Oxfordshire Pension Fund Performance Report

Quarter ending 31 December 2023

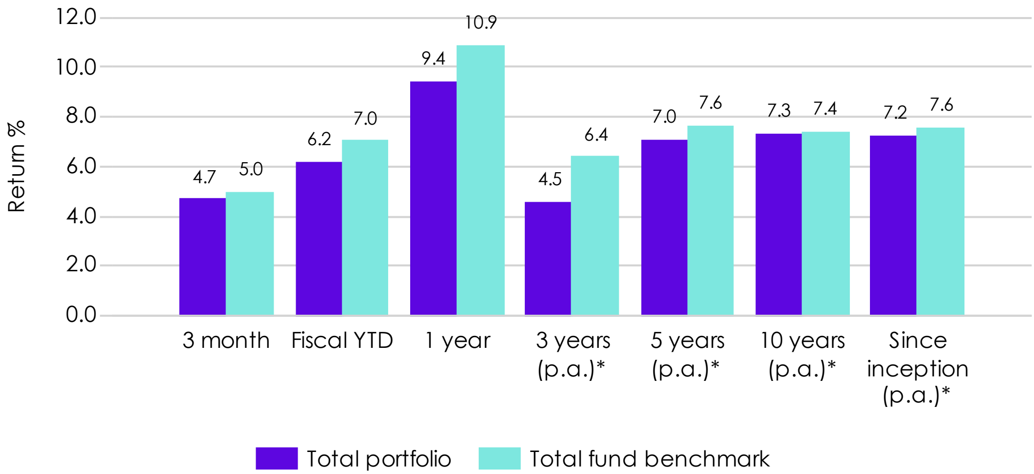
Oxfordshire Pension Fund
www.oxfordshire.gov.uk/pensions

Brunel Pension Partnership

Contents

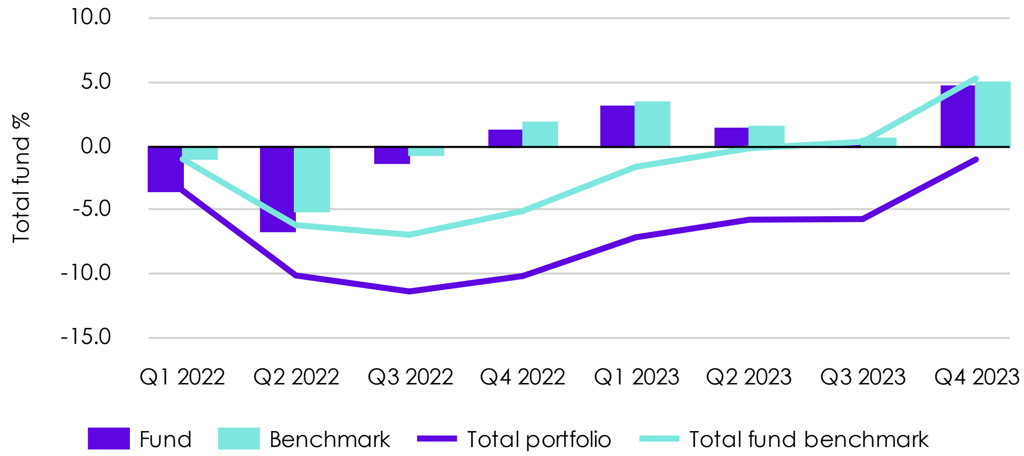
Pension Fund performance

Performance (annualised)



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

Quarterly performance



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

Key events

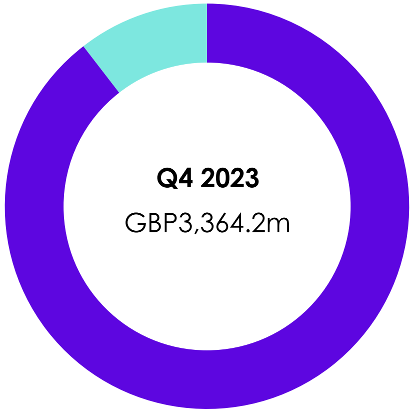
Quarter 4 witnessed an almost-synchronised fall in global inflation, which played out at a faster pace than expected. This led to investor hopes that interest rates might start to fall sooner than had been thought. The result, unsurprisingly, was a rally across most asset classes. The S&P 500, in the US, saw a rise of more than 11%, bringing the gain during 2023 to 26%. Bond markets also rallied strongly. Commodities were a laggard, and Energy's trajectory reflected both strong supply and fears that Chinese growth would continue to be weak.

The total portfolio rose 4.7% during the quarter, while the benchmark rose 5.0%. Across the calendar year, the fund grew 9.4%, against a 10.9% rise in the benchmark.

Brunel's portfolios reflected the strength of markets and were all up in absolute terms. The hedged portfolios performed more strongly than their unhedged equivalents due to a bounce in sterling. PAB Passive Global increased 6.7% in the quarter, reflecting stronger markets.

Asset summary

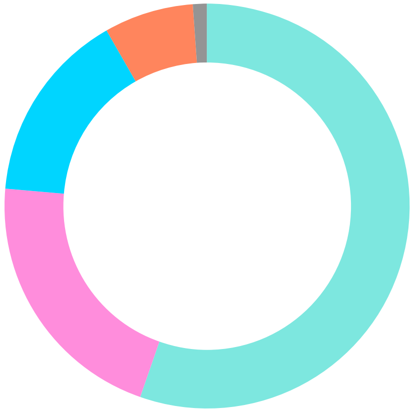
Assets transitioned to Brunel



Q4 2023		Q3 2023	
Transitioned	89.52%	Transitioned	84.44%
Legacy assets	10.48%	Legacy assets	15.56%

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

Asset allocation breakdown



Key:

Equities	55.36%
Private markets	21.02%
Fixed income	15.35%
Property	7.15%
Cash	1.12%

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

Overview of assets

Detailed asset allocation

Equities	£1,862.51m	55.36%
PAB Passive Global Equities	£584.26m	17.37%
Global Sustainable Equities	£563.50m	16.75%
Global High Alpha Equities	£368.93m	10.97%
UK Active Equities	£345.72m	10.28%
Legacy Assets	£0.10m	0.00%

Fixed income	£516.48m	15.35%
Passive Index Linked Gilts over 5 years	£235.39m	7.00%
Multi-Asset Credit	£147.13m	4.37%
Sterling Corporate Bonds	£134.00m	3.98%
Legacy Assets	-£0.04m	-0.00%

Private markets (incl. property)	£947.44m	28.16%
UK Property	£159.06m	4.73%
Private Equity Cycle 1	£91.33m	2.71%
International Property	£58.38m	1.74%
Secured Income Cycle 1	£54.68m	1.63%
Private Debt Cycle 2	£46.13m	1.37%
Infrastructure Cycle 1	£45.83m	1.36%
Secured Income Cycle 3	£41.09m	1.22%
Private Equity Cycle 2	£38.58m	1.15%
Secured Income Cycle 2	£36.01m	1.07%
Private Debt Cycle 3	£19.20m	0.57%
Infrastructure (General) Cycle 2	£15.81m	0.47%
Infrastructure Cycle 3	£13.65m	0.41%
Infrastructure (Renewables) Cycle 2	£12.97m	0.39%
Legacy Assets	£314.71m	9.35%

Cash not included

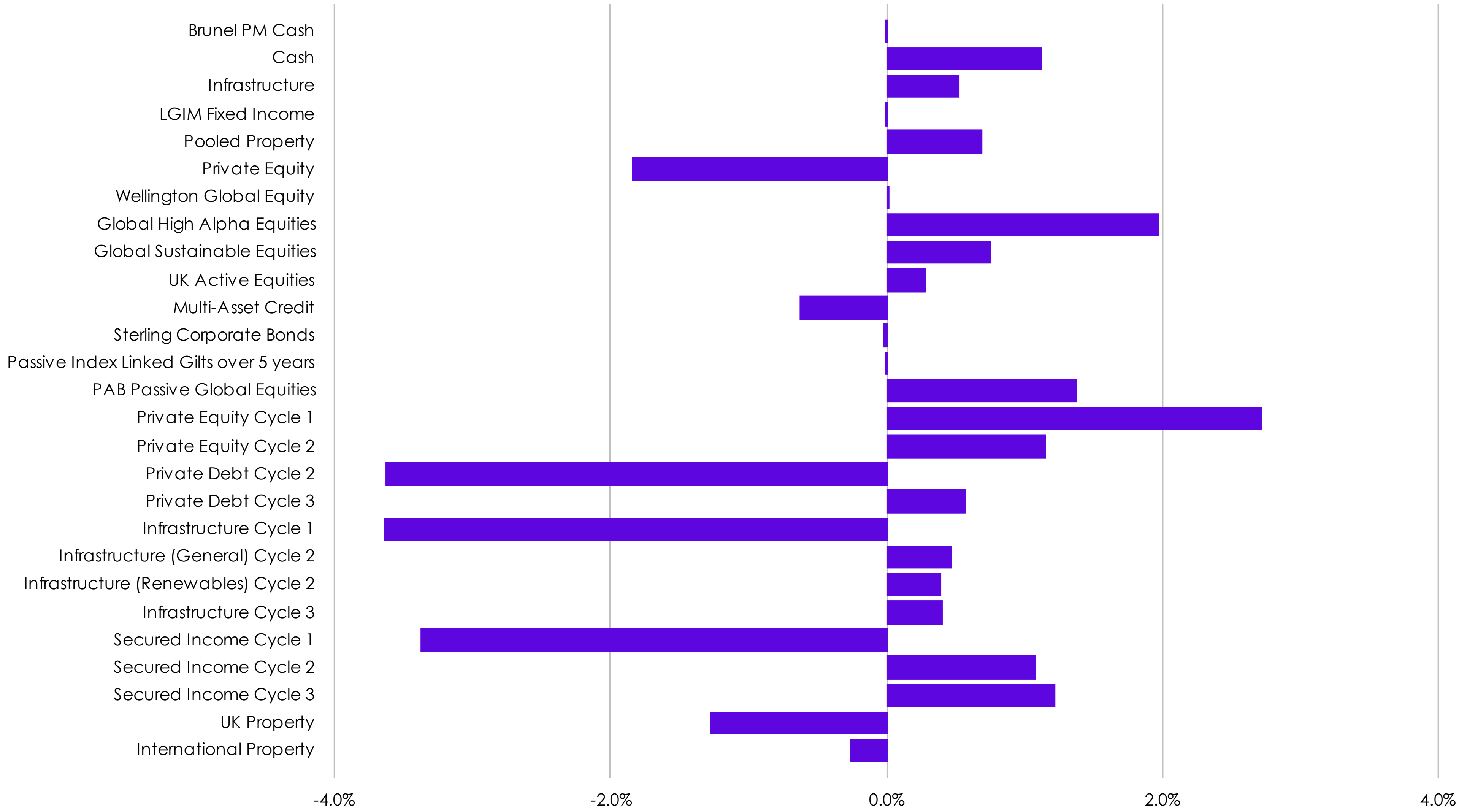
Overview of assets

Top 10 Equity Holdings at Pension Fund

ISIN	Security Name	Sector	Sub-sector	Country	Market Value (£)	% of Pension fund	ESG Score
US5949181045	MICROSOFT CORP	Information Technology	Systems Software	UNITED STATES	66,207,598.96	1.97%	15.21
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	51,194,298.30	1.52%	30.61
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	31,613,785.54	0.94%	17.22
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	29,838,282.90	0.89%	24.09
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	29,222,552.14	0.87%	16.56
US88160R1014	TESLA INC	Consumer Discretionary	Automobile Manufacturers	UNITED STATES	26,468,785.58	0.79%	25.23
GB0009895292	ASTRAZENECA PLC	Health Care	Pharmaceuticals	UNITED KINGDOM	23,439,146.22	0.70%	21.81
US92826C8394	VISA INC-CLASS A SHARES	Financials	Transaction & Payment	UNITED STATES	21,482,314.80	0.64%	16.44
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	21,455,282.79	0.64%	13.45
DK0062498333	NOVO NORDISK A/S-B	Health Care	Pharmaceuticals	DENMARK	20,211,799.91	0.60%	23.06

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

Strategic asset allocation



Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Brunel PM Cash	-165	-0.0%	-	-0.0%	4.7%	0.0%
Cash	37,741	1.1%	-	1.1%	1.4%	0.0%
Infrastructure	17,425	0.5%	-	0.5%	2.4%	0.0%
LGIM Fixed Income	-43	-0.0%	-	-0.0%	-450.6%	0.1%
Pooled Property	22,955	0.7%	-	0.7%	-4.2%	-0.0%
Private Equity	274,497	8.2%	10.00%	-1.8%	2.8%	0.3%
Wellington Global Equity	102	0.0%	-	0.0%	-0.1%	-0.0%
Global High Alpha Equities	368,926	11.0%	9.00%	2.0%	6.2%	0.7%
Global Sustainable Equities	563,502	16.7%	16.00%	0.7%	8.0%	1.3%
UK Active Equities	345,717	10.3%	10.00%	0.3%	4.1%	0.4%
Multi-Asset Credit	147,129	4.4%	5.00%	-0.6%	5.4%	0.2%
Sterling Corporate Bonds	134,001	4.0%	4.00%	-0.0%	7.8%	0.3%
Passive Index Linked Gilts over 5 years	235,392	7.0%	7.00%	-0.0%	10.5%	0.6%
PAB Passive Global Equities	584,263	17.4%	16.00%	1.4%	6.8%	1.2%
Private Equity Cycle 1	91,333	2.7%	-	2.7%	N/M	N/M
Private Equity Cycle 2	38,583	1.1%	-	1.1%	N/M	N/M

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Private Debt Cycle 2	46,133	1.4%	5.00%	-3.6%	N/M	N/M
Private Debt Cycle 3	19,205	0.6%	-	0.6%	N/M	N/M
Infrastructure Cycle 1	45,828	1.4%	5.00%	-3.6%	N/M	N/M
Infrastructure (General) Cycle 2	15,814	0.5%	-	0.5%	N/M	N/M
Infrastructure (Renewables) Cycle 2	12,967	0.4%	-	0.4%	N/M	N/M
Infrastructure Cycle 3	13,646	0.4%	-	0.4%	N/M	N/M
Secured Income Cycle 1	54,681	1.6%	5.00%	-3.4%	N/M	N/M
Secured Income Cycle 2	36,010	1.1%	-	1.1%	N/M	N/M
Secured Income Cycle 3	41,089	1.2%	-	1.2%	N/M	N/M
UK Property	159,059	4.7%	6.00%	-1.3%	N/M	N/M
International Property	58,381	1.7%	2.00%	-0.3%	N/M	N/M

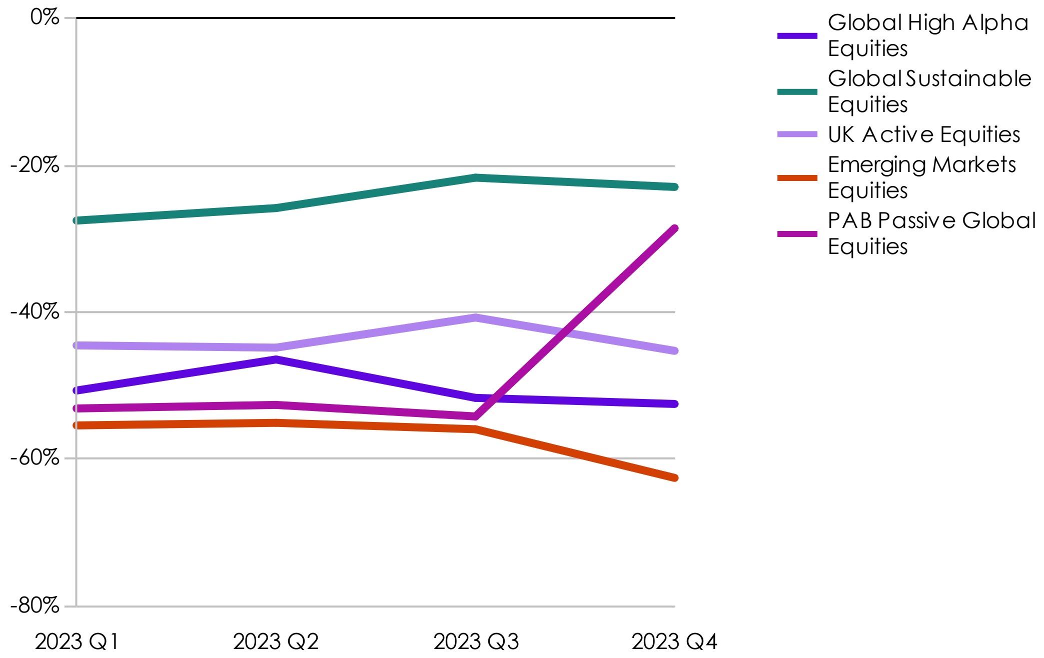
Private Markets 3 month performance is not material.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q3	2023 Q4	2023 Q3	2023 Q4	2023 Q3	2023 Q4
Global High Alpha Equities	**79**	**78**	**1.4**	**1.6**	**2.9**	**2.5**
MSCI World*	163	164	3.8	4.9	9.2	8.2
Global Sustainable Equities	**149**	**155**	**1.9**	**2.2**	**5.2**	**4.8**
MSCI ACWI*	191	201	3.8	4.9	9.2	8.3
UK Active Equities	**76**	**79**	**5.3**	**7.4**	**11.3**	**11.4**
FTSE All Share ex Inv Tr*	129	145	6.1	9.7	20.2	19.4
Emerging Markets Equities	**189**	**193**	**1.4**	**1.9**	**3.8**	**4.3**
MSCI Emerging Markets*	429	515	3.4	5.8	8.5	8.3
PAB Passive Global Equities	**76**	**120**	**0.7**	**1.4**	**3.4**	**3.6**
FTSE Dev World TR UKPD*	167	168	3.7	4.7	9.5	8.5

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Weighted Average Carbon Intensity relative to benchmark



Stewardship reporting links

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

PAB & CTB Passive Global Equities

Please note that both the WACI & Extractive Exposure figures for these two portfolios show a significant increase quarter on quarter. We are liaising with State Street to understand the precise reasons behind the increase.

PAB and CTB both target a 7% annual reduction in WACI (EVIC based) post rebalancing. Data from FTSE indicate that both portfolios met this target after the last rebalance in October 2023. We would note that State Street use a different methodology for WACI (revenue based).

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Equities				
Global High Alpha Equities	7.3%	13.2%	10.3%	11.7%
Global Sustainable Equities	3.6%	14.4%	8.7%	11.1%
UK Active Equities	7.3%	11.9%	9.3%	10.9%
Private markets (incl. property)				
Private Equity Cycle 1	16.1%	12.9%	8.7%	11.1%
Infrastructure Cycle 1	7.9%	4.2%	6.6%	2.1%
Infrastructure (General) Cycle 2	6.0%	6.9%	6.6%	2.1%
Infrastructure (Renewables) Cycle 2	9.1%	8.8%	6.6%	2.1%
Secured Income Cycle 1	-1.5%	5.2%	6.6%	2.1%
UK Property	1.4%	6.8%	1.3%	10.4%
International Property**	-0.4%	9.8%	5.3%	6.6%

**Performance data shown up to 30 September 2023

Risk and return summary

Legacy manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Brunel PM Cash	84.9%	74.9%	0.0%	-
Cash	8.5%	4.7%	2.0%	0.6%
Infrastructure	10.5%	13.2%	9.8%	2.2%
Insight Diversified Growth	-0.7%	5.0%	6.4%	0.6%
Pooled Property	5.2%	13.2%	2.1%	11.1%
Private Equity	18.1%	11.5%	11.6%	11.3%
Wellington Global Equity	-8.4%	13.4%	8.7%	11.1%
Oxfordshire County Council	4.5%	8.1%	6.4%	7.4%
LGIM Fixed Income	-	253.9%	-7.8%	10.5%

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess 3 month	Perf. 1 year	Excess 1 year	Perf. 3 year	Excess 3 year	Perf. SII*	Excess SII*	Initial investment
Equities (55.36%)			**1,862.41**									
Global High Alpha Equities	MSCI World	+2-3%	368.93	6.2%	-0.6%	17.5%	0.1%	7.3%	-3.0%	12.2%	1.3%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	563.50	8.0%	1.6%	9.2%	-6.7%	3.6%	-5.2%	6.1%	-4.7%	30 Sep 2020
UK Active Equities	FTSE All Share ex Inv Tr	+2%	345.72	4.1%	1.2%	8.7%	0.6%	7.3%	-2.0%	4.9%	-0.9%	21 Nov 2018
PAB Passive Global Equities	FTSE Dev World PAB	Match	584.26	6.8%	-	20.3%	-	-	-	5.9%	-	29 Oct 2021
Fixed income (15.35%)			**516.52**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	147.13	5.4%	3.1%	12.4%	3.6%	-	-	1.5%	-4.9%	01 Jun 2021
Sterling Corporate Bonds	iBoxx Sterling Non Gilt x	+1%	134.00	7.8%	0.5%	10.5%	1.9%	-	-	-4.1%	0.6%	02 Jul 2021
Passive Index Linked Gilts over 5 years	FTSE-A UK ILG >5Y	Match	235.39	10.5%	-	0.7%	0.5%	-	-	-14.9%	0.1%	09 Jun 2021
Private markets (incl. property) (18.81%)			**632.73**									
Private Equity Cycle 1	MSCI ACWI	+3%	91.33	N/M	N/M	-0.4%	-16.3%	16.1%	7.3%	14.6%	3.3%	26 Mar 2019
Private Equity Cycle 2	MSCI ACWI	+3%	38.58	N/M	N/M	0.9%	-15.0%	-	-	5.4%	-3.3%	05 Jan 2021
Private Debt Cycle 2	SONIA	+4%	46.13	N/M	N/M	8.8%	-	-	-	9.6%	2.8%	17 Sep 2021
Private Debt Cycle 3	SONIA	+4%	19.20	N/M	N/M	13.4%	4.6%	-	-	12.6%	3.9%	20 Dec 2022
Infrastructure Cycle 1	CPI	+4%	45.83	N/M	N/M	2.4%	-1.5%	7.9%	1.3%	8.0%	3.7%	02 Jan 2019
Infrastructure (General) Cycle 2	CPI	+4%	15.81	N/M	N/M	5.1%	1.2%	6.0%	-0.6%	6.0%	-0.2%	19 Oct 2020

Portfolio overview

Portfolio	Benchmark	Outperformance target	AUM (GBPm)	Perf. 3 month	Excess 3 month	Perf. 1 year	Excess 1 year	Perf. 3 year	Excess 3 year	Perf. SII*	Excess SII*	Initial investment
Private markets (incl. property) (18.81%)			**632.73**									
Infrastructure (Renewables) Cycle 2	CPI	+4%	12.97	N/M	N/M	2.0%	-1.9%	9.1%	2.6%	8.8%	2.6%	12 Oct 2020
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	13.65	N/M	N/M	-5.2%	-9.1%	-	-	-5.9%	-11.4%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	54.68	N/M	N/M	-3.4%	-7.3%	-1.5%	-8.0%	-1.1%	-5.5%	15 Jan 2019
Secured Income Cycle 2	CPI	+2%	36.01	N/M	N/M	-4.2%	-8.2%	-	-	-1.5%	-8.5%	01 Mar 2021
Secured Income Cycle 3	CPI	+2%	41.09	N/M	N/M	-	-	-	-	-	-0.7%	01 Jun 2023
UK Property	MSCI/AREF UK	+0.5%	159.06	N/M	N/M	-2.6%	-1.0%	1.4%	0.2%	2.4%	0.9%	01 Jul 2020
International Property**	GREFI	+0.5%	58.38	N/M	N/M	-15.3%	-6.3%	-0.4%	-5.7%	-0.3%	-	01 Jul 2020
Total Brunel assets (excl. cash) (89.52%)			**3,011.66**									

*Since initial investment
**Performance data shown up to 30 September 2023
Private Markets 3 month performance is not material.

Portfolio overview

Legacy assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess 3 month	Perf. 1 year	Excess 1 year	Perf. 3 year	Excess 3 year	Perf. SII*	Excess SII*	Initial investment
Equities (0.00%)	**0.10**									
Wellington Global Equity	0.10	-0.1%	-6.5%	-3.0%	-18.9%	-8.4%	-17.2%	6.0%	-5.9%	01 Oct 2012
Fixed income (0.00%)	**-0.04**									
LGIM Fixed Income	-0.04	-450.6%	-458.5%	-440.0%	-443.8%	-	7.8%	-	-4.1%	01 Oct 2003
Private markets (incl. property) (9.35%)	**314.71**									
Infrastructure	17.42	2.4%	1.2%	-6.2%	-14.3%	10.5%	0.7%	8.4%	1.4%	01 Oct 2017
Private Equity	274.50	2.8%	-3.6%	15.9%	-	18.1%	6.5%	12.4%	5.3%	01 Apr 2005
Pooled Property	22.95	-4.2%	-3.0%	-9.6%	-8.2%	5.2%	3.1%	7.4%	1.5%	01 Jan 2010
Brunel PM Cash	-0.16	4.7%	4.7%	59.8%	59.8%	84.9%	84.9%	42.8%	42.8%	14 Dec 2018
Other (1.12%)	**37.74**									
Cash	37.74	1.4%	0.1%	14.5%	9.9%	8.5%	6.5%	2.7%	1.1%	01 Apr 2005
Insight Diversified Growth	-	-	-2.3%	1.2%	-7.8%	-0.7%	-7.1%	1.9%	-2.9%	01 Jan 2015
Total legacy assets (excl. cash) (10.48%)	**352.51**									

*Since initial investment

Chief Investment Officer commentary

"When the facts change, I change my mind, what do you do?" This quote, often attributed to Keynes or Churchill, would be very apt for the final quarter of 2023, in which almost every asset class rose in value, reversing the malaise of the previous quarter.

Global equities rallied, with the US market leading the way with a rise of more than 11% in local currency terms. The S&P 500 finished the calendar year up over 26%, almost touching all-time highs. Whilst over 80% of this was attributable to the "magnificent seven", the rally broadened out in the final quarter. Emerging markets also made progress, but the broad index was held back again by the performance of China, as continuing concern around the property sector and further government intervention in the tech sector weighed on share prices. Elsewhere, the UK stock market posted a positive return albeit lower than other regional markets as the strength of sterling versus the US dollar dampened the prospects of large cap multinationals. This did allow small and mid-cap stocks to rise, and thus delivered active managers the chance to flourish. The relative strength of the pound also meant that unhedged overseas asset class returns were significantly lower than currency-hedged returns.

The main "change in facts" that drove markets higher was the almost synchronised fall in global inflation, at a pace faster than expected. Previously, the market had galvanised around the view that the hiking cycle was over, but that rates would be higher for longer. When US CPI fell from 3.7% in September to 3.1% in November, and Eurozone inflation also fell to 2.4% (versus 10.4% a year earlier), the market "pivoted" and interest rate cuts for 2024 were priced back in. The core measure of the Personal Consumption Expenditures deflator, possibly the most influential data series for the Fed, weighed in at exactly 2% (the central bank's target) for the third quarter. As such, it became very plausible to claim that the inflation dragon has indeed been slain. This view gained further credence when Fed chair Jerome Powell indicated that the central bank was aware of the risk of keeping rates at restrictive levels for too long. Minutes from their latest policy meeting showed that members expect rates to end next year at 4.5%-4.75%, down from the current 5.25%-5.5% range.

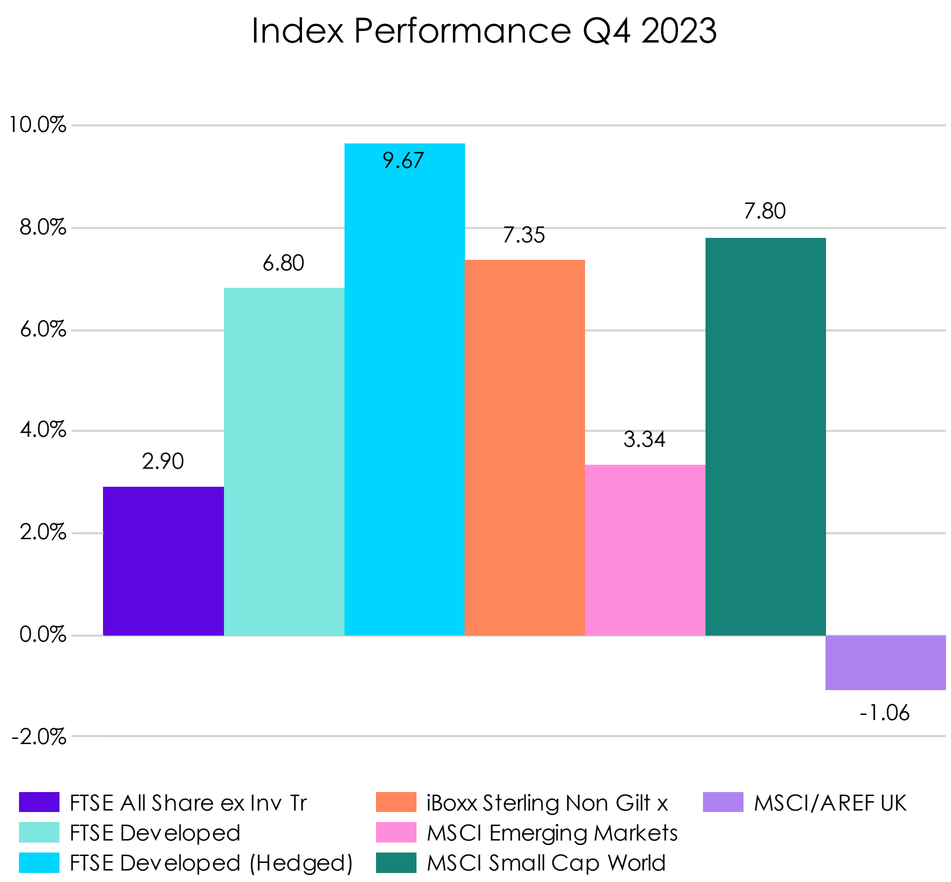
Unsurprisingly government bonds also rose in value, posting their best quarterly performance in 20 years, as the change in Fed forecasts drove all bond markets higher – even if other central banks expressed more caution. The rally in duration and risk assets inevitably meant that corporate bonds did well, as financial conditions eased. Should this trend continue, it lowers the probability of a deep recession and thus default risk. Sub-Investment Grade bonds, performed strongly, capping a year of double-digit returns for the asset class. However, it has left spreads (the compensation an investor receives for default risk) at very low levels, reducing the protection investors have if a recession has in fact been delayed rather than cancelled as increasingly the market is pricing.

In private markets, falling interest rates will also help the forward valuations of assets. This is most directly evident in infrastructure and real estate, where values are much more closely tied to discount rates – lower rates being better for the net present value (NPV) of assets, but also through potentially lowered funding costs. Contra to popular opinion, it is in the often-opaque private markets that we have seen the signs of stress from higher rates building up. Specifically, we have seen interest rate coverage come down sharply in private debt, where the floating rate nature of the loan book means that they have been affected more quickly than their public market counterparts. This has led to private equity sponsors using varying techniques to preserve cash or even shore up businesses with "equity cures". 2023 also saw a log jam created by a muted IPO market, which led to realisations being delayed. (This is not an issue in the Brunel funds, given the relative infancy of the programme). Some commentators expect this trend to reverse in 2024 because of the perception that the backdrop is improving, but it remains a watchpoint, given the increasing importance of private investments in the financial system.

Only commodities declined in the final quarter, driven by falling prices in the agriculture and energy sectors. The production cuts that had driven energy prices up 25% in Q3 were undermined by a failure by various actors to comply with the agreed supply reduction.

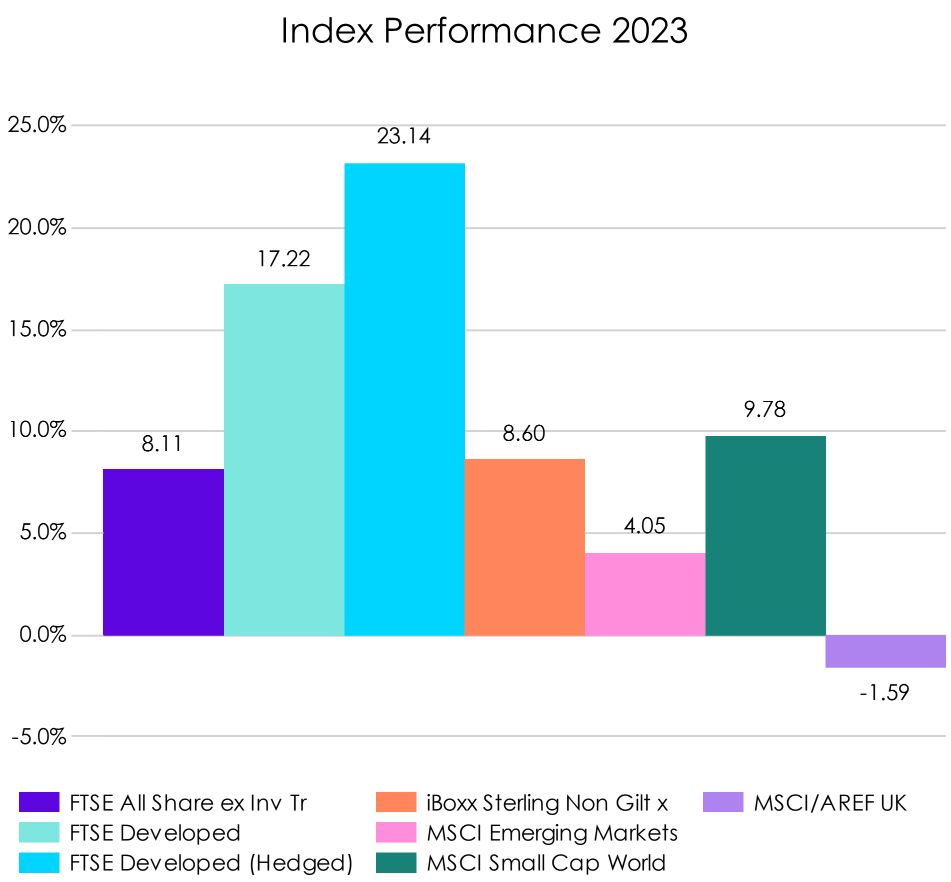
Looking back over 2023, it is clear that the year wrong-footed many commentators, given the predicted recession never materialised. Although gains in asset prices were not surprising given the fall in values in 2022, the strength of the rally surpassed most investors' expectations. That said, as we have highlighted before, the market was very narrowly driven by a few large stocks – gains were not evenly distributed. The question for 2024 is: has inflation been tamed and a recession successfully avoided? To my mind, there isn't yet a conclusive answer. However, the probability of a successful soft economic landing has increased, due both to the very slow deflation of consumer spending, which has supported markets, and the recent easing of financial conditions. However, the market has very much priced this scenario in, and so any disappointment will be keenly felt in asset values.

Chief Investment Officer commentary



Source: State Street

Chief Investment Officer commentary



Source: State Street

Global High Alpha Equities

Launch date
6 December 2019

Investment strategy & key drivers
High conviction, unconstrained global equity portfolio

Liquidity
Managed

Benchmark
MSCI World

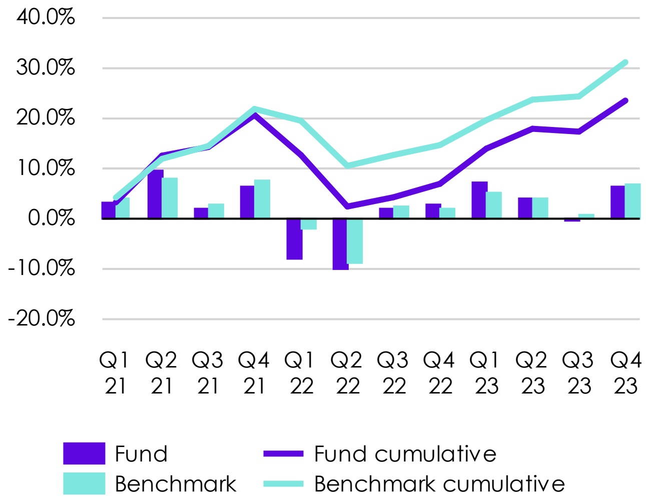
Outperformance target
+2-3%

Total fund value
£4,148m

Risk profile
High

Oxfordshire's Holding:
GBP369m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	6.2	17.5	7.4	12.8
Benchmark	6.8	17.4	10.3	11.5
Excess	-0.6	0.1	-3.0	1.3

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

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 6.8% in GBP terms over the quarter. The market rally, which took place in November and December, reflected easing inflation and rising expectations of a potential end to the "higher-for-longer" monetary policy regime. Index returns were again driven by large IT-related names. Five of the top 10 contributing companies came from the 'Magnificent 7' (Microsoft, Apple, Amazon, NVidia and Meta), and another four were semiconductor names (Advanced Micro Devices, Broadcom, ASML and Intel). Taken together, these names contributed 2.3% to the index return. Style characteristics showed a reversal versus last quarter, as Growth outperformed Value.

The portfolio returned 6.2% during the period, underperforming the benchmark by 0.6%.

Sector attribution showed a small positive impact, which was largely a result of the underweight to Energy, the weakest-performing sector. Stock selection exerted a negative impact on relative performance, which was weakest in the Industrials sector, largely due to an overweight holding in Alstom (the French train manufacturer). It returned -46%, after the company downgraded cashflow guidance due to delays to both deliveries and new orders. Stock selection was strong in the IT sector, where the largest positive contributors were overweight holdings in Microsoft and two semiconductor names, ASML and TSMC. (These three returned 14%, 22% and 15% respectively. TSMC is a large Taiwanese semiconductor company that sits outside the MSCI World index).

Four of the five underlying managers underperformed the index this quarter. Baillie Gifford's strong outperformance was the outlier, driven by positive selection in the Financials and IT sectors. Baillie Gifford benefited from the semiconductor names held in its portfolio as well as from some companies recovering from negative returns last quarter (among which Adyen was the most notable - down 55% last quarter, but up 65% this quarter).

From inception to quarter-end, the portfolio outperformed the benchmark by 1.3% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	6.11	4.41	22,529,820
AMAZON.COM INC	3.94	2.34	14,541,014
MASTERCARD INC	2.78	0.60	10,252,133
ALPHABET INC	2.69	2.60	9,914,012
UNITEDHEALTH GROUP INC	2.24	0.81	8,270,408

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MASTERCARD INC	2.78	0.60
TAIWAN SEMICONDUCTOR	1.75	-
MICROSOFT CORP	6.11	4.41
AMAZON.COM INC	3.94	2.34
UNITEDHEALTH GROUP INC	2.24	0.81

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	0.89	5.00
META PLATFORMS INC	-	1.31
BROADCOM INC	-	0.82
JPMORGAN CHASE & CO	-	0.82
BERKSHIRE HATHAWAY INC	-	0.77

Largest contributors to ESG risk

	ESG risk score* Q3 2023	ESG risk score* Q4 2023
AMAZON.COM INC	30.61	30.61
MICROSOFT CORP	15.06	15.21
ALPHABET INC-CL A	24.04	24.09
MASTERCARD INC - A	17.07	16.56
NESTLE SA-REG	27.25	27.01

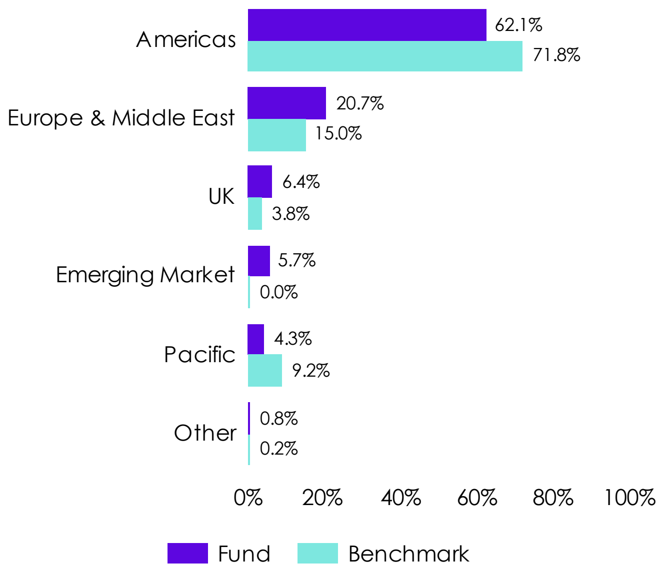
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

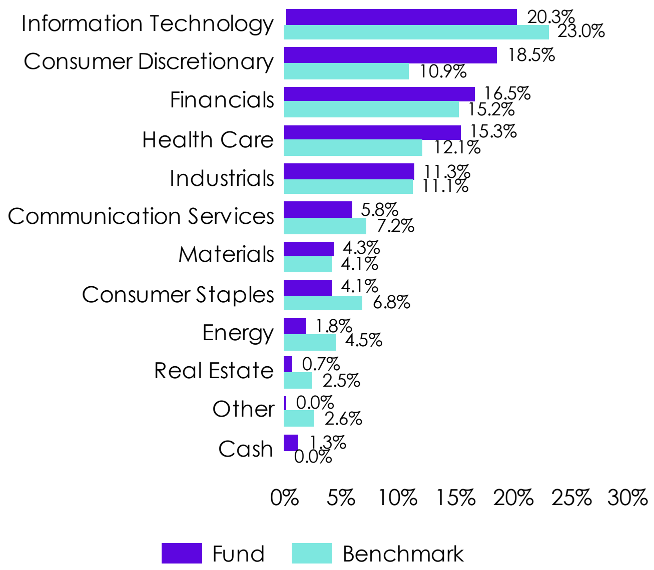
Portfolio	WACI 2023 Q3	WACI 2023 Q4	Total Extractive Exposure[1] 2023 Q3	Total Extractive Exposure[1] 2023 Q4	Extractive Industries (VOH)[2] 2023 Q3	Extractive Industries (VOH)[2] 2023 Q4
Global High Alpha	79	78	1.39	1.55	2.92	2.52
MSCI World*	163	164	3.81	4.87	9.24	8.24

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Global Sustainable Equities

Launch date
20 October 2020

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

Liquidity
Managed

Benchmark
MSCI ACWI

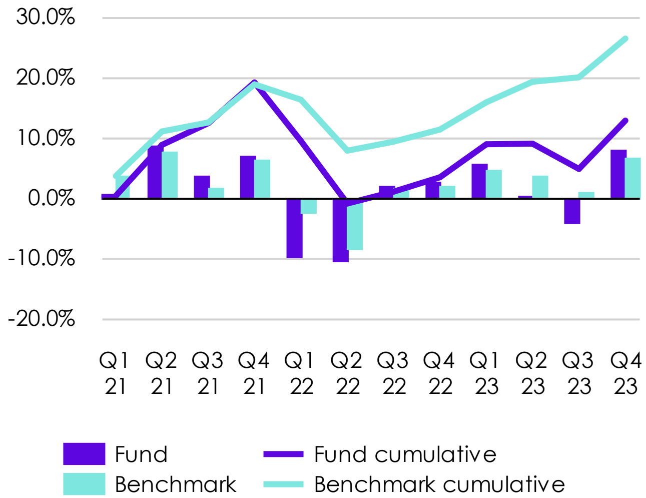
Outperformance target
+2%

Total fund value
£3,470m

Risk profile
High

Oxfordshire's Holding:
GBP564m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	8.0	9.3	3.6	5.6
Benchmark	6.4	15.9	8.7	10.3
Excess	1.6	-6.6	-5.1	-4.8

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

Performance commentary

The portfolio returned 8.0% over the quarter on a net basis, a relative outperformance of 1.6% against the MSCI ACWI benchmark. Ownership, Jupiter and Mirova all outperformed, whilst RBC were inline, and Nordea returned 5.3%. Over the 1-year period, the fund returned 9.3%, underperforming the MSCI ACWI by 6.6%. All underperformance came through in Q2 and Q3. In Q2, the market was heavily concentrated while, in Q3, the environment favoured Energy stocks. However, the shift discussed in the CIO commentary meant Q4 provided an environment in which the Global Sustainable Equity Fund could significantly outperform the index.

The synchronised fall in global inflation led the market to anticipate a number of rate cuts throughout 2024; this “market pivot” supported increasing equity valuations in Q4.

The portfolio has greater exposure to the Quality/Growth styles and thus future cash flows account for a greater weighting that in the broader market. When interest rates are expected to decline, the present value of these cash flows increases, and company valuations also increase. The portfolio added relative alpha through its positioning in growth-orientated sectors and sub-sectors, such as Software, Health Care Equipment and Financial Services, but also through avoiding Value-focused market sectors such as Oil and Gas, which fell 7% over the quarter.

As discussed last quarter, we have also undertaken a lot of work with the managers to understand the fundamental quality of the businesses we are invested in. We look at metrics such as quality of leverage and stability of margins.

Whilst the interest rate decline may provide a short-term technical uplift in valuations, we hope the quality of the businesses will continue to provide alpha over the long term, when interest rate stability returns to the market.

Whilst we are disappointed that the portfolio underperformed over the year, we take comfort that the majority of sustainable managers also failed to outperform the MSCI ACWI over this time period. Compared to the Sustainable peer group, the MSCI ACWI would have finished in the top quartile and those managers that did outperform the index had notable overweight positions in ‘Magnificent 7’ stocks, which, from our perspective, are not all aligned to sustainability.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MASTERCARD INC	**2.69**	**0.53**	**15,143,437**
INTUIT INC	**2.45**	**0.26**	**13,786,186**
MICROSOFT CORP	**2.39**	**3.95**	**13,481,557**
ANSYS INC	**2.31**	**0.05**	**13,036,672**
ADOBE INC	**2.13**	**0.40**	**12,025,863**

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
ANSYS INC	**2.31**	**0.05**
INTUIT INC	**2.45**	**0.26**
MASTERCARD INC	**2.69**	**0.53**
ADOBE INC	**2.13**	**0.40**
WASTE MANAGEMENT INC	**1.67**	**0.11**

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	**-**	**4.47**
MICROSOFT CORP	**2.39**	**3.95**
ALPHABET INC	**1.02**	**2.33**
META PLATFORMS INC	**-**	**1.17**
TESLA INC	**-**	**1.06**

Largest contributors to ESG risk

	ESG risk score* Q3 2023	ESG risk score* Q4 2023
MASTERCARD INC - A	**17.07**	**16.56**
INTUIT INC	**17.95**	**17.95**
ANSYS INC	**15.89**	**15.89**
MICROSOFT CORP	**15.06**	**15.21**
AMAZON.COM INC	**30.61**	**30.61**

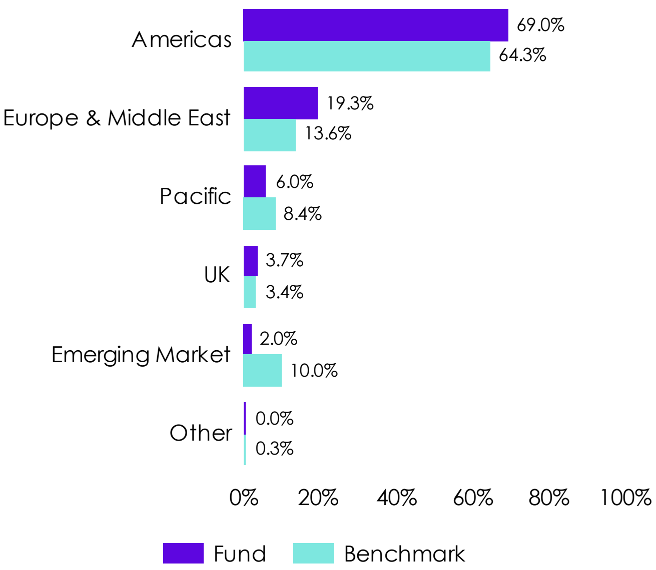
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

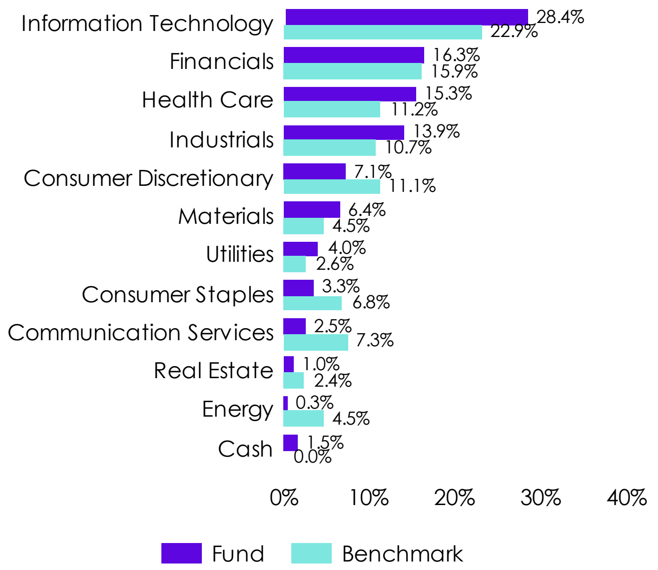
Portfolio	WACI 2023 Q3	WACI 2023 Q4	Total Extractive Exposure[1] 2023 Q3	Total Extractive Exposure[1] 2023 Q4	Extractive Industries (VOH)[2] 2023 Q3	Extractive Industries (VOH)[2] 2023 Q4
Global Sustainable	**149**	**155**	1.90	2.21	5.25	4.83
MSCI ACWI*	**191**	**201**	3.81	4.89	9.16	8.25

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



UK Active Equities

Launch date

1 December 2018

Investment strategy & key drivers

Active stock and sector exposure to UK equity markets

Liquidity

Managed

Benchmark

FTSE All Share ex Inv Tr

Outperformance target

+2%

Total fund value

£1,259m

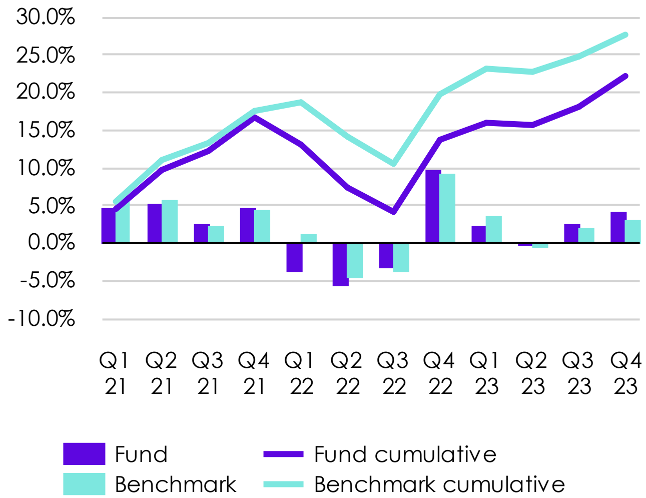
Risk profile

High

Oxfordshire's Holding:

GBP346m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.1	8.7	7.3	4.8
Benchmark	2.9	8.1	9.3	5.7
Excess	1.2	0.6	-2.0	-0.9

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

Performance commentary

The FTSE All-Share Index excluding Investment Trusts returned 2.9% over the quarter, underperforming the developed market index (MSCI World) by nearly 4% in GBP terms. This underperformance reflected the UK's larger exposure to the Energy sector, which performed poorly as concerns grew over weakening demand and supply complications. In a reversal of the previous quarter, the FTSE 100 significantly underperformed the FTSE 250.

The portfolio returned 4.1% during the period, outperforming the benchmark by 1.2%, and delivering a third consecutive quarter of outperformance.

Sector attribution shows that allocation was the main driver of outperformance, with an overweight to the Industrials sector and underweight to the Energy sector the main contributors. Selection also contributed positively and was strongest in Consumer Staples, where an overweight to M&S and underweight to British American Tobacco (BAT) were the largest contributors. M&S returned 15.6% after an encouraging trading update, with revenues growing c.11% year-on-year. These combined with successful cost savings to enable the business to translate strong sales into significant profit growth. Meanwhile, BAT returned -8.7% following a write-down of c.£25 billion on its US combustibles industry (U.S. cigarettes) due to falling demand for its products, as consumers switched to cheaper brands or quit.

Market cap allocation was another positive contributor this quarter. The portfolio was underweight the smallest quintile of companies in the index, which added 0.9% to relative returns.

On a manager basis, Baillie Gifford performed strongly (2% above the index), benefitting from an underweight to Energy and overweight to Industrials. On a stock basis, there were notable contributions from M&S, Autotrader and Persimmon, while zero exposure to BP, HSBC, and British American Tobacco, all major index constituents, also supported relative returns. Invesco outperformed the index (by 0.7%), driven by the positive contribution from Momentum, while the other two targeted factors (Quality and Value) were neutral in terms of relative performance.

From inception to quarter-end, the portfolio underperformed the benchmark by 0.9% per annum.

UK Active Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
ASTRAZENECA PLC	5.62	7.16	19,423,054
UNILEVER PLC	4.75	4.35	16,427,207
SHELL PLC	4.44	7.88	15,360,703
HSBC HOLDINGS PLC	3.88	5.73	13,397,721
RELX PLC	2.95	2.69	10,198,556

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MARKS & SPENCER GROUP PLC	1.95	0.24
LEGAL & GENERAL GROUP PLC	2.36	0.68
INFORMA PLC	2.03	0.50
HOWDEN JOINERY GROUP PLC	1.68	0.20
BUNZL PLC	1.92	0.49

Top 5 active underweights

	Weight %	Benchmark weight %
SHELL PLC	4.44	7.88
HSBC HOLDINGS PLC	3.88	5.73
NATIONAL GRID PLC	-	1.78
BRITISH AMERICAN TOBACCO PLC	0.63	2.33
ASTRAZENECA PLC	5.62	7.16

Largest contributors to ESG risk

	ESG risk score* Q3 2023	Q4 2023
SHELL PLC	33.68	33.68
ASTRAZENECA PLC	21.81	21.81
UNILEVER PLC	24.57	23.57
HSBC HOLDINGS PLC	25.47	24.98
GLENCORE PLC	38.56	38.56

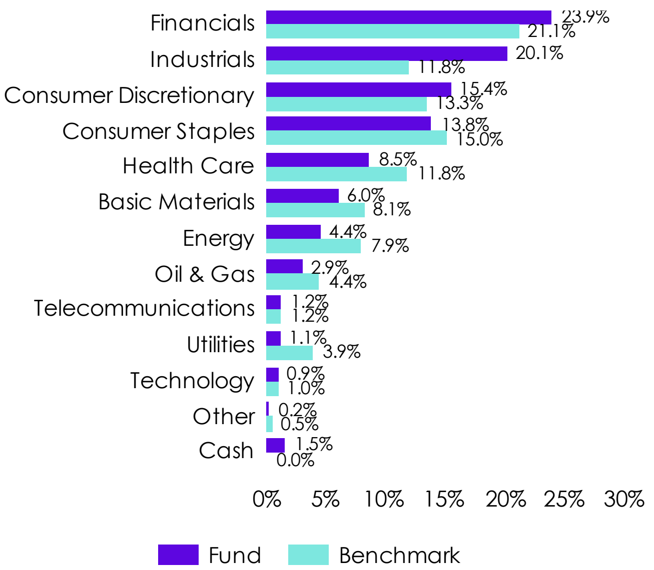
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

Portfolio	WACI 2023 Q3	WACI 2023 Q4	Total Extractive Exposure¹ 2023 Q3	Total Extractive Exposure¹ 2023 Q4	Extractive Industries (VOH)² 2023 Q3	Extractive Industries (VOH)² 2023 Q4
UK Active Equities	76	79	5.27	7.40	11.31	11.39
FTSE All Share ex Inv	129	145	6.09	9.74	20.23	19.40

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Sector exposure



Emerging Markets Equities

Launch date
8 November 2019

Investment strategy & key drivers
Equity exposure to emerging markets

Liquidity
Managed

Benchmark
MSCI Emerging Markets

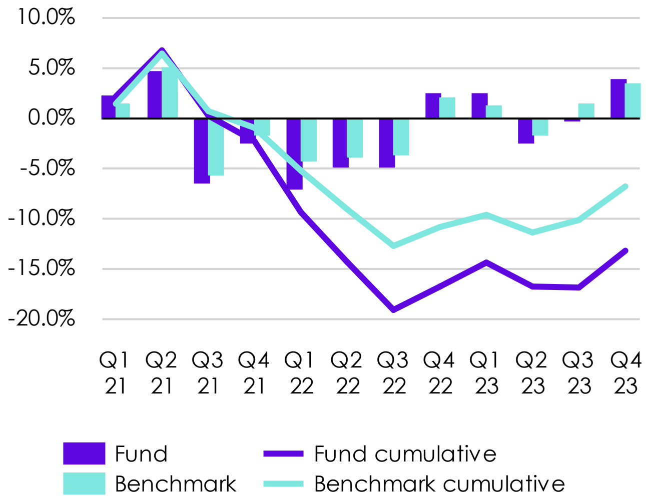
Outperformance target
+2-3%

Total fund value
£967m

Risk profile
High

Oxfordshire's Holding:
GBP-m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	3.7	3.5	-4.6	-0.1
Benchmark	3.3	4.0	-2.5	1.8
Excess	0.3	-0.5	-2.2	-1.8

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

Performance commentary

As mentioned in the CIO commentary, most Emerging Market (EM) economies made positive progress in the final quarter of the year, resulting in a modest gain of 3.3% for MSCI Emerging Markets. China was a notable absentee from the rally, falling 8% over last quarter to end the year down 16%. A combination of sluggish growth, regulation fears, outflows of foreign capital and property fears continued to weigh on sentiment towards Chinese equities.

The EM portfolio returned +3.7% last quarter, which was ahead of the benchmark return of +3.3%. Outperformance was driven by stock selection. Genesis and Ninety One beat the benchmark by 1.6% and 1.3%, respectively. Wellington underperformed by 2.1% due to poor stock selection in China and Consumer Discretionary businesses. Performance for 2023 was in line with the benchmark on a gross-of-fees basis, lagging by 0.5% net of fees. Since-inception performance remained behind the benchmark, lagging to end-2023 by 1.8% on an annualised basis.

PDD Holdings, a multinational commerce group predominantly held by Genesis, was the standout performer over the last quarter. PDD rose 43% after beating earnings expectations by 30% in November. This was the second successive earnings beat. The portfolio held approximately 2.4% in PDD as at year end, 1.2% more than the benchmark.

Sector-level positioning was a mild detractor last quarter. The bias towards consumer sectors hurt relative performance, with Consumer Discretionary and Consumer Staples underperforming the benchmark by 6.7% and 1.3% respectively.

Most styles performed in line with benchmark last quarter. The only notable exception was Quality, which outperformed broader markets by 4.2%. The portfolio is mildly overweight Quality due to Genesis' focus on identifying companies with sustainable, free-cashflow generation, strong governance, and alignment with minority shareholder interests. This acted as a tailwind for relative performance.

The outlook for EM remains cautiously optimistic. All three managers actively added to companies where share price weakness provided a good buying point. However, investors should still be mindful of the slowdown in China, which could have worldwide repercussions.

Emerging Markets Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
TAIWAN SEMICONDUCTOR	**8.16**	**6.74**	**-**
SAMSUNG ELECTRONICS CO LTD	**5.11**	**4.69**	**-**
TENCENT HOLDINGS LTD	**4.26**	**3.55**	**-**
HDFC BANK LTD	**2.75**	**0.82**	**-**
PDD HOLDINGS INC	**2.43**	**1.24**	**-**

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
HDFC BANK LTD	**2.75**	**0.82**
AIA GROUP LTD	**1.76**	**-**
TAIWAN SEMICONDUCTOR	**8.16**	**6.74**
PDD HOLDINGS INC	**2.43**	**1.24**
INNER MONGOLIA YILI INDUSTRIAL	**1.17**	**0.02**

Top 5 active underweights

	Weight %	Benchmark weight %
ALIBABA GROUP HOLDING LTD	**1.34**	**2.23**
CHINA CONSTRUCTION BANK CORP	**-**	**0.82**
PETROLEO BRASILEIRO SA	**0.19**	**0.94**
AL RAJHI BANK	**-**	**0.64**
HON HAI PRECISION INDUSTRY CO	**-**	**0.60**

Largest contributors to ESG risk

	ESG risk score* Q3 2023	ESG risk score* Q4 2023
SAMSUNG ELECTRONICS CO LTD	**19.41**	**19.41**
TENCENT HOLDINGS LTD	**19.25**	**19.32**
PDD HOLDINGS INC	**29.23**	**29.23**
HDFC BANK LIMITED	**30.61**	**30.77**
INNER MONGOLIA YILI INDUS-A	**37.21**	**37.21**

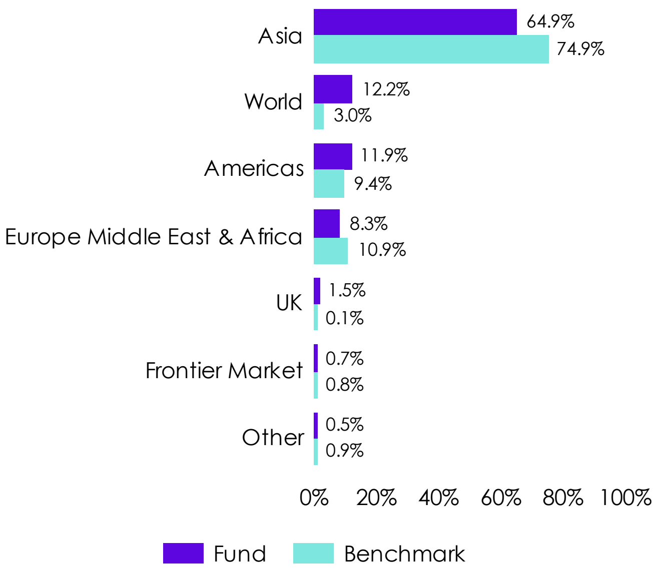
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

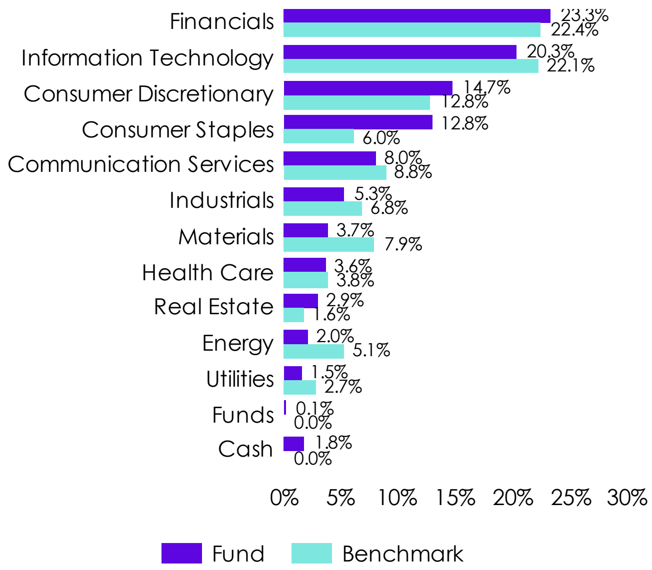
Portfolio	WACI 2023 Q3	WACI 2023 Q4	Total Extractive Exposure[1] 2023 Q3	Total Extractive Exposure[1] 2023 Q4	Extractive Industries (VOH)[2] 2023 Q3	Extractive Industries (VOH)[2] 2023 Q4
Emerging Markets	**189**	**193**	1.38	1.89	3.76	4.31
MSCI Emerging	**429**	**515**	3.37	5.84	8.48	8.34

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Multi-Asset Credit

Launch date
7 July 2021

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

Liquidity
Managed

Benchmark
SONIA +4%

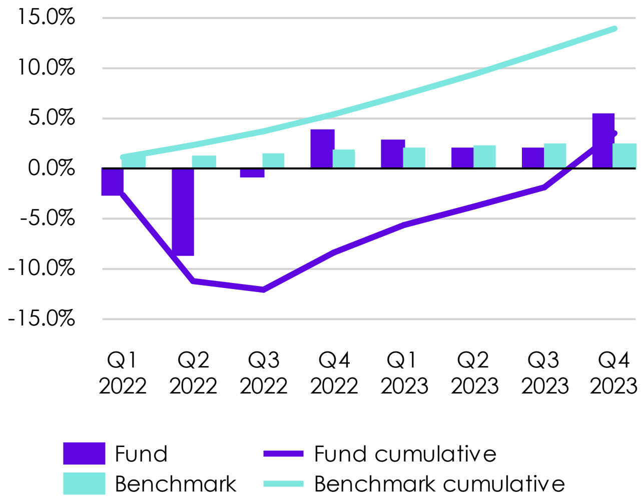
Outperformance target
0% to +1.0%

Total fund value
£2,895m

Risk profile
Moderate

Oxfordshire's Holding:
GBP147m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	5.4	12.4	-	1.5
Benchmark	2.3	8.8	-	6.5
Excess	3.1	3.6	-	-5.0

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

Performance commentary

Sub-investment grade credit markets finished the year in strong fashion, resulting in double-digit gains for 2023. As mentioned in the CIO commentary, the market narrative on interest rates changed from 'higher for longer' to 'pivot', following better-than-expected inflation data in the US. The UK also saw interest rate expectations fall.

US and UK yields fell right along the curve, but more so at the policy-sensitive end. 2-year yields for the US and UK ended the year at 4.25% and 3.96% respectively. Credit spreads also fell across the quarter, as hopes of a soft landing grew. High Yield option-adjusted spreads – proxied by the Bloomberg High Yield Index – ended the period at +423 basis points (bps), a 58bps decrease from Q3 2023. The backdrop of declining interest rate expectations and spread compression resulted in all asset classes making a positive return over the quarter. Fixed rate assets appreciated far more than their floating counterparts. The best-performing asset classes were Contingent Capital (CoCos) and Emerging Market Sovereigns, which returned +11% and +10.2%, respectively, in local currency terms.

The portfolio returned +5.4% over the quarter, which was comfortably ahead of the primary benchmark (SONIA +4%), which returned +2.3%. The portfolio was in line with the secondary composite benchmark, which is evenly split between the Bloomberg Global High Yield and the Morningstar LSTA US Leveraged Loan Index. Neuberger Berman, CQS and Oaktree returned +5.9%, +4.7% and +4.8% respectively. Neuberger Berman posted a stronger return due to its rate-sensitive allocation to Investment Grade Corporates - it took profit on its allocation later in the quarter.

Performance for the calendar year was an impressive +12.4%, materially ahead of the primary cash benchmark. Since-inception performance is now +1.5%, which lags the primary benchmark by 5.0%. The composite benchmark has returned approximately +1.8% over the same period.

All three managers maintain a cautiously optimistic outlook. All-in yields have fallen to 7.9% for the Multi-Asset Credit portfolio, with a duration of 2.7 years. Investors should remain wary of the reduced amount of compensation for credit risk. Our managers remain heavily focused on the quality of their issuers.

Sterling Corporate Bonds

Launch date
2 July 2021

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

Liquidity
Managed

Benchmark
iBoxx Sterling Non Gilt x

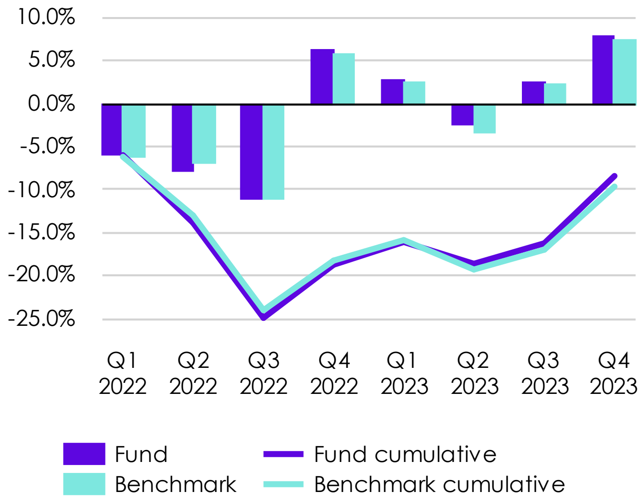
Outperformance target
+1%

Total fund value
£2,544m

Risk profile
Moderate

Oxfordshire's Holding:
GBP134m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	7.8	10.5	-	-4.1
Benchmark	7.4	8.6	-	-4.7
Excess	0.5	1.9	-	0.6

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

Performance commentary

Bond markets rallied over the quarter as headline inflation fell and markets began to price in interest rate cuts in 2024. The result was significant falls in bond yields in November and December. The sterling investment grade credit market (non-gilt) returned 7.4% over the quarter, as a result of lower government bond yields and tighter credit spreads. Given the fall in yields, sectors with a greater proportion of long-dated bonds performed well, including utilities and social housing, whilst supranationals was the worst-performing sector.

Over the period, the Sterling Corporate Bonds portfolio returned 7.8%, outperforming the benchmark by 0.5%.

The main driver of positive relative performance was sector positioning, notably the underweight allocation to supranationals, which continued to lag the wider market. Yield curve positioning was also positive, given the strong performance from longer-dated bonds.

Stock selection effects were mixed, with a broadly neutral impact on relative returns overall. Whilst there was positive selection in insurance bonds, notably longer-dated subordinated bonds from Prudential and Legal & General, there were negative selection effects in structured bonds, which generally have a lower sensitivity to wider market moves.

In terms of credit rating bands, the significant underweight allocation to AAA-rated bonds contributed to relative returns; the overweight allocation to BBB-rated bonds was also positive.

The holding in Thames Water was a detractor over the quarter. Whilst structurally junior holding company debt underperformed and was downgraded, the portfolio's larger exposure to the operating company debt was beneficial for performance over the quarter.

In terms of outlook, although the economic data remains mixed, RLAM still believes that higher interest rates will contribute to a slowdown in the UK. This could well impact company earnings and lead to some increase in pressure on credit markets. However, whilst all-in yields are not as attractive as at the start of the fourth quarter, RLAM feels that the excess yield available on investment grade credit overcompensates for the default risk.

Passive Index Linked Gilts over 5 years

Launch date
9 June 2021

Investment strategy & key drivers
Passive exposure to index linked gilts with over 5 year duration

Liquidity
High

Benchmark
FTSE-A UK ILG >5Y

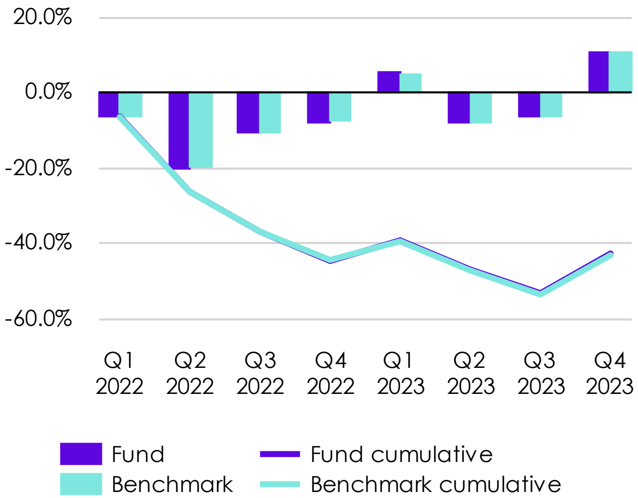
Outperformance target
Match

Total fund value
£936m

Risk profile
Low

Oxfordshire's Holding:
GBP235m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	10.5	0.7	-	-14.9
Benchmark	10.5	0.2	-	-15.0
Excess	-	0.6	-	0.1

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

Performance commentary

Economic attention over the quarter was on inflation. At the start of the quarter, investors focused on the persistence of large price increases, and central bank messaging on holding rates higher for longer. Yet, as headline inflation fell, sentiment swung dramatically towards the end of the quarter, pushing markets to price in interest rate cuts in 2024.

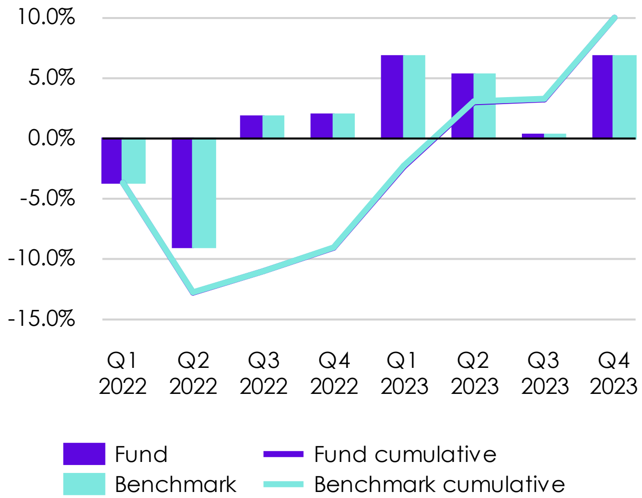
Global government bond yields started the quarter continuing the rising trend that had started in mid-2020. This reflected market views that rising inflation would necessitate even higher interest rates, in line with the mantra: 'higher for longer'. Yet, with inflation starting to come down, expectations of rate cuts in 2024 contributed to significant falls in bond yields in November and December.

In that context, UK government bonds produced strong returns due to falling yields, delivering an 8.1% return (FTSE Actuaries) over the fourth quarter, as the benchmark 10-year gilt yield fell from 4.44% to 3.54%.

PAB Passive Global Equities

Launch date
1 November 2021
Investment strategy & key drivers
Passive global equity exposure aligned to Paris Agreement climate goals
Liquidity
High
Benchmark
FTSE Dev World PAB
Outperformance target
Match
Total fund value
£2,153m
Risk profile
High
Oxfordshire's Holding:
GBP584m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	6.8	20.3	-	5.9
Benchmark	6.7	20.3	-	6.0
Excess	-	-	-	-0.1

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

Performance commentary

The FTSE Developed Paris-aligned index (PAB) returned 6.7% over Q4 2023. The PAB Passive Global Equities product replicated the performance of the benchmark over the period, returning 6.8%.

The PAB's holding in Vestas Wind Systems A/S made a positive contribution to returns of 0.1%. The wind turbine manufacturer reported Q3 profits that were four times greater than analysts' consensus expectations. Vestas is held in the PAB at a larger weight than in the market cap index due to very strong Green Revenue scoring and a positive tilt on TPI Management Quality scoring.

The only Energy sector investments in the PAB are Vestas and First Solar. Not owning companies with exposure to oil benefitted performance, as oil prices fell significantly over the period.

The PAB's large positions in Microsoft, Amazon and Apple all made significant positive contributions to returns, as Growth stocks benefited from the market factored in a higher probability of interest rate cuts in 2024.

The PAB's holding in Tesla made the largest negative contribution to returns, costing 67 basis points of performance. Tesla is a significant position in the portfolio owing to its strong Green Revenue score and a positive tilt score for Scope 3 Carbon Emissions Intensity. Tesla reported increasing inventories which may put pressure on margins. However, Tesla was not alone in recording weak performance. The Autos sub-sector underperformed the broader market.

An index rebalancing took place during the quarter. The portfolio decarbonisation trajectory is in line with the requirements of EU regulations for Paris-aligned benchmarks, which utilise EVIC rather than Revenue in its decarbonisation calculations.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
AMAZON.COM INC	5.19	30,344,709
MICROSOFT CORP	5.17	30,196,190
APPLE INC	4.85	28,319,068
ALPHABET INC	4.53	26,438,091
TESLA INC	4.23	24,735,898

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q3 2023	ESG risk score* Q4 2023
AMAZON.COM INC	30.61	30.61
TESLA INC	25.23	25.23
APPLE INC	17.22	17.22
MICROSOFT CORP	15.06	15.21
ALPHABET INC-CL A	24.04	24.09

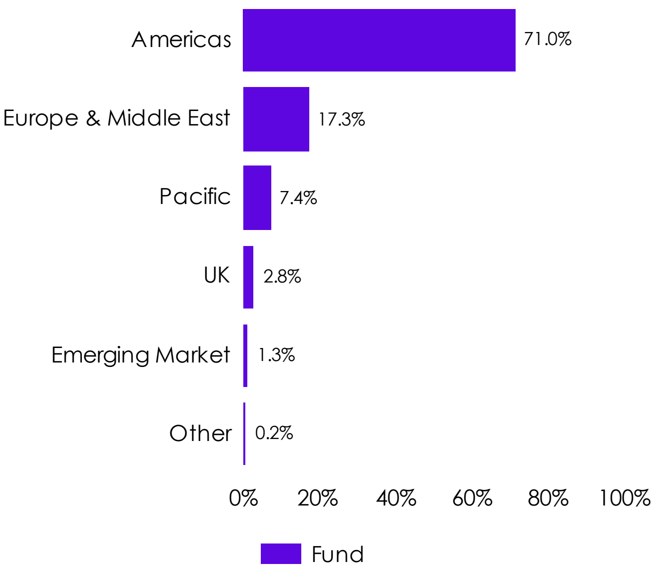
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

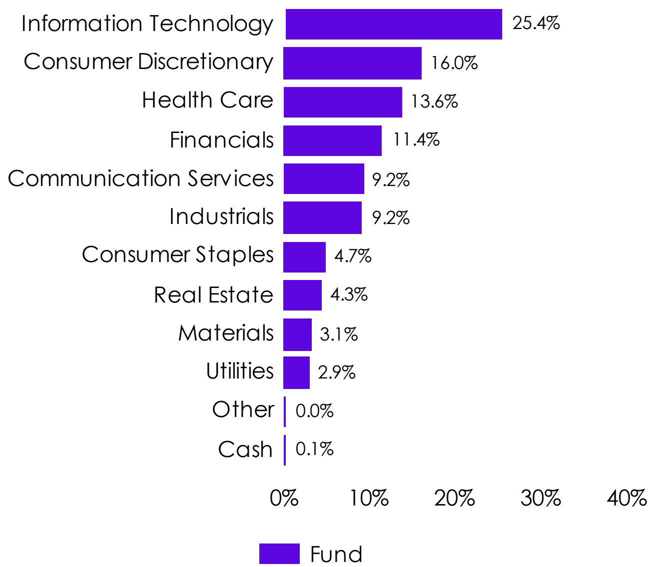
Portfolio	WACI 2023 Q3	WACI 2023 Q4	Total Extractive Exposure[1] 2023 Q3	Total Extractive Exposure[1] 2023 Q4	Extractive Industries (VOH)[2] 2023 Q3	Extractive Industries (VOH)[2] 2023 Q4
PAB Passive Global	76	120	0.72	1.39	3.39	3.57
FTSE Dev World TR	167	168	3.67	4.69	9.52	8.45

*Benchmark. [1] Extractive revenue exposure as share (%) of total revenue. [2] Value of holdings (VOH) - companies who derive revenues from extractives. Source: Trucost

Regional exposure



Sector exposure



Private Equity Cycle 1

Investment objective
Global portfolio of private equity investments

Benchmark
MSCI ACWI

Outperformance target
+3%

Launch date
1 October 2018

Commitment to portfolio
£100.00m

The fund is denominated in GBP

Commitment to Investment
£101.16m

Amount Called
£75.17m

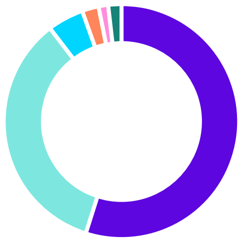
% called to date
74.31

Number of underlying funds
7

Oxfordshire's Holding:
GBP91.33m

Country

Invested in underlying investments

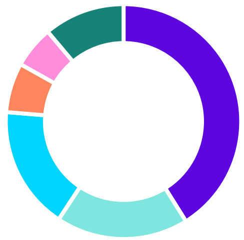


North America	54.9%
Western Europe	34.7%
Asia Pacific	5.0%
Global	2.3%
Middle-East/North Africa	1.3%
Other	1.8%

Source: Colmore
Country data is lagged by one quarter

Sector

GICs level 1



Financials	41.1%
Information Technology	18.2%
Health Care	17.0%
Industrials	6.8%
Telecommunication	5.8%
Other	11.1%

Source: Colmore
Sector data is lagged by one quarter

Performance commentary

Deal activity saw a quarter-on-quarter increase, implying that GPs are beginning to find the comfort required to transact in the current environment. By quarter-end, interest rate rises appeared to be slowing, creating increasing consensus around the future movement of interest rates. Despite a rising number of deals, deal dynamics remained unchanged. GPs continued to fund deals with larger amounts of equity due to maintained higher borrowing costs. Fundraising remained challenging. However, Q3 saw much stronger fundraising than previous quarters, albeit by a smaller cohort of managers. Fundraising uncertainty has inspired a flight to Quality, as a number of top managers raised record funds in what has been a difficult fundraising environment. Exits at the larger end of the market still remain a concern, as IPO markets are still largely shut. Inflationary pressure appears to be easing. However, wage inflation remains sticky in the US and UK, thus creating problems for companies that have a time lag associated with passing costs through to customers.

Portfolio deployment now stands at over ~70% of total commitments. Portfolio performance remains positive, and is slightly down versus the prior quarter. Performance was generally flat across funds in the portfolio.

Pipeline

The Cycle 1 portfolio is now fully committed, so no new investments are being considered.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
91.3	-0.4%	14.6%	2,607,097	125,146	2,481,951	-3,016,080	1.34	-0.0%	0.0%

*Money weighted return. Net of all fees.

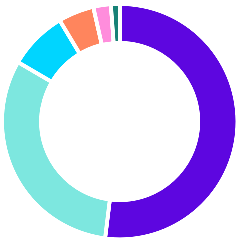
Private Equity Cycle 2

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

Commitment to Investment
£70.83m
Amount Called
£37.25m
% called to date
52.59
Number of underlying funds
14
Oxfordshire's Holding:
GBP38.58m

Country

Invested in underlying investments



North America	52.0%
Western Europe	31.4%
Asia Pacific	8.1%
Global	4.9%
Middle-East/North Africa	2.4%
Other	1.2%

Source: Colmore
Country data is lagged by one quarter

Sector

GICs level 1

Information Technology	30.8%
Financials	27.6%
Health Care	13.6%
Industrials	13.3%
Consumer Discretionary	6.6%
Other	8.1%

Source: Colmore
Sector data is lagged by one quarter

Performance commentary

Deal activity saw a quarter-on-quarter increase, implying that's GPs were finding the comfort required to transact in the current environment. Interest rate rises appeared to be slowing, creating a feeling of increasing certainty around the future movement of interest rates. Despite a rising number of deals, deal dynamics remained unchanged. GPs continued to fund deals with larger amounts of equity due to continued higher borrowing costs. Fundraising remained challenging. However, Q3 saw much stronger fundraising than previous quarters, albeit into a smaller cohort of managers. Fundraising uncertainty inspired a flight to quality, as a number of top managers raised record amounts in what had been a difficult fundraising environment. Exits at the larger end of the market still remain a concern as IPO markets are still largely shut. Inflationary pressure appeared to be easing. However, wage inflation remained sticky in the US and UK, thus creating problems for companies that have a time lag associated with passing costs through to customers.

The pace of portfolio deployment remained strong, with the portfolio ~50% invested. At quarter-end, all funds in the portfolio had called capital. Performance was generally flat across funds in the portfolio.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
38.6	0.9%	5.4%	5,436,186	724,936	4,711,250	-721,823	1.07	0.0%	0.0%

*Money weighted return. Net of all fees.

Private Debt Cycle 2

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

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£70.00m

The fund is denominated in GBP

Commitment to Investment
£70.00m

Amount Called
£46.75m

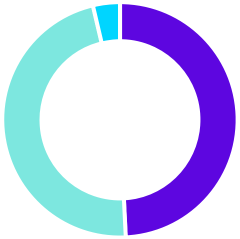
% called to date
66.78

Number of underlying funds
1

Oxfordshire's Holding:
GBP46.13m

Country

Invested in underlying investments



Europe	49.2%
North America	47.1%
Asia Pacific	3.7%
Other	-

Source: Aksia and underlying managers
Country data is lagged by one quarter

Sector

GICs level 1

Health Care	29.1%
Information Technology	21.3%
Industrials	17.0%
Consumer Discretionary	15.6%
Financials	8.2%
Other	8.8%

Source: Aksia and underlying managers
Sector data is lagged by one quarter

Performance commentary

Deal activity saw a quarter-on-quarter increase, implying that's GPs are beginning to find the comfort required to transact in the current environment. Interest rate rises appear to be slowing, creating greater certainty around their future direction. Despite a rising number of deals, deal dynamics remain unchanged. GPs are continuing to fund deals with larger amounts of equity - an advantage for private debt providers who are underwriting loans into more secure and better-returning capital structures. The current environment remains attractive for debt providers that are issuing new loans. However, incumbent portfolio companies remain under pressure as interest coverage ratios are falling and watchlists are gradually growing in length. Inflationary pressure appears to be easing. However, wage inflation remains sticky in the US and UK, creating problems for companies that have a time lag on passing costs through to customers. These inflationary pressures are creating additional EBITDA margin pressure for companies exposed to wage inflation or staff shortages. Despite this, the Brunel Private Debt portfolio remains well positioned to absorb inflationary pressures due to the portfolio's bias to non-cyclical sectors (such as Technology and Business Services).

The portfolio is ~60% invested. All managers have now called investor capital and some managers are coming towards the end of their investment periods. Portfolio performance was positive across the portfolio and underlying funds over the quarter. The portfolio has one position which underwent restructuring prior to the quarter: a US dental services organization. This business had struggled to recover from some Covid-19 related issues and required additional

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
46.1	8.8%	9.6%	4,191,055	1,123,689	3,067,366	-1,012,420	1.12	0.1%	0.0%

*Money weighted return. Net of all fees.

Private Debt Cycle 2

liquidity, which resulted in the provision of an equity injection into the business by the sponsor. The company's recent trading and credit metrics have improved. Both the manager and Brunel will continue to monitor the situation closely.

Pipeline

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

Private Debt Cycle 3

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

Benchmark
SONIA

Outperformance target
+4%

Launch date
1 April 2022

Commitment to portfolio
£90.00m

The fund is denominated in GBP

Commitment to Investment
£62.35m

Amount Called
£18.84m

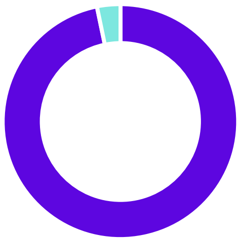
% called to date
30.21

Number of underlying funds
4

Oxfordshire's Holding:
GBP19.20m

Country

Invested in underlying investments

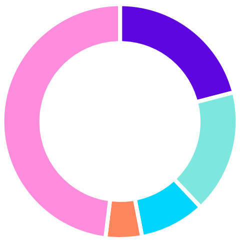


Europe	96.8%
Other	3.2%

Source: Aksia and underlying managers
Country data is lagged by two quarters

Sector

GICs level 1



Health Care	21.0%
Software	17.0%
Financials & Insurance	9.0%
Professional Services	5.0%
Other	48.0%

Source: Aksia and underlying managers
Sector data is lagged by two quarters

Performance commentary

Deal activity saw a quarter-on-quarter increase, implying that GPs are beginning to find the comfort required to transact in the current environment. Interest rate rises appear to be slowing, creating more confidence about the trajectory. Despite a rising number of deals, deal dynamics remain unchanged. GPs are continuing to fund deals with larger amounts of equity, favouring private debt providers who are underwriting loans into more secure and better-returning capital structures. The current environment remains attractive for debt providers that are issuing new loans. However, incumbent portfolio companies remain under pressure as interest coverage ratios are falling and watchlists are gradually growing in length. Inflationary pressure appears to be easing. However, wage inflation remains sticky in the US and UK, thus creating problems for companies that have a time lag associated with passing costs through to customers. These inflationary pressures are creating additional EBITDA margin pressure for companies exposed to wage inflation or staff shortages. Despite this, the Brunel Private Debt portfolio remains well positioned to absorb inflationary pressures due to its bias to non-cyclical sectors (such as Technology and business services).

The portfolio has now made commitments to four funds, all of which have called capital. Portfolio performance has been marginally negative versus the prior quarter (but remains positive), but given the nascency of investments, such measures are not yet very meaningful. We have good line of sight on finalising the remaining two fund commitments before the end of Q1 2024.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
19.2	13.4%	12.6%	5,005,370	435,465	4,569,904	609,719	1.07	0.0%	0.0%

*Money weighted return. Net of all fees.

Private Debt Cycle 3

Pipeline

The final two funds, both North America-focused, have already been approved by BIC and presented to clients at ISG. They remain in late-stage legal negotiations, but we expect commitments to be closed in Q1 2024. This will complete the Cycle 3 fund selection.

Infrastructure Cycle 1

Investment objective
Portfolio of predominantly European sustainable infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 October 2018

Commitment to portfolio
£50.00m

The fund is denominated in GBP

Commitment to Investment
£49.82m

Amount Called
£42.53m

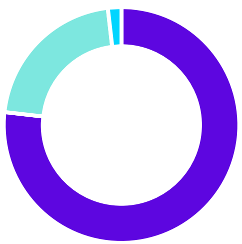
% called to date
85.37

Number of underlying funds
5

Oxfordshire's Holding:
GBP45.83m

Country

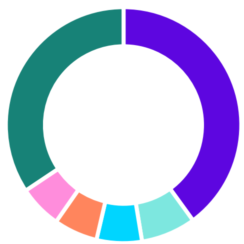
Commitment in underlying investments



Europe (incl. UK)	76.7%
North America	21.4%
Rest Of World	1.9%

Source: Stepstone
Country data is lagged by one quarter

Sector



Wind & Solar	39.9%
Rail	7.5%
Distributed Energy	6.2%
Diversified Renewables	6.0%
Diversified Social	5.9%
Other	34.5%

Source: Stepstone
Sector data is lagged by one quarter

Performance commentary

Against an unusual and challenging macroeconomic backdrop across 2023, Infrastructure largely proved its resilience to inflationary pressures and higher interest rates. By year-end, many across the US and Europe believed the top of the interest rate cycle had been reached, although inflation was not yet at the level targeted by central banks - and may thus persist for longer than hoped. A scenario of stable - and potentially lowering - interest rates, coupled with higher inflation, is a good outcome for infrastructure assets, since they are correlated with inflation and offer cost pass-through capacity. As reported in prior quarters, Brunel's portfolio is well-positioned, with high quality assets, to remain resilient in this environment.

As a result of Infrastructure's characteristics, many LPs continued to allocate to the asset class, and some were expecting to increase their allocations. According to a Campbell Lutyens' report, which is based on a survey of roughly 130 LPs, 57% said they plan to increase their infrastructure allocation. Following a poor start to 2023, Infrastructure fundraising picked up in H2 2023 and Preqin forecast this trend to continue into 2024, predicting that fundraising will almost double in 2024 to $84bn.

Deal activity overall in 2023 remained low versus previous years, but this is not siloed to Infrastructure. Dynamics on the sell side have shifted, and there are fewer buyers in the market who can be selective and; many have instead been focused on investing in growing platforms. Debt has indeed increased in cost, but lenders' flight to quality has meant the

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
45.8	2.4%	8.0%	999,925	732,038	267,888	401,155	1.21	0.0%	0.0%

*Money weighted return. Net of all fees.

Infrastructure Cycle 1

asset class is relatively well protected and that debt is still available to investors.

Previously, Brunel had reported that a US-specific renewables fund had been experiencing ongoing difficulties, as many underlying renewable challenges still persisted globally. A satisfactory resolution has since been reached which will diminish uncertainty and strengthen the position of the Fund, improving the outlook for LPs.

As at the end of Q4 2023, Cycle 1 Infrastructure was ~97% committed and ~85% invested. Project Anemoi, the final Tactical allocation in Cycle 1, was a co-investment opportunity (alongside Equitix) into an operating offshore wind farm in Scotland; it closed at the start of Q4 2023, thus completing Cycle 1.

Pipeline: Cycle 1 is now fully committed, and so no new investments are being considered.

Infrastructure (General) Cycle 2

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

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£20.00m

The fund is denominated in GBP

Commitment to Investment
£20.00m

Amount Called
£15.10m

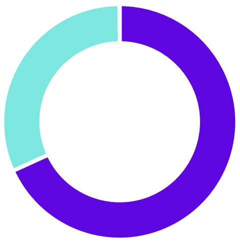
% called to date
75.51

Number of underlying funds
1

Oxfordshire's Holding:
GBP15.81m

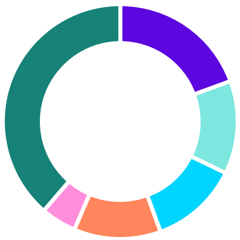
Country

Commitment in underlying investments



Source: Stepstone.
Country data is lagged by one quarter

Sector



Source: Stepstone
Sector data is lagged by one quarter

Performance commentary

Against an unusual and challenging macroeconomic backdrop through 2023, Infrastructure largely proved its resilience to inflationary pressures and higher interest rates. Across the US and Europe, by year-end, many believed we had reached the top of the interest rate cycle, although inflation is not at the level targeted by central banks and may persist for longer. A scenario of stable, and potentially lowering interest rates, coupled with higher inflation, is a good outcome for infrastructure assets with inflation correlation and cost pass-through capacity. As reported in prior quarters, Brunel's portfolio is well-positioned, with high quality assets, to remain resilient in this environment.

As a result of Infrastructure's characteristics, many LPs continued to allocate to the asset class, and some expected to increase their allocations. According to a Campbell Lutyens' report, based on a survey of roughly 130 LPs, 57% said they planned to increase their infrastructure allocation. Following a poor start to 2023, Infrastructure fundraising picked up in H2 2023. Preqin forecast this trend to continue, almost doubling in 2024 to $84bn.

Deal activity overall in 2023 remained low versus previous years, but this is not siloed to Infrastructure. Dynamics on the sell side have shifted, and there are fewer buyers in the market who can be selective; many have instead been focused on investing in growing platforms. Debt has indeed increased in cost, but lenders' flight to quality has meant the asset class is relatively well protected and debt is still available to investors.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
15.8	5.1%	6.0%	541,328	331,455	209,873	92,141	1.09	0.0%	0.0%

*Money weighted return. Net of all fees.

Infrastructure (General) Cycle 2

Cycle 2G is fully committed to 6 primary funds and 7 Tactical investments. As at the end of Q4 2023, the portfolio is ~76% invested. On the whole, Cycle 2G's early performance indicates good resilience to market turbulence. Brunel is very pleased with how the Cycle 2G portfolio has developed. The portfolio is diversified across geographies and sectors and invested in Quality opportunities that we believe will provide strong performance, in terms of both returns, and societal and environmental sustainability.

Pipeline:

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

Infrastructure (Renewables) Cycle 2

Investment objective
Global portfolio of renewable energy and associated infrastructure assets

Benchmark
CPI

Outperformance target
+4%

Launch date
1 May 2020

Commitment to portfolio
£20.00m

The fund is denominated in GBP

Commitment to Investment
£20.00m

Amount Called
£12.41m

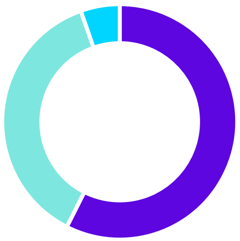
% called to date
62.07

Number of underlying funds
1

Oxfordshire's Holding:
GBP12.97m

Country

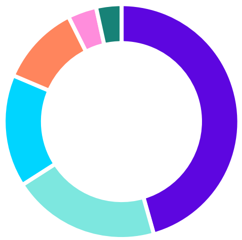
Commitment in underlying investments



Europe (incl. UK)	57.4%
North America	37.2%
Rest Of World	5.4%

Source: Stepstone
Country data is lagged by one quarter

Sector



Solar	45.6%
Wind	20.4%
Diversified Renewables	15.5%
Energy Efficiency	11.2%
Energy Storage	3.9%
Other	3.4%

Source: Stepstone
Sector data is lagged by one quarter

Performance commentary

Amid an unusual and challenging macroeconomic backdrop through 2023, Infrastructure generally proved its resilience to inflationary pressures and higher interest rates. Across the US and Europe, by year-end many believed we had reached the top of the interest rate cycle, although inflation is not at the level targeted by central banks and may persist for longer. A scenario of stable, and potentially lowering interest rates, coupled with higher inflation, is a good outcome for infrastructure assets with inflation correlation and capacity for cost pass-through. As reported in prior quarters, Brunel's portfolio is well-positioned with high quality assets to remain resilient in this environment.

During the second half of 2023, Renewable Infrastructure managers continued to focus on addressing the increase in costs realised through their supply chain. As previously reported, capital expenditure in wind assets specifically spiked and made many projects no longer financially viable. Global responses by governments have helped mitigate the impact and the cooling of inflation during H2 2023 implied a more positive outlook for the near term. Global policies and corporate Net Zero commitments continued to provide tailwinds for the industry, while COP 28 stressed the need to triple renewable energy capacity and double efficiency improvements by 2030. Investors will need to be careful and selective to ensure they are investing alongside managers capable of dealing with many of the headwinds that exist.

As at the end of Q4, Cycle 2R was ~87% committed and ~62% invested across 7 primary funds and 10 Tacticals. Only one more Primary fund is required to complete the Cycle 2

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
13.0	2.0%	8.8%	2,768,534	60,134	2,708,400	251,946	1.12	0.0%	0.0%

*Money weighted return. Net of all fees.

Infrastructure (Renewables) Cycle 2

Renewables' portfolio construction. Two projects closed in Q4: Project Flare, a co-investment opportunity alongside ICG Infrastructure in the acquisition of a stake in a large independent solar PV developer in the UK, and Project Luna Nordic, an infrastructure debt co-investment deal in onshore wind and solar PV in the Nordics alongside Copenhagen Infrastructure. Together, these two investments completed the Tactical allocation for Cycle 2R.

Pipeline:

We await proposals from StepStone for the final primary fund selection for Cycle 2 Renewables, although it should be noted that the commitment amount is small at just £25m. No other investments have been approved by Brunel, pending closing.

Infrastructure Cycle 3

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

Benchmark
n/a - absolute return target

Outperformance target
net 8% IRR

Launch date
1 April 2022

Commitment to portfolio
£60.00m

The fund is denominated in GBP

Commitment to Investment
£60.00m

Amount Called
£14.25m

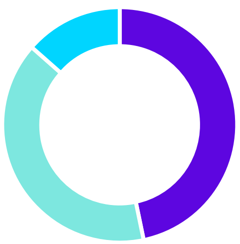
% called to date
23.75

Number of underlying funds
1

Oxfordshire's Holding:
GBP13.65m

Country

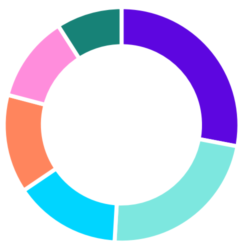
Commitment in underlying investments



Europe (incl. UK)	46.7%
North America	39.8%
Rest Of World	13.5%

Source: Stepstone
Country data is lagged by one quarter

Sector



Timber	27.9%
Utilities	23.0%
Wind	14.6%
Diversified Renewables	13.5%
Agriculture	11.9%
Other	9.1%

Source: Stepstone
Sector data is lagged by one quarter

Performance commentary

Against an unusual and challenging macroeconomic backdrop experienced through 2023, Infrastructure largely proved its resilience to inflationary pressures and higher interest rates. Across the US and Europe, by year-end, many believed we had reached the top of the interest rate cycle, although inflation was not yet at the level targeted by central banks - so could yet persist for longer. A scenario of stable, and potentially lowering interest rates, coupled with higher inflation, is a good outcome for infrastructure assets with inflation correlation and capacity for cost pass-through. As reported in prior quarters, Brunel's portfolio is well-positioned, with high quality assets, to remain resilient in this environment.

As a result of Infrastructure's characteristics, many LPs continued to allocate to the asset class, and some were expecting to increase their allocations. According to a Campbell Lutyens' report, which is based on a survey of roughly 130 LPs, 57% said they plan to increase their infrastructure allocation. Following a poor start to 2023, Infrastructure fundraising picked up in H2 2023 and Preqin forecast this trend to continue into 2024, predicting that fundraising would almost double in 2024 to $84bn.

Deal activity overall in 2023 remained low versus previous years, but this is not siloed to Infrastructure. Dynamics on the sell side have shifted, and there are fewer buyers in the market who can be selective; many have instead been focused on investing in growing platforms. Debt has indeed increased in cost, but lenders' flight to quality has meant the asset class is relatively well-protected and that debt is still available to investors.

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
13.6	-5.2%	-5.9%	5,239,866	14,067	5,225,799	-87,402	0.96	-0.0%	-0.0%

*Money weighted return. Net of all fees.

Infrastructure Cycle 3

As at the end of Q4, Cycle 3 is ~45% committed and ~26% invested. Blackstone Energy Transition Partners IV was closed; the global primary fund was focused on primary or secondary beneficiaries of energy transition megatrends. Additional investments include Project Indigo, a European GP-led secondary opportunity with DWS, and Project Mars, a co-investment opportunity alongside Dutch Infrastructure Partners in a telecommunications company focused on enterprise and residential fibre in Midwest US.

Pipeline:

During Q4, two further primary funds were approved by Brunel and are subject to further StepStone due diligence before anticipated closings in Q4 2023 and Q1 2024, respectively: a £29m commitment to a European agriculture-focused primary fund and a £30m commitment to a global diversified primary fund, focusing on renewables, concessions, and utilities. The agriculture fund has already been presented at Client ISG.

£90m remains to be committed to three more funds. A Europe/OECD-focussed energy transition fund has been identified and StepStone continues to progress work on an Infrastructure Secondary fund. This leaves one further general infra fund to be found to complete the fund selection work for Cycle 3.

There are six more tactical investment placeholders in the portfolio construction plan. Opportunities to fill these have yet to be identified.

Secured Income Cycle 1

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 October 2018

Commitment to portfolio
£60.00m

The fund is denominated in GBP

Commitment to Investment
£60.00m

Amount Called
£59.94m

% called to date
99.91

Number of underlying funds
3

Oxfordshire's Holding:
GBP54.68m

Performance commentary

The two long lease property funds held in the portfolio were impacted by rising interest rates, resulting in significant valuation write-downs. Despite hopes that the UK had reached the top of the interest rate cycle, further volatility was expected as the market finds new pricing levels. Alongside traditional real estate funds, open-ended long lease property funds also suffered redemptions from investors hit by the liquidity shock in late 2022, with further redemptions received from de-risking investors. Deferring payments, both funds have made selective asset sales to fund these redemptions, with M&G Secured Property Income Fund (SPIF) making tremendous progress and faster payments than Standard Life Long Lease Property (LLP), where we expect to see more sales over 2024.

Despite the outflows, both funds showed strong fundamentals at quarter-end. Rent collection is at pre-pandemic levels, both have WAULTs longer than 25 years, record high distribution yields and low vacancy. M&G SPIF has no vacancy, while Standard Life LLP has been working hard to reduce its one void in the portfolio, leasing up the majority of the remaining floorspace over Q4.

The portfolio is fully drawn into Greencoat Renewable Income (GRI). Over the quarter, the Fund deployed further capital into Solar. The Fund has been working on a large transaction which is expected to complete in Q1 2024 and will call further capital.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
54.7	-3.4%	-1.1%	237,391	971,298	-733,907	170,178	0.97	-0.1%	-0.0%

*Money weighted return. Net of all fees.

Secured Income Cycle 2

Investment objective
Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark
CPI

Outperformance target
+2%

Launch date
1 May 2020

Commitment to portfolio
£40.00m

The fund is denominated in GBP

Commitment to Investment
£40.00m

Amount Called
£39.99m

% called to date
99.97

Number of underlying funds
3

Oxfordshire's Holding:
GBP36.01m

Performance commentary

The two long lease property funds held in the portfolio were impacted by rising interest rates, resulting in significant valuation write-downs. Despite hopes that the UK had reached the top of the interest rate cycle, further volatility was expected as the market finds new pricing levels. Alongside traditional real estate funds, open-ended long lease property funds also suffered redemptions from investors hit by the liquidity shock in late 2022, with further redemptions received from de-risking investors. Deferring payments, both funds are making selective asset sales to fund these redemptions, with M&G Secured Property Income Fund (SPIF) making tremendous progress and faster payments than Standard Life Long Lease Property (LLP), where we expect to see more sales over 2024.

Despite the outflows, both funds showed strong fundamentals at quarter-end. Rent collection is at pre-pandemic levels, both have WAULTs longer than 25 years, record high distribution yields and low vacancy. M&G SPIF has no vacancy, while Standard Life LLP has been working hard to reduce its one void in the portfolio, leasing up the majority of the remaining floorspace over Q4.

The portfolio is fully drawn into Greencoat Renewable Income (GRI). Over the quarter, the Fund deployed further capital into Solar. The Fund has been working on a large transaction, which is expected to complete in Q1 2024 and will call further capital.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
36.0	-4.2%	-1.5%	125,981	123,527	2,455	-325,189	0.96	-0.1%	-0.0%

*Money weighted return. Net of all fees.

Secured Income Cycle 3

Investment objective

Portfolio of long-dated income streams, a majority of which are UK inflation-linked

Benchmark

CPI

Outperformance target

+2%

Launch date

1 April 2022

Commitment to portfolio

£60.00m

The fund is denominated in GBP

Commitment to Investment

£59.37m

Amount Called

£39.56m

% called to date

66.64

Number of underlying funds

3

Oxfordshire's Holding:

GBP41.09m

Performance commentary

The two long lease property funds held in the portfolio were impacted by rising interest rates, resulting in significant valuation write-downs. Despite the hopes that the UK had reached the top of the interest rate cycle, further volatility was expected, as the market finds new pricing levels. Alongside traditional real estate funds, open-ended long lease property funds also suffered redemptions from investors hit by the liquidity shock in late 2022, with further redemptions received from de-risking investors. Deferring payments, both funds made selective asset sales to fund these redemptions, with M&G Secured Property Income Fund (SPIF) making tremendous progress, and faster payments than Standard Life Long Lease Property (LLP), where we expect to see more sales over 2024.

Despite the outflows, both funds showed strong fundamentals. Rent collection is at pre-pandemic levels, both have WAULTs longer than 25 years, record high distribution yields and low vacancy. M&G SPIF has no vacancy, while Standard Life LLP has been working hard to reduce their one void in the portfolio, leasing up the majority of the remaining floorspace over Q4.

The final commitments were made for Cycle 3 over Q4, with a c. £10m purchase of Standard Life LLP settling in November; a £9m purchase of SPIF settling in December; and the final £3.5m purchase of SPIF settling in the first week of January 2024. These were all purchased at discounts to NAV in the secondary funds market.

The portfolio is committed to Greencoat Renewable Income (GRI). Over the quarter, the Fund deployed further capital into Solar. The Fund has been working on a large transaction which is expected to complete in Q1 2024, with the aim of calling the portfolio's remaining uncalled commitment in January.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
41.1	-	-	8,486,933	204,075	8,282,858	-447,851	1.04	0.0%	0.0%

*Money weighted return. Net of all fees.

UK Property

Investment strategy & key drivers

Portfolio of active UK property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

MSCI/AREF UK

Outperformance target

+0.5%

Commitment to portfolio

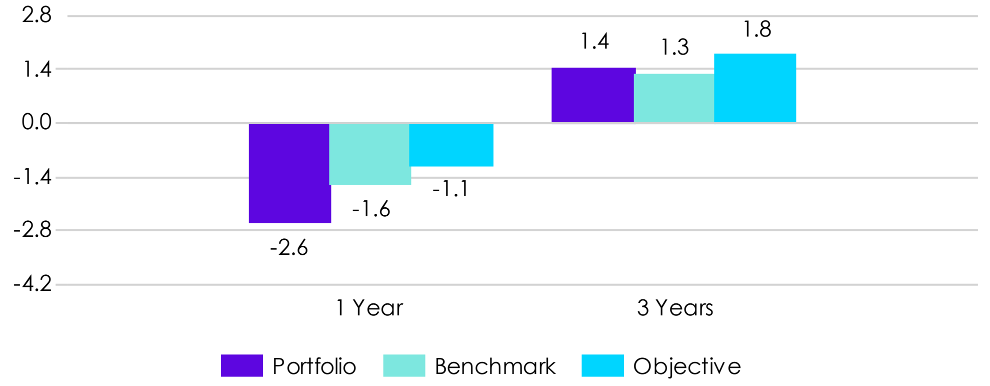
£150.0m

Amount Called

£153.2m

Number of portfolios

16



Performance commentary

2023 was a less dramatic year for UK commercial property than initially anticipated, with total returns from the industrial sector (+3% since December 2022) partially offsetting the almost-10% decline in the UK Office sector during 2023. Expectations for UK All-Property are muted for 2024, but forecasts of total returns exceeding 7% in 2025 and beyond offer a more positive long-term picture.

Brunel's model portfolio sector weightings reflect the stronger total returns forecast between 2023 and 2027 for the Industrial sector (+c.9% expected) and the lower expectations for the Office sector (+c.4%). Industrial's projected rental growth and a potential supply shortage within prime warehouse space (as speculative development moderates) support these forecasts. In contrast, an over-supply of secondary office space will continue to push down office sector forecasts. The trend is especially strong where economically obsolete assets, particularly in the regions, may need re-purposing towards leisure or residential uses.

Following a virtual halving of UK property investment volumes in 2023 (compared with 2022), any improvement in financing rates this year will provide greater stability and a stronger framework for increased transactional activity. The key players will be well-financed property and development companies who are strongly aligned with occupier needs. Across the industry, Net Zero Carbon Scope 3 requirements will accelerate engagement and distinguish managers who have already established Net Zero Carbon pathways from those who are failing to respond to occupier and investor demand. Outside of the Industrial sector, the Brunel model portfolio's >10% exposure to the Residential and the Healthcare sectors should continue to offer rental growth and relatively stable pricing within a tough economic environment.

Pipeline

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

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 3 month	Perf. FYTD	Perf. 1 year	Perf. 3 year	Perf. 5 year	Inception Date
Brunel UK Property	95.2	159.1	-1.0%	-0.6%	-2.6%	1.4%	-	Jul 2020

International Property

Investment strategy & key drivers

Portfolio of active International property funds seeking capital & income returns

Liquidity

Illiquid

Benchmark

GREFI

Outperformance target

+0.5%

Commitment to portfolio

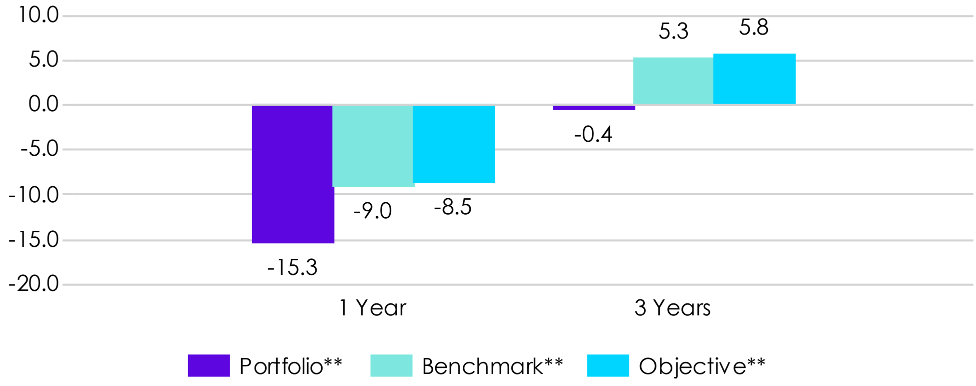
£61.0m

Amount Called

£59.9m

Number of portfolios

11



**Performance data shown up to 30 September 2023

Performance commentary

At year-end, cyclical and structural uncertainties still weighed on global real estate markets, though there are hopes that the top of the interest rate cycle has been reached and that inflation rates are falling. The trajectory uncertainty, added to the high cost of debt, was illustrated in the transactional market across all sectors, where year-to-September volumes were $423bn, reflecting a decrease of 50% and the lowest level of direct investment in over a decade. (Note: the GREFI benchmark is always lagged by c.3 months.) Office pricing and liquidity remained under pressure, and individual assets showed increasing polarisation between highest quality assets and the rest.

Many funds across the globe continued to pay down their redemption queues, particularly in the US. Brunel's model portfolio funds based in the US have redemption queues ranging from 8% to 20% of NAV. While this is a huge magnitude, US redemption mechanisms differ from those in the UK and do not force funds to sell within a set timeframe, with investors often rescinding some of their initial request. This allows managers to fund redemptions using selective, strategy-led sales rather than fire sales, mitigating negative effects for the remaining investors. We are seeing US managers repay the larger queues at a rate of 8-10% of the queue each quarter, if appropriate.

The benchmark INREV GREFI index in Q3 fell -1.4%, continuing its negative run. Over the 12-month period, it fell -9.0%. Though all three regions fell, the US was the biggest detractor over Q3 at -2.0%.

Global real estate markets have repriced slower than the UK and do not appear to have revalued sufficiently yet. CBRE are forecasting further declines across non-UK markets throughout 2024, with the logistics and residential sectors expected to stabilise first. The office sector, particularly in the US, is expected to continue its decline for the foreseeable future. "Beds, sheds and alternatives" remain Brunel's preferred sectors.

Property holdings summary

Holding	Cost (GBP millions)	Market value (GBP millions)	Perf. 3 month**	Perf. FYTD**	Perf. 1 year**	Perf. 3 year**	Perf. 5 year**	Inception Date
Brunel International Property	17.5	58.4	1.4%	-4.0%	-15.3%	-0.4%	-	Jul 2020

International Property

INREV's Consensus Indicator remains subdued in December, with more negative sentiment reflected than in March. Four of the five sub-indicators (including economic, new development, investment liquidity, and financing) fell, indicating weaker sentiment, with only the Leasing & Operations sub-indicator bucking the trend with a positive number. This stems from an improvement in effective rents in participators' portfolios, and a higher net effective rent for new lettings.

Pipeline

There is one fund in the pipeline: the CBRE Global Alpha Fund is in due diligence for clients with a total commitment below the £50m threshold, or for clients with large legacy holdings..

**Performance data shown up to 30 September 2023

Glossary

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

Term	Comment
EBITDA margin	An EBITDA margin is a profitability ratio that measures how much in Earnings a company is generating Before Interest, Taxes, Depreciation, and Amortization, as a percentage of revenue.
ESG	ESG is an umbrella term to capture the various environmental, social and governance risks investors factor into their assessment of a company's sustainability profile. Brunel views assessing ESG factors as a central part of our fiduciary duty
ESG Score	MSCI (Morgan Stanley Capital International) score based on its assessment of the ESG credentials of an underlying investment. If the portfolio score is below the index, the portfolio is assessed by MSCI to be investing in companies with a better ESG score
extractive exposures VOH	Value of Holdings of invested companies which derive revenues from extractive industries
GP or general partner	In Private Equity, the GP is usually the firm that manages the fund
gross performance	Performance before deduction of fees
Growth	Growth stocks typically exhibit faster long term growth prospects and are often valued at higher price multiples
IRR	Internal Rate of Return - a return that takes account of actual money invested
legacy assets	Client assets not managed via the Brunel Pension Partnership
Low Volatility	Low Volatility is a strategy that attempts to minimise the return volatility.
LP or limited partner	In private equity, an LP is usually a third party investor in the fund
M&A	Mergers and acquisitions

Glossary

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

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

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Gloucestershire COUNTY COUNCIL
Brunel Pension Partnership