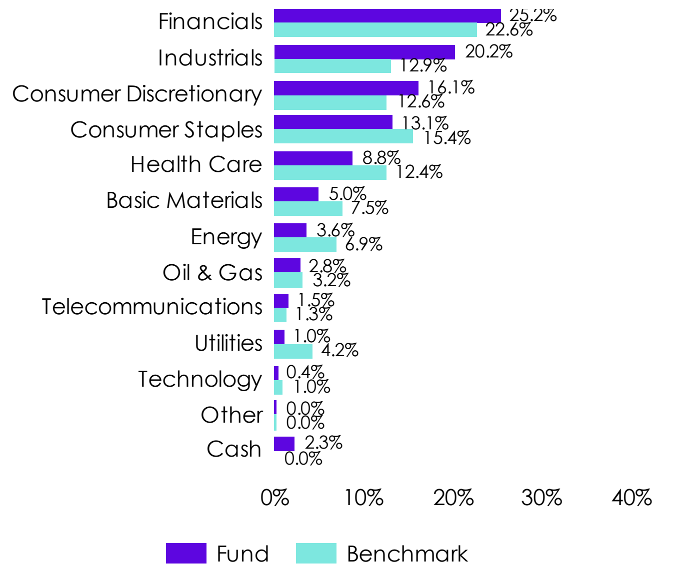
Portfolio	WACI 2024 Q2	WACI 2024 Q3	Total Extractive Exposure[1] 2024 Q2	Total Extractive Exposure[1] 2024 Q3	Extractive Industries (VOH)[2] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q3
UK Active Equities	82	68	6.42	5.25	11.06	10.29
FTSE All Share ex Inv	132	105	7.04	6.31	18.90	17.30

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

Regional exposure



Sector exposure



Emerging Markets Equities

Launch date
8 November 2019

Investment strategy & key drivers
Equity exposure to emerging markets

Liquidity
Managed

Benchmark
MSCI Emerging Markets

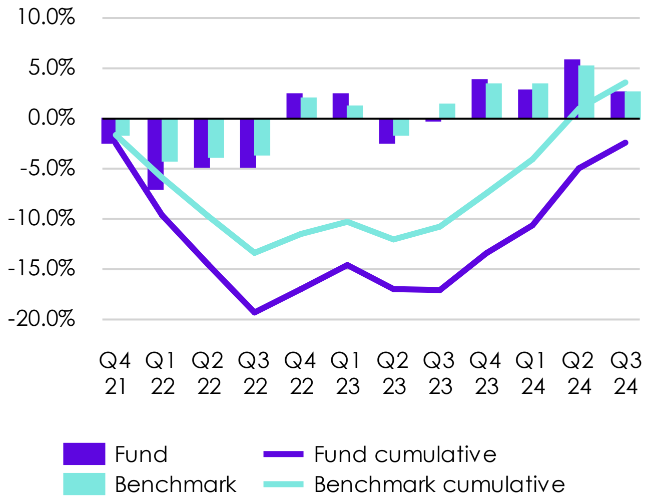
Outperformance target
+2-3%

Total fund value
£1,115m

Risk profile
High

Gloucestershire's Holding:
GBP213m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.6	15.5	-1.1	2.2
MSCI Emerging Markets	2.6	15.1	1.0	3.8
Excess	-0.0	0.3	-2.1	-1.6

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

Performance commentary

Emerging Markets (EM) had an eventful quarter, finishing up 2.6% when measured by MSCI Emerging Markets in GBP terms. The rise was explained almost entirely by a significant quarter-end rally in Chinese stocks, after the announcements of stimulus measures. The portfolio return was in line with the benchmark.

At a stock level, AIA Group – a Hong Kong-based life insurer – added the most to relative performance following a rise of 26.0% after the announcement of Chinese stimulus measures. This position is the largest active overweight in the portfolio. Conversely, Alibaba – a Chinese ecommerce giant – detracted the most from relative performance after a 47.8% rise due to the same stimulus measures. The portfolio is approximately 0.8% underweight vs benchmark.

Country allocation was supportive last quarter, driven by underexposure to Korea and Taiwan. (The portfolio is underexposed due to the developed nature of these two economies.) Korea and Taiwan fell by 11.0% and 5.0% respectively, partly driven by fears in the semiconductors sector. Sector allocation was also supportive, due to Energy and Materials, which fell by 5.8% and 0.5% respectively after commodity weakness. These sectors are more challenged from a Responsible Investment perspective; therefore, the portfolio tends to be underexposed vs peers and benchmark.

Investment styles had a negligible impact on relative performance due to the portfolio's neutral positioning and low performance dispersion. Enhanced Value – a measure of the cheapest companies – underperformed the broader universe by 6.2%. All other styles were not significantly different from the broader EM universe.

The outlook for EM remains cautiously optimistic. Valuations have been pushed up slightly following Chinese stimulus. However, the market still looks cheap on an absolute and relative basis; EM trades on 12.4x next year's earnings vs 18.9x for developed markets. Investors should remain wary of the potential impact from US elections, along with the Chinese government's ability to deliver on announced stimulus measures.

Emerging Markets Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
TAIWAN SEMICONDUCTOR	8.90	9.00	18,982,735
TENCENT HOLDINGS LTD	6.05	4.53	12,896,770
SAMSUNG ELECTRONICS CO LTD	3.19	3.10	6,807,158
HDFC BANK LTD	2.21	1.06	4,716,714
AIA GROUP LTD	2.20	-	4,696,601

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
AIA GROUP LTD	2.20	-
TENCENT HOLDINGS LTD	6.05	4.53
HDFC BANK LTD	2.21	1.06
SANLAM LTD	1.16	0.11
CREDICORP LTD	1.13	0.15

Top 5 active underweights

	Weight %	Benchmark weight %
ALIBABA GROUP HOLDING LTD	1.76	2.60
TATA CONSULTANCY SERVICES LTD	-	0.56
AL RAJHI BANK	-	0.55
INDUSTRIAL & COMMERCIAL BANK	-	0.54
PETROLEO BRASILEIRO SA	0.18	0.68

Largest contributors to ESG risk

	ESG risk score* Q2 2024	ESG risk score* Q3 2024
TAIWAN SEMICONDUCTOR	13.48	13.48
TENCENT HOLDINGS LTD	18.96	18.41
RELIANCE INDUSTRIES LTD	38.54	38.54
MEITUAN-CLASS B	-	22.07
PDD HOLDINGS INC	28.93	28.94

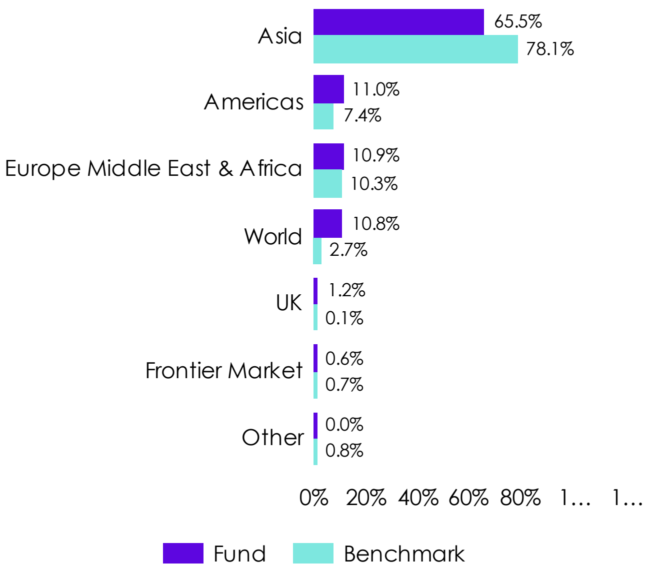
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

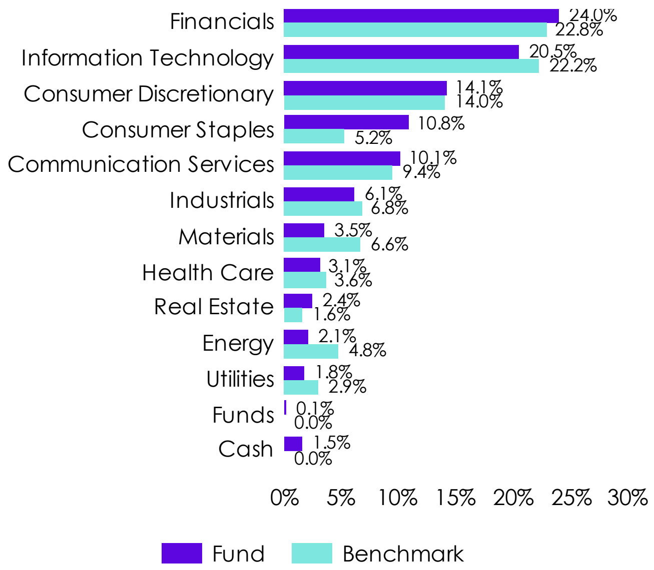
Portfolio	WACI 2024 Q2	WACI 2024 Q3	Total Extractive Exposure[1] 2024 Q2	Total Extractive Exposure[1] 2024 Q3	Extractive Industries (VOH)[2] 2024 Q2	Extractive Industries (VOH)[2] 2024 Q3
Emerging Markets	175	175	1.97	1.56	4.51	3.89
MSCI Emerging	596	474	6.15	6.07	8.37	7.88

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

Regional exposure



Sector exposure



Diversifying Returns Fund

Launch date
12 August 2020

Investment strategy & key drivers
Strategy utilising currencies, credit, rates and equities

Liquidity
Managed

Benchmark
SONIA +3%

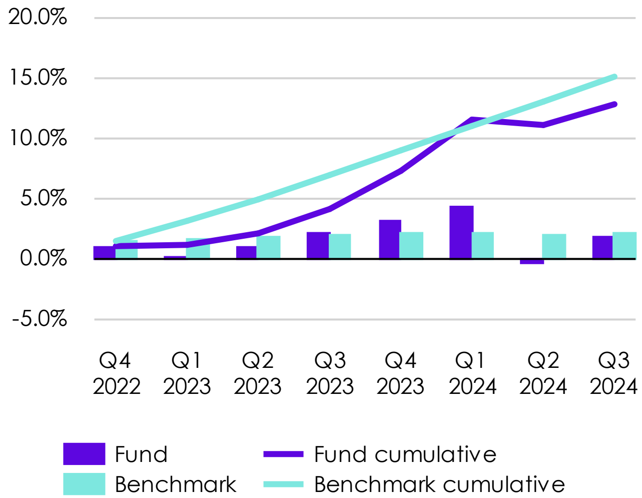
Outperformance target
0% to +2.0%

Total fund value
£965m

Risk profile
Moderate

Gloucestershire's Holding:
GBP180m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.7	8.9	3.2	4.0
SONIA +3%	2.1	8.4	6.4	5.5
Excess	-0.3	0.5	-3.2	-1.5

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

Performance commentary

The Diversifying Returns Fund returned 1.7% over the third quarter of 2024. SONIA +3% returned 2.1%. The sterling hedged 50/50 equity/bond index we monitor returned 4.6% over the quarter, with equities and bonds both performing well.

During the period, there was a fast but relatively shallow equity market sell-off before a quick reversal and recovery. This environment is not ideal for the DRF portfolio. Lombard Odier will quickly deleverage on volatility spikes and wait for volatility to subside before re-deploying leverage and, whilst the sell-off was large enough to cause concern, it wasn't severe enough for Fulcrum's hedging strategies to pay off significantly. During the sell-off, the portfolio did again demonstrate its defensive characteristics. Between 16 July and 5 August, the MSCI ACWI fell 8.9% on a sterling-hedged basis. Over the same period, the DRF portfolio fell 2.1%.

After a tougher period, UBS was able to deliver strong returns of 7.0% over the quarter and 2.5% from peak to trough of the equity market draw down. The long position in the Japanese yen was a big contributor to returns, as the sell-off in equities coincided with a sharp unwind of the carry trade.

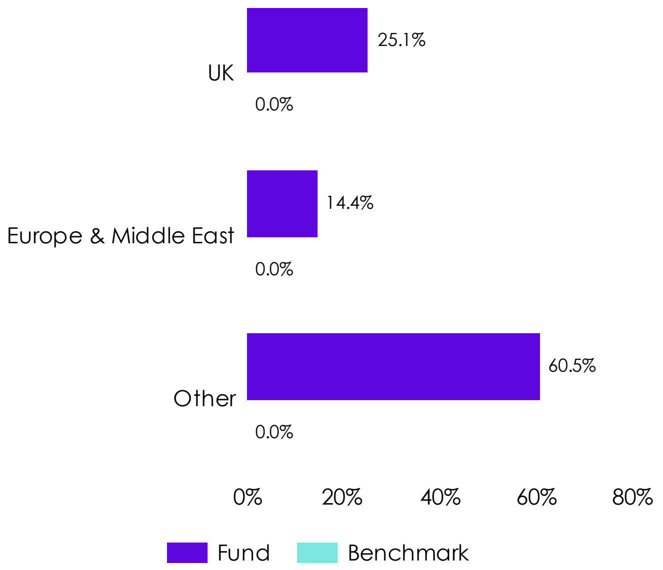
Lombard Odier returned 2.6% over the period, with sovereign bonds the biggest contributor to returns and credit also contributing positively.

Fulcrum was down 0.7% for the quarter, with positive returns from equities, fixed income and commodities overwhelmed by negative returns from the strategy's discretionary component. Notably, returns in the market-neutral thematic equity sleeve were hampered by long exposure to AI, which performed poorly in the period. Short exposure to sterling and the euro also detracted from performance, as both currencies appreciated against the US dollar.

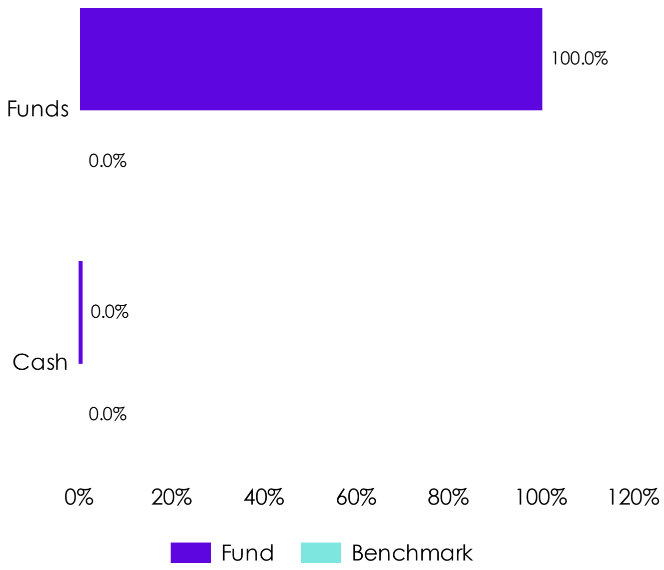
J.P. Morgan returned 0.1% over the period. Given the whipsawing in equity markets and the unwinding of currency carry, it is not surprising that Equity Trend and FX Carry made negative contributions to returns. Equity Quality and Value and Fixed Income Trend all contributed positively, though the fund did need the contribution from interest earned on cash balances to post marginally positive overall returns for the quarter.

Diversifying Returns Fund

Regional exposure



Sector exposure



Multi-Asset Credit

Launch date
7 July 2021

Investment strategy & key drivers
Exposure to higher yield bonds with moderate credit risk

Liquidity
Managed

Benchmark
SONIA +4%

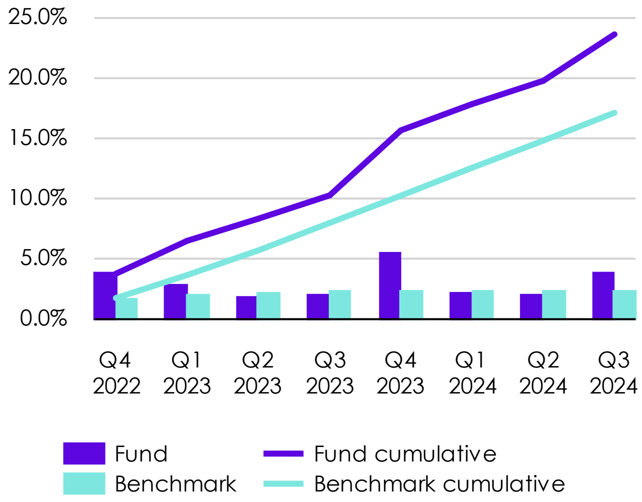
Outperformance target
0% to +1.0%

Total fund value
£3,143m

Risk profile
Moderate

Gloucestershire's Holding:
GBP259m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	3.9	14.0	3.7	3.7
SONIA +4%	2.3	9.5	7.5	7.2
Excess	1.5	4.5	-3.7	-3.6

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

Performance commentary

Credit produced a stellar quarter as the Federal Reserve (Fed) begun its long-awaited loosening cycle for interest rates. The Fed cut interest rates by 50bps – more than expected at the beginning of the quarter – to a target range of 4.75-5%, which was supportive for credit prices.

Credit spreads generally contracted across asset classes. High Yield bonds – proxied by Bloomberg Global High Yield – ended the period with an option adjusted spread of 364bps, down from 386bps at the start of the period. There was a large amount of volatility in early August, where high yield spreads reached 450bps, driven by concerns of weak US jobs data and a risk-off environment caused by tighter than expected Japanese monetary policy.

The reduced rate and spread environment resulted in favourable returns for fixed rate asset classes. The strongest returning asset classes were Bank Capital, EM Debt and Investment Grade Bonds, which had local returns of +8.0%, +6.6% and +6.3% respectively. Floating rate assert classes lagged, with Leveraged Loans returning +1.5% in local terms.

The Multi-Asset Credit portfolio returned an impressive +3.9%; This was comfortably ahead of both the primary target (SONIA+4%) and composite secondary benchmarks, which returned +2.3% and +3.6% respectively. The strong performance was driven by Neuberger Berman, who's higher duration exposure (3.8 years) boosted performance, retuning +4.2%. Oaktree and CQS kept pace well, returning +3.9% and +2.9% respectively.

Looking forward, investors should take comfort that interest rates are expected to fall worldwide. However, any disruption to this narrative could cause unexpected pressure on weaker corporate balance sheets. Our managers are wary of this outcome and have subsequently increased quality without sacrificing forward carry.

Sterling Corporate Bonds

Launch date
2 July 2021

Investment strategy & key drivers
Managed credit selection to generate excess sterling yield returns

Liquidity
Managed

Benchmark
iBoxx Sterling Non Gilt x

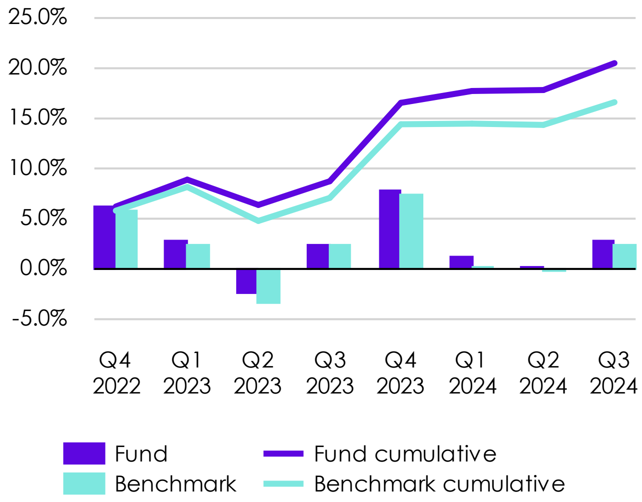
Outperformance target
+1%

Total fund value
£2,874m

Risk profile
Moderate

Gloucestershire's Holding:
GBP365m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.7	12.1	-1.9	-2.0
iBoxx Sterling Non Gilt x	2.3	9.7	-2.9	-3.0
Excess	0.4	2.4	1.0	1.0

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

Performance commentary

Markets continued to focus on central bank actions during the quarter, as both the Federal Reserve (Fed) and Bank of England (BoE) followed the European Central Bank in making the first rate cuts this cycle. This helped fixed income markets to perform positively over the quarter as yields fell to reflect lower central bank interest rates. Markets continue to price in material rate cuts over the next year or so.

After elections in the UK and France, attention moved firmly to the forthcoming US elections. Markets believe that a Trump presidency would see looser fiscal policy and higher tariffs and protectionism. Sentiment has swung on the fortunes of the early days of the race, first following the Trump assassination attempt and debate against President Biden, which appeared to favour Trump, but then swung back as Kamala Harris emerged as a credible candidate and performed strongly in her debate with the former president.

Government yields generally fell over the quarter, reflecting the start of the rate cutting cycle. Benchmark 10-year gilt yields dipped from 4.18% to 4.01%. These gilt yields had been as low as 3.75% in mid-September, many attributed the increase at the end of the quarter to concerns that the Budget might see a further increase in gilt issuance.

The sterling investment grade credit market (iBoxx non-gilt index) returned 2.3% over the quarter, with the average sterling investment grade credit spread ending the period unchanged at 1.07% (iBoxx).

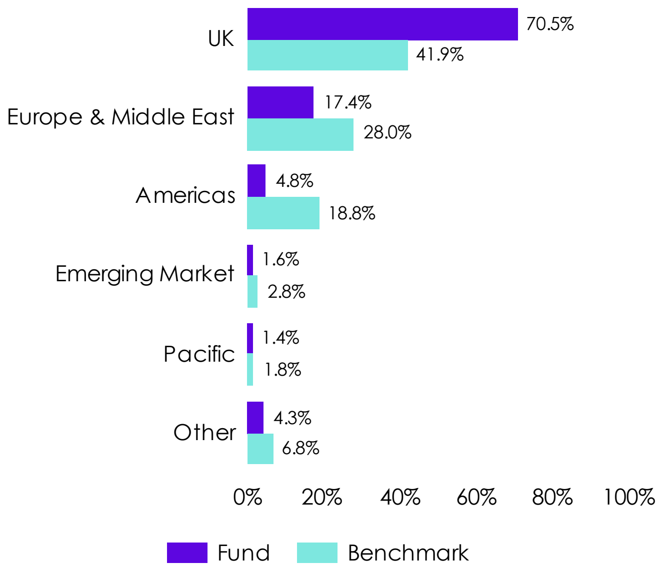
Over the period, the Sterling Corporate Bonds portfolio returned 2.7%, outperforming the benchmark by 0.4%.

The main driver of positive relative performance was security selection particularly in banks and structured bonds. Within the banking sector, exposure to subordinated bonds, and in insurance, exposure to selected long-dated bonds were beneficial. Selected tenders such as Aviva and Stagecoach contributed to outperformance, with the companies buying back bonds at above market levels. Exposure to structured bonds detracted slightly. This was largely due to ongoing volatility in the water sector, with bonds in Thames Water and Southern Water weaker over the quarter.

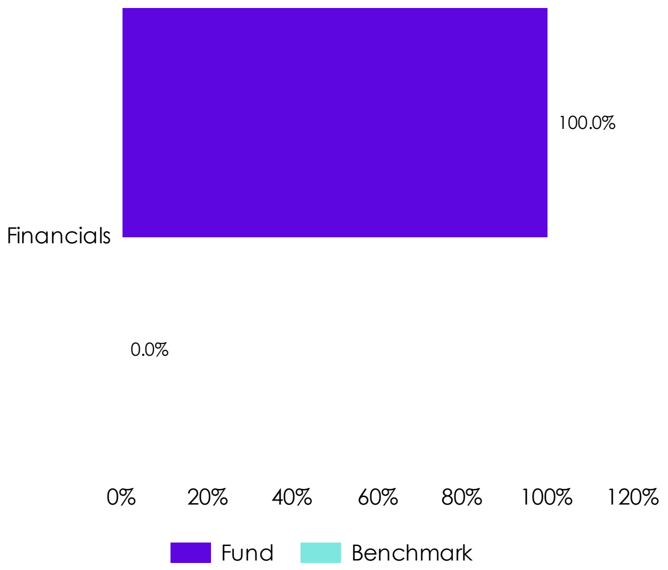
Outside of exposure to water, structured sector holdings again performed well.

Sterling Corporate Bonds

Regional exposure



Sector exposure



PAB Passive Global Equities

Launch date
1 November 2021

Investment strategy & key drivers
Passive global equity exposure aligned to Paris Agreement climate goals

Liquidity
High

Benchmark
FTSE Dev World PAB

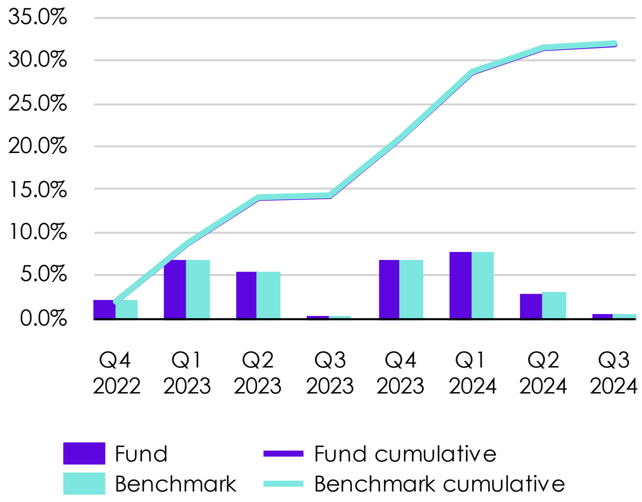
Outperformance target
Match

Total fund value
£2,727m

Risk profile
High

Gloucestershire's Holding:
GBP388m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	**0.4**	**18.6**	**-**	**8.2**
FTSE Dev World PAB	**0.5**	**18.7**	**-**	**8.3**
Excess	**-0.0**	**-0.1**	**-**	**-0.1**

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

Performance commentary

The FTSE Developed Paris Aligned product (PAB) returned 0.4% over Q3 2024, closely replicating the performance of the benchmark over this period. The product performed in line with the market capitalisation parent benchmark which returned 0.3%.

The portfolio has very limited exposure to Energy sector companies and this proved beneficial over the reporting period with oil prices falling as fears of oversupply coincided with a perceived deterioration in the outlook for global growth.

Tesla, a large portfolio holding, rebounded after a weak 2nd quarter. The company's share price rallied early in the quarter when Tesla announced a decline in vehicle deliveries that was smaller than the market had expected. This holding made an 82bps contribution to returns, by far the largest of any holding in the portfolio.

Portfolio contribution analysis highlights the divergence in fortunes of the 'Magnificent 7' over the quarter. Apple and Meta made positive contributions to returns. Apple launched the iPhone 16 during the quarter and Meta reported an increase in the time users spent on their platforms.

Microsoft, Amazon and Alphabet made the largest negative contributions to portfolio returns, with Microsoft and Alphabet both facing regulatory scrutiny over anti-competitive practices.

The annual index rebalance took place within the quarter. At this rebalance, the FTSE scope 3 emissions methodology was incorporated across all sectors, meeting the EU regulatory requirement for scope 3 emissions to be fully integrated by the end of 2024. The required decarbonisation trajectory was achieved and trading costs were inline with expectations.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
AMAZON.COM INC	5.14	19,947,710
ALPHABET INC	5.05	19,591,794
APPLE INC	5.05	19,576,080
TESLA INC	4.75	18,420,025
MICROSOFT CORP	4.22	16,369,195

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q2 2024	ESG risk score* Q3 2024
AMAZON.COM INC	29.32	29.01
TESLA INC	24.73	24.73
APPLE INC	16.79	16.79
ALPHABET INC-CL A	24.81	23.89
MICROSOFT CORP	14.18	14.23

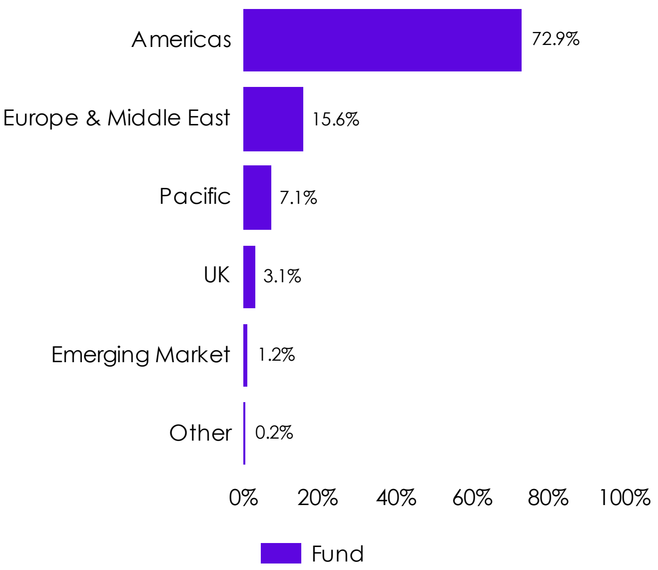
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

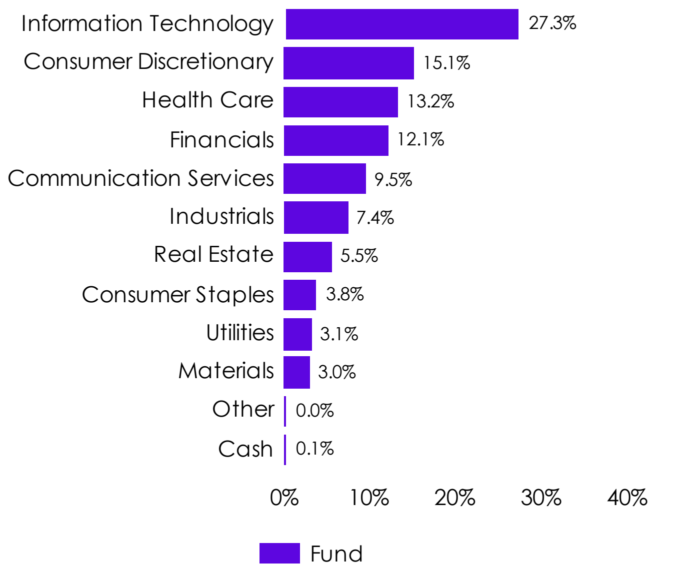
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2024 Q2	2024 Q3	2024 Q2	2024 Q3	2024 Q2	2024 Q3
PAB Passive Global	**117**	**94**	1.12	0.99	3.23	3.61
FTSE Dev World TR	**166**	**141**	3.95	3.34	8.39	8.26

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

Regional exposure



Sector exposure

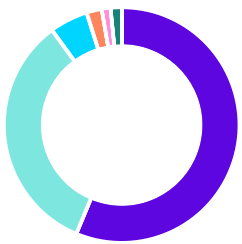


Private Equity Cycle 1

Investment objective
Global portfolio of private equity investments
Benchmark
MSCI ACWI
Outperformance target
+3%
Launch date
1 October 2018
Commitment to portfolio
£43.00m
The fund is denominated in GBP

Commitment to Investment
£43.04m
Amount Called
£35.21m
% called to date
81.81
Number of underlying funds
7
Gloucestershire's Holding:
GBP40.54m

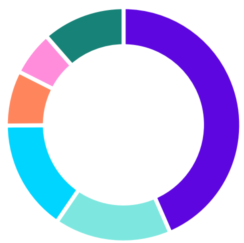
Country
Invested in underlying investments



North America	56.3%
Western Europe	33.6%
Asia Pacific	5.3%
Global	2.1%
Middle-East/North Africa	1.2%
Other	1.5%

Source: Colmore
Country data is as of latest available Q1 24

Sector
GICs level 1



Financials	43.5%
Information Technology	16.1%
Health Care	15.3%
Industrials	7.6%
Consumer Discretionary	6.1%
Other	11.4%

Source: Colmore
Sector data is as of latest available Q1 24

Performance commentary

2024 continued to be a softer year for M&A, which is surprising given that the environment is primed for increased deal activity. GPs continued to sit on large amounts of dry powder as well as $3trn of unsold investments. LPs want distributions. The lack of momentum in M&A markets has forced GPs to look for creative ways to deploy capital, such as take-private transactions, carve-outs and GP-led continuations. It is also spurring the secondary market, with forecasts that 2024 will be a new record year, exceeding the previous peak (in 2021).

Cycle 1 has two Secondary funds, both of which had capital to deploy into the period of most advantageous pricing in late 2022/early 2023. In 2023, secondary funds raised a record $93bn according to Preqin, a 160% increase on 2022, to capitalise on LP liquidity-induced deal flow and good pricing.

Whilst the market cautiously awaits a fall in interest rates, underlying business fundamentals will continue to be key driver of returns versus the financial engineering and multiple expansion levers that we have seen in recent decades.

Notable highlights during 2024 included exit activity (both partial and full realisations) in a number of our funds. Summit Europe Growth III has realised two positions, at gross multiples of 10x and 3x. Vespa Capital III was another fund which saw some capital distributed to investors from a Scottish fintech provider to the pensions and lifetime savings industry.

As at end-Q3 2024, portfolio deployment stands at ~82% invested and 100% committed. Portfolio performance remains positive and is flat vs the prior quarter.

Pipeline - The Cycle 1 portfolio is now fully committed, so no new investments are required.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
40.5	-2.9%	11.0%	1,727,655	2,076,671	-349,016	-1,572,990	1.32	-0.0%	0.0%

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

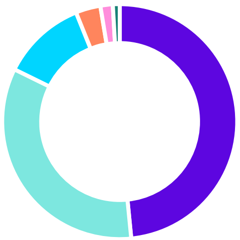
Private Equity Cycle 2

Investment objective
Global portfolio of private equity investments
Benchmark
MSCI ACWI
Outperformance target
+3%
Launch date
1 May 2020
Commitment to portfolio
£70.00m
The fund is denominated in GBP

Commitment to Investment
£69.65m
Amount Called
£45.55m
% called to date
65.40
Number of underlying funds
14
Gloucestershire's Holding:
GBP46.17m

Country

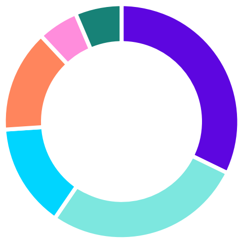
Invested in underlying investments



Source: Colmore
Country data is as of latest available Q1 24

Sector

GICs level 1



Source: Colmore
Sector data is as of latest available Q1 24

Performance commentary

2024 continued to be a softer year for M&A, which is surprising given that the environment is primed for increased deal activity. GPs continued to sit on large amounts of dry powder as well as $3trn of unsold investments. LPs want distributions. The lack of momentum in M&A markets has forced GPs to look for creative ways to deploy capital and create liquidity, such as take-private transactions, carve-outs and GP-led continuations. It is also spurring the secondary market, with forecasts that 2024 will be a new record year, exceeding the previous peak (in 2021).

Cycle 2 has two Secondary funds, both of which had capital to deploy into the period of most advantageous pricing in late 2022/early 2023. In 2023, secondary funds raised a record $93bn according to Preqin, a 160% increase on 2022, to capitalise on LP liquidity-induced deal flow and advantageous pricing. Whilst the market cautiously awaits a fall in interest rates, underlying business fundamentals will continue to be key driver of returns versus the financial engineering and multiple expansion levers that we have seen in the recent decades.

The pace of portfolio deployment remains strong, with the portfolio now ~67% invested and 100% committed as at end-Q3 2024. All funds in the portfolio have now called capital. Performance was generally flat across funds in the portfolio vs the prior quarter.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
46.2	-1.5%	2.3%	5,179,539	140,637	5,038,902	-1,706,070	1.04	-0.0%	0.0%

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

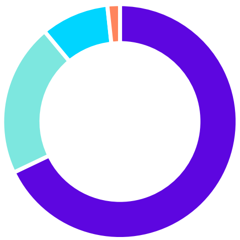
Private Equity Cycle 3

Investment objective
Global portfolio of private equity investments
Benchmark
MSCI ACWI
Outperformance target
+3%
Launch date
1 April 2022
Commitment to portfolio
£16.00m
The fund is denominated in GBP

Commitment to Investment
£16.00m
Amount Called
£1.54m
% called to date
9.64
Number of underlying funds
1
Gloucestershire's Holding:
GBP1.44m

Country

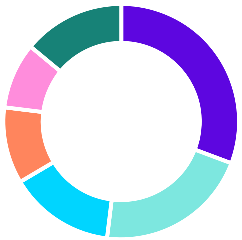
Invested in underlying investments



Source: Colmore
Country data is as of latest available Q4 23

Sector

GICs level 1



Source: Colmore
Sector data is as of latest available Q4 23

Performance commentary

2024 continued to be a softer year for M&A, which is surprising given that the environment is primed for increased deal activity. GPs continued to sit on large amounts of dry powder as well as $3trn of unsold investments. LPs want distributions. The lack of momentum in M&A markets has forced GPs to look for creative ways to deploy capital, such as take-private transactions, carve-outs and GP-led continuations. It is also spurring the secondary market, with forecasts that 2024 will be a new record year, exceeding the previous peak (in 2021).

Cycle 1 has two Secondary funds, both of which had capital to deploy into the period of most advantageous pricing in late 2022/early 2023. In 2023, secondary funds raised a record $93bn according to Preqin, a 160% increase on 2022, to capitalise on LP liquidity-induced deal flow and good pricing.

Whilst the market cautiously awaits a fall in interest rates, underlying business fundamentals will continue to be key driver of returns versus the financial engineering and multiple expansion levers that we have seen in recent decades.

The Cycle 3 PE portfolio has developed materially and is almost fully committed. Pro forma for the pending approved investments in the pipeline below, the Cycle 3 portfolio has 13 fund commitments made~85% of total committed capital. This includes: 36% impact funds (vs 40% ambition); 53% small-/mid-cap, 38% large-cap; 60% primary, 25% coinvest, 15% secondary; 47% North America, 38% Europe, 15% RoW

Pipeline: A high-conviction small/mid-cap North American buyout fund was approved and closed in Q2. A climate-focused primary impact fund was approved and awaits closing. This would be the final ticket, to round off portfolio construction for Cycle 3.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
1.4	-4.1%	-3.8%	125,240	67,481	57,758	-12,040	0.98	-0.0%	-0.0%

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

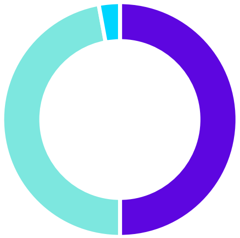
Private Debt Cycle 2

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies
Benchmark
SONIA
Outperformance target
+4%
Launch date
1 May 2020
Commitment to portfolio
£120.00m
The fund is denominated in GBP

Commitment to Investment
£120.00m
Amount Called
£92.20m
% called to date
76.83
Number of underlying funds
1
Gloucestershire's Holding:
GBP92.72m

Country

Invested in underlying investments



Europe	50.0%
North America	47.1%
Asia Pacific	2.9%
Other	-

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

Sector

GICs level 1

Health Care	30.7%
Information Technology	21.1%
Industrials	16.9%
Consumer Discretionary	13.4%
Financials	9.4%
Other	8.5%

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

Performance commentary

2024 continued to be a softer year for M&A which is surprising given that the environment is primed for increased deal activity. This has led to an increase over the past 12-18 months in lending to incumbent borrowers through refinancings. As the macroeconomic environment began to stabilise, we saw the BSL market return, which put pricing and documentation pressure on upper mid-market and large cap deals. The middle market remains an attractive place to be positioned, with significant opportunity and deal flow for lenders.

Inflation has begun to bifurcate in Europe, with some regions seeing Inflation back at pre-rate rise levels, whilst others have struggled to bring inflation down. This is likely to have an impact on the speed at which interest rates come back down to relatively normal levels across the varying regions. As the market cautiously awaits a fall in interest rates, underlying business fundamentals and prudent underwriting remain vitally important.

At the end of Q3, the portfolio was ~76% invested and 100% committed. All managers have now called investor capital, and some managers are coming towards the end of their investment periods (notwithstanding the Barings holding, where investment activity remains paused pending a forthcoming LP vote to resume it).

Portfolio performance has been positive but generally flat across the portfolio and underlying funds over the quarter.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
92.7	7.6%	10.8%	12,815,150	7,015,970	5,799,180	8,218,950	1.19	0.2%	0.0%

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

Private Debt Cycle 3

Investment objective
Global portfolio of senior direct loans, predominantly to PE-sponsored companies

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 April 2022

Commitment to portfolio
£38.00m

The fund is denominated in GBP

Commitment to Investment
£38.01m

Amount Called
£13.88m

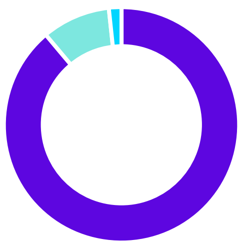
% called to date
36.52

Number of underlying funds
6

Gloucestershire's Holding:
GBP12.64m

Country

Invested in underlying investments

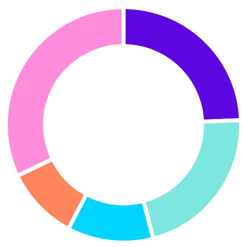


Europe	88.9%
North America	9.4%
Asia Pacific	1.7%
Other	-

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

Sector

GICs level 1



Health Care	24.4%
Software	21.5%
Financials & Insurance	11.9%
Professional Services	10.1%
Other	32.1%

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

Performance commentary

2024 continued to be a softer year for M&A which is surprising given that the environment is primed for increased deal activity. This has led to an increase over the past 12-18 months in lending to incumbent borrowers through refinancings. As the macroeconomic environment began to stabilise, we saw the BSL market return, which put pricing and documentation pressure on upper mid-market and large cap deals. The middle market remains an attractive place to be positioned, with significant opportunity and deal flow for lenders.

Inflation has begun to bifurcate in Europe, with some regions seeing Inflation back at pre-rate rise levels, whilst others have struggled to bring inflation down. This is likely to have an impact on the speed at which interest rates come back down to relatively normal levels across the varying regions. As the market cautiously awaits a fall in interest rates, underlying business fundamentals and prudent underwriting remain vitally important.

At the end of Q3, the portfolio had made commitments to six funds (3 European, 3 US) with all having now called capital. All funds across Cycle 3 have previously been presented at ISG.

Pipeline

There is no fund pipeline, with the portfolio fully committed as in April. Work has commenced on identifying funds for Cycle IV.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
12.6	11.9%	11.7%	2,068,897	716,506	1,352,392	443,965	1.10	0.0%	0.0%

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

Infrastructure Cycle 1

Investment objective
Portfolio of predominantly European sustainable infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 October 2018

Commitment to portfolio
£43.00m

The fund is denominated in GBP

Commitment to Investment
£42.88m

Amount Called
£39.85m

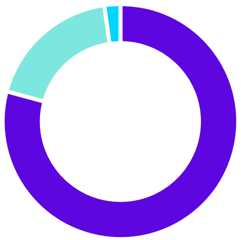
% called to date
92.93

Number of underlying funds
5

Gloucestershire's Holding:
GBP43.63m

Country

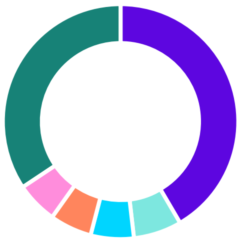
Commitment in underlying investments



Europe (incl. UK)	79.1%
North America	18.7%
Rest Of World	2.2%

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

Sector



Wind & Solar	41.5%
Rail	6.6%
Distributed Energy	5.9%
Diversified Social	5.8%
Diversified Renewables	5.7%
Other	34.5%

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

Performance commentary

Infrastructure is back in the political crosshairs once again, due to its essential role in societal functioning but also its multiplier effect on economic growth. The staggering investment required to repair, upgrade & transition critical infrastructure has left a huge funding gap. Global investment in renewable energy generation in 2023 surpassed $700bn, double that of 2015. Yet for all the progress, the major snags remain avoiding too much waste in times of surplus, and providing back-up power in fallow periods. Further investment requires holistic systems and regulatory reform.

Q3 showed that central banks are cautiously managing a long-term reduction in short-term interest rates. After such a steep raising cycle this would be positive for the asset class. We believe that many infrastructure investments continue to exhibit strong defensive characteristics and, given the diversified nature of the portfolio (across sectors, geography and business models) we expect performance to hold up.

The Cycle 1 portfolio is fully committed to nine primary funds and seven tactical investments. At Q3 2024, the portfolio was ~93% invested and 97% committed. The portfolio is well diversified across sectors, technologies, geographies, managers and vintages, and has been resilient to market volatility. The since-inception CPI+4% net target has, however, not been met by the portfolio - it is a majority Core/Core+ infrastructure portfolio, as set out in the agreed specification. This is a consequence of CPI being exceptionally elevated throughout 2022 and 2023.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
43.6	7.6%	8.2%	400,964	462,636	-61,673	836,885	1.24	0.1%	0.0%

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

Infrastructure (General) Cycle 2

Investment objective
Global portfolio of infrastructure with a focus on non-RE sectors and sustainable assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£65.00m

The fund is denominated in GBP

Commitment to Investment
£65.00m

Amount Called
£53.91m

% called to date
82.93

Number of underlying funds
1

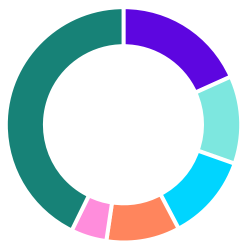
Gloucestershire's Holding:
GBP56.57m

Country

Commitment in underlying investments

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

Sector



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

Performance commentary

Infrastructure is back in the political crosshairs once again, due to its essential role in societal functioning but also its multiplier effect on economic growth. The staggering investment required to repair, upgrade & transition critical infrastructure has left a huge funding gap. Global investment in renewable energy generation in 2023 surpassed $700bn, double that of 2015. Yet for all the progress, the major snags remain avoiding too much waste in times of surplus, and providing back-up power in fallow periods. Further investment requires holistic systems and regulatory reform.

Q3 showed that central banks are cautiously managing a long-term reduction in short-term interest rates. After such a steep raising cycle this would be positive for the asset class. We believe that many infrastructure investments continue to exhibit strong defensive characteristics and, given the diversified nature of the portfolio (across sectors, geography and business models) we expect performance to hold up.

The Cycle 2 General portfolio is fully committed to six primary funds and seven tactical investments in total. At the end of Q3 2024, the portfolio was ~82% invested and ~94% committed. Overall, early performance indicates good resilience to market turbulence. We are pleased with how the portfolio has developed and continues to do so. The portfolio is diversified across geographies, sectors, managers and vintages, and invested in opportunities that we believe will provide strong performance, in terms of both returns and societal and environmental sustainability.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
56.6	7.8%	7.2%	610,082	2,530,105	-1,920,023	300,708	1.16	0.1%	0.0%

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

Infrastructure (Renewables) Cycle 2

Investment objective
Global portfolio of renewable energy and associated infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£65.00m

The fund is denominated in GBP

Commitment to Investment
£65.00m

Amount Called
£45.46m

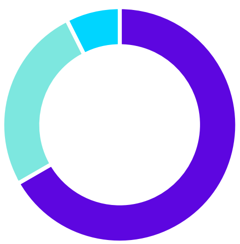
% called to date
69.94

Number of underlying funds
1

Gloucestershire's Holding:
GBP47.33m

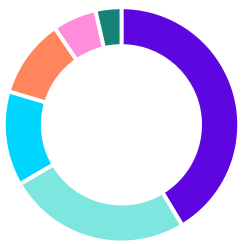
Country

Commitment in underlying investments



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

Sector



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

Performance commentary

Infrastructure is back in the political crosshairs once again, due to its essential role in societal functioning but also its multiplier effect on economic growth. The staggering investment required to repair, upgrade & transition critical infrastructure has left a huge funding gap. Global investment in renewable energy generation in 2023 surpassed $700bn, double that of 2015. Yet for all the progress, the major snags remain avoiding too much waste in times of surplus, and providing back-up power in fallow periods. Further investment requires holistic systems and regulatory reform.

Q3 showed that central banks are cautiously managing a long-term reduction in short-term interest rates. After such a steep raising cycle this would be positive for the asset class. We believe that many infrastructure investments continue to exhibit strong defensive characteristics and, given the diversified nature of the portfolio (across sectors, geography and business models) we expect performance to hold up.

Global renewables policy remains a tailwind, with the new Labour Government committing heavily to increase investment through the newly formed Great British Energy and National Wealth Fund. This Autumn, the government announced that the UK Infrastructure Bank (UKIB) will be renamed the National Wealth Fund, but many more details remain to be worked out. UKIB has struggled to invest the >£20bn of seed capital it was established with by the previous Conservative government. In the US, we have seen PPA prices moderate following months of them increasing to cover higher development and funding costs. Overall, renewables continue to benefit from a strong commitment and pressure to reach clean energy targets as well as a more favourable long term macroeconomic outlook. Big tech

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
47.3	3.9%	6.7%	498,349	208,485	289,864	601,480	1.13	0.1%	0.0%

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

Infrastructure (Renewables) Cycle 2

companies chasing AI are very significant new sources of demand for low-carbon, firm power, as shown by Microsoft's PPA to restart one of the nuclear reactors at Three Mile Island. This is in addition to rising urbanisation, increasingly hot climates and ever-rising electrification, all of which raise the long-term demand forecasts for power.

At the end of Q3 2024, the Cycle 2 Renewables portfolio is ~94% committed and ~68% invested across seven primary funds and twelve tactical investments. The final primary fund ticket, a North America-focused fund targeting renewable and energy transition subsectors, was approved in Q2 2024, and closed in late Q3.

Pipeline

Upon the closing of the final primary investment, Cycle 2 Renewables will be fully committed, and therefore no new investments will be required.

Infrastructure Cycle 3

Investment objective
Global portfolio of infrastructure assets, mainly focussed on climate solutions, energy transition and efficiency

Benchmark
n/a - absolute return target

Outperformance target
net 8% IRR

Launch date
1 April 2022

Commitment to portfolio
£20.00m

The fund is denominated in GBP

Commitment to Investment
£20.00m

Amount Called
£7.05m

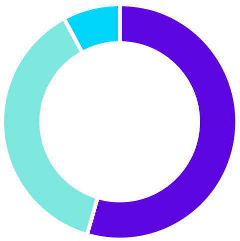
% called to date
35.25

Number of underlying funds
1

Gloucestershire's Holding:
GBP7.09m

Country

Commitment in underlying investments



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

Sector

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
7.1	6.4%	2.3%	972,274	126,493	845,781	121,348	1.03	0.0%	0.0%

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

Performance commentary

Cycle 3 Infrastructure is progressing well, with pro-forma portfolio construction indicating 72% of client capital will be invested in Sustainable Infrastructure (in line with Brunel and Stepstone's agreed LPA definitions). The portfolio will comprise: 14% Natural Capital, 26% Renewable Energy, 25% Energy-Transition/Efficiency, 28% Generalist, with 7% reserved.

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

One of the notable highlights during Q3 was that one of the Cycle 3 natural capital co-investments, Aurora Sustainable Lands ("Appellation"), entered into a substantial $100m carbon credit partnership with Total Energies after an exhaustive DD exercise. Total Energies will purchase voluntary forest carbon credits generated from these efforts, planning to retire them after 2030.

Following its focus on reducing and avoiding emissions, Total intends to use these credits to voluntarily offset a portion of its residual direct Scope 1 and 2 emissions. These credits will come from 20 carbon projects, spread over 300,000 hectares in 10 US States. This is the second largest deal involving Anew in the last few months, after it announced Microsoft had purchased c. 1 million carbon credits, some of which will also come from Aurora properties.

The US government has committed to using voluntary carbon markets and recently issued a joint policy statement and principles guide, signed by the Secretaries of the Treasury, Agriculture and Energy, among others. The carbon credit market has been dogged by bad news but, in Q2, market-wide carbon retirements increased 25% year-on-year, which

Infrastructure Cycle 3

is an early indicator of recovery in the voluntary carbon markets, alongside initiatives to strengthen the integrity and transparency of leading protocols and registries.

Another notable highlight was Hero Future Energies (HFE), a coinvest alongside KKR Asia in one of India's largest renewable independent power producers, had a very successful quarter. It announced c. 500MW of successful hybrid tenders with government counterparties, including wind, solar and battery storage. Other large tenders of similar total magnitude were also won across India and Vietnam. HFE also won 'Renewable Energy Project of the Year Award' for its 300 MW solar plant in Bhadra, Rajasthan. The plant helps reduce ~700,000 tCO_2e greenhouse gas emissions annually.

The impact of this co-investment in HFE is hard to overemphasise, given >70% of India's electricity is from coal-fired power.

At the end of Q3 2024, Cycle 3 was ~67% committed and ~35% invested across nine Primaries and nine Tacticals.

Pipeline

During Q3, no new investments were approved, but work is under way reviewing new primary and tactical opportunities that are currently in the pipeline.

UK Property

Investment strategy & key drivers

Portfolio of active UK property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

MSCI/AREF UK

Outperformance target

+0.5%

Commitment to portfolio

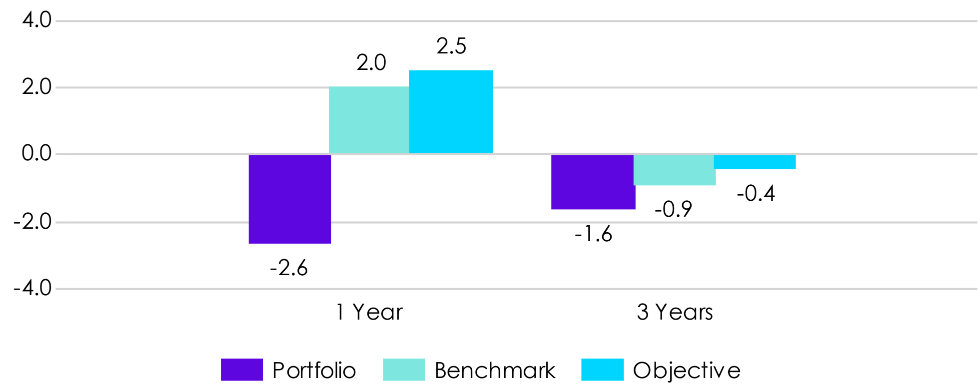
£225.0m

Amount Called

£232.7m

Number of portfolios

20



Performance commentary

Investment volumes reached £12.3 billion in the second quarter in the UK, the strongest for two years. Investment yields are clearly stabilising, with mild compression expected in almost all sectors by the end of the year. A more benign inflation outlook and stable borrowing rates will provide a positive backdrop. Lower interest rates are necessary to help the recovery in the commercial property market, but economic growth is also key as this drives tenant demand.

With the more supportive backdrop, we expect to see continued improvement across all sectors. Sustained rental growth and mild yield compression means that, following two years of declines, total returns are now turning positive.

However, UK property funds have suffered due to their structural exposure to a "liquidity mismatch" between the speed at which investors may want to withdraw their money and their ability to sell the underlying asset class.

Demand for retail assets is expected to improve further this year, with retail warehouses predicted to be the sector's star.

While investment volumes are likely to remain weak for offices in the coming months, liquidity in the office market should return when interest rates fall further. Office yields continue to rise but are predicted to stabilise over the coming months.

Rents should continue to rise for the industrial market, although growth rates may slow from the "exceptionally strong rates" recorded during 2021 and 2022.

Within Brunel's UK property model, the PGIM UK Affordable Housing Fund had a commitment from LGPS Central of £40m which will help grow the strategy. The ACCESS Pool appointed Orchard Street to manage its impact real estate strategy with an initial £100m commitment, which should be a positive for the Fund.

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

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 1 year	Perf. 3 year	Perf. 5 year	Perf. SII*	TVPI	Inception Date
Brunel UK Property	232.7	209.8	-2.6%	-1.6%	-	0.9%	1.4	Apr 2020

*Since initial investment

International Property

Investment strategy & key drivers

Portfolio of active International property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

GREFI

Outperformance target

+0.5%

Commitment to portfolio

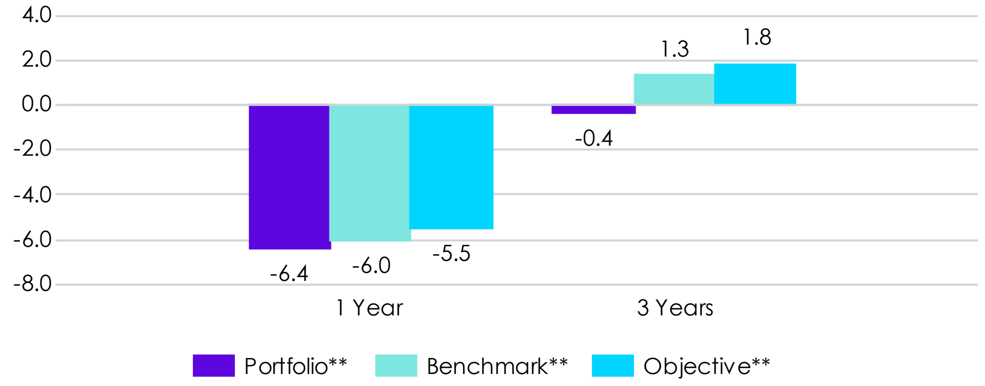
£75.0m

Amount Called

£65.5m

Number of portfolios

12



**Performance data shown up to 30 June 2024

Performance commentary

More global central banks initiated their easing cycles, with the Fed cutting rates by 50bps in September. The ECB and Bank of Canada also joined in.

Although INREV GREFI, the portfolio's benchmark, improved to -0.32% in Q3, it remained negative for the eighth consecutive quarter and over 1 year it is -6.0%. APAC was the largest negative contributor over the quarter, while Europe was positive. September's INREV Consensus Indicator continued its climb to 55.8. This mirrors funds believing the bottom of the market has either been reached or is near.

Brunel's funds saw improvements in performance, with most delivering positive Q2 returns. The main negative of the model funds was Invesco Asia, while PRISA, a US diversified core fund, provided the greatest positive return over the quarter.

MSCI data showed that European transactions in Q2 increased by 15%, though this still reflects an annual fall of 2%. However, multi-family saw an annual increase, as did UK activity. Global private real estate fundraising fell 23% year on year (USD) according to Realfin.

Occupier demand held up well, with tight vacancy and supply conditions. Some exceptions exist, including some office markets in Asia. Industrial fundamentals deteriorated in the US, despite increased demand on the back of supply hitting the market, with vacancy rates ticking up to 5.6%.

Open-ended funds continued to pay down redemption queues built up over 2022 and 2023.

Early indications suggest that no material damage was caused by Hurricane Helene on assets in the US funds. Managers are still working closely with local teams to fully assess the storm's full impact.

Pipeline

There is no fund pipeline at present. The model for the International Property portfolio was updated over the summer to introduce a US Alternatives Fund.

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 1 year**	Perf. 3 year**	Perf. 5 year**	Perf. SII***	TVPI	Inception Date
Brunel International Property	65.5	57.8	-6.4%	-0.4%	-	-2.8%	1.1	Apr 2020

*Since initial investment

**Performance data shown up to 30 June 2024

Glossary

Term	Comment
absolute risk	Overall assessment of the volatility that an investment will have
ACS	Authorised Contractual Scheme - a collective investment arrangement that holds and manages assets on behalf of a number of investors
active risk/weight	A measure of the percentage of a holding that differs from the benchmark index; can relate to an equity, a sector or a country/region
amount called	In private investments, this reflects the actual investment amount that has been drawn down
amount committed	In private investments, this is the amount that a client has committed to an investment - it will be drawn down (called) during the investment period
annualised return	Returns are quoted on an annualised basis, net of fees
asset allocation	Performance driven by selecting specific country, sector positions or asset classes as applicable
basis points (BP)	A basis point is 0.01% - so 100bps is 1.0%. Often used for fund performance and management fees
CTB	Climate Transition Benchmark - targets 30% lower carbon exposure from 2020 and then a 7% annual reduction
DLUHC	Department for Levelling Up, Housing & Communities; the government body with oversight of pooling
DPI	Distributed to Paid In; ratio of money distributed to Limited Partners by the Fund, relative to contributions. Used for private markets investments
duration	A measure of bond price sensitivity to changes in interest rates. A high duration suggests a bond's price will fall by relatively more if interest rates increase than a bond with a low duration

Term	Comment
EBITDA margin	An EBITDA margin is a profitability ratio that measures how much in Earnings a company is generating Before Interest, Taxes, Depreciation, and Amortization, as a percentage of revenue.
ESG	ESG is an umbrella term to capture the various environmental, social and governance risks investors factor into their assessment of a company's sustainability profile. Brunel views assessing ESG factors as a central part of our fiduciary duty
ESG Score	The Morningstar Sustainalytics ESG Risk Ratings are based on an assessment of a company's exposure to risk and how well it manages those risks, resulting in a single score that indicates the company's overall ESG risk level. The rating is comprised of three central building blocks: corporate governance, Material ESG Issues (MEIs), and idiosyncratic issues. The scores are categorized across five risk levels: negligible, low, medium, high, and severe.
extractive exposures VOH	Value of Holdings of invested companies which derive revenues from extractive industries
GP or general partner	In Private Equity, the GP is usually the firm that manages the fund
gross performance	Performance before deduction of fees
Growth	Growth stocks typically exhibit faster long term growth prospects and are often valued at higher price multiples
IRR	Internal Rate of Return - a return that takes account of actual money invested
legacy assets	Client assets not managed via the Brunel Pension Partnership
Low Volatility	Low Volatility is a strategy that attempts to minimise the return volatility.
LP or limited partner	In private equity, an LP is usually a third party investor in the fund

Glossary

Term	Comment
LP or limited partner	In private equity, an LP is usually a third party investor in the fund
M&A	Mergers and acquisitions
Momentum	An investment strategy that aims to capitalize on the continuance of existing trends in the market
Money-weighted return	A performance measure that takes into account the timing and size of cash flows, including contributions and withdrawals.
MWR	Money weighted return - similar to an IRR - it reflects the actual investment return taking into account cashflows
NAV	Net asset value
net performance	Performance after deduction of all fees
PAB	Paris-Aligned Benchmark - targets a 50% lower carbon exposure from 2020 and then a 7% annual reduction
Quality	Quality stocks typically have a high Return on Equity, a very consistent profit outcome and exhibit higher and stable margins
relative risk	Relative volatility when compared with a benchmark
sector/stock selection	Performance driven by the selection of individual investments within a country or sector
since inception	Period since the portfolio was formed
since initial investment	Period since the client made its first investment in the fund
SONIA	Sterling Overnight Index Average - Overnight interbank interest rate - replacement for LIBOR
source of performance data	Source of performance data is provided net of fees by State Street Global Services unless otherwise indicated

Term	Comment
standard deviation	Standard deviation is a measure of volatility for an investment using historical data. Volatility is used as a measure of investment risk. A higher number may indicate a more volatile (or riskier) investment but should be taken in context with other measures of risk
time-weighted return	A performance measure that eliminates the impact of cash flows, focussing solely on the investment's rate of return over a specific time period. It does not account for the timing and size of contributions and withdrawals.
total extractive exposure	Revenue derived from extractive operations as a % of total corporate revenue
total return (TR)	Total Return - including price change and accumulated dividends
tracking error	A measure of relative volatility around a benchmark. A fund which differs greatly from the benchmark is likely to have a high tracking error
transitioned assets	Client assets that have been transferred to the Brunel Pension Partnership
TVPI	Total Value to Paid In; ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid in
Value	Value stocks typically have a low valuation when measured on a Price to Book or Price to earnings ratio
WACI	Weighted Average Carbon Intensity; measures the carbon intensity of businesses rather than total carbon emissions. It is expressed as tonnes of CO2 equivalent per million GBP of investment exposure
yield to worst	Lowest possible yield on a bond portfolio assuming no defaults

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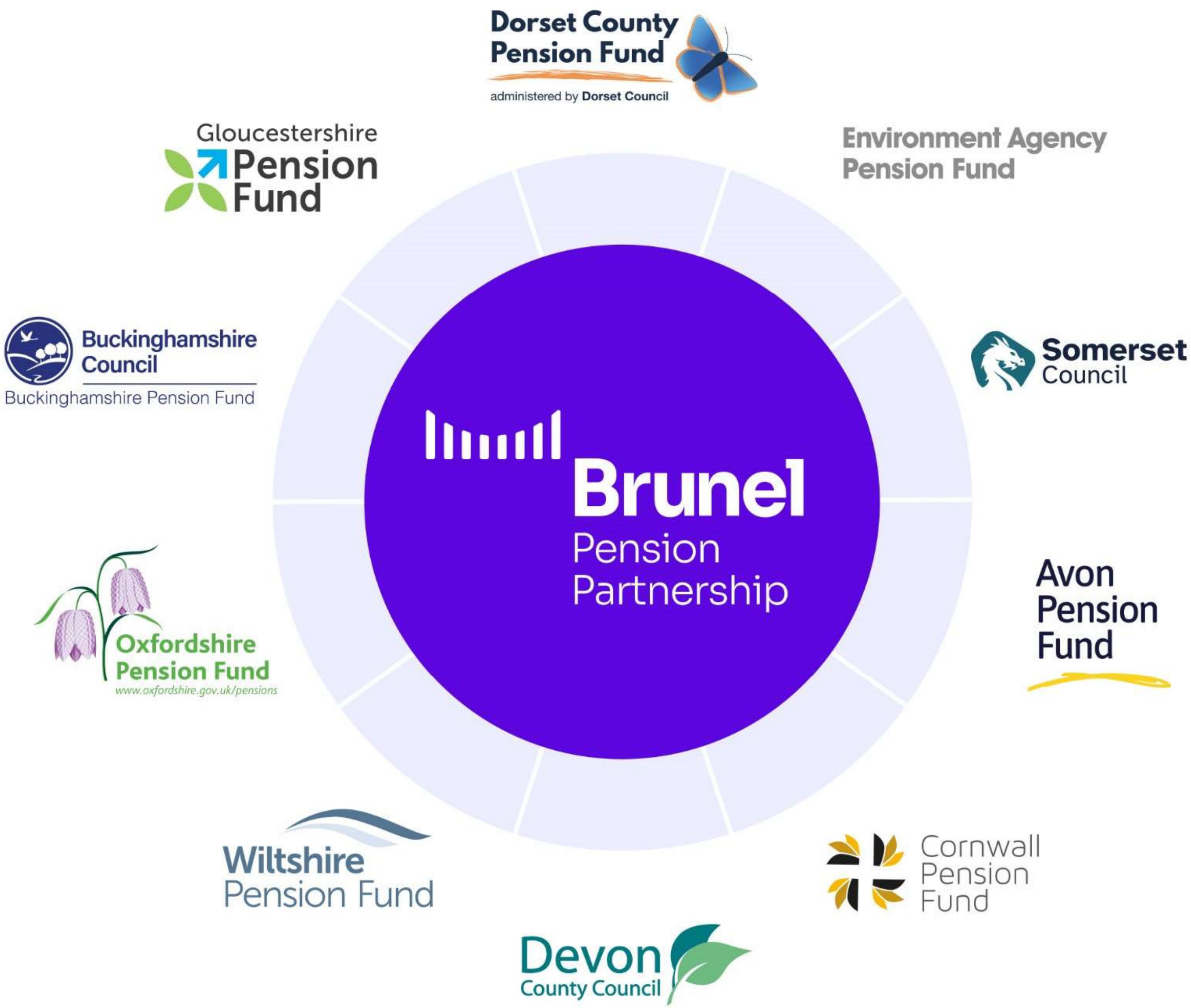
Brunel
Pension Partnership
Dorset County Pension Fund
administered by Dorset Council
Environment Agency Pension Fund
Somerset Council
Avon Pension Fund
Cornwall Pension Fund
Devon County Council
Wiltshire Pension Fund
Oxfordshire Pension Fund
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Buckinghamshire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