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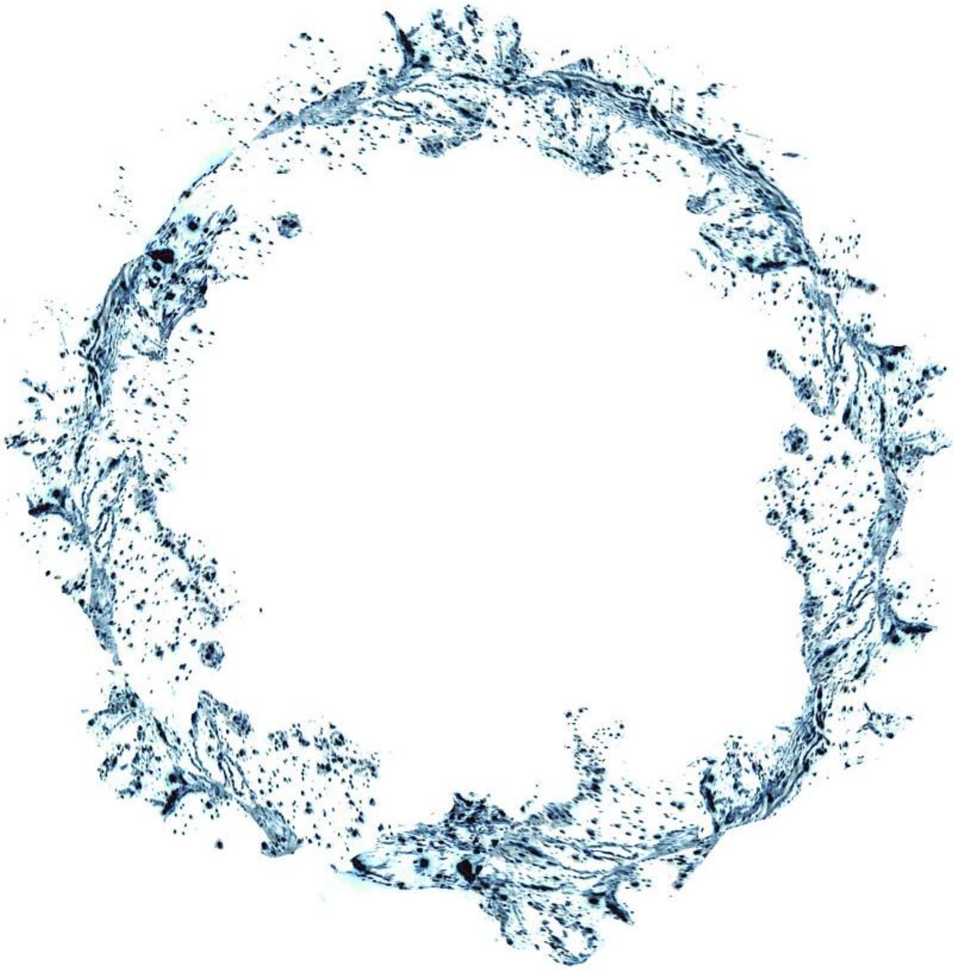


City of Westminster Pension Fund

Investment Performance Report to 31 December 2021

Deloitte Total Reward and Benefits Limited
February 2022

Contents

1 Market Background

Global Equities

Global equities posted positive returns over the final quarter of 2021, with investors focusing on economic resilience and strong corporate earnings. The emergence of the Omicron variant triggered a reasonable degree of market volatility from late November onwards. By quarter end, investor fears had largely subsided with data suggesting that the rate of hospitalisations was meaningfully lower. With further lockdown provisions looking less likely, investor attention returned to high inflation and falling unemployment with a tightening of monetary policy appearing all but inevitable. As expected, the Bank of England raised the UK base rate whilst the Federal Reserve agreed an accelerated programme of tapering during December.

Over the fourth quarter of 2021, global equity markets performed positively with the FTSE All World Index returning 7.0% in local currency terms. Performance across most global regions was positive with the exception of Japan, which delivered the lowest return of -1.4% (local terms), the Asia Pacific region (excluding Japan), and Emerging Market equities. China accounted for much of the weakness in the Asia Pacific region with the government in Beijing pressing ahead with its interventionist approach despite obvious signs of economic weakness and the distress caused by Evergrande and other property developers.

UK equities delivered a positive return of 4.2% over the quarter, underperforming the US and other European markets. Negative relative performance was largely due to the emergence of Omicron and the flow of investor funds away from the economically sensitive sectors which dominate the UK index. However, encouraging news around Omicron meant that, during December, a number of sectors were able to recoup the sharp losses sustained in the initial sell-off in late November.

Government bonds

UK nominal gilt yields finished the quarter higher at shorter maturities as investors priced in a faster pace of rate rises with the Bank of England forced to take action to combat high inflation. UK consumer price inflation increased to 5.1% over the year to November 2021, its highest level since 2012. In contrast, nominal gilt yields at maturities in excess of 8 years fell with investors seemingly fearing the economically dampening effects of higher interest rates in the short term. The All Stocks Gilts Index delivered a return of 2.4% over the quarter, whilst the longer-dated Over 15-year Index delivered a return of 5.6%.

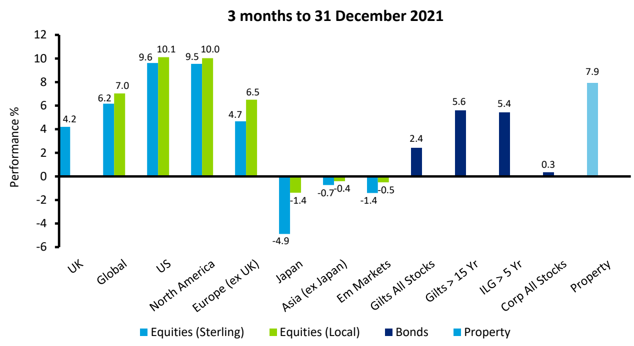
Real yields on index-linked gilts moved in a similar fashion to their nominal equivalents falling by up to 20 bps for all but the shorter maturities. The All Stocks Index-Linked Gilts Index delivered a return of 4.9% over the fourth quarter.

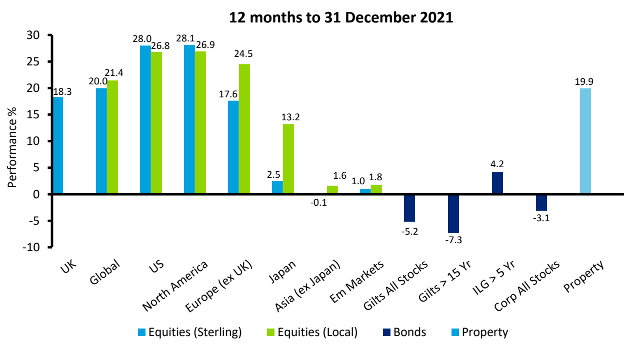
Corporate bonds

Credit spreads on sterling denominated corporate bonds increased slightly over the fourth quarter. Whilst corporate earnings remain strong, tighter monetary policy is expected to prove detrimental to corporate issuers. The iBoxx All Stocks Non-Gilt Index returned 0.3% over the three months to 31 December 2021, underperforming gilts of equivalent duration.

Property

The MSCI UK All Property Index delivered a return of 7.9% over the fourth quarter, and a return of 19.9% over the 12 months to 31 December 2021. The industrial sector continues to lead the way with a quarterly return of 13.5%, benefitting from trends including the switch to online shopping. The retail sector was, however, the second-highest performing sector over 2021, delivering a return of 14.6%. Investors appear to have taken advantage of low valuations across the sector with the retail warehouse and supermarket sub-sectors outperforming.





2 Total Fund

2.1 Investment Performance to 31 December 2021

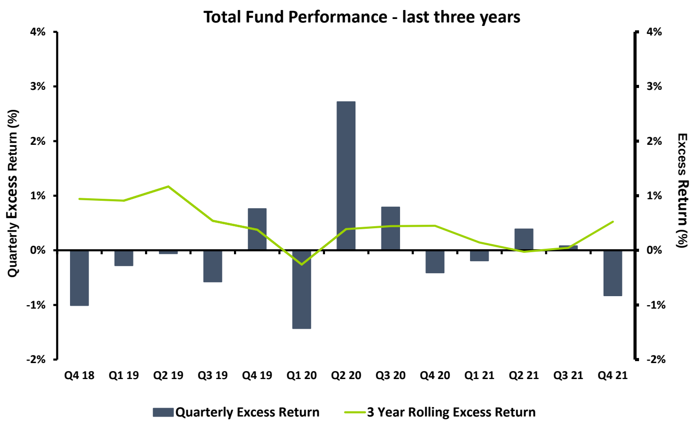
The following table provides a summary of the performance of the Fund's managers.

Manager	Asset Class	Last Quarter (%)		Last Year (%)		Last 3 Years (% p.a.)		Since inception (% p.a.)	
		Fund Net of fees	B'mark	Fund Net of fees	B'mark	Fund Net of fees	B'mark	Fund Net of fees	B'mark
LGIM	Global Equity (Future World)	7.1	7.1	21.6	21.3	n/a	n/a	25.4	25.1
LCIV	Global Equity (Global Alpha Growth)	0.1	6.2	8.9	19.6	22.6	17.9	16.2	13.2
LCIV	Global Equity (Global Equity Core)	9.0	6.2	20.3	19.6	n/a	n/a	23.4	27.7
Longview	Global Equity	2.5	7.1	19.3	22.7	12.1	19.2	12.5	13.7
Insight[1]	Buy and Maintain	0.5	-0.3	-2.3	-2.3	5.4	3.3	5.7	4.6
LCIV	Multi Asset Credit	1.0	1.0	6.2	4.1	4.9	4.6	4.0	4.6
abrdn[4]	Property	4.0	2.9	12.5	-3.2	7.3	5.2	n/a	5.8
Pantheon[2]	Global Infrastructure	0.8	2.0	22.7	8.1	n/a	n/a	7.9	9.1
Macquarie[3]	Global Renewable Infrastructure	6.1	0.0	n/a	n/a	n/a	n/a	-10.0	0.1
Quinbrook[3]	UK Renewable Infrastructure	1.3	0.0	n/a	n/a	n/a	n/a	4.7	0.1
Total		3.7	4.5	12.3	13.0	13.5	13.0	n/a	n/a

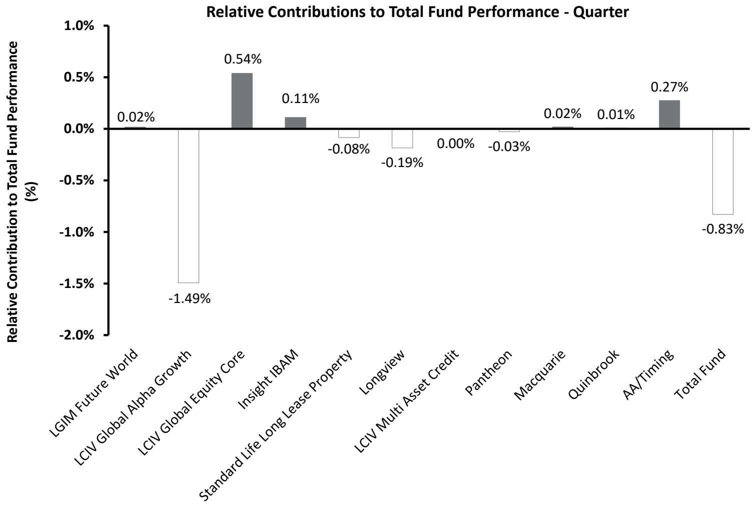
Source: Northern Trust. Figures may not tie due to rounding.
[1]Insight Buy and Maintain Fund was incepted on 9 April 2018. Since inception returns and benchmark returns reflect a combination of Insight Buy & Maintain Fund returns and benchmark returns from date of inception to 31 December 2021, and Insight IM (Core) Fund returns and benchmark returns from inception date 30 September 2011 until inception of the Buy and Maintain Fund.
[2]Pantheon Global Infrastructure Fund performance is calculated by Northern Trust with a 60 calendar day lag, based on Pantheon net asset value in USD which Northern Trust converts to GBP. As such, performance provided is to end October 2021 and includes the impact of fluctuations in the USD to GBP exchange rate.
[3]Macquarie and Quinbrook performance is calculated with a one quarter lag. In addition, Macquarie net asset value and cashflows are in EUR which Northern Trust converts to GBP, therefore estimated performance includes the impact of fluctuations in the EUR to GBP exchange rate.
[4]The Standard Life Long Lease Property Fund, managed by abrdn, performance quoted in the table has been provided by abrdn and differs from the figures provided by Northern Trust. We provide detail behind the differences experienced in Section 11. The figures provided by abrdn have not been used in calculating the Total Fund performance, and therefore the Total Fund performance quoted above and throughout this report may be slightly understated.

Over the quarter to 31 December 2021, the Fund delivered a positive absolute return of 3.7% on a net of fees basis, underperforming the fixed weight benchmark by 0.8%. Over the longer one year and three year periods to 31 December 2021, the Fund delivered positive absolute returns of 12.3% and 13.5% p.a. respectively on a net of fees basis, underperforming the fixed weight benchmark by 0.7% over the one year period and outperforming by 0.5% p.a. over the three year period. The positive absolute returns over the year continue to be attributed to the sustained recovery in global equity and wider capital markets following the initial outbreak of COVID-19.

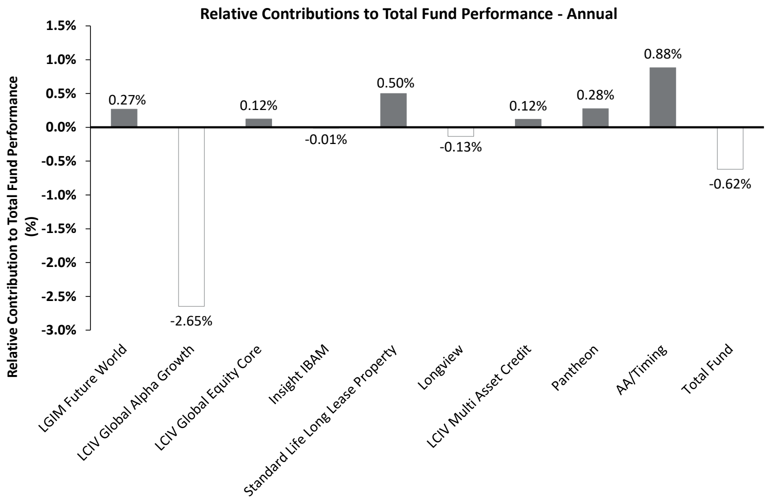
The chart below shows the relative performance of the Fund over the quarter and last three years, highlighting that the rolling three-year performance is ahead of the benchmark. Please note that performance is shown net of fees versus the benchmark.



2.2 Attribution of Performance to 31 December 2021



Over the fourth quarter of 2021, the Fund underperformed its fixed weight benchmark by 0.8%, with underperformance primarily driven by the LCIV Global Alpha Growth Fund, having considerably underperformed the wider global equity market over the three-month period owing largely to stock selection. The Fund's relative underperformance was partially offset by the LCIV Global Equity Core Fund, having outperformed its benchmark over the fourth quarter of 2021 with the strategy's bias to high quality stocks proving beneficial for the second quarter in succession .



The Fund underperformed its benchmark by 0.6% on a net of fees basis over the year to 31 December 2021. Underperformance can largely be attributed to the LCIV Global Alpha Growth Fund, with the sub-fund, managed by Baillie Gifford, delivering its worst relative return over a calendar year since its addition to the London CIV platform, despite delivering a positive return on an absolute basis over the twelve month period. The positive attribution represented by the "AA/Timing" bar reflects the impact of the Fund's underweight infrastructure and renewable infrastructure allocations and overweight equity position relative to the fixed weight benchmark, with the infrastructure and renewable infrastructure funds' bencharks delivering relatively flat returns over the year while each of the three equity mandates delivered positive returns on an absolute basis.

2.3 Asset Allocation as at 31 December 2021

The table below shows the assets held by manager and asset class as at 31 December 2021.

Manager	Asset Class	End Sept 2021 (£m)	End Dec 2021 (£m)	End Sept 2021 (%)	End Dec 2021 (%)	Benchmark Allocation (%)
LGIM	Global Equity (Passive - Future World)	429.7	460.3	22.9	23.5	20.0
LCIV	Global Alpha Growth	456.5	455.7	24.4	23.3	20.0
LCIV	Global Equity Core	366.9	399.8	19.6	20.4	20.0
Longview	Global Equity	75.8	77.8	4.0	4.0	0.0
	Total Equity	**1,328.9**	**1,393.6**	**70.9**	**71.1**	**60.0**
Insight	Buy and Maintain	243.9	245.2	13.0	12.5	13.5
LCIV	Multi Asset Credit	101.7	102.7	5.4	5.2	5.5
	Total Bonds	**345.6**	**347.9**	**18.4**	**17.8**	**19.0**
abrdn	Long Lease Property	76.1	76.7[3]	4.1	3.9	5.0
Man GPM	Affordable Housing	-	-	-	-	2.5
Triple Point	Affordable Housing / Supported Living	-	-	-	-	2.5
	Total Property	**76.1**	**76.7**	**4.1**	**3.9**	**10.0**
Pantheon[1]	Global Infrastructure	45.9	51.0	2.4	2.6	5.0
Macquarie[2]	Global Renewable Infrastructure	5.5	5.8	0.3	0.3	3.0
Quinbrook[2]	UK Renewable Infrastructure	10.1	14.7	0.5	0.8	3.0
	Total Infrastructure and Renewable Infrastructure	**61.5**	**71.6**	**3.3**	**3.7**	**11.0**
LCIV	Absolute Return	-	-	-	-	0.0
	Cash	62.0	69.0	3.3	3.5	0.0
	Total Cash and Cash Management	**62.0**	**69.0**	**3.3**	**3.5**	**0.0**
Total		**1874.4**	**1,958.8**	**100.0**	**100.0**	**100.0**

Source: Northern Trust
Figures may not sum due to rounding
[1]Pantheon Global Infrastructure Fund valuation is provided by Northern Trust with a 60 calendar day lag, based on Pantheon net asset value in USD which Northern Trust converts to GBP.
[2]Macquarie and Quinbrook valuations are provided by Northern Trust with a one quarter lag, updated for known cashflows over the reporting period. In addition, Macquarie net asset value and cashflows are in EUR which Northern Trust converts to GBP. Quinbrook net asset value includes an additional £3.8m which is held in a custody account following receipt of equalisation payments since inception.
[3]The Long Lease Property Fund valuation has been provided by Northern Trust, based on data provided by abrdn. We are in the process of querying the figure due to discrepancies we have noticed.

The total value of the Fund's invested assets, including cash, stood at c. £1,958.8m as at 31 December 2021, representing an increase of c. £84.4m over the fourth quarter of 2021.

Affordable Housing / Supported Living

Having agreed to make a 5% strategic allocation to affordable housing / supported living, following a manager selection exercise on 29 November 2021, at the 16 December 2021 Committee Meeting the Committee agreed to split the allocation approximately equally between the Man GPM Community Housing Fund and the Triple Point Impact Housing Fund, committing to invest either 2.5% of the total Fund portfolio value or £45m to each mandate, depending which is higher at the date of commitment to each manager, to be funded from the Fund's cash and equity allocation. Following quarter end, a £50m commitment to Man GPM was confirmed and Man GPM issued a drawdown request for £24.6m to be paid by 14 February 2022, which on this occasion was funded from the Fund's in-house cash allocation. Following payment, the Fund's commitment to the Man GPM Community Housing Fund is c. 47% drawn for investment. The Triple Point Impact Housing Fund is expected to launch over the second quarter of 2022 and, at the time of writing, the Fund is yet to commit a confirmed investment amount to the product.

Longview and Cash Management

At the 16 December 2021 Committee Meeting, the Committee agreed to sell the residual amount invested in the Longview Global Equity Fund. The Committee agreed to use the proceeds, which totaled £77.8m as at 31 December 2021, to allocate £50m to the LCIV Absolute Return Fund with the remainder to be held in cash, for liquidity purposes with both the Absolute Return Fund and the cash allocation to be used to meet future drawdown requests from the Fund's infrastructure, renewable infrastructure and residential housing mandates. The LCIV Absolute Return Fund's investment objective is to achieve low volatility and positive returns in all market conditions, from an actively managed multi-asset portfolio with a primary focus on capital preservation. Resultantly, the Fund issued a redemption notice to disinvest from the Longview Global Equity Fund across two tranches on 21 and 22 December 2021, with the proceeds settling in the cash account following quarter end in January 2022 and, on 21 January 2021, £50m was invested in the LCIV Absolute Return Fund.

Portfolio Rebalancing

In addition, at the 16 December 2021 Committee Meeting, the Committee agreed to rebalance the Fund's investment portfolio to be closer in line with the strategic benchmark. As such, it was agreed to top-up the Standard Life Long Lease Property Fund, managed by abrdn, by £22m and the Quinbrook Renewables Impact Fund by £10m, funded from equity holdings and cash. The additional £22m investment to the Long Lease Property Fund is expected to be drawn by abrdn by the end of March 2022.

Infrastructure and Renewable Infrastructure

Over the quarter, Pantheon issued two further capital calls of $4.6m for payment by 7 October 2021 and $2.1m for payment by 10 November 2021, taking the Fund's total unfunded commitment to c. $28.1m. These capital calls were funded from the Fund's in-house cash allocation. After completing two further investments over the quarter, the Pantheon Global Infrastructure Fund III is now fully deployed. Pantheon anticipates that the Fund's commitment will be fully drawn by the end of 2022, with modest sized calls expected over the first half of 2022 and more sizeable capital calls over the third and fourth quarters of the year.

As noted in the table above, the value of the Fund's investment in the Quinbrook Renewables Impact Fund is estimated with a one quarter lag. Based on the current drawdown position as at 27 January 2022, Quinbrook has drawn £16.4m for investment of the Fund's £60m commitment.

Similarly, the value of the Fund's investment in the Macquarie Renewable Energy Fund 2 is estimated in the table above based on the valuation as at 30 September 2021. Based on the current drawdown position as at 14 February 2022, the remaining unfunded commitment stands at €43.0m, with the Fund's total contribution at €12.0m.

2.4 Yield analysis as at 31 December 2021

The table below shows the yield as reported by the managers on each of the Fund's investments.

Manager	Asset Class	Yield as at 31 Dec 2021
LGIM	Global Equity (Passive – Future World)	1.71%
LCIV	Global Equity (Global Alpha Growth)	0.80%*
LCIV	Global Equity (Global Equity Core)	1.18%
Longview	Global Equity	1.58%
Insight	Buy and Maintain	2.02%
LCIV	Multi Asset Credit	5.45%*
abrdn	Long Lease Property	3.85%
	Total	**1.60%**

**LCIV funds' yields are provided by the underlying managers (Baillie Gifford, Morgan Stanley and CQS).*

3 Summary of Manager Ratings

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

Manager	Mandate	Triggers for Review	Rating
LGIM	Global Equity (Passive – Future World)	Major deviation from benchmark returns Significant loss of assets under management	1
Baillie Gifford	LCIV Global Equity (Global Alpha Growth)	Loss of key personnel Change in investment approach Lack of control in growth of assets under management	1
Morgan Stanley Investment Management	LCIV Global Equity (Global Equity Core)	Loss of key personnel Change in investment approach Lack of control in growth of assets under management	1
Longview	Global Equity	Loss of key personnel Change in investment approach Lack of control in growth of assets under management	2
Insight	Buy and Maintain	Departure of any of the senior members of the investment team	1
CQS	LCIV Multi Asset Credit	Significant changes to the investment team responsible for the fund	1
abrdn	Property	Les Ross leaving the business or ceasing to be actively involved in the fund without having gone through an appropriate hand-over A build up within the fund of holdings with remaining lease lengths around 10 years Investment in lower yielding or poorer quality assets than expected	1
Man GPM	Affordable Housing	Significant changes to the investment team responsible for the Fund	1
Triple Point	Affordable Housing	Significant changes to the investment team responsible for the Fund	1
Pantheon	Global Infrastructure	Significant changes to the investment team responsible for the fund	1
Macquarie	Global Renewable Infrastructure	Significant changes to the investment team responsible for the fund	1
Quinbrook	UK Renewable Infrastructure	Significant changes to the investment team responsible for the fund	1
Ruffer	LCIV Absolute Return	Departure of either of the co-portfolio managers from the business Any significant change in ownership structure	1

3.1 London CIV

Business

The London CIV had assets under management of £13,877m within the 15 sub-funds (not including commitments to the primate markets strategies) as at 31 December 2021 an increase of £1,302m over the quarter primarily as a result of two investors seeding the Passive Equity Progressive Paris Aligned (PEPPA) Sub Fund in early December and new investors into the LCIV Global Bond Sub Fund, LCIV Diversified Growth Sub Fund and LCIV MAC Sub Fund.

As at 31 December 2021, the total assets under oversight, including passive investments held outside the London CIV platform, stood at £29.6bn, an increase of c. £3.7bn over the quarter. Cumulative additional commitments to the London CIV's private market funds totaled £250.0m over the fourth quarter of 2021, with total commitments raised by the private market funds standing at £2.0bn of which £744m had been drawn as at 31 December 2021.

The London CIV anticipates that the PIMCO Diversified Income Strategy will be incorporated into the LCIV Multi Asset Credit Sub Fund, which the City of Westminster Pension Fund holds an allocation to, from February 2022.

LCIV Passive Equity Progressive Paris Aligned ("PEPPA") Sub Fund

The Passive Equity Progressive Paris Aligned ("PEPPA") Sub Fund launched on 1 December 2021, having received FCA approval and having agreed the terms of the IMA with the investment manager, State Street Global Advisors (SSGA). Two London Borough investors provided seed capital to the PEPPA Sub Fund, with the Sub Fund's assets under management standing at £533m as at 31 December 2021. The London CIV expects demand for the passive low carbon equity strategy to total between £0.9bn and £1.1bn.

The PEPPA Sub Fund's investment objective is to track the performance of the S&P Developed Ex-Korea LargeMidCap Paris-Aligned Climate Index with a tracking error of less than 0.5% p.a. The Index has c. 800 holdings with no exposure to Korea or Emerging Markets. The Sub Fund implements a low carbon factor-based investment approach, targeting the following factors: carbon intensity; climate alignment; green revenues; and ESG scoring, omitting coal, oil and gas, and all UN exclusions from the portfolio.

Personnel

Over the quarter, Chris Osborne joined London CIV as a Senior Portfolio Manager, focusing on property. Chris joins the London CIV from Partners Group where he was Assistant Vice President in Real Estate, having spent 9 years at the firm.

Following quarter end, two investment analysts have accepted offers to join the London CIV, starting in February 2022.

***Deloitte view* –** We are continuing to monitor developments on the business side as well as the new fund launches.

3.2 LGIM

Business

As at 30 June 2021, Legal & General Investment Management ("LGIM") had assets under management ("AuM") of c. £1,327bn, an increase of c. £48bn since 31 December 2020. Note, LGIM provides AuM updates biannually. LGIM's AuM as at 31 December 2021 will not be available until later in the quarter.

Personnel

During December 2021, Howie Li was appointed as Global Head of Index and ETFs to lead the next phase of growth of LGIM's Index business. Howie will be responsible for the global development of LGIM's Index and ETF businesses going forward. Meanwhile, Fadi Zaher has been appointed as Head of Index Solutions.

In addition, over the fourth quarter of 2021 David Barron has returned to Chicago as Head of US Index Solutions and will be reporting directly to John Bender who will be taking on the new role of Chief Investment Officer, LGIM America. The remaining members of the US Index team will report to Dave Barron. LGIM believes these changes will allow LGIM to work more collaboratively across its investment teams in all locations, particularly aligning LGIM's investment teams in Chicago and London to strengthen the firm's ambition of being an industry leading provider of investment solutions.

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

3.3 Baillie Gifford

Business

As at 31 December 2021, Baillie Gifford held c. £336bn in assets under management, representing a decrease of c. £10bn over the quarter primarily as a result of negative market returns. The Global Alpha strategy held assets under management of c. £57bn as at 31 December 2021, remaining relatively unchanged over the three-month period.

Personnel

There were no significant team or personnel changes over the quarter to 31 December 2021.

Following quarter end, Baillie Gifford announced that Julia Angeles, Jenny Davis, Lorna Kennedy, Linda Lin, Milena Mileva, Peter Singlehurst, Michael Stirling-Aird and Tom Walsh will all be promoted to Partner on 1 May 2022. While current Partners, James Anderson, Gerard Callahan, Lynn Dewar and Angus Franklin will retire from the firm on 30 April 2022.

Deloitte view **-** We continue to rate Baillie Gifford positively for its equity capabilities.

3.4 Morgan Stanley Investment Management

Business

The LCIV Global Equity Core Fund held assets under management of c. £601m as at 31 December 2021, an increase of c. £49m over the quarter.

As at 31 December 2021, the Morgan Stanley Global Sustain Fund, which the LCIV Global Equity Core Fund is based upon, held assets under management of c. $5.1bn, representing an increase of c. $0.6bn over the fourth quarter of 2021 as a result of positive market movements.

Personnel

Over the fourth quarter of 2021, the International Equity team announced the hire of Marte Borhaug as an Executive Director, Portfolio Manager and the team’s Head of Sustainable Outcomes. Marte joins from Aviva Investors where she was Global Head of Sustainable Outcomes. Marte has 12 years of experience within the sustainability industry in both private and public sector initiatives and will help drive Morgan Stanley’s sustainability strategy.

Deloitte View - We continue to rate Morgan Stanley Investment Management positively for its active equity capabilities.

3.5 Longview

Business

Longview held assets under management of c. £14.3bn as at 31 December 2021, a decrease of c. £0.4bn over the fourth quarter of 2021, with c. £0.9m of net outflows from the firm over the quarter.

Personnel

In December 2021, Tom Kieszkowski joined Longview as a Research Analyst and, after five years in Guernsey, Michael Hunt, Managing Director of Longview Partners (Guernsey) Limited, returned to the Longview Partners London office, where he spent the first four years of his Longview career.

Following quarter end, on 1 January 2022, Amy Scupham joined Longview Partners (USA) LLC as Head of Distribution (Americas) and Kate Campbell, who joined Longview Guernsey in 2016, became Managing Director of Longview Partners (Guernsey) Limited with Stuart Tostevin, who joined Longview Guernsey in 2014, taking on Michael’s responsibilities as the Head of Group Risk.

Deloitte view **–** We have removed Longview’s Global Equity strategy from our rated manager list following the departure of the co-founder and CIO Ramzi Rishani. As such, going forward, we will not be recommending the Longview Global Equity strategy to clients. The City of Westminster Pension Fund has issued notice to fully disinvest from the Longview Global Equity Fund over the quarter, with the proceeds settling in the Fund's designated cash account following quarter end in January 2022.

3.6 Insight

Business

Insight's assets under management stood at c. £867bn as at 31 December 2021, an increase of c. £30bn over the quarter primarily as a result of positive market returns over the three-month period.

Over the fourth quarter of 2021, the Insight Buy and Maintain Fund's assets under management remained relatively stable, standing at c. £3.2bn as at 31 December 2021.

Personnel

Insight made no changes to its Buy and Maintain Fund team over the fourth quarter of 2021.

Deloitte view – We rate Insight positively for its Fixed Income capabilities but continue to monitor how growth is being managed across the business.

3.7 CQS

Business

CQS held c. $21.6bn in assets under management as at 31 December 2021, an increase of c. $0.2bn over the quarter. The CQS Credit Multi Asset Fund's assets under management decreased by c. $0.1bn to c. $11.4bn over the fourth quarter of 2021.

Personnel

There were no specific team or personnel changes to the Credit Multi Asset Fund team over the quarter to 31 December 2021.

Deloitte View - We continue to rate CQS positively for its multi asset credit capabilities.

3.8 abrdn

Business

The Standard Life Long Lease Property Fund, managed by abrdn, had a total fund value of c. £3.4bn as at 31 December 2021, an increase of c. £0.1bn since 30 September 2021.

COVID-19 Impact:

abrdn continues to work with its tenants to discuss deferment arrangements where necessary. As at 14 February 2022, the Long Lease Property Fund had collected 99.8% of its Q4 2021 rent with none of the Long Lease Property Fund's rental income subject to deferment arrangements.

Personnel

There were no significant team or personnel changes over the quarter to 31 December 2021.

Deloitte View – We continue to rate abrdn positively for its long lease property capabilities.

3.9 Man GPM

Business

Man GPM held a total of c. $3.6bn in assets under management as at 31 December 2021, including commitments, an increase of c. $0.1bn over the quarter. The Community Housing Fund's NAV stood at c. £37.5m as at 30 September 2021, an increase of £22.6m over the third quarter of 2021, with the Fund's NAV at 31 December 2021 not yet available.

Following a second close during January 2022 where one new investor (City of Westminster Pension Fund) committed to the Fund and one existing client topped up their commitment, commitments to the Community Housing Fund now total £190m. The Fund's total capacity is £400m.

Man GPM issued a £24.6m capital call to the City of Westminster Pension Fund, consisting of £22.0m to fund investments into the portfolio, £1.7m for fund expenses and £0.9m to cover equalisation payments to the current investors of the Community Housing Fund, to be paid by 14 February 2022. Following payment, the Fund's commitment to the Man GPM Community Housing Fund is c. 47% drawn for investment.

Personnel

In October 2021, Poly Bradshaw joined Man GPM as a dedicated Project Manager, reflecting Man GPM's commitment to building out the team over time. Poly has joined from London & Quadrant and will be immediately involved in the ongoing delivery of all sites in contract.

Deloitte view – We continue to rate Man GPM for its affordable housing capabilities.

3.10 Triple Point

Business

The Impact Housing Fund is expected to launch over the second quarter of 2022 and, at the time of writing, the Fund is yet to commit a confirmed investment amount to the product.

As at 31 December 2021, Triple Point held £2.8bn in assets under management.

In addition to the City of Westminster Pension Fund's proposed £45-50m commitment, the Impact Housing Fund has received an additional commitment of £10m over the fourth quarter of 2021.

Personnel

There were no significant team or personnel changes over the quarter to 31 December 2021.

Deloitte view – We continue to rate Triple Point for its affordable housing and supported living capabilities.

3.11 Pantheon

Business

Pantheon held c. $81bn in assets under management as at 30 September 2021, an increase of c. $4bn over the quarter since 30 June 2021.

Following the final close in March 2019, the Global Infrastructure III Fund had $2.2bn in committed assets. The Global Infrastructure III Fund had completed 41 deals as at 31 December 2021, with $2,290m in closed or committed deals as at 31 December 2021 and is fully committed.

Pantheon does not plan to add any further investments to the portfolio and, going forward, capital calls will be used to pay off the short-term credit facility and to finance additional capital drawn by the fund's existing investments.

Personnel

Over the quarter, Samayita Das, Principal within Pantheon Ventures, left the firm to join Goldman Sachs as a Vice President. Samayita, based in San Francisco, had worked with Pantheon for over 5 years.

Deloitte View **-** We continue to rate Pantheon positively for its global infrastructure capabilities.

3.12 Macquarie

Business

Macquarie held assets under management of $A736bn as at 30 September 2021, an increase of c. $A43bn over the third quarter. At the time of writing, Macquarie's assets under management as at 31 December 2021 is not yet available.

On 28 January 2021, the Macquarie Renewable Energy Fund 2 ("MGREF2") reached final close with total commitments of €1.64bn across 32 investors, exceeding the initial fundraising target of €1-1.5bn. As at the end of the fourth quarter of 2021, the Macquarie Renewable Energy Fund 2 has committed €217.5m across two deals, representing 13% of commitments in total with a third transaction completing following quarter end, in February 2022, with an expected deployment of €190 million in equity.

During August 2021, Macquarie informed investors in MGREF2 of its intention to replace the current Alternative Investment Fund Manager ("AIFM"), Green Investment Group ("GIG"), with Macquarie Infrastructure and Real Assets ("MIRA"). Over the fourth quarter, MIRA was officially appointed as the AIFM, with effect from 1 December. MIRA is a Macquarie group entity which is also authorised and regulated by the Financial Conduct Authority in the UK. This change was proposed in order to reduce the number of regulated entities within the Macquarie group in Europe. Macquarie confirmed that following the replacement of GIG by MIRA, there shall be no change to the management fees charged to investors in the MGREF2, nor to the composition of the investment committee of the MGREF2.

Over the fourth quarter of 2021, Macquarie announced that GIG would operate as part of Macquarie Asset Management ("MAM") from 1 April 2022. The change enables MAM to create an enhanced team within its Real Assets division which is focused on providing access to green investment opportunities at greater scale and pace to drive the global transition to net zero. The combined teams will focus on developing, constructing and operating renewable energy projects, as well as fostering new emerging technologies and solutions – delivering decarbonisation solutions for the benefit of clients and Macquarie's portfolio companies. There are no organisational or leadership changes within MAM as a result of GIG joining, and GIG will operate as part of the Real Assets division of MAM, under the continued leadership of Leigh Harrison (Global Head of MAM Real Assets), with the GIG team being led by Mark Dooley.

Personnel

In November 2021, Macquarie announced that Martin Bradley will become Head of Real Assets in EMEA. Martin joined Macquarie in 2013 to support the firm's presence in utilities and networks, and has successfully overseen a large number of transitions within emerging markets and supported the establishment of a number of new investment funds. Macquarie believes that Martin brings a wealth of experience to the role and offers strong continuity to the EMEA team.

Additionally, in November 2021, Jiri Zrust, a Senior Managing Director in the EMEA MAM Real Assets business resigned to pursue opportunities outside of Macquarie. Jiri made significant contributions to the business over his 10 years with Macquarie as part of his role as lead of the Country Coverage team, and more recently as lead of the Energy Transition and Social Infrastructure team, in EMEA.

Deloitte View - We continue to rate Macquarie positively for its global renewable infrastructure capabilities.

3.13 Quinbrook

Business

Over the quarter, as part of a wider rebalancing of the investment portfolio, the City of Westminster Pension Fund committed an additional £10m to the Quinbrook Renewables Impact Fund.

As at 31 December 2021, a total of £260m has been committed to the Renewables Impact Fund, an increase of £10m over the quarter following the City of Westminster Pension Fund's additional commitment, accounting for 52% of the Fund's target. Quinbrook is confident that momentum will continue and plans to conduct rolling closes throughout 2022.

The Renewables Impact Fund has deployed a total of £104.6m into the investment portfolio as at 31 December 2021, representing 40% of commitments in total. Although this total is subject to confirmation at Quinbrook's annual audit in March 2022.

Personnel

Over the fourth quarter, in October 2021, Raimund Grube joined Quinbrook's US team as an Operating Partner. Raimund is largely experienced within the IPP industry, with a background in power, renewables, private equity and water. Raimund has a working history with the Quinbrook founders and trusted relationships with members of the Quinbrook US investment team and will support origination and asset management processes across all Quinbrook portfolio companies.

In November 2021, Alicia Bowry joined the UK Finance and Operations team as a manager. Prior to joining Quinbrook, Alicia was a Client Account Manager with SS&C, working on fund establishment, operations and reporting. Alicia was also a team leader at Quinbrook's current fund administrator, IQEQ, prior to SS&C.

In addition, Fiona Reynolds, previously CEO of PRI in London, and Kurt Akers, former Head of the Tangible Assets program with Washington State Investment Board, joined Quinbrook's Advisory Board in October 2021. Quinbrook anticipates that these appointments will strengthen the firm's collective abilities and expertise in climate policy, ESG, responsible investment, institutional investor engagement and strategic positioning.

In November 2021, Dennis Mou, Associate in the US office, and in December 2021, Sejal Parmar, Finance and Operations Manager in the UK office, both left their respective roles.

Deloitte View - We continue to rate Quinbrook positively for its global renewable infrastructure capabilities.

3.14 Ruffer

Business

Following quarter end, the Fund invested £50m in the LCIV Absolute Return Fund on 21 January 2021. The LCIV Absolute Return Fund, managed by Ruffer, aims to achieve low volatility and positive returns in all market conditions, from an actively managed multi-asset portfolio with a primary focus on capital preservation.

As at 31 December 2021, Ruffer held c. £24.0bn in assets under management, an increase of c. £0.8bn over the quarter.

Personnel

Over the quarter, Ruffer's CEO, Clemmie Vaughan, decided not to return to her role following maternity leave. Clemmie officially stepped down as CEO on 15 October 2021 and will remain a partner at Ruffer until March 2022 to support a full handover. From January 2021, Chris Bacon has been appointed as CEO and Miranda Best has been appointed as Deputy CEO, pending regulatory approval. Both Chris and Miranda are joining the board of Ruffer LLP having jointly lead the firm as interim co-CEOs during Clemmie's maternity leave. Chris joined Ruffer from Rothschild in 2017 and has been a Senior Adviser at the firm. Miranda joined Ruffer in 2005 as Head of Investments.

David Ballance, co-manager of the Absolute Return Fund since 2006 and leading member of Ruffer's institutional client team, has announced his intention to retire on 31 March 2022. Jos North, who joined Steve Russell and David in managing the Absolute Return Fund in 2019 and sits on Ruffer's asset allocation committee, will continue to co-manage the strategy, while Henry Maxey and Jonathan Ruffer will continue to lead the investment process. David's individual client relationships have been transitioned across Ruffer's institutional team.

Deloitte view – The Ruffer product is distinctive within the universe of diversified growth managers with the manager willing to take contrarian, long term positions, where necessary drawing on the expertise of external funds. We will continue to monitor the Absolute Return Fund and the portfolio management team going forward following David Ballance's departure, but we are comfortable that the portfolio management team, supported by Henry Maxey and Jonathan Ruffer, continues to be appropriate.

4 London CIV

4.1 Investment Performance to 31 December 2022

At 31 December 2021, the assets under management within the 15 sub-funds of the London CIV stood at £13,877m, with a further combined £2.0m committed to the London CIV's private market funds. The total assets under oversight (which includes passive investments held outside of the CIV platform) increased by c. £3.7bn to c. £29.6bn over the quarter. The table below provides an overview of the sub-funds currently available on the London CIV platform.

Sub-fund	Asset Class	Manager	Total AuM as at 30 Sept 2021 (£m)	Total AuM as at 31 Dec 2021 (£m)	Number of London CIV clients	Inception Date
LCIV Global Alpha Growth	Global Equity	Baillie Gifford	2,730	2,642	11	11/04/16
LCIV Global Alpha Growth Paris Aligned	Global Equity	Baillie Gifford	1,377	1,375	6	13/04/21
LCIV Global Equity	Global Equity	Newton	787	782	3	22/05/17
LCIV Global Equity Core	Global Equity	Morgan Stanley Investment Management	552	601	2	21/08/20
LCIV Global Equity Focus	Global Equity	Longview Partners	964	1,001	5	17/07/17
LCIV Emerging Market Equity	Global Equity	Henderson Global Investors	582	557	7	11/01/18
LCIV Sustainable Equity	Global Equity	RBC Global Asset Management (UK)	1,246	1,468	8	18/04/18
LCIV Sustainable Equity Exclusion	Global Equity	RBC Global Asset Management (UK)	430	481	3	11/03/20
LCIV PEPPA	Global Equity	State Street Global Advisors	n/a	533	2	01/12/2021
LCIV Global Total Return	Diversified Growth Fund	Pyrford	244	230	3	17/06/16
LCIV Diversified Growth	Diversified Growth Fund	Baillie Gifford	695	912	8	15/02/16
LCIV Absolute Return	Diversified Growth Fund	Ruffer	1,117	1,205	10	21/06/16
LCIV Real Return	Diversified Growth Fund	Newton	181	187	2	16/12/16
LCIV MAC	Fixed Income	CQS	1,174	1,215	13	31/05/18
LCIV Global Bond	Fixed Income	PIMCO	496	689	7	30/11/18
Total			**12,575**	**13,877**		

Source: London CIV

Over the quarter to 31 December 2021, there were two seed investors into the Passive Equity Progressive Paris Aligned (PEPPA) Sub Fund, totaling £533m, whilst one new investor was added to the LCIV Diversified Growth Sub Fund, one new investor was added to the LCIV Multi Asset Credit Sub Fund and two new investors were added to the LCIV Global Bond Sub Fund, alongside positive net flows into the LCIV Sustainable Equity Sub Fund from an existing investor.

4.2 Private Markets

The table below provides an overview of the London CIV's private markets investments as at 30 September 2021.

Sub-fund	Total Commitment as at 30 Sept 2021 (£'000)	Called to Date (£'000)	Undrawn Commitments (£'000)	Fund Value as at 30 Sept 2021 (£'000)	Number of London CIV clients	Inception Date
LCIV Infrastructure Fund	399,000	122,061	276,939	124,154	6	31/10/2019
LCIV Inflation Plus Fund	202,000	35,772	166,228	35,393	3	11/06/2020
LCIV Renewable Infrastructure Fund	682,500	51,606	630,894	48,442	10	29/03/2021
LCIV Private Debt Fund	290,000	91,552	198,448	94,435	3	29/03/2021
The London Fund	195,000	22,917	172,083	21,662	2	15/12/2020

Source: London CIV

5 LGIM – Global Equity (Passive – Future World)

Legal and General Investment Manager ("LGIM") was appointed to manage a global equity portfolio with a passive ESG approach, with the objective of replicating the performance of the Solactive L&G ESG Global Markets Index benchmark. The manager has an annual management fee based on the value of assets.

5.1 Passive Global Equity – Investment Performance to 31 December 2021

	Last Quarter (%)	One year (%)	Since Inception (% p.a.)
LGIM Future World Global Equity Index Fund – GBP Currency Hedged	7.1	21.6	25.4
Solactive L&G ESG Global Markets Index	7.1	21.3	25.1
MSCI World Equity Index – GBP Hedged	8.0	24.4	27.9
Relative (to Benchmark)	0.1	0.3	0.3

Source: Legal & General Investment Management

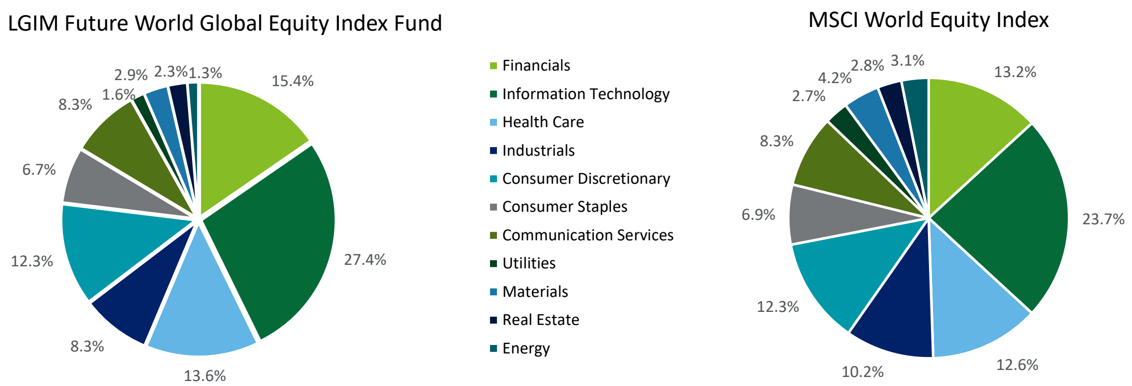
The Fund offers equity exposure while incorporating ESG 'tilts' through LGIM-designed indices. Note, LGIM designs the ESG indices and Solactive are used as the benchmark calculation agent. The tilting mechanism aims to reduce exposure to companies associated with 'poor' ESG practices and to provide greater exposure to those that have stronger ESG credentials. LGIM believes that integrating ESG considerations into the investment process can help to mitigate long-term risk and has the potential to improve long-term financial outcomes.

The LGIM Future World Global Equity Index Fund – GBP Currency Hedged slightly outperformed its Solactive L&G ESG Global Markets Index benchmark over the quarter to 31 December 2021, delivering an absolute return of 7.1% on a net of fees basis, but underperformed the MSCI World Equity Index – GBP Hedged by 0.9% over the three-month period, with the strategy's selective stock allocation mechanism proving detrimental over the quarter.

Over the one-year period to 31 December 2021, the LGIM Future World Global Equity Index Fund – GBP Currency Hedged delivered a strong absolute return of 21.6% on a net of fees basis, outperforming its Solactive L&G ESG Global Markets Index benchmark by 0.3%, while underperforming the MSCI World Equity Index – GBP Hedged by 2.8% on a net of fees basis. The Fund's large positive absolute return over the year can be attributed to the widely sustained recovery in global equity markets following the onset of the COVID-19 pandemic over the first quarter of 2020, with global equity markets delivering positive returns over each of the four separate quarters to 31 December 2021.

5.2 Portfolio Sector Breakdown at 31 December 2021

The below charts compare the relative weightings of the sectors in the LGIM Future World Global Equity Index Fund and the MSCI World Equity Index as at 31 December 2021.



Source: LGIM

The LGIM Future World Global Equity Index Fund has a larger allocation to financials and information technology than the MSCI World Equity Index, whilst the lower allocation to industrials, materials and energy represents the ESG tilt applied by the LGIM strategy.

6 LCIV – Global Alpha Growth

Baillie Gifford was appointed to manage an active Global Equity mandate from 18 March 2014, held as a sub-fund under the London CIV platform from 11 April 2016. The manager is remunerated on an asset-based fee, reflecting the total value of assets invested in the strategy across the Tri-borough. The target is to outperform the benchmark by 2-3% p.a. on a gross of fees basis over rolling 5-year periods.

6.1 Global Alpha Growth – Investment performance to 31 December 2021

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Baillie Gifford – Net of fees	0.1	8.9	22.6	16.2
MSCI AC World Index	6.2	19.6	17.9	13.2
Relative	-6.1	-10.7	4.6	3.0

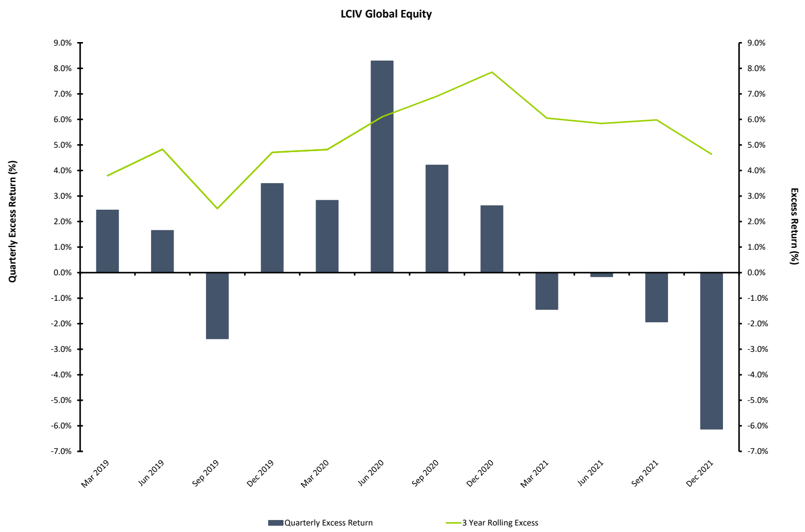
Source: Northern Trust. Relative performance may not tie due to rounding.
Inception date taken as 18 March 2014

Over the fourth quarter of 2021, the LCIV Global Alpha Growth Fund, managed by Baillie Gifford, delivered an absolute return of 0.1% on a net of fees basis, underperforming its MSCI AC World Index benchmark by 6.1% over the period. Over the one-year and annualised three-year periods to 31 December 2021, the strategy delivered positive returns of 8.9% and 22.6% p.a. respectively, but underperformed the benchmark by 10.7% over the year, while outperforming the benchmark by 4.6% p.a. over the longer three-year period. The LCIV Global Alpha Growth Fund's relative underperformance over the year to 31 December 2021 reflects the sub-fund's worst calendar year relative return since its inception onto the London CIV platform.

While underperformance over the fourth quarter of 2021 can be partially attributed to an overall market rotation into value-driven stocks, specifically within the energy sector where the Global Alpha Growth Fund has limited exposure, the strategy has also significantly underperformed the wider growth market – with the MSCI World Growth Index returning 7.6% over the quarter to 31 December 2021.

Stock selection considerably contributed to underperformance over the quarter. While technology-backed consumer discretionary companies have, historically, provided meaningful contributions to positive returns for the strategy, particularly over the initial periods of the COVID-19 pandemic, the LCIV Global Alpha Growth Fund suffered heavy losses from a number of these positions over the fourth quarter of 2021. Particularly SEA Limited, the online content, e-commerce and payments company which was the strategy's largest holding at the start of the quarter, which fell in value by c. 30% over the quarter following an announcement from Tencent, one of the largest shareholders, that they will be reducing the size of their holding by c. 2%.

The graph below shows the net quarterly returns and the rolling three-year excess returns relative to the benchmark. The fund's current three-year excess return is ahead of the target (+2% p.a.), having outperformed the benchmark by 4.6% p.a. over the three-year period to 31 December 2021.



The manager's decision to invest in a portfolio of companies at various stages of the growth cycle has proved beneficial since the onset of the pandemic, but this positioning has detracted from performance over the third and fourth quarters of 2021. However, Baillie Gifford continues to hold conviction in those positions which have recognised short-term volatility, citing the manager's belief in the stocks' long-term potential.

Over the quarter, the Global Alpha strategy introduced some changes within its investment process. Having introduced four "Growth Profiles" (Stalwart, Rapid, Cyclical and Latent) in 2009 to guide stock selection and portfolio management, Baillie Gifford has decided to discontinue the Latent profile, citing that it offers little contribution to diversification and has delivered materially lower levels of outperformance than its counterparts. This will not result in any changes to the holdings within the portfolio, rather Baillie Gifford will no longer explicitly seek Latent Growth opportunities, and the current Latent Growth holdings will be re-classified under the Cyclical Growth bucket.

Simultaneously, Ballie Gifford will refresh the titles of the growth profiles to better reflect the way the businesses are likely to grow, rather than the rate of growth. As such, 'Stalwart Growth' will become 'Compounders', 'Rapid Growth' will become 'Disrupters' and 'Cyclical Growth' will become 'Capital Allocators'. Again, these changes will not lead to any change to the underlying holdings in the investment portfolio or any meaningful change in the overall growth or risk characteristics of the portfolio.

6.2 Positioning Analysis

The top ten holdings in the portfolio account for c. 24.6% of the fund and are detailed below.

Top 10 holdings as at 31 December 2021	Proportion of Baillie Gifford Fund
Prosus Nv	3.0%
Microsoft	2.9%
Moody's	2.8%
Anthem Com	2.8%
Martin Marietta Materials	2.7%
Alphabet	2.7%
Taiwan Semiconductor Manufacturing	2.1%
Amazon	2.0%
SEA	1.9%
Shopify	1.8%
Total	**24.6%**

Source: London CIV
Figures may not sum due to rounding

6.3 Performance Analysis

The table below represents the top five contributors to performance over the quarter to 31 December 2021.

Top 5 contributors as at 31 December 2021	Contribution (%)
Tesla Inc	+0.59
Anthem Com	+0.50
Martin Marietta Materials	+0.48
Teradyne	+0.46
Microsoft	+0.45

Tesla continues to be one of the strategy's best performers, having provided the largest contribution to positive performance over the fourth quarter of 2021 following strong Q4 2021 earnings with revenue exceeding analyst predictions amid increasing levels of vehicle deliveries.

The table below represents the top 5 detractors to performance over the quarter to 31 December 2021.

Top 5 detractors as at 31 December 2021	Contribution (%)
Moderna	-0.80
SEA	-0.77
Doordash	-0.33
Peloton Interactive Inc	-0.26
Oscar Health Inc	-0.26

After two successive quarters as the LCIV Global Alpha Growth Fund's largest contributor to positive returns, Moderna, the US pharmaceutical company, was the largest contributor to negative performance over the fourth quarter of 2021. Moderna's detraction over Q4 is largely attributed to shipment delays, prompting a reduction in 2021 revenue guidance, although Baillie Gifford continues to hold conviction in the stock and believes the downward pressure on stock price will be short lived.

SEA, as mentioned above, was also one of the largest detractors to performance, alongside Doordash, a US food ordering and delivery platform which performed poorly as investors grew nervous surrounding the company's heavy reinvestment of earnings.

7 LCIV – Global Equity Core

Morgan Stanley Investment Management was appointed to manage an active equity portfolio with a focus on sustainability when selecting investment opportunities, held as a sub-fund on the London CIV platform from 31 October 2020. The aim of the fund is to outperform the MSCI AC World Index.

7.1 Global Equity Core – Investment Performance to 31 December 2021

	Last Quarter (%)	One Year (%)	Since Inception (% p.a.)
Net of fees	9.0	20.3	23.4
Benchmark (MSCI World Net Index)	6.2	19.6	27.7
Global Franchise Fund (net of fees)	9.4	24.0	25.3
Net Performance relative to Benchmark	2.8	0.6	-4.3

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

The LCIV Global Equity Core Fund delivered a positive return of 9.0% on a net of fees basis over the quarter to 31 December 2021, outperforming the MSCI World Net Index by 2.8%. Over the longer twelve-month period to 31 December 2021, the strategy has outperformed its benchmark by 0.6%, delivering a positive absolute return of 20.3% on a net of fees basis.

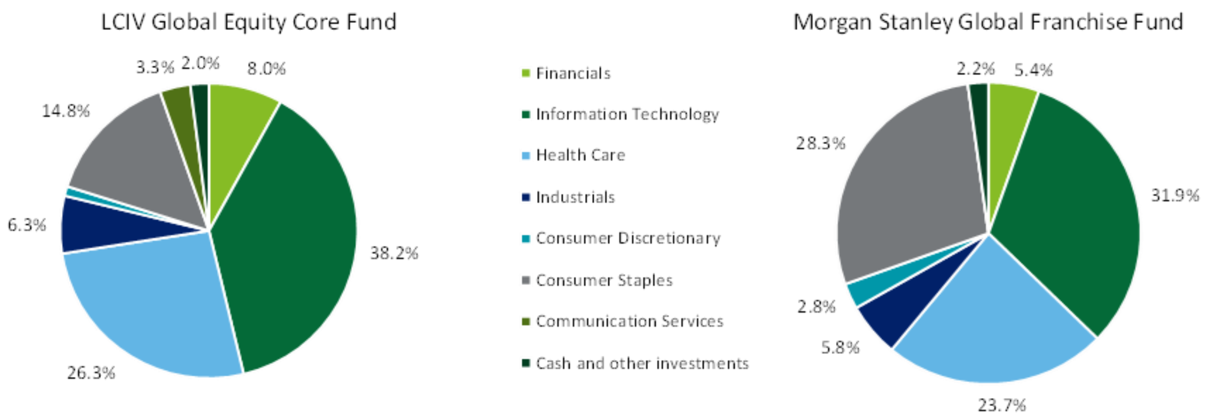
The LCIV Global Equity Core Fund's portfolio is predominantly comprised of quality franchises with strong recurring cash flows, and the strategy therefore has a low allocation to cyclical stocks. The LCIV Global Equity Core Fund has outperformed the wider market over the fourth quarter of 2021 with the stable earnings profile and high-quality characteristics of the underlying stocks proving favourable, relative to cyclical companies.

Outperformance was boosted by the strategy's sector allocation, with the LCIV Global Equity Core Fund's overweight information technology and underweight communication services and financials positions proving beneficial. The strategy's stock selection also contributed to outperformance over the quarter, with Microsoft and Accenture in particular posting positive earnings as both companies continued to expand their businesses ahead of anticipated future trends.

The LCIV Global Equity Core Fund follows the same strategy and, in general, has the same investment principles as the Morgan Stanley Global Franchise Fund, but is subject to a greater number of restrictions, owing to its key focus on sustainability. As such, there exists a number of small differences in the characteristics of the two funds. The LCIV Global Equity Core Fund underperformed the Global Franchise Fund by 0.4% over the quarter, with underperformance largely attributed to a lower allocation to consumer staples companies, with beverage and tobacco companies benefitting from increased global social activity, having been adversely impacted by previous social distancing measures.

7.2 Portfolio Sector Breakdown at 31 December 2021

The charts below compare the relative weightings of the sectors in the LCIV Global Equity Core Fund and the Morgan Stanley Global Franchise Fund as at 31 December 2021.



Source: London CIV and Morgan Stanley

The Global Equity Core strategy has a higher allocation to information technology, healthcare and financials, and a lower allocation to consumer staples due to its intentional tilt towards sustainable investments.

The Global Franchise Fund portfolio held an allocation of c. 9% to tobacco stocks as at 31 December 2021. The Global Equity Core Fund is restricted from investing in tobacco, and hence holds a substantially smaller allocation to consumer staples.

7.3 Performance Analysis

The table below summarises the Global Equity Core Fund portfolio's key characteristics as at 31 December 2021, compared with the Morgan Stanley Global Franchise Fund.

	LCIV Global Equity Core Fund	Global Franchise Fund
No. of Holdings	38	31
No. of Countries	7	5
No. of Sectors*	6	6
No. of Industries*	18	13

*Not including cash

Source: London CIV and Morgan Stanley

Holdings

The top 10 holdings in the Global Equity Core Fund account for c. 47.7% of the strategy and are detailed below.

Global Equity Core Fund Holding	% of NAV
Microsoft	7.3
Visa	5.5
SAP	5.0
Reckitt Benckiser	5.0
Accenture	4.9
Baxter International	4.1
Becton Dickinson	4.1
Danaher	4.1
Thermo Fisher Scientific	3.9
Abbott Laboratories	3.9
Total	**47.7***

Global Franchise Fund Holding	% of NAV
Microsoft	9.2
Philip Morris	7.6
Reckitt Benckiser	6.4
Visa	5.6
Danaher	5.1
Accenture	5.0
Thermo Fisher Scientific	4.8
Procter & Gamble	4.8
SAP	4.7
Abbott Laboratories	4.6
Total	**57.6***

*Note figures may not sum due to rounding

Source: London CIV and Morgan Stanley

Eight stocks are consistently accounted for in the top ten holdings of both strategies.

8 Longview – Global Equity

Longview was appointed on 15 January 2015 to manage an active global equity mandate. The manager's remuneration is based on the value of assets invested across the Tri-borough. The expectation is that the fund will outperform the benchmark by 3% p.a.

8.1 Active Global Equity – Investment Performance to 31 December 2021

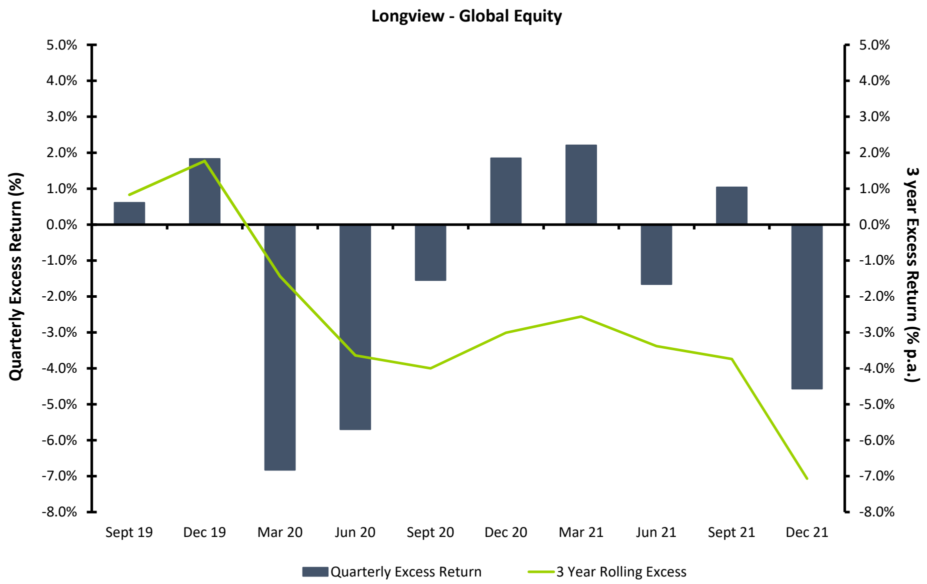
	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Longview - Net of fees	2.5	19.3	12.1	12.5
MSCI World Index	7.1	22.7	19.2	13.7
Relative	-4.6	-3.4	-7.1	-1.2

Source: Northern Trust. Relative performance may not tie due to rounding.
Inception date 15 January 2015

Over the quarter to 31 December 2021, the Longview Global Equity Fund delivered a positive absolute return of 2.5% on a net of fees basis, underperforming its MSCI World Index benchmark by 4.6%. Longview has underperformed its benchmark by 3.4% over the year to 31 December 2021, delivering a positive absolute return of 19.3% on a net of fees basis over the period, and has underperformed its benchmark by 7.1% p.a. over the longer three-year period.

The City of Westminster Pension Fund has issued notice to fully disinvest from the Longview Global Equity Fund over the quarter, with the proceeds settling in the Fund's designated cash account following quarter end in January 2022.

The fund targets an outperformance of 3% p.a. over rolling three-year periods. The chart below shows the quarter and rolling three-year returns.



The extent of the Global Equity Fund's relative underperformance over the fourth quarter of 2021 represents the strategy's worst quarterly return, relative to the MSCI-based benchmark, since the onset of the COVID-19 pandemic. Longview has primarily attributed the underperformance over the quarter to stock selection within IT and Consumer Staples. Within the IT sector, Longview states that not owning Apple, Microsoft and NVIDIA contributed over 2% to relative underperformance against the MSCI World Index benchmark, with the majority of the payments industry within the sector providing a further drag on relative performance. While within the Consumer Staples sector, Henkel struggled in the light of cost inflation and Asahi, Sysco and US Foods detracted as their respective governments introduced additional social distancing measures in response to the rapid spread of the Omicron variant.

Longview continues to position the portfolio with a relative over-exposure to companies which the manager feels are sensitive to social distancing measures, and therefore likely to benefit most when such measures are lifted. Longview maintains a conviction that these holdings continue to be undervalued and feels that the portfolio is well positioned to benefit from a return towards greater normality, but the manager retains an expectation that COVID-19 associated volatility will continue to be present in the market for some time, citing the risk of the spread of further COVID-19 variants.

The Global Equity Fund made one new portfolio acquisition and one sale over the fourth quarter of 2021. Longview added Heineken N.V. to the portfolio over the quarter, citing the growing and relatively predictable nature of the brewing industry with Heineken operating a diversified portfolio of over 300 brands. Meanwhile, Longview sold out of Henkel over the quarter, following disappointing performance across the consumer staples business since early 2019. This poor performance was followed by inventory problems in North America and China and more recent input cost pressures, resulting in uncertainty surrounding the company's sustainability of returns.

8.2 Performance Analysis

The tables below represent the top five and bottom five contributors to performance over the fourth quarter of 2021.

Top Five Contributors for Q4 2021	Contribution (%)
W.W. Grainger	+0.86
UnitedHealth	+0.84
IQVIA	+0.38
Marsh & McLennan	+0.26
TJX Companies	+0.24

W.W. Grainger delivered the strategy's largest contribution to outperformance over the fourth quarter, following strong performance from its rapidly growing online business Zoro in the US and MonotaRO in Japan. Grainger has thus far successfully expanding its US online self-service offering, launched in 2011, which continues to grow in registered users. UnitedHealth also delivered a large contribution to positive performance over the quarter, with the company's fast-growing subsidiary operations providing an advantage relative to other health insurers.

Medtronic was the Fund's largest detractor to relative performance over the fourth quarter, with the company reporting slightly lower than expected results for the three months to the end of October as demand was hit by slower medical device procedure volumes, primarily in the US, due to COVID-19 and hospital staff shortages. Additionally, in December, the stock's shares fell by c. 6% in response to a warning letter received from the US Food and Drug Administration by the company's diabetes business in California, following an inspection related to product recalls. Charter Communications also detracted from relative performance over the quarter, as a result of slowing broadband net subscriber growth in the US.

Top Five Detractors for Q4 2021	Contribution (%)
Medtronic	-0.94
Charter Communications	-0.77
Fidelity Natl Info Services	-0.51
Henkel	-0.51
Asahi Group	-0.48

9 Insight – Buy and Maintain

Insight was appointed to manage a buy and maintain credit portfolio. The fund aims to invest in predominantly investment grade credit which the manager believes can be held to maturity. The manager's fee is based on the value of assets.

9.1 Buy and Maintain Fund - Investment Performance to 31 December 2021

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Insight Non Gilts - Net of fees	0.5	-2.3	5.4	5.7
iBoxx £ Non-Gilt 1-15 Yrs Index	-0.3	-2.3	3.3	4.6
Relative	0.9	-0.1	2.0	1.1

Source: Northern Trust. Relative performance may not tie due to rounding.
Inception date taken as 12 April 2018

The Insight Buy and Maintain Fund delivered a positive return of 0.5% on a net of fees basis over the fourth quarter of 2021, outperforming its temporary iBoxx non-gilt benchmark by 0.9%. The Buy and Maintain Fund delivered a negative absolute return of 2.3% on a net of fees basis over the year to 31 December 2021, slightly underperforming the benchmark by 0.1% but delivered a positive absolute return of 5.4% p.a. on a net of fees basis over the three years to 31 December 2021, outperforming its benchmark by 2.0% p.a.

The longer duration of the Buy and Maintain Fund, relative to the benchmark, proved beneficial over the quarter, with longer dated yields falling. The Buy and Maintain Fund outperformed the iBoxx non-gilt benchmark over the three-month period as the short-dated gilt yields underlying the benchmark rose over the quarter as markets began to price in the likely rate hikes in response to increasing inflationary pressures.

Over the quarter, Insight purchased a new green bond from NatWest that scored highly on Insight's selection criteria and a green bond issued by Finnish municipality financing company Kuntarahoitus Oyj.

Insight has confirmed that there were no defaults within the Buy and Maintain portfolio over the fourth quarter of 2021.

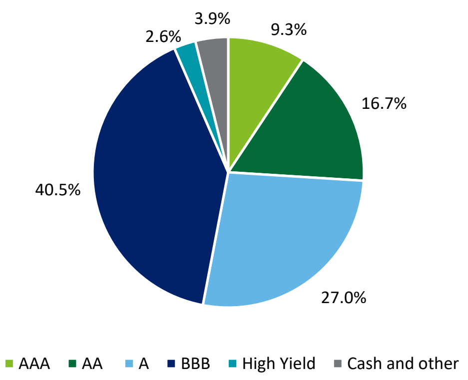
9.2 Performance Analysis

The table below summarises the Buy and Maintain portfolio's key characteristics as at 31 December 2021.

	30 Sept 2021	31 Dec 2021
Yield (%)	1.9	2.0
No. of issuers	173	170
Modified duration (years)	8.5	8.7
Spread duration (years)	7.9	7.8
Government spread (bps)	103	114
Swaps spread (bps)	86	84
Largest issuer (%)	3.2	2.1
10 largest issuers (%)	12.4	12.2

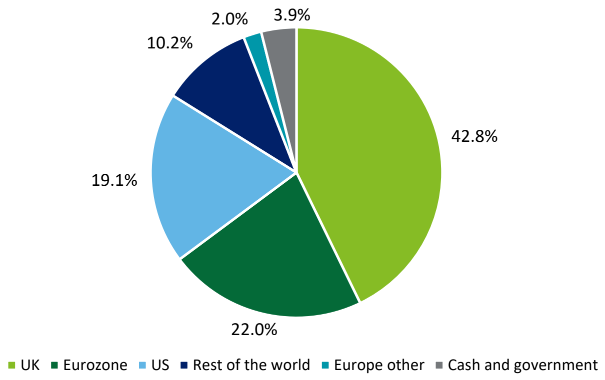
Source: Insight

The graph below shows the split of the Buy and Maintain portfolio by credit rating.

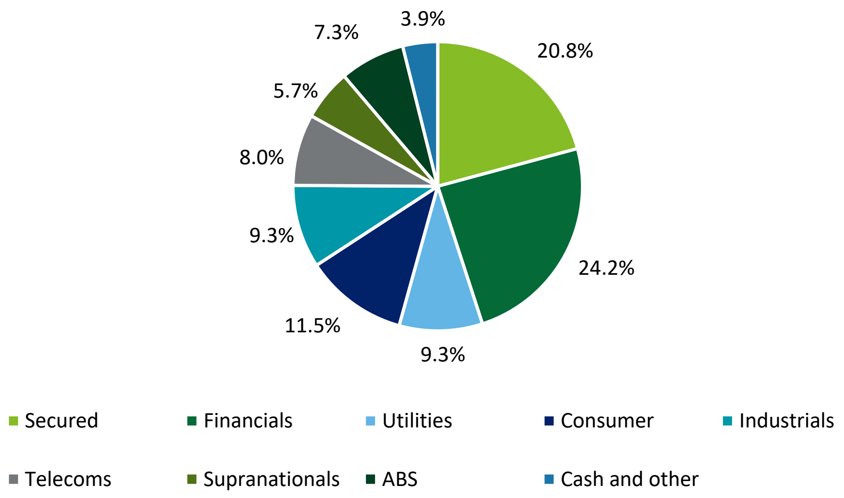


As at 31 December 2021, the fund's investment grade holdings made up c. 93.5% of the portfolio, a decrease of c. 0.9% over the quarter. The fund remains predominantly invested in BBB and A rated bonds.

The graph below shows the split of the Buy and Maintain portfolio by country as at 31 December 2021.



The graph below shows the split of the Buy and Maintain portfolio by sector as at 31 December 2021.



The table below shows the top 10 issuers by market value as at 31 December 2021.

Issuer name	Rating*	Holding (%)
UK Treasury	AA	2.1
Taurus	AAA	1.4
Municipality Finance Plc	AAA	1.3
Wellcome Trust Ltd	AAA	1.2
Db Master Finance Llc	BBB	1.1
Cellnex Telecom	BB	1.1
Natwest Group Plc	AAA	1.1
Industrial Bank of Korea	AA	1.0
Orsted	BBB	1.0
Realty Income Corp	A	1.0

**Ratings provided by Insight*

10 LCIV – Multi Asset Credit

CQS was appointed to manage a multi asset credit mandate, under the London CIV platform, in October 2018 with the aim of outperforming the 3-month Sterling LIBOR benchmark by 4% p.a. An annual fee covers the manager's and the London CIV platform management fees.

10.1 Multi Asset Credit – Investment Performance to 31 December 2021

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
CQS – MAC –Net of fees	1.0	6.2	4.9	4.0
3 Month Libor + 4%	1.0	4.1	4.6	4.6
Relative	0.0	2.2	0.3	-0.6

Source: Northern Trust
Inception date taken as 30 October 2018

Over the fourth quarter of 2021, the Multi Asset Credit Fund, managed by CQS, delivered an absolute return of 1.0% on a net of fees basis, performing in line with its cash-based benchmark. Over the year to 31 December 2021 the strategy outperformed the benchmark by 2.2%, delivering a positive absolute return of 6.2% on a net of fees basis, while over the long three year period to 31 December 2021 the Multi Asset Credit Fund has returned 4.9% p.a. on a net of fees basis, outperforming the cash-based benchmark by 0.3% p.a.

The Multi Asset Credit Fund's bias towards floating rate secured loans, relative to fixed rate high yield bonds, continued to prove beneficial over the fourth quarter of 2021, having provided the strategy's largest contribution to positive returns over the remainder of the year to date, driven by interest income from Europe and the US amid a supportive macro-economic backdrop. CQS increased the strategy's allocation to floating rate secured loans further over the quarter, seeking to mitigate interest rate duration risks and price volatility.

Despite experiencing volatility over the fourth quarter of 2021, the strategy's loans portfolio was relatively flat over the quarter, with European loans outperforming their US counterparts, while the Multi Asset Credit Fund's convertible bonds exposure provided robust returns against the backdrop of positive equity market returns. Meanwhile, owing to the strong underlying fundamentals of such positions, CQS' asset backed securities exposure, which CQS increased its allocation to over the quarter, also delivered a modest contribution to performance, with income from the strategy's European CLOs and high yield allocations sufficient to offset mark-to-market volatility.

CQS experienced 25 credit rating downgrades over the quarter to 31 December 2021, representing c. 1.8% of the portfolio, with no defaults occurring over the period. The Multi Asset Credit Fund portfolio recognised 35 credit rating upgrades over the quarter, representing c. 3.4% of the portfolio.

10.2 Portfolio Analysis

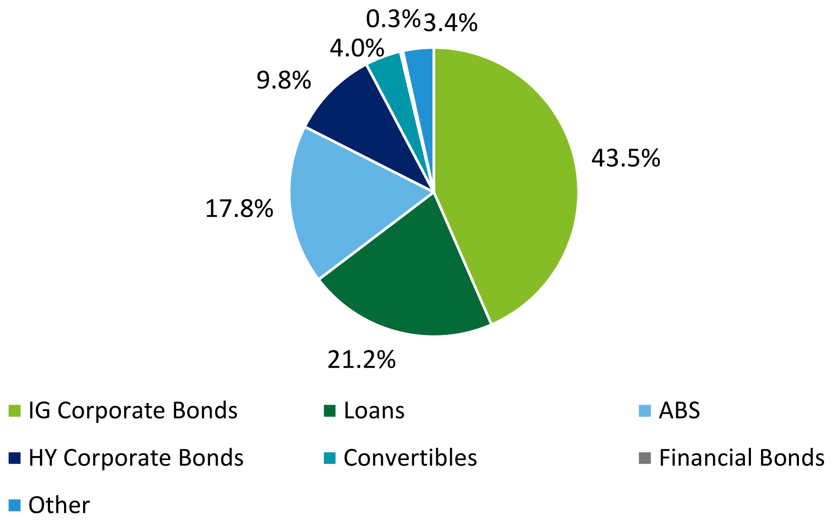
The table below summarises the Multi Asset Credit Fund portfolio's key characteristics as at 31 December 2021.

	30 Sept 2021	31 Dec 2021
Weighted Average Bond Rating	B+	B+
Long Bond Equivalent Exposure with Public Rating (%)	89.4	87.2
Investment with Public Rating (%)	89.0	87.8
Yield to Maturity (%)	5.0	5.5
Spread Duration	3.8	3.6
Interest Rate Duration	1.2	1.2

Source: London CIV

10.3 Asset Allocation

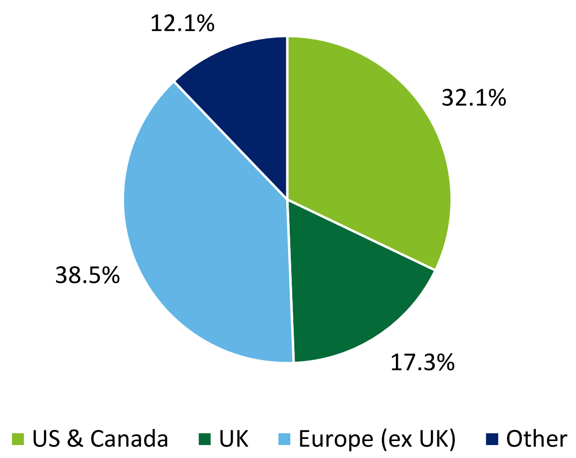
The asset allocation split of the Multi Asset Credit Fund as at 31 December 2021 is shown below.



Source: London CIV

10.4 Country Allocation

The graph below shows the regional split of the LCIV Multi Asset Credit Fund as at 31 December 2021.



Source: London CIV

11 abrdn – Long Lease Property

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

11.1 Long Lease Property – Investment Performance to 31 December 2021

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)	Since Inception (% p.a.)
abrdn - Net of fees	4.0	12.5	7.3	8.2	n/a
Benchmark	2.9	-3.2	5.2	4.4	5.8
Relative	1.1	15.7	2.1	3.2	n/a

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

Since inception: 14 June 2013

The Long Lease Property Fund performance quoted in the table above has been provided by abrdn and differs from the figures provided separately by Northern Trust. The performance figures provided by Northern Trust are based on valuation and unit price data provided to Northern Trust by abrdn, however we have been made aware that the 31 December 2021 unit price provided by abrdn was incorrect and Northern Trust has subsequently provided understated performance figures for the Long Lease Property Fund.

Based on the performance figures provided by abrdn, the Standard Life Long Lease Property Fund, managed by abrdn, delivered an absolute return of 4.0% on a net of fees basis over the fourth quarter of 2021, outperforming the FT British Government All Stocks Index Benchmark by 1.1%.

Over the fourth quarter of 2021, the Long Lease Property Fund has underperformed the wider property market, as measured by the MSCI (formerly IPD Monthly) UK All Property Index, by 3.1%, largely as a result of the strategy's underweight position to the industrial and retail warehousing sectors relative to the wider property market, with both sectors performing well over the quarter to 31 December 2021 owing to continued yield compression. The strategy has outperformed the wider property market over the longer term, with long term performance continuing to be aided by the portfolio's stronger tenant credit quality and long, inflation linked leases, and the lack of any high street or shopping centre exposure with these sectors particularly impacted by the COVID-19 outbreak.

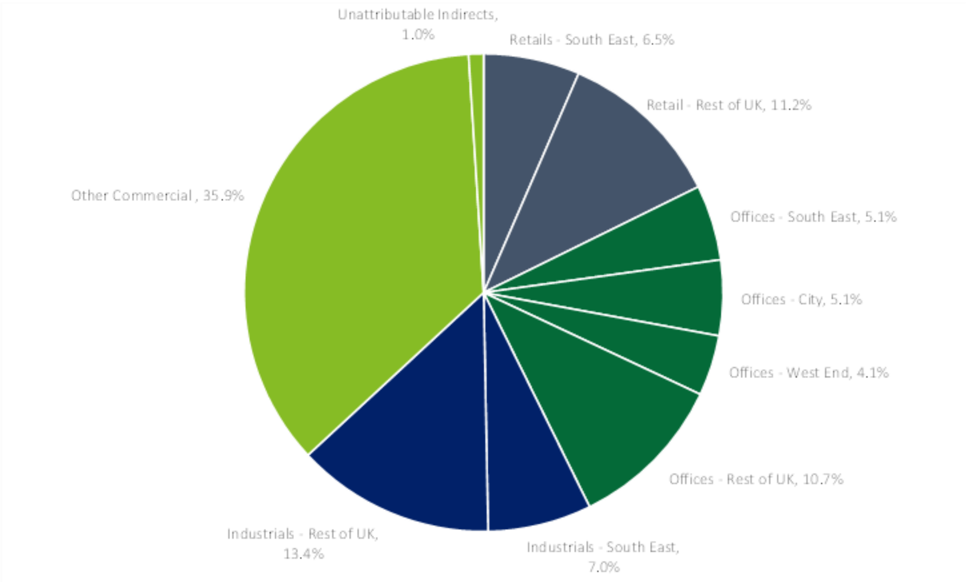
Positive performance over the quarter can be largely attributed to capital growth within the portfolio, particularly in the supermarket sector, with the major supermarket operators continuing to report strong trading owing in part to the continued heightened use of online shopping. The remainder of the Long Lease Property Fund's retail portfolio saw values fall over the quarter, particularly the strategy's pub and leisure sector assets.

After removing the material valuation uncertainty clause and lifting the suspension on trading during the third quarter of 2020, the Long Lease Property Fund continues to trade as normal.

Rent collection statistics improved slightly over the fourth quarter of 2021 as abrdn realised Q4 collection rates of 99.8% (as at 14 February 2022). Over the fourth quarter of 2021, none of the Long Lease Property Fund's rental income was subject to deferment arrangements, with 0.2% unpaid or subject to ongoing discussions with tenants. As at 14 February 2022, abrdn had collected 97.6% of its Q1 2022 rent, with no income subject to deferment arrangements and 2.4% of rent unpaid or subject to ongoing discussions with tenants.

11.2 Portfolio Holdings

The sector allocation in the Long Lease Property Fund as at 31 December 2021 is shown in the graph below



Source: abrdn.

The Long Lease Property Fund completed no further acquisitions over the fourth quarter of 2021. abrdn, however, estimates a further investment pipeline of up to £1.15bn exists with a number of off market opportunities being actively tracked and a number of openly marketed opportunities of rarely available assets coming to market. abrdn has strong conviction in its ability to deploy capital through 2022, considering the current pipeline.

Q4 2021 and Q1 2022 rent collection, split by sector, as at 14 February 2022 is reflected in the table below:

Sector	Proportion of Fund as at 31 December 2021 (%)	Q4 2021 collection rate (%)	Q1 2022 collection rate (%)
Alternatives	6.0	100.0	93.0
Car Parks	3.7	100.0	100.0
Car Showrooms	3.2	100.0	100.0
Hotels	7.8	100.0	100.0
Industrial	14.7	100.0	92.0
Leisure	3.3	94.0	95.0
Public Houses	5.5	100.0	100.0
Offices	29.6	100.0	98.0
Student Accommodation	8.1	100.0	100.0
Supermarkets	18.2	100.0	100.0
Total	**100.0**	**99.8**	**97.6**

The leisure sector has expressed the poorest rental collection statistics over the fourth quarter of 2021 and the first quarter of 2022 as at 14 February 2022, with the industrial sector also expressing poor rental collection statistics over Q1 2022 as at 14 February 2022.

abrdn has stated that the majority of the Long Lease Property Fund's underlying tenants have reverted to paying rent as per their lease terms, with no Q4 2021 or Q1 2022 rental income subject to deferment arrangements as at 14 February 2022.

abrdn has now collected 99.8% of 2020 rents and 99.1% of 2021 rents, with the majority of outstanding rent in 2021 reduced to a small number of tenants. There has been no write-off of any outstanding rent, or rent-free periods agreed.

The table below shows details of the top ten tenants in the fund measured by percentage of net rental income as a 31 December 2021:

Tenant	% Net Income	Credit Rating
Whitbread	5.6	BBB
Viapath	5.0	AA
Tesco	5.0	BBB
Sainsbury's	4.6	BB
Marston's	4.4	BB
Asda	3.8	BBB
Salford University	3.6	A
Secretary of State for Communities	3.5	AA
QVC	3.4	BB
Lloyds Bank	3.3	AA
Total	**42.2***	

*Total may not equal sum of values due to rounding

The top 10 tenants contributed 42.2% of the total net income of the Fund as at 31 December 2021. Of which 13.4% of the net income came from the supermarket sector, with Tesco, Sainsbury's and Asda continuing to make up a significant proportion of the Fund at quarter end.

The unexpired lease term decreased from 25.7 years as at 30 September 2021 to 25.5 years as at 31 December 2021. The proportion of income with fixed, CPI or RPI rental increases increased by c. 0.8% over the quarter to 91.9%. abrdn expects this measure to increase further over 2022 as pre-let projects and pipeline deals complete.

As at 31 December 2021, 0.9% of the Fund's NAV is invested in ground rents via an indirect holding in the abrdn Ground Rent Fund, with 17.3% of the Fund invested in income strip assets.

12 Man GPM – Affordable Housing

Man GPM was appointed to manage an affordable housing mandate following the manager selection exercise in November 2021. The manager has an annual management fee.

12.1 Community Housing Fund – Investment Performance to 31 December 2021

Capital Calls and Distributions

The Fund committed £50m to Man GPM in January 2022.

Man GPM issued one capital call following quarter end:

- A capital call of £24.6m, consisting of £22.0m to fund investments into the investment portfolio, £1.7m for fund expenses and £0.9m to cover equalisation payments to the current investors of the Community Housing Fund, for payment by 14 February 2022.

As such, as at 14 February 2022, the Fund's remaining unfunded commitment stood at c. £26.3m with the Fund's £50m commitment c. 47% drawn for investment.

Activity

Man GPM agreed terms on one project over the fourth quarter of 2021:

- Chilmington, Ashford – a forward fund of 225 homes compromised of 132 houses and 93 flats in a well-connected market town with 85% affordable rent targeted at key worker and shared ownership households. The investment has been completed and Man GPM is holding discussions on a 10 year operating lease to a local Housing Association. Gross project cost of £71m.

In addition to the Campbell Wharf project, where terms were agreed over the third quarter of 2021, Man GPM also agreed terms on two projects over the third quarter of 2021 with the deals announced by Man GPM later in Q4:

- Towergate, Milton Keynes – a forward fund of 55 homes embedded within a larger development scheme totaling 150 homes. The development targets 100% shared ownership affordable rent targeted at key worker and median income households. The investment has been completed and Man GPM is holding discussions on a 10 year operating lease to a local Housing Association. Gross project cost of £18m.

- Coombe Farm, Saltdean – a forward fund of 71 homes comprised of a mixture of new houses and bungalows with 83% of homes being made available for discounted rental or affordable home ownership. The deal is a repeat investment with a developer already known to the Fund. The investment has been completed and Man GPM is in advanced discussions on a 10 year operating lease to a local Housing Association. Gross project cost of £25m.

Man GPM has stated that all projects are proceeding broadly in-line with expectations.

Pipeline

As at 31 January 2022, Man GPM's pipeline investment opportunities included four late-stage investment opportunities with an estimated gross cost of £103m in which negotiations are in place with the vendor, alongside two favourable investment opportunities with an estimated combined gross project cost of £82m where Man GPM holds a positive view on returns and investment thesis, having completed initial due diligence, with an offer not yet accepted by the vendor.

12.2 Investments Held

The table below shows a list of the projects currently undertaken by the Man GPM Community Housing Fund as at 31 December 2021.

Investment	Number of Homes	Number of Affordable Homes	Expected Total Commitment – Gross (£m)	Expected Total Commitment – Net (£m)	Total Capital Drawn and Invested to Date (£m)
Alconbury Weald	95	95 (100%)	22.4	12.0	4.8
Grantham	227	186 (82%)	38.0	17.0	4.8
Lewes	41	39 (95%)	12.9	10.5	1.2
Campbell Wharf	79	79 (100%)	21.5	10.1	TBC
Towergate	55	55 (100%)	18.1	6.5	TBC
Saltdean	71	59 (83%)	24.8	9.6	TBC
Chilmington	225	192 (85%)	70.8	30.6	TBC
Total	**793**	**705 (89%)**	**208.5**	**96.3**	**TBC**

Source: Man GPM

13 Pantheon – Global Infrastructure Fund III

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

13.1 Global Infrastructure - Investment Performance to 31 December 2021

Capital Calls and Distributions

The Fund committed $91.5m to Pantheon in February 2019.

Over the quarter, Pantheon issued two capital calls and one distribution:

- A capital call of $4.6m for payment by 7 October 2021, representing c. 5.0% of the Fund's total commitment;
- A capital call of $2.1m for payment by 10 November 2021, representing c. 2.3% of the Fund's total commitment; and
- A distribution of $6.4m for payment by 30 December 2021, consisting of $3.8m return of capital, $2.0m realised gain and $0.6m dividend income.

The remaining unfunded commitment as at 31 December 2021 was c. $28.1m, with the Fund's $91.5m commitment c. 69% drawn for investment.

Activity

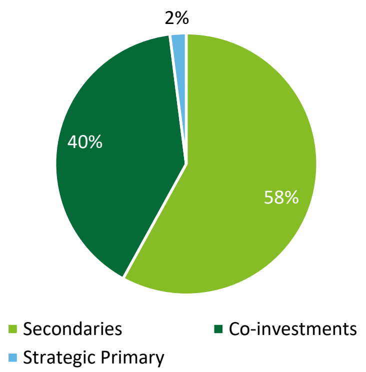
The PGIF III completed two new investments over the fourth quarter:

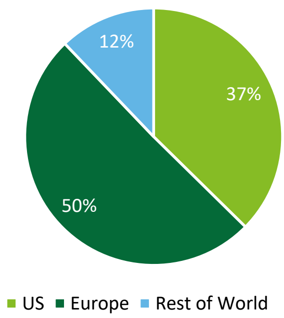
- One secondary global transportation project, Project Aquarius, with a commitment value of c. $73.8m; and
- One co-investment waste-to-energy project, Covanta, with a commitment value of c. $53m.

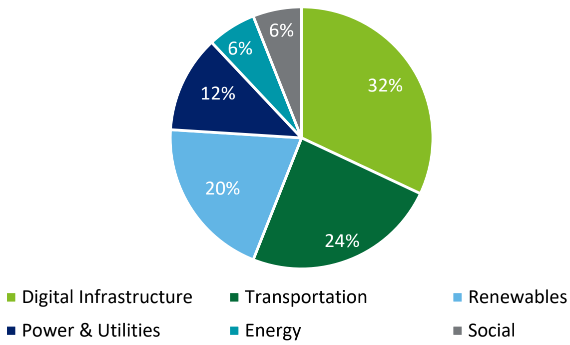
Following completion of these transactions, the Global Infrastructure Fund III is now fully deployed. Going forward, capital calls will be used to pay off the short-term credit facility and to finance additional capital drawn by the fund's existing investments.

13.2 Asset Allocation

The charts below show the current diversification by strategy, geography and sector in PGIF III as at 30 September 2021. Data as at 31 December 2021 will not be available until later in the quarter.







Source: Pantheon

The target geographic diversification is 30-50% North America, 40-60% Europe and 3-15% Asia and others. The PGIF III also aims to be 15-20% energy infrastructure (midstream), 20-30% energy infrastructure (power/utility), 20-30% transportation, 10-20% PPP/social infrastructure and 10-20% other.

13.3 Investments Held

The table below shows a list of the investments held by PGIF III as at 30 September 2021.

Project Name	Geography	Sector	Type	Deal Size ($m)	Commitment Date
Roger	Europe	Diversified Infrastructure	Secondary	29	Dec 17
TRAC Domestic	North America	Transportation	Co-investment	12	Dec 17
Naturgy	Europe	Energy Infrastructure	Co-investment	33	May 18
Luton Airport	Europe	Transportation	Co-investment	24	May 18
Invenergy	North America	Energy Infrastructure	Co-investment	35	Aug 18
VTG	Europe	Transportation	Co-investment	64	Sep 18
Inti	Europe	Energy Infrastructure	Secondary	23	Dec 18
Megabyte	North America	Digital Infrastructure	Secondary	76	Dec 18
Hivory	Europe	Digital Infrastructure	Co-investment	34	Dec 18
Fairway	Global	Diversified Infrastructure	Secondary	53	Dec 18
Proxiserve	Europe	Energy Infrastructure	Co-investment	32	Mar 19
Springbank	North America	Transportation	Secondary	60	May 19
ORYX Midstream	North America	Energy Infrastructure	Co-investment	65	May 19
Gatwick Airport	Europe	Transportation	Secondary	66	Jun 19
Kookaburra	APAC	Diversified Infrastructure	Secondary	61	Jul 19
Sullivan	Global	Diversified Infrastructure	Secondary	121	Jul 19
GlobalConnect	Europe	Digital Infrastructure	Secondary	67	Dec 19
McLaren	Global	Diversified Infrastructure	Secondary	53	Jan 20
IFT	Europe	Digital Infrastructure	Co-investment	67	Jan 20
Zayo	North America	Digital Infrastructure	Co-investment	66	Mar 20
Energy Assets Group	Europe	Energy Infrastructure	Co-investment	37	Apr 20
Viridor	Europe	Energy Infrastructure	Co-investment	49	July 20
Taurus	Europe	Energy Infrastructure	Co-investment	26	Oct 20
Thor	North America	Digital Infrastructure	Co-investment	52	Oct 20
Kapany	Europe	Diversified Infrastructure	Secondary	128	Nov 20
Megabyte II	North America	Digital Infrastructure	Secondary	51	Nov 20
Epsilon	Europe	Diversified Infrastructure	Co-investment	68	Dec 20
MapleCo	Europe	Energy Infrastructure	Co-investment	43	Jan 21
Emerald	North America	Energy Infrastructure	Secondary	48	March 21
Teemo	Europe	Digital Infrastructure	Co-investment	26	April 21
Kinetic	APAC	Transportation	Co-investment	45	April 21
Blue Jays	North America	Diversified	Secondary	119	May 21
Aurora	Global	Social	Secondary	147	Pending
Ermewa	Europe	Transportation	Co-investment	68	Pending
Anthem	Global	Diversified	Secondary	109	Pending
Aquarius	Global	Transportation	Secondary	74	Pending

14 Macquarie – Renewable Energy Fund 2 ("MGREF2")

Macquarie was appointed to manage a global renewable infrastructure mandate following the manager selection exercise in December 2020. The manager has an annual management fee on undrawn and invested assets, alongside a performance fee.

14.1 MGREF2 - Investment Performance to 31 December 2021

Capital Calls and Distributions

The Fund committed €55m to Macquarie in December 2020.

Macquarie issued no further capital calls over the fourth quarter of 2021, but issued one capital call following quarter end:

- Macquarie issued a capital call for €4.7m, consisting of €4.5m to fund an investment into the portfolio and €0.2m for transaction costs relating to the investment, for payment by 14 February 2022.

The remaining unfunded commitment as at 14 February 2022 was c. €43.0m, with the Fund's total contribution at c. €12.0m and the Fund's €55m commitment c. 22% drawn.

Activity

The MGREF2 reached an agreement to acquire 90% of the French solar energy platform Apex Energies SAS ("Apex Energies") on 16 November 2021, with MGREF2 expecting to deploy c. €190 million of equity into the investment. The transaction is expected to complete by mid-February 2022, with customary approvals already secured. Apex Energies is a leading rooftop solar energy platform in France which manages an operational portfolio of 92MW across over 530 sites. The group's development pipeline is 2.2GW, which includes over 900MW of rooftop and 1.3GW of ground-mounted projects.

As at 31 December 2021, MGREF2 has committed 19% to solar assets against a 30% solar cap. However, following quarter end, Macquarie took a proposal to increase the solar cap to the Investors Prudential Review Committee ("IPRC") with MGREF2's pipeline providing more solar opportunities in the near term and amid the expectation that MGREF2 is unlikely to achieve the original aim of investing 50-75% of total commitments in offshore wind. Subsequently, the IPRC consented to an increase in the solar investment allocation from 30% of total commitments to 60% of total commitments.

Macquarie has commented that deployment has been slower than expected due to some increased challenges, such as the significant entrance of large oil & gas companies and the increased focus of large utilities into the renewable infrastructure market universe.

Macquarie has stated it is pleased with the performance of the current portfolio assets, but acknowledges that the pace of capital deployment is below where the manager would like it to be. Macquarie has confirmed that it will continue to display price discipline when considering any investment opportunities. Macquarie remains optimistic and states that it is continuing to explore opportunities for the Fund to deploy its remaining capital with several opportunities currently in the due diligence phase. The current deal pipeline includes offshore wind farms in the North Sea and several wind and solar platform opportunities.

14.2 Projects

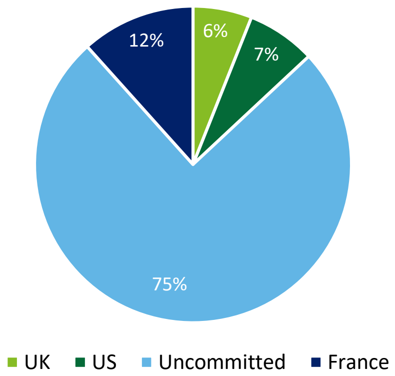
The table below shows a list of the investments held by the MGREF2 as at 31 December 2021.

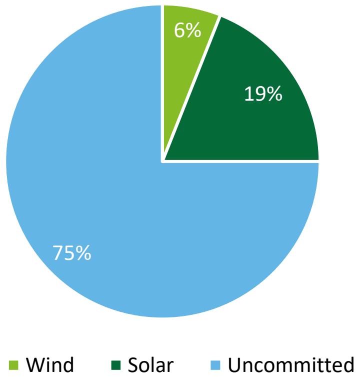
Project Name	Fund Ownership	Investment Date	Sector	Location	Gross Value (£m)
Gwynt y Môr	100%	Jan-20	Onshore wind	UK	121.6
US Residential Solar Co	50%	Oct-20	Solar	US	131.8
Total					**253.3**

Source: Macquarie

14.3 Asset Allocation

The charts below show the current diversification by geography and sector in the MGREF2 as at 31 December 2021, following the strategy's initial investments.





Source: Macquarie

The target geographic diversification is 60-75% Western Europe (<30% UK), with the remainder invested primarily across North America and Asia (USA, Canada, Japan, Taiwan, Mexico (<15%), also Australia and New Zealand). The MGREF2 also aims to primarily consist of offshore wind assets, with Macquarie feeling it has a competitive advantage in this space given its experience and relationships already gained, with the overall portfolio also featuring onshore wind and solar PV allocations (solar was initially viewed as more of an opportunistic allocation, but solar is now expected to make up a larger proportion of the portfolio, compared with the initial target allocations set by Macquarie).

15 Quinbrook – Renewables Impact Fund

Quinbrook was appointed to manage a UK renewable infrastructure mandate following the manager selection exercise in December 2020. The manager has a base annual management fee and a performance fee.

15.1 Renewables Impact Fund - Investment Performance to 31 December 2021

Capital Calls and Distributions

The City of Westminster Pension Fund committed £50m to Quinbrook in December 2020 with the Fund committing an additional £10m to Quinbrook in December 2021.

Over the fourth quarter of 2021, Quinbrook issued two capital calls:

- A capital call of £2.8m, consisting of a £2.6m capital contribution and a £0.2m contribution to cover management fees, for payment by 15 October 2021; and
- A capital call of £5.5m, consisting of a £5.4m capital contribution and a £0.1m contribution to cover management fees, for payment by 30 November 2021.

Following quarter end, Quinbrook issued an additional capital call and equalisation notice:

- A capital call of £2.3m, consisting of a £2.1m equalisation payment following the Fund's additional £10m commitment at the fifth close, and a £0.2m contribution to cover management fees and interest, for payment by 27 January 2022.

As such, as at 27 January 2022, following payment of this drawdown notice, the remaining unfunded commitment stands at c. £43.6m, with the Fund's total commitment at c. £16.4m.

Activity

On 1 October 2021, Quinbrook completed the acquisition of Project Fortress, a consented 350MW solar and battery storage project in Kent, which is estimated to require c. £270m of capital to construct. Quinbrook expects to commence construction of the project over the first half of 2022, and expects the project to be operational in late 2023 or early 2024. Once operational, Fortress is expected to be the largest single site solar PV installation in the UK, more than three times the size of the UK's next largest consented solar PV project.

Following quarter end, Quinbrook announced that it has completed construction and commission of a new synchronous condenser installation at Rassau, in Ebbw Vale, South Wales as part of Project Rassau. The synchronous condenser is expected to support the stable decarbonisation of electricity supply as the UK increases its uptake of variable renewables in the move towards Net Zero targets. The construction and commissioning was completed on 15 February 2022.

Pipeline

The Renewables Impact Fund has a pipeline of investment opportunities which Quinbrook believes represent key gaps in the market, where the manager believes core demand creates a need for greater use of such assets.

Quinbrook has been unable to provide an update with regards to its pipeline projects as at quarter end. However as at October 2021, Quinbrook remained in negotiations to provide renewable energy solutions to a major UK water supply operator.

As reported last quarter, Quinbrook's affiliate, Private Energy Partners ("PEP") has a pipeline of projects that are exclusively dedicated to the Renewables Impact Fund. PEP's pipeline totals 175.5MW of solar PV, 118.5MW of battery storage projects and 600MVAr of grid support projects with an estimated capital requirement in excess of £150m. PEP's pipeline complements the pipeline already secured by Quinbrook and those deals that are under exclusivity, providing a diverse array of opportunities from which Quinbrook can select for the Renewables Impact Fund's invested portfolio.

15.2 Projects

The table below shows a list of the investments held by the Quinbrook Renewables Impact Fund as at 31 December 2021.

Project Name	Fund Ownership	Investment Date	Technology	Location	Net investment (£m)
Project Rassau (first project from the Reggie Portfolio)	100%	Dec-20	Synchronous Condenser	UK	35.6
Reggie Portfolio	100%	Dec-20	Synchronous Condenser	UK	6.2
Project Fortress	100%	Oct-21	Solar and Battery Energy Storage	UK	35.2
Habitat	100%	Nov-21	Battery Optimisation	UK	27.6
Total					**104.6**

Source: Quinbrook

Please note that the figures quoted above are provisional, and are subject to confirmation at Quinbrook's annual audit in March 2022.

16 LCIV – Absolute Return

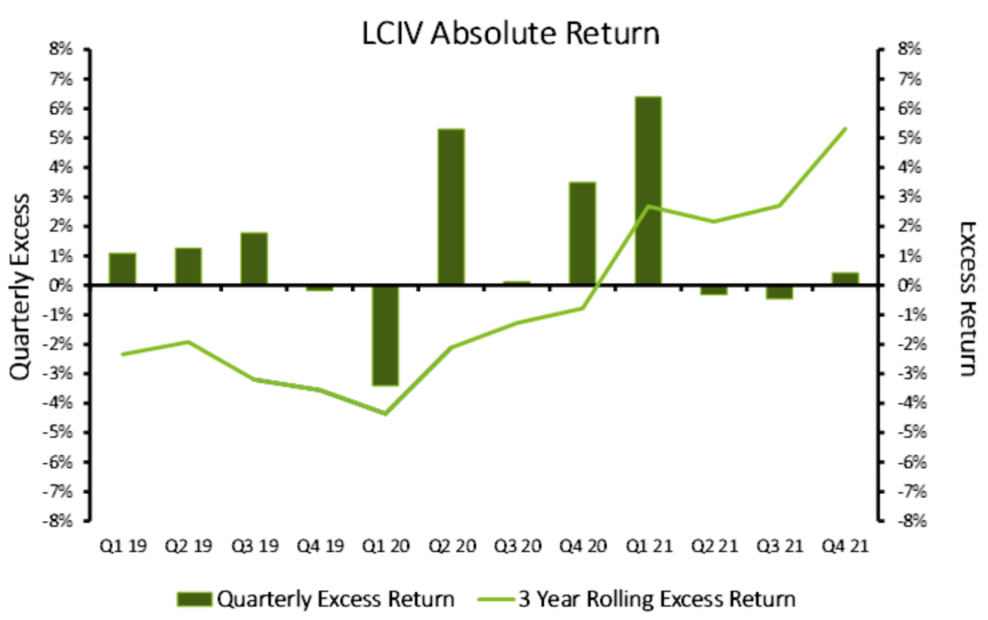
Ruffer was appointed to manage an absolute return mandate, held as a sub-fund under the London CIV platform, from 21 January 2022, with the aim of outperforming the 3 month Sterling LIBOR benchmark by 4% p.a. The manager has a fixed fee based on the value of assets. The manager has an annual management fee.

16.1 Absolute Return Fund - Illustrative Investment Performance to 31 December 2021

	Last Quarter (%)	One Year (%)	Three Years (% p.a.)	Five Years (% p.a.)
Net of fees	*1.5*	*10.3*	*9.7*	*4.6*
Target	*1.0*	*4.1*	*4.4*	*4.5*
Net performance relative to Target	*0.4*	*6.2*	*5.3*	*0.1*

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

The City of Westminster Pension Fund invested £50m in the LCIV Absolute Return Fund following quarter end, in January 2022. As such, please note that the performance of the LCIV Absolute Return Fund displayed in the table above and the chart below is for illustration purposes only.



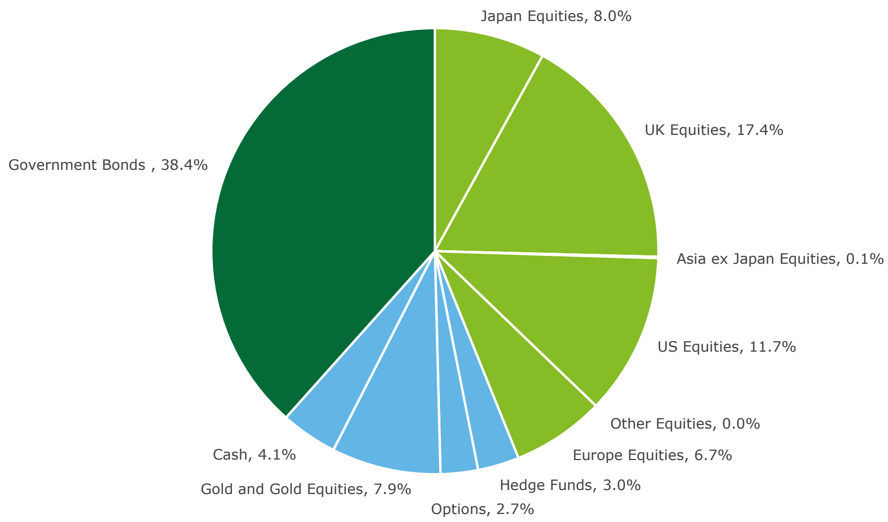
Over the quarter to 31 December 2021, the Absolute Return Fund returned 1.5% on a net of fees basis, outperforming its LIBOR+4% target by 0.4%. The strategy has delivered a strong absolute return of 10.3% on a net of fees basis over the year to 31 December 2021, outperforming its target by 6.2%. Over the longer three and five year periods to 31 December 2021, the strategy has delivered positive returns of 9.7% p.a. and 4.6% p.a. respectively on a net of fees basis, outperforming the LIBOR-based target by 5.3% p.a. and 0.1% p.a. respectively.

The Absolute Return Fund outperformed its target over the quarter with the manager's strategic positioning proving relatively successful in navigating the beginning of the withdrawal of COVID-related monetary support alongside the impacts of the Omicron variant. Positive returns were primarily driven by the strategy's UK inflation-linked bonds exposure, with the strategy's short-dated bonds benefitting from rising near-term inflation expectations while long-dated bonds benefitted from the decline in longer term yields. The LCIV Absolute Return Fund's equity allocation also contributed positively to returns over the three-month period, particularly the strategy's c. 5% allocation to global pharmaceuticals and healthcare stocks, whose defensive characteristics proved beneficial as the Omicron variant emerged over the fourth quarter.

However, the Fund's equity protection and credit protection strategies detracted from performance somewhat over the quarter. In addition, Ruffer reduced the Absolute Return Fund's exposure to gold and gold producers over the third quarter of 2021, with these sectors performing well over the fourth quarter.

16.2 Asset Allocation

The chart below represents the asset allocation of the LCIV Absolute Return Fund portfolio as at 31 December 2021.



Source: London CIV

Appendix 1 – Fund and Manager Benchmarks

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

Total Fund

Inception: 1 June 2006. Current benchmark allocation effective from 25 March 2015.

Manager	Asset Class	Long Term Strategic Benchmark Allocation (%)	Benchmark	Outperformance Target	Inception Date
LGIM	Future World Global Equity	20.0	Solactive ESG Global Markets Index	Passive	15/10/20
Baillie Gifford	LCIV Global Alpha Growth	20.0	MSCI AC World Index	+2.0% p.a. (net of fees)	18/03/14
Morgan Stanley	LCIV Global Equity Core	20.0	MSCI AC World Index (net dividends reinvested)	Generate total returns (comprising of both capital growth and income) over a 5-10 year period	30/10/20
Longview	Global Equity	0.0	MSCI World (GBP) Index	To outperform the benchmark over a market cycle	15/01/15
Insight	Buy and Maintain	13.5	Insight Custom Benchmark	n/a	12/04/18
CQS	Multi Asset Credit	5.5	3 Month Libor	+4% p.a. (net of fees)	30/10/18
abrdn	Property	5.0	FTSE Gilts All Stocks Index +2% p.a.	+0.5 p.a. (net of fees)	14/06/13
Man GPM	Affordable Housing	2.5	3 Month Libor	+4% p.a. (net of fees)	14/02/22
Triple Point	Affordable Housing / Supported Living	2.5	TBC	TBC	n/a
Pantheon	Global Infrastructure	5.0	3 Month Libor	+8% p.a. (net of fees)	15/04/19
Macquarie	Global Renewable Infrastructure	3.0	3 Month Libor	TBC once fully drawn for investment	08/02/21
Quinbrook	UK Renewable Infrastructure	3.0	3 Month Libor	TBC once fully drawn for investment	25/01/21
Ruffer	LCIV Absolute Return Fund	-	3 Month Libor	+4% p.a. (net of fees)	21/01/22
	Total	100.0			

Appendix 2 – Manager Ratings

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

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

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

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

Appendix 3 – Risk Warnings & Disclosures

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

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