BRUNEL
Pension Partnership

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

Performance Report for Quarter Ending 30 June 2022

Contents

Brunel News

After a return to the office in the first quarter, the second saw Brunel reaching something like a new normal for hybrid working. As we had hoped, staff are increasingly treating the office as a tool and not a master, and so maximising its benefits for home-work separation, interaction, team building, and meetings (from one-to-one supervisions through to Client Group and Board). Most recently, heat avoidance has been added to the list! Our new approach has not only enabled us to provide greater flexibility as a benefit for our staff – and magnet for future staff. It has also prevented us moving to larger, more expensive premises – staff numbers now far exceed our workstation capacity.

Good workplace practices were also a focus of our engagement through the period. Brunel was one of a coalition of 29 asset owners, led by CCLA, to write to the CEOs of the UK's 100 largest companies calling for improved mental health practices at work. Internally, we instigated a series of wellbeing seminars and sessions at Brunel, as well as launching a wellbeing survey of staff.

Our core values and themes were once again in evidence, as was our desire for full scrutiny of whether we are living up to them, in our 2022 RI & Stewardship Outcomes Report. The report is designed, among other things, to satisfy an extensive list of reporting criteria laid out by the Financial Conduct Authority – which the FCA uses to ensure RI reporting shows sufficient due diligence. In this year's report, published in May, we introduced a new priority theme of biodiversity. "Investors and corporations must recognise that accounting for biodiversity-related impacts is critical," said Laura Chappell, CEO. "Companies must start preparing for the impending reality of nature-related disclosure due in 2023."

Climate investing was no less a focus for it over the period. Our Climate Stocktake had already been initiated in Autumn 2021 but much of the consultation and analysis work picked up in earnest over the quarter. In a studio interview with AssetTV on the subject of the Stocktake Faith Ward, Chief RI Officer at Brunel, pointed to how global events only underline the importance of such a process. "What we have experienced in the last few months – particularly the knock-on effects from the invasion of Ukraine – are a bump from an energy transition perspective," said Ward. "So you need review points."

Speaking on the same topic at a conference hosted by the FT and Pensions Expert, David Vickers, CIO, reeled off some of the key climate metrics that Brunel has targeted in its approach, from decarbonisation by no less than 7% a year to holdings reaching Transition Pathway Initiative level 4 or above. But he also emphasised that limits to data should never become a reason not to act. "Our current policy has five thematic prongs. It's important to assess your progress along the journey – thus our Climate Stocktake," he said. "Science, disclosure levels, ambitions have all changed since we first wrote our Climate Change Policy – progress relies on regularly harnessing these changes to accelerate our progress."

The local RI commitment of client and pool alike was particularly demonstrated in the biggest announcement of the quarter: the launch of the Cornwall Local Impact portfolio. The new portfolio is divided between a 55% allocation to affordable housing in Cornwall, and a 45% allocation split between a UK renewables fund and a Cornwall renewables fund – the latter is called 'Greencoat Cornwall Gardens'.

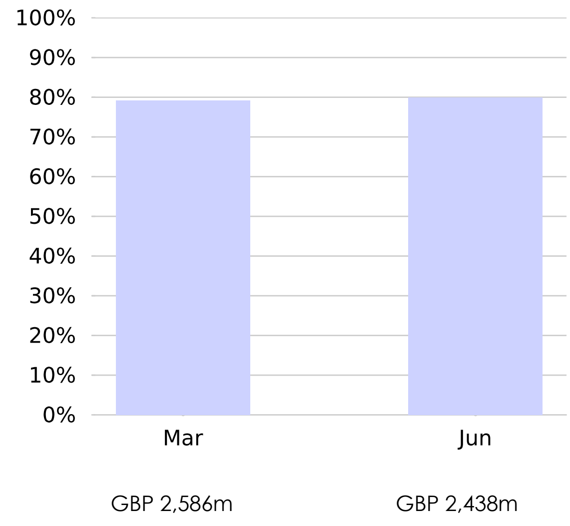
High Level Performance of Pension Fund

• The fund delivered absolute performance of -6.6% over the quarter in GBP terms. This was 1.2% behind the benchmark return of -5.4%.
• Total fund return for the 12 months to end-June 2022 was -2.7%, which was 2.4% behind the return of the benchmark of -0.3%.

Total Fund Valuation

	Total (GBPm)
31 Mar 2022	3,264
30 Jun 2022	3,049
Net cash inflow (outflow)	2

Assets Transitioned to Brunel



Market Summary – Listed Markets

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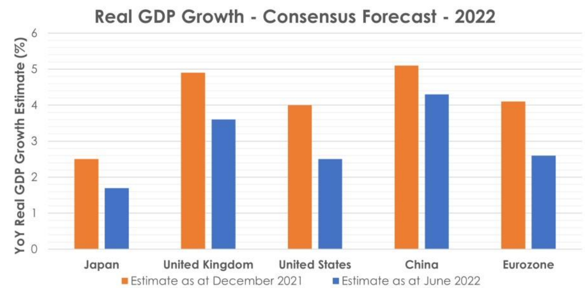
The second quarter of 2022 saw a continuation of widespread negative sentiment towards risk assets, albeit in smaller magnitude than during the prior quarter. The primary drivers were multi-decade inflation highs, fears of a global recession and continuing geopolitical tensions.

Monetary tightening by central banks has now become commonplace worldwide, with more than 60 central banks increasing interest rates this year to combat runaway inflation. In the US, the Federal Reserve (Fed) used its June meeting to increase interest rates by 75 basis points – the largest single rate hike since 1994 - bringing its policy rate range to 1.5-1.75%. The purpose of the large move was to combat increasing year-on-year headline inflation, which stood at a high of +8.6% in the quarter. The UK was no different, with the Bank of England raising rates twice in the quarter. The base rate is now 1.25%, up from 0.75% at the end of March. Headline inflation in the UK touched 40-year highs of +9.1% at the end of the quarter. The only notable exception to this tightening trend is China, which cut interest rates by 10 basis points to 3.7% at the beginning of 2022. China has seen its economy improve over in recent weeks, following the easing of some COVID restrictions, and a more accommodating stance from the government on corporate regulations, particularly in the technology sector. Whilst this benefitted domestic markets, it did little to stimulate sentiment in other emerging market economies.



Source: FactSet

Recession fears began to grip the world towards the end of the quarter. Several economists slashed second quarter real GDP forecasts in the US to +2.4% after the Fed's more aggressive stance towards rate rises became apparent; forecasts had been close to +4% in January 2022. The situation in the US was aggravated further by the release of a disappointing consumer spending report in June. However, many market participants believe any US recession could be mild, given the low level of unemployment, and lower sensitivity to the events in Ukraine. Europe finds itself in a much tougher position, with large dependence on Russian energy adding to cost of living pressures across the continent. As a result, real incomes are falling quickly and growth in the region's export market is slowing. Consensus among economists increasingly points to a mild recession in Europe in coming quarters.

Source: FactSet

Equity, credit, currency and commodity markets experienced significant mark-to-market volatility against this backdrop of high inflation and slowing growth.

Global developed equities, proxied by MSCI World, fell by approximately 9% in GBP terms, with all but two countries registering a negative return. Emerging Markets – proxied by MSCI Emerging Markets – fared better; the index fell a modest -4% in GBP terms, although this was heavily skewed by China, which appreciated by +12% in GBP terms, following the easing of some COVID restrictions. Almost all countries in emerging markets posted negative returns over the quarter. In terms of styles, the higher interest rate environment proved supportive for Value stocks vs Growth counterparts - as had been the case in Q1 2022. Value stocks outperformed Growth by more than 8%. Unsurprisingly, the most successful style was Low Volatility, which can outperform during equity drawdowns.

Credit experienced one of its worst periods in recent history. A perfect storm of rising rates – driven by inflation and subsequent central bank actions – and widening credit spreads, sparked by growth and recession fears, caused major falls in most bond prices. Government bond yields continued to rise across the globe, particularly in the US, where the 2-year and 10-year yields rose to 2.93% & 2.98% respectively, a rise of over +70 basis points in each case. Government securities and investment grade corporates – proxied by two of the Bloomberg Global Aggregate indices – both fell approximately 9% in local terms in Q2 2022. Large bond duration, a measure of interest rate sensitivity, was the main driver. Sub-investment grade securities had a torrid period, with high yield corporates – proxied by the Bloomberg Global High Yield Corporates Index – falling over 11% in local terms, after recession fears sparked significant spread widening.

Many commodities finally ran out of steam, as recession worries began to trump the supply squeeze following the invasion of Ukraine. Both precious and industrial metals suffered heavy losses in Q2 2022. Notable examples included nickel and copper, which saw spot prices fall by 25% and 34% respectively (in GBP terms). Oil was a notable exception to this trend, with the WTI benchmark rising over 14% in GBP terms.

Recession concerns and tight monetary policy drove more investors to the US dollar, which is typical during times of market stress. The DXY Index – a measure of US dollar strength relative to a basket of foreign currencies – rose another 6.5% over the quarter, taking its year-to-date appreciation to over 9%. This has become particularly prevalent vs the Japanese yen, which depreciated due to the Bank of Japan's continued stance on yield curve control. The US dollar appreciated approximately 11% vs the yen in the second quarter alone.

Looking forward, there are still several key questions for investors to ponder. It is still very unclear how the slowing growth and high inflation themes will play out or how much is priced into markets.

Market Summary – Head of Private Markets

Overview
Equities and bonds struggled through Q2 as investors priced in further interest rate hikes and heightened risks of recession. Inflation reached multi-decade highs across many major economies. The Bank of England and the US Federal Reserve both raised rates, with guidance of more increases to come, with even the European Central Bank signalling a first rate increase in July. Energy prices soared, exacerbated by rising demand and supply constraints caused by the conflict in Ukraine.

The inflationary shock, low consumer confidence, and ongoing supply chain disruptions have led economists to reduce their growth expectations for many countries.

Infrastructure
Preqin Q2 2022 report showed Infrastructure Funds raised $50bn in 14 funds in the quarter, second only to the record $70bn raised in Q1.

Among them, Brookfield's Global Transition Fund managed to close a record $15bn, double the initial target size, and a sign of the increasing interest for the energy transition theme within infrastructure. Brookfield's fund is also significative in that, as opposed to other smaller Energy transition funds focusing on new clean energy technologies, it aims to invest and transform "carbon-intensive industries". Investors commit to gain exposure to "dirty companies" such as coal fired Australia's AGL Energy, with the promise to decarbonise over time.

While the war in Ukraine has continued to reinforce the market interest in renewables, energy security has gained prominence in the agenda, and the EU admitted both gas and nuclear in their "green taxonomy".

Inflation and inflation protected was another of the prevalent themes. While infrastructure remains popular for its higher linkage to inflation, infrastructure players have noted that in a high inflation scenario, returns may grow in nominal terms, but may need to be moderated in real terms to maintain their "social license to operate" by not passing full inflation to final users (contract versus reality).

Private Equity
Following the record-breaking year in 2021, private equity activity slowed down in the first half of 2022. Deal volume continued to decline in Q2 2022 compared to Q1 with the current uncertainty that clouds the overall economic environment. Inflation, rising interest rates, and the effects of the war in Ukraine continue to strain market activity. The US Fed's hawkish stance to tackle inflation is further increasing the

Market Summary – Head of Private Markets

risk of recession, which ultimately led to both valuations and deal volume declining. In addition, it is unlikely that companies will be able to pass on the full effect of rising costs, due to inflation, to the end consumer and consequently generate lower earnings. Although exits and PE-backed IPOs remain low relative to prior quarters, GPs are still expected to remain active and deploy capital as well as support existing portfolio companies. Interest rate hikes and recession fears remain the key issues that the market is monitoring and private equity firms are assessing the effects on deal activity and portfolio performance in which certain sectors (e.g. consumer) will be impacted more. In addition, the Investment pace GPs invested their funds is likely to slow down compared to 2021. The fund-raising market is strong, with major mega-funds expected to continue to raise in 2022 (e.g Permira has just closed €16bn for its most recent Flagship Buyout Fund). However, the fundraising period is expected to be longer to accommodate LPs. In addition, GPs are indicating a shorter investment period to deploy capital. Asset valuations are likely to be affected by rate hikes and investors are being cautious with Tech companies with limited cash and are opting for more B2B and enterprise solution tech/software. PE firms have further increased their focus on ESG and ways to embed it in their processes to drive value within their portfolio investments. In addition, GPs are raising Impact-focused funds and this will be a key theme in the new investment cycle.

Overall, the private equity industry is experiencing the effects of the macro environment but is still in a strong position to continue to perform and will capitalise on the adjustments in valuations to generate returns.

Private Debt
Central banks turned more hawkish in the face of persistently high inflation. The Sterling Overnight Index Average (SONIA), the overnight interest rate paid by banks in the UK, increased over the quarter from 0.7% to 1.2%. In the US, the Federal Reserve's rate increases meant Secured Overnight Finance Rate (SOFR), the overnight interest rate paid by banks in the US, increased over the quarter from 0.3% to 1.5%. Corporate bond yields increased markedly over the quarter, a combination of increasing credit spreads and increasing reference rates. Similarly, US high bond index spreads increased significantly over the Quarter.

Given the expectation for economic headwinds (driven principally by inflation) managers are anecdotally reporting a modest slow-down in deal activity by P.E sponsors as they adopt a 'wait & see' approach in light of an anticipated repricing of acquisition multiples. Given the sustained volume of dry powder held by P.E. sponsors there is an expectation that deal flow should remain strong through 2022 (albeit with a compensatory uptick towards the end of the year).

Market Summary – Head of Private Markets

Direct lenders with a focus on senior loans have responded to the inflationary environment with a heighted focus on what they perceive to be relatively defensive sectors. These managers are reporting modest increases in their agreed spreads with borrowers (new loan origination at rates of c.6%+ in excess of underlying reference rates). Overall senior direct lenders remain confident (but cautious) that the loan books they have assembled should remain resilient however they continue to exercise discipline in both their underwriting and monitoring of loans.

Property

Despite rising inflation and interest rates, unlisted property markets are yet to see a pricing impact. Industrial leasing remained buoyant in Q2, particularly for purpose-built warehouses, with lettings often agreed ahead of building completion. While transaction levels in Industrial and Logistics were below those witnessed in 2021, they reflected firm pricing and yield compression, particularly in the regions. Demand for offices remained steady with availability falling, resulting in positive performance. Retail performance was led by Retail Warehouses and consumer spending held up in Q2, as customers returned to the high street. With consumer confidence now at a record low, it is unlikely this recovery will continue.

A large UK transaction took place in the Alternatives space, with the sale of Oxford Technology Park to a Life Sciences REIT. Secondary markets were less active in Q2, with the approach of the summer months. While most trading activity within UK core funds reflected investors lightening positions, discounts to NAV pricing pre-end of June remained minimal for most balanced funds.

Global real estate markets started to adjust to the higher interest rate regime, with yields and cap rates moving in line; an upward shift of 25-50bps has been common in core products. New government policy in Europe, especially towards ESG-compatible assets, has had further impact on pricing. Despite significant capital expenditure, these assets now produce visible rental premiums.

Activity remains strong, with high interest sustained in the industrial sector. Retail and hotels, already repriced, have seen a slight bounce-back. Offices, meanwhile, remain popular in APAC and Europe, but have recorded all-time low investment activity in North America.

COP26 - progress on key announcements

Key outcomes for the finance sector from COP26 included;

• Creation of the International Sustainability Standards Board (ISSB). The ISSB standard on climate will build on – but eventually supersede – the Taskforce on Climate-related Financial Disclosure (TCFD)

• Glasgow Financial Alliance for Net Zero will continue its work

• UK Government reiterated its commitment to the UK hosting the first Net Zero financial system, and announced the publication of climate transition plans would be mandatory

All three announcements have been followed by consultations on new draft standards or a new approach. Brunel has been active in participating in webinars, workshops and direct drafting of responses, including those being developed by the IIGCC, UNPRI and A4S.

Key messages include;

• Ensure standards provide sufficient detail on what is expected without becoming excessively prescriptive. For companies, this means more on capital expenditure, corporate lobbying and the Just Transition.

• Include disclosures on the impacts companies have on the wider economy, rather than just looking at ESG issues as they affect individual companies' enterprise value.

• Include or increase guidance relating to physical and adaptation risks

Paris Alignment – setting Net Zero targets

The Paris Aligned Investment Initiative (PAII) was established in May 2019 by the Institutional Investors Group on Climate Change (IIGCC). 118 investors representing $34 trillion in assets engaged in the development of the Net Zero Investment Framework (NZIF) through the Paris Aligned Investment Initiative. PAII has published additional modules or consultations to add to the NZIF on private equity, infrastructure, derivatives, and hedge funds.

Initial target disclosures for both asset owners and asset managers have been published by the PAII (June 2022 update) and the Net Zero Asset Managers Initiative (May 2022) respectively.

Paris Aligned Asset Owners: Initial Target Disclosures
(www.parisalignedinvestment.org/media/2022/07/PAAO-Disclosures-010722.pdf)

The Net Zero Asset Managers initiative report (www.netzeroassetmanagers.org/media/2022/07/NZAM-Initial-Target-Disclosure-Report-May-2022.pdf)

Social issues

Mental health: As part of a £5.8 trillion investor coalition led by CCLA Asset Management, Brunel wrote to the chief executives of 100 of the UK's listed companies urging them to make better mental health disclosures. The letters asked companies to take "immediate and concerted steps" to develop and implement effective management systems and processes on workplace mental health. Steps include moves by the Board and senior management to promote mental health in the workplace and to publish a commitment to workplace mental health in a policy statement, as well as the establishment of governance and management processes to ensure the policy is implemented and monitored. For more information on this investor coalition please see https://www.ccla.co.uk/mental-health

Real living wage: The Good Work Coalition (https://shareaction.org/investor-initiatives/good-work-coalition) is a collaborative engagement initiative led by ShareAction. It currently has 39 members, including LGIM, NEST, Aviva, Rathbone, Jupiter, Hermes, Newton and Brunel. Since 2020, the coalition has been sending letters and meeting with companies to discuss the real living wage. In that time, the focus has been on supermarkets but work has also been done on such companies as BP, Hargreaves Lansdown and Royal Mail.

Nearly 10,000 employers have been accredited by the Living Wage Foundation, nearly half of whom signed up since March 2020. Over half the companies in the FTSE 100 are accredited. Despite improvements in other sectors, and ongoing engagement, no companies within the supermarket sector are yet accredited. The largest holding across the coalition was Sainsbury's. The coalition therefore decided to escalate engagement by filing a shareholder resolution at Sainsbury's.

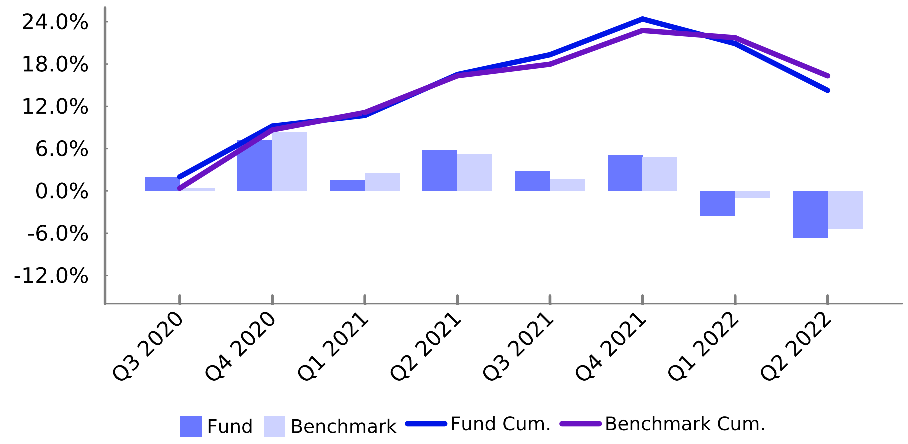
Brunel has been involved in ongoing engagement with the supermarket following the filing of the living wage shareholder resolution. This led to Sainsbury's announcing an additional pay rise for their London staff in April, which resulted in all directly employed staff earning the real living wage. An estimated 19,000 workers benefited as a result. Engagement continued to seek accreditation and coverage of third-party contractors. However, Sainsbury's was not supportive and so the resolution went to the AGM. The resolution, the first of its kind in the UK, received 17% support.

Summary of Pension Fund Performance

Performance of Fund Against Benchmark (Annualised Performance)

Period	Fund	Strategic BM	Excess
3 Month	-6.6%	-5.4%	-1.2%
Fiscal YTD	-6.6%	-5.4%	-1.2%
1 Year	-2.7%	-0.3%	-2.4%
3 Years	4.9%	5.4%	-0.5%
5 Years	5.6%	5.6%	0.1%
10 Years	8.6%	8.6%	0.0%
Since Inception	7.3%	7.5%	-0.3%

Rolling Quarter Total Fund (Net of Manager Fees)

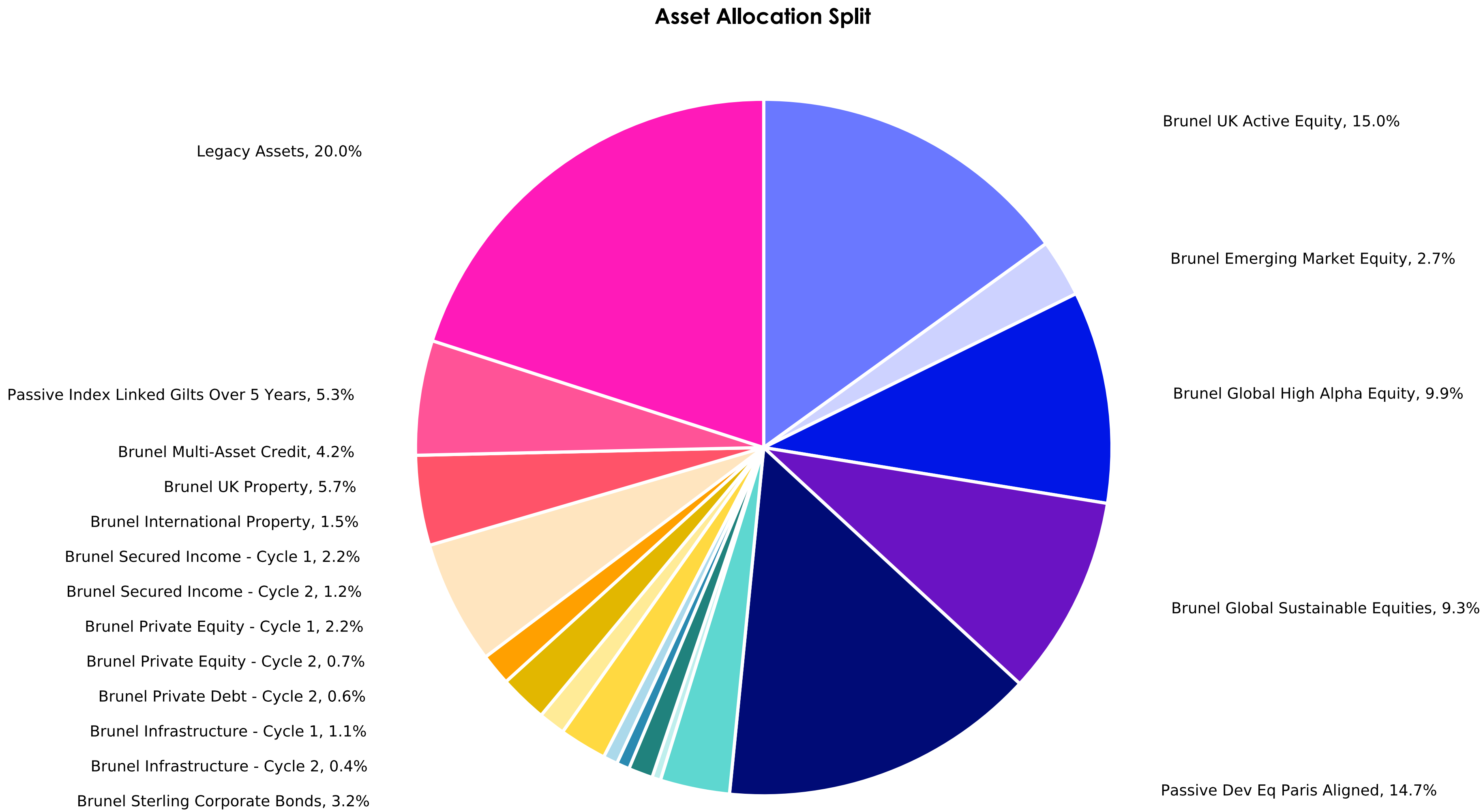


Key drivers of performance

Portfolio performance of note in the quarter:

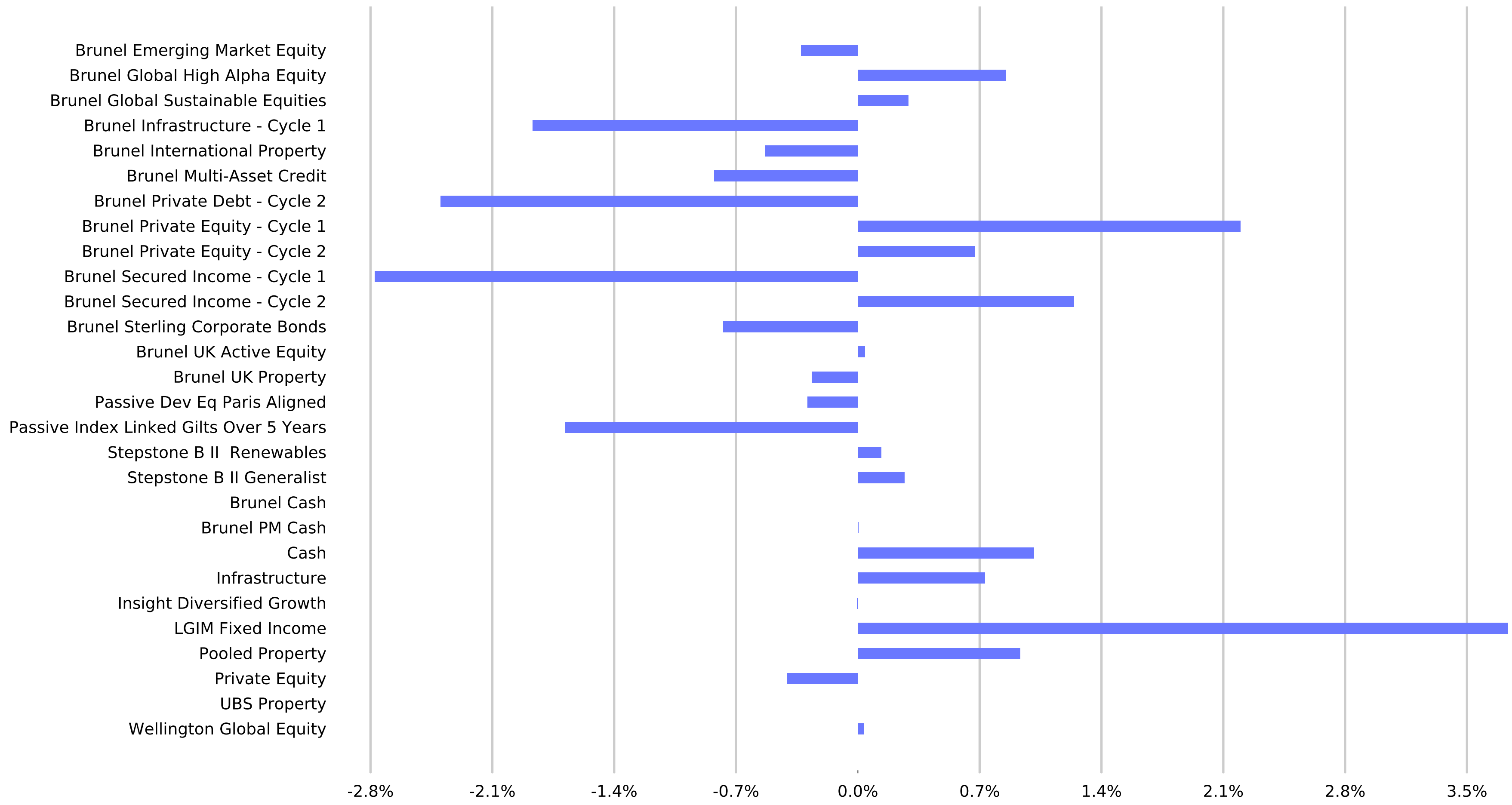
- UK Active Equities returned -5.6%, which was 1.1% behind benchmark
- Global High Alpha and Global Sustainable Equities both returned -10.3%, which was 1.3% and 1.9%, respectively, behind benchmark
- Multi Asset Credit trailed the cash +4% target by 9.8%, returning -8.6%

Asset Allocation of Pension Fund



Asset Allocation of Pension Fund

Allocation Against Strategic Benchmark



Legacy Manager Performance

Legacy Manager Performance – 3 Year

	Annualised Return	Risk (Standard Deviation)	Benchmark Return	Benchmark Standard Deviation
Brunel - PM Cash	52.4%	74.3%	0.0%	0.0%
Cash	1.7%	1.9%	0.4%	0.1%
Infrastructure	13.2%	13.6%	7.0%	1.8%
Insight Diversified Growth	0.7%	7.9%	4.4%	0.1%
LGIM Fixed Income	-2.3%	8.6%	-3.0%	8.4%
Pooled Property	9.7%	13.2%	9.2%	6.7%
Private Equity	18.9%	11.7%	10.5%	19.7%
Oxfordshire County Council	4.9%	10.2%	5.4%	9.6%

Brunel Portfolios Overview

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Portfolio	Benchmark	AUM (GBPm)	Perf. 3 Month	Excess 3 Month	Perf. 1 Year	Excess 1 Year	Perf. 3 Year	Excess 3 Year	Perf. 5 Year	Excess 5 Year	Perf. SII*	Excess SII*	Initial Investment
Brunel Global High Alpha Equity	MSCI World TR Gross	300	-10.3%	-1.3%	-10.7%	-8.6%					10.8%	1.8%	15 Nov 2019
Brunel Global Sustainable Equities	MSCI AC World GBP Index	283	-10.3%	-1.9%	-10.5%	-6.8%					3.5%	-5.5%	30 Sep 2020
Brunel UK Active Equity	FTSE All Share ex Investment Trusts	459	-5.6%	-1.1%	-2.6%	-5.5%	0.4%	-1.8%			2.9%	-1.6%	21 Nov 2018
Brunel Emerging Market Equity	MSCI EM TR Gross	82	-4.9%	-1.1%	-19.5%	-4.8%					0.7%	-2.0%	13 Nov 2019
Brunel Multi-Asset Credit	SONIA + 4%	127	-8.6%	-9.8%	-10.1%	-14.5%					-9.2%	-13.6%	01 Jun 2021
Brunel Sterling Corporate Bonds	iBoxx Sterling Non-Gilts Overall Total Return Index	98	-7.8%	-1.1%							-13.6%	-0.4%	02 Jul 2021
Passive Dev Eq Paris Aligned	FTSE Developed Paris-Aligned (PAB) Net Index	449	-9.1%	-0.0%							-9.2%	-0.1%	29 Oct 2021
Passive Index Linked Gilts Over 5 Years	FTSE Actuaries UK Index Linked Gilts Over 5 Years Index	162	-20.0%	-0.1%	-19.2%	-0.1%					-19.5%	-0.1%	10 Jun 2021

*Since Initial Investment

Performance based on tradeable NAV

Where there are disparities between returns quoted above and returns provided for the same fund and period in the following pages, this is because the fund-specific pages reflect the posttransition phase, important for monitoring the performance of selected managers, while those given above reflect the Clients' actual experience from the point of initial investment, which in some cases includes the shared impact of transition costs.

Tradeable NAV performance reflects NET performance. The following product pages reflect the portfolio's NET performance

Brunel Global High Alpha Equity

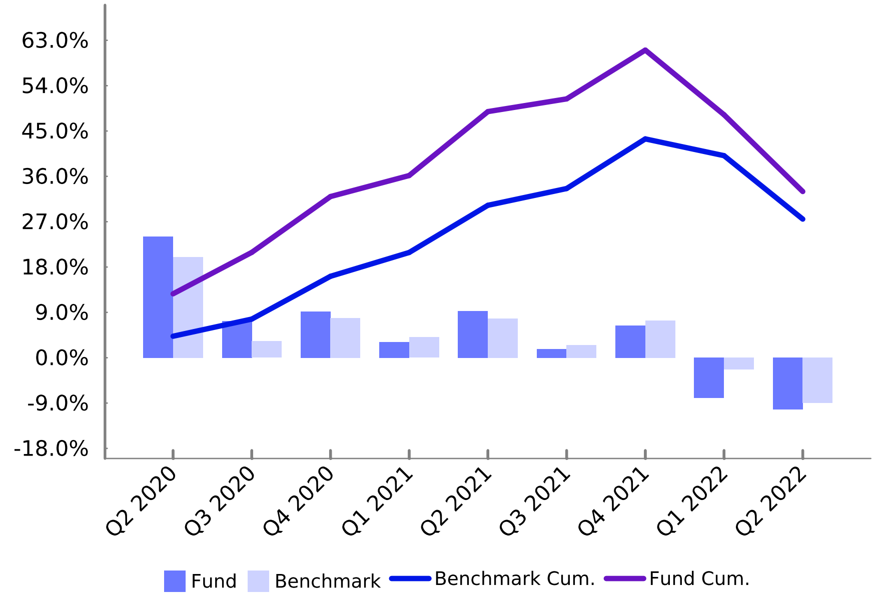
Overview

	Description
Portfolio Objective:	Provide global equity market exposure together with excess returns from accessing leading managers.
Investment Strategy & Key Drivers:	High conviction, concentrated portfolios with strong style/factor biases invested in a unconstrained manner.
Liquidity:	Managed liquidity. Less exposure to more illiquid assets.
Risk/Volatility:	High absolute risk with moderate to high relative risk, around 5-6% tracking error.
Total Fund Value:	£3,578,953,404

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-10.3%	-9.0%	-1.3%
Fiscal YTD	-10.3%	-9.0%	-1.3%
1 Year	-10.7%	-2.1%	-8.6%
3 Years			
5 Years			
10 Years			
Since Inception	11.7%	9.9%	1.8%

Rolling Performance*



* Partial returns shown in first quarter

Global developed equities (as proxied by the MSCI World index) fell significantly over the quarter, returning -9% in GBP terms. Concerns about rising inflation continued. As central bank action to address inflation became more apparent, fears about the negative impact of rising interest rates on future economic growth came to the fore.

Performance was weak across most sectors except for Energy. Some of the worst-performing sectors (Consumer Discretionary, Information Technology and Communications Services) were impacted by concerns about consumption, whilst those less harmed by rising fuel prices and slowing growth sufferd more muted falls (e.g. Consumer Staples, Health and Utilities).

Another theme was the somewhat indiscriminate nature of falls in company value. There were multiple examples where company valuations were hit despite that company reporting robust operational performance, in line with expectations. An environment where company fundamentals are not the main driver of equity market returns is challenging, given the fundamental approaches taken by the underlying managers on the portfolio.

Brunel Global High Alpha Equity

The portfolio returned -10.2% over the quarter, underperforming the benchmark by 1.2%.
• Sector attribution analysis showed sector allocation as the main driver of relative performance whilst the impact of stock selection was broadly neutral. In a repeat of the previous quarter, the portfolio's largest active sector positions both worked against the portfolio. Energy was the largest underweight in the portfolio and was the best-performing sector, whilst Consumer Discretionary was the worst-performing sector and the largest sector overweight. Sector positioning is a result of stock selection by managers and largely an outcome of the ESG integration and Growth/Quality styles tilt of the portfolio.
• Although more muted than the previous quarter's extremes, it was no surprise that performance amongst the underlying managers again varied considerably, grouped according to their investment style. Those managers with a value focus generated a small outperformance. Harris in particular performed strongly in the first couple of months but then largely gave up those gains in June as recessionary fears rose. Both Growth managers underperformed again. However, in a reversal of last quarter, Fiera outperformed as its focus on Quality proved to have defensive characteristics favoured by the market.

Despite recent underperformance, from inception to quarter-end the portfolio had outperformed the benchmark by 2.3% per annum, in line with the performance target.

During the quarter, a small change was made to the underlying manager allocations. The revised target allocation reflected a change in conviction levels in managers, most notably an increase in conviction in RLAM. The change also reduced the size of the active tilt towards Growth and away from Value within the the portfolio, whilst maintaining the majority of risk and positioning characteristics.

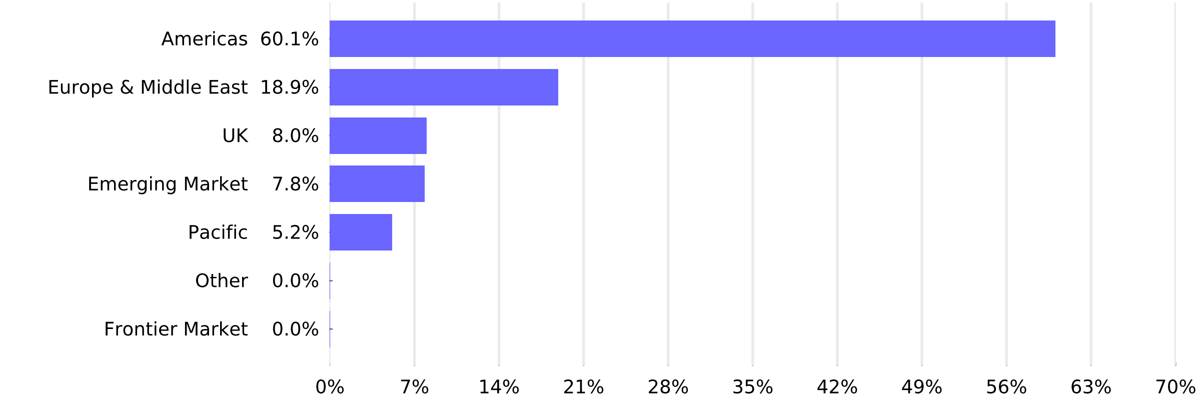
There were three client trades during the quarter resulting in a net inflow of c.£608m. These included two large subscriptions, which were used to align underlying manager allocations to the new target allocations. This trading exercise was managed by Macquarie.

Brunel Global High Alpha Equity – Region & Sector Exposure

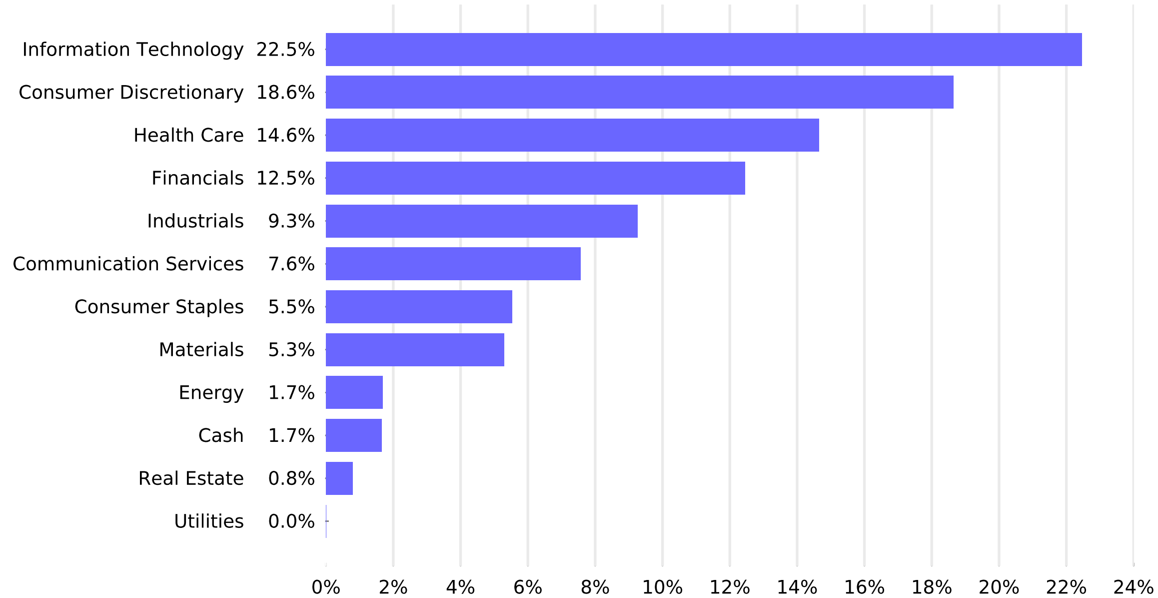
Top 20 Holdings

	Mkt. Val.(GBP)
MICROSOFT CORP	189,967,982
ALPHABET INC-CL A	124,357,961
AMAZON.COM INC	111,402,183
MASTERCARD INC - A	91,787,277
UNITEDHEALTH GROUP INC	70,286,425
NESTLE SA-REG	68,303,548
TAIWAN SEMICONDUCTOR-SP ADR	57,927,283
MOODY'S CORP	55,384,843
ASML HOLDING NV	47,352,371
AUTOZONE INC	47,079,520
HDFC BANK LTD-ADR	45,094,426
JOHNSON & JOHNSON	44,192,919
RELIANCE STEEL & ALUMINUM	44,082,500
SCHWAB (CHARLES) CORP	43,639,058
PROGRESSIVE CORP	42,993,731
TJX COMPANIES INC	42,208,534
META PLATFORMS INC-CLASS A	39,982,944
NIKE INC -CL B	39,926,468
AUTOMATIC DATA PROCESSING	39,108,979
SUNCOR ENERGY INC	37,866,516

Regional Exposure



Sector Exposure



Brunel Global High Alpha Equity – Responsible Investment

Top 10 ESG Contributors to Overall Score

	Insight	Momentum
1. CONSTELLATION SOFTWARE INC/CANADA	68.3	85.2
2. ADMIRAL GROUP PLC	78.8	77.0
3. TAIWAN SEMICONDUCTOR MANUFACTURIN	60.9	66.4
4. NESTLE SA	59.3	50.0
5. ASML HOLDING NV	60.9	24.0
6. RECRUIT HOLDINGS CO LTD	67.7	66.6
7. SAP SE	65.0	71.0
8. CAPGEMINI SE	63.6	63.9
9. COMPASS GROUP PLC	65.2	75.5
10. EATON CORP PLC	67.5	42.4

Bottom 10 ESG Detractors to Overall Score

	Insight	Momentum
1. MICROSOFT CORP	46.4	37.2
2. ALPHABET INC	46.3	50.0
3. TJX COS INC/THE	35.0	40.9
4. JOHNSON & JOHNSON	36.5	20.5
5. PROGRESSIVE CORP/THE	40.2	18.5
6. AUTOZONE INC	43.7	53.9
7. META PLATFORMS INC	42.2	46.3
8. AMAZON.COM INC	50.5	50.0
9. BECTON DICKINSON AND CO	40.2	28.7
10. LITHIA MOTORS INC	45.1	13.3

* Position 1 is the top contributor/detractor.

0 50 100

Weighted Average ESG Score	2022 Q1	2022 Q2
Portfolio	54.2	54.6
MSCI World	54.5	54.7

TruValue Labs & SASB

Weighted Average Carbon Intensity (WACI)

Source: Trucost

Extractive Exposure

	Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	Q1	Q2	Q1	Q2
Portfolio	0.6	0.9	2.0	3.1
MSCI World	2.6	2.7	6.5	7.0

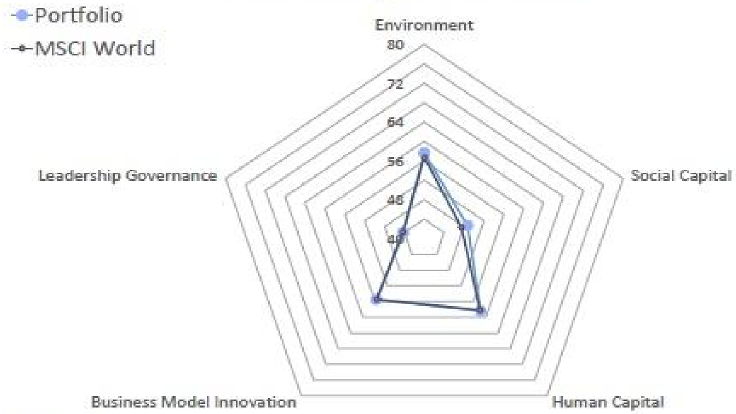
1 Extractive revenue exposure as share (%) of total revenue.
2 Value of holdings(VOH)-companies who derive revenues from extractives.
Source: Trucost

Brunel Assessment:

- **Johnson and Johnson** (Pharmaceuticals) settled claims that it helped fuel an opiod addiction crisis in the state. The company has now been ordered to pay $302 million in penalties for deceptively marketing pelvic mesh implants.
- **Capgemini** (Software services) signs two new contracts with Eneco to support a sustainable energy transition and growth strategy. As part of a 10-year agreement, Capgemini will support Eneco's transition towards sustainable energy and help meet its ambition of becoming carbon-neutral by 2035.
- **Microsoft** (Technology) has been affected by a zero-day vulnerability in Office 365 which has been exploited by a host of malicious actors. The CMA has also announced a formal investigation into the $68.7 billion Activision Blizzard acquisition.
- **Nestle SA** (Food & Beverage) will start paying cocoa farmers cash incentives to fight child labour based on criteria ranging from school enrolment to improved agricultural practices. The program plans to spend $1.4 billion by 2030.

80% of the bottom 10 ESG detractors are covered by engagement or specific voting activities.
The portfolio continues to have a carbon intensity significantly lower than its benchmark. Revenues from extractive activity and the extractives value of holdings are less than half that of its benchmark.

Absolute Weighted ESG Scores



TruValue Labs & SASB

Brunel Global Sustainable Equities

BRUNEL Pension Partnership

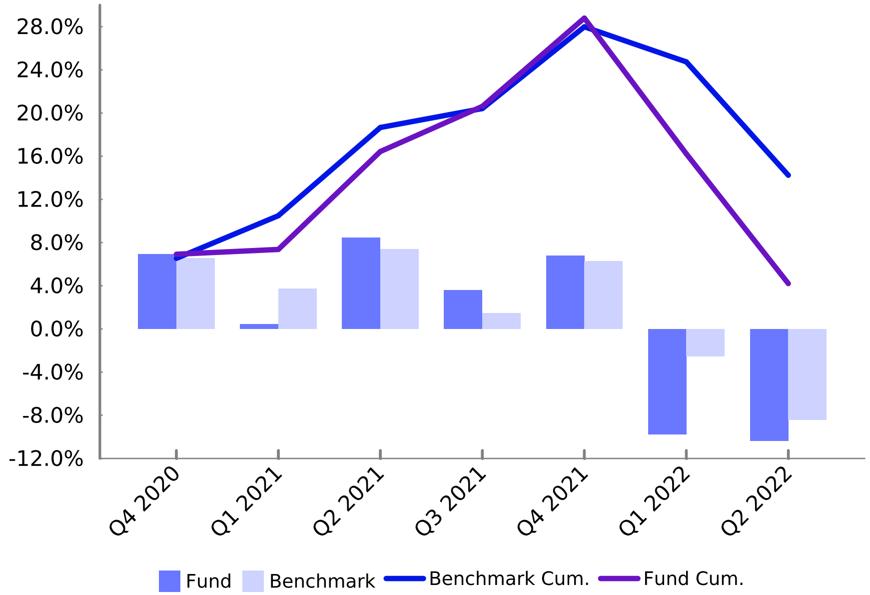
Overview

	Description
Portfolio Objective:	To provide exposure to global sustainable equities markets, including excess returns from manager skill and ESG considerations.
Investment Strategy & Key Drivers:	Actively managed, diversified by sector and geography. Consideration for a companies Environmental & Social sustainability.
Liquidity:	Managed Liquidity.
Risk/Volatility:	High, representing an equity portfolio.
Total Fund Value:	£3,050,086,508

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-10.3%	-8.4%	-1.9%
Fiscal YTD	-10.3%	-8.4%	-1.9%
1 Year	-10.5%	-3.7%	-6.8%
3 Years			
5 Years			
10 Years			
Since Inception	2.5%	8.2%	-5.7%

Rolling Performance*



* Partial returns shown in first quarter

As we discussed in the listed markets commentary, the global economic backdrop can be characterised by rising inflation, recessionary fears and monetary tightening by the central banks. Increasing interest rates had a negative effect on market sentiment as the present value of future cash flows were reduced due to the increasing discount rate. This has a disproportional effect on the Growth style relative to the Value style, as Growth companies have a greater proportion of their cash flows in the future. There were also a number of fundamental factors to consider: the constraint on Oil and Gas supplies continued through Q2. Whilst constraints were not as pronounced as during Q1, the sector nevertheless continued to see increasing profits and investment momentum (+3% in Q2). In aggregate, the Sustainable Equities portfolio has a natural bias away from deep Value companies as well as an underexposure to the Oil & Gas sectors.

Global equities (as proxied by the MSCI All Countries World Index) returned -8.4% this quarter. The Sustainable Equity fund returned -10.3%, underperforming the benchmark by 1.9% (MSCI All Countries World Index).

- Much of the quarter's underperformance (-1.1%) could be attributed to positions in the Health Care sector. If we think about the health care sector itself, it can be split into quite broad sub-categories. The pharmaceuticals sub sector (7% Q2 return) has traditionally been linked to defensive equity, but other sub sectors include Life Sciences (-7%) and Health Care Equipment (-12%), which are more exposed to future development and research. Whilst the fund does have a degree of exposure to some pharmaceutical companies, such as Eli Lily, it is underweight the larger names, such as Johnson & Johnson, and underweight the sub-sector overall. The fund is, however, overweight those sectors that are more aligned to future sustainability, such as Life Sciences, which incorporate innovative technology companies such as Illumina.

• If we split the attribution by country, the majority of the underperformance is due to the overweight positioning to the US, and notably the underweight position in China, as noted in the listed markets commentary. China returned +12% over the quarter as Covid restrictions eased, while its central bank was contrarian to the rest of world in lowering interest rates. The fund has greater exposure to Growth companies in the US, rather than Value companies. Using dividend yield as a proxy for Value, the top Value quintile in the US returned 4.1% whilst the top Growth quintile returned -20.9%

• Two of the five managers outperformed the index over the quarter: Jupiter and Nordea. Nordea is a thematic manager that has an emphasis on solution-based businesses and has greater exposure to sectors such as Utilities, which performed well. Jupiter is a risk-aware broad sustainable manager, which was seeded in February 2022 and has provided relative defensiveness when measured against other sustainable managers. Mirova and RBC are also Broad Sustainable managers. they narrowly underperformed the benchmark, returning 8.5% and 9.2% respectively. Ownership, however, is a high conviction Growth manager ,and returned -16.6% over the quarter.

• In terms of positioning going forward, all managers integrate the quality of the business into their analysis, rather than just sustainability. The fund has overweight exposure to low-leverage businesses, which have strong margins and have been able to demonstrate consistent and attractive return on equity (ROE) historically. Over the longer term, these characteristics should theoretically offer some relative protection from increasing inflationary costs and decreasing economic activity, as well as any costs associated with debt restructuring in a higher interest rate environment. A general trend in the first half of 2022 was that highly leveraged companies (high D/E) outperformed lower leveraged companies: -9% for the top leveraged decile vs vs -20% for the lowest leveraged decile. The MSCI quality factor returned -10.5% over the quarter, a factor that the fund has positive exposure to.

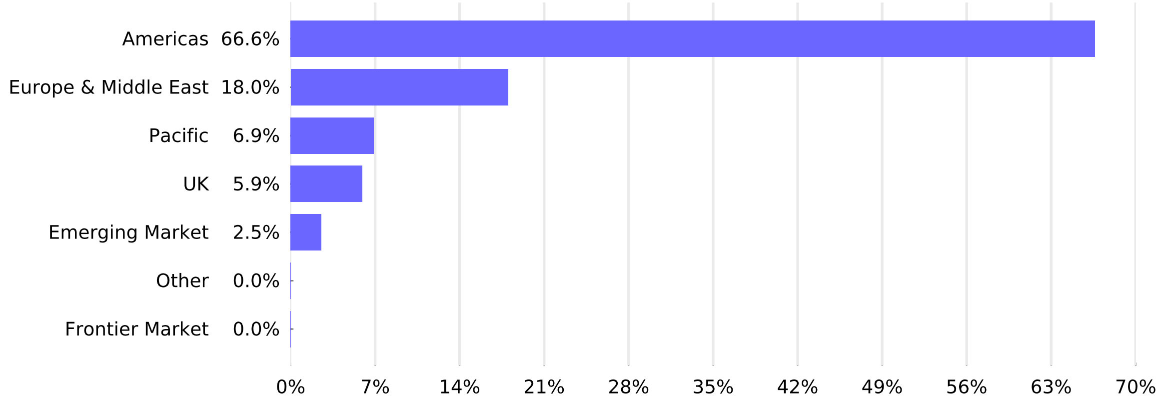
• The Sustainalytics and TruValue Labs scores for the fund remain superior to that of the MSCI ACWI benchmark and we continued to see a carbon intensity and extractive exposure reduction in comparison to the benchmark.

Brunel Global Sustainable Equities – Region & Sector Exposure

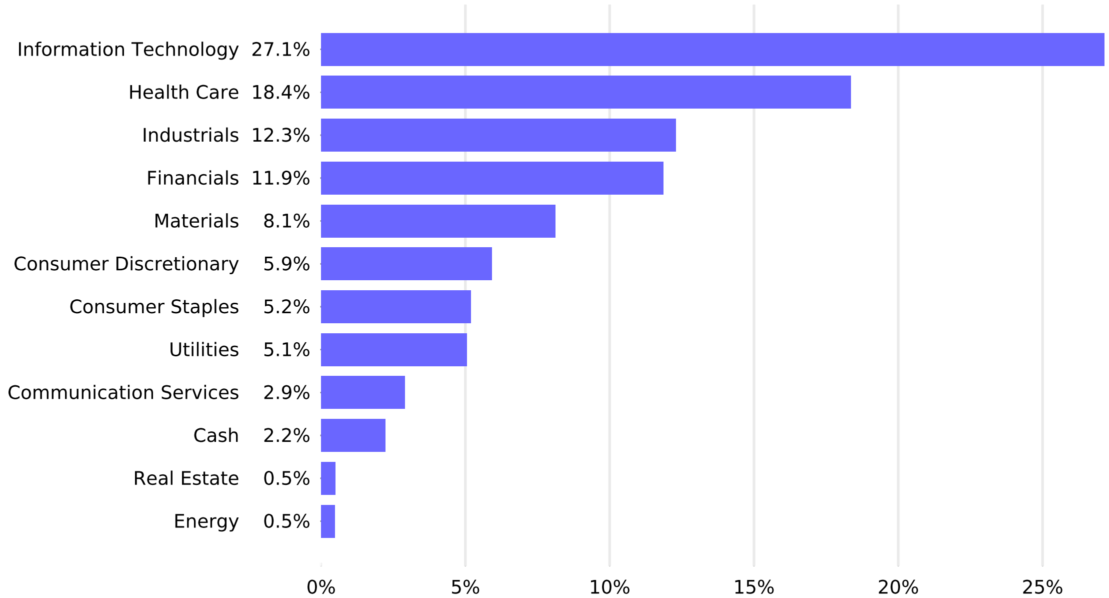
Top 20 Holdings

	Mkt. Val.(GBP)
MASTERCARD INC - A	83,688,403
MICROSOFT CORP	74,436,733
DANAHER CORP	59,326,572
ADYEN NV	58,597,461
UNITEDHEALTH GROUP INC	54,692,668
INTUIT INC	52,903,344
ANSYS INC	52,172,965
MARKETAXESS HOLDINGS INC	50,326,554
EDWARDS LIFESCIENCES CORP	49,555,632
AIA GROUP LTD	48,398,354
TRADEWEB MARKETS INC-CLASS A	46,799,153
ALPHABET INC-CL A	45,857,455
SYNOPSYS INC	42,796,265
ROCHE HOLDING AG-GENUSSCHEIN	42,507,663
TAIWAN SEMICONDUCTOR-SP ADR	40,651,979
PEPSICO INC	40,261,021
RESMED INC	39,243,335
REPUBLIC SERVICES INC	38,506,975
ECOLAB INC	38,246,781
TYLER TECHNOLOGIES INC	38,167,940

Regional Exposure



Sector Exposure



Brunel Global Sustainable Equities – Responsible Investment

BRUNEL Pension Partnership

Top 10 ESG Contributors to Overall Score

	Insight	Momentum
1. ANSYS INC	68.8	80.0
2. ABIOMED INC	79.3	84.6
3. WORKDAY INC	71.5	80.8
4. ECOLAB INC	68.5	29.0
5. ORSTED AS	73.5	62.1
6. FORTIVE CORP	69.9	66.7
7. FORTIS INC/CANADA	68.6	29.7
8. ZEBRA TECHNOLOGIES CORP	77.6	78.1
9. LINDE PLC	66.8	69.2
10. KERRY GROUP PLC	66.7	32.0

Bottom 10 ESG Detractors to Overall Score

	Insight	Momentum
1. MICROSOFT CORP	46.4	37.2
2. MARKETAXESS HOLDINGS INC	47.2	15.2
3. ALPHABET INC	46.3	50.0
4. INTUIT INC	49.9	47.6
5. T-MOBILE US INC	45.6	26.3
6. AUTOZONE INC	43.7	53.9
7. UNITEDHEALTH GROUP INC	51.6	31.0
8. DANAHER CORP	52.7	42.7
9. ADOBE INC	44.7	18.1
10. ILLUMINA INC	45.8	23.7

Weighted Average ESG Score	2022 Q1	2022 Q2
Portfolio	58.9	58.6
MSCI ACWI	54.8	55.1

TruValue Labs & SASB

* Position 1 is the top contributor/detractor.

0 50 100

Weighted Average Carbon Intensity (WACI)

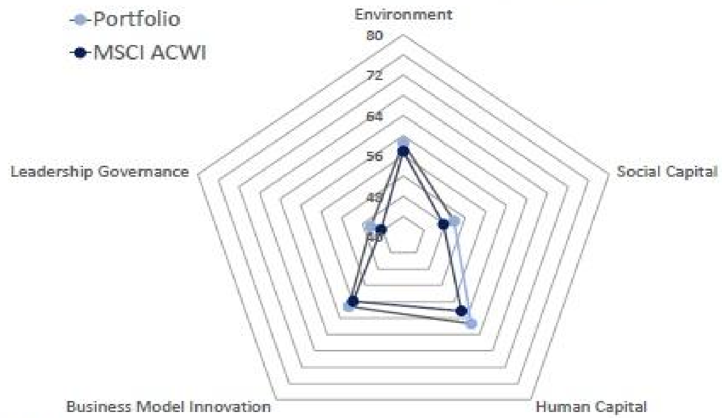
Source: Trucost

Extractive Exposure

	Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	Q1	Q2	Q1	Q2
Portfolio	2.5	2.5	3.1	3.3
MSCI ACWI	2.6	2.7	6.6	7.0

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

Absolute Weighted ESG Scores



TruValue Labs & SASB

Brunel Assessment:

- **T Mobile** (Technology) allegedly used a third party to try and buy leaked data from a hacker forum for $200 thousand. The stolen information was still up for sale long after the payment as T-Mobile tried to limit the spread of stolen data.
- **Linde** (Chemicals) will collaborate with Airbus in order to supply miner Freeport Indonesia with high-purity industrial gases. This will significantly improve energy efficiency.
- **Microsoft** (Technology) has been affected by a zero-day vulnerability in Office 365 which has been exploited by a host of malicious actors. The CMA has also announced a formal investigation into the $68.7 billion Activision Blizzard acquisition.
- **Abiomed** (Healthcare) has successfully developed and treated over 5000 patients with a micro heart pump that is expected to strengthen their position in the coronary business.

80% of the bottom 10 ESG detractors are covered by engagement or specific voting activities.
As expected from this Sustainable Portfolio, the carbon intensity and exposure to extractive industries are significantly below benchmark. The Portfolio has considerably higher ESG scores compared to its Benchmark across Environment, Social and Human Capital categories.

Brunel UK Active Equity

BRUNEL Pension Partnership

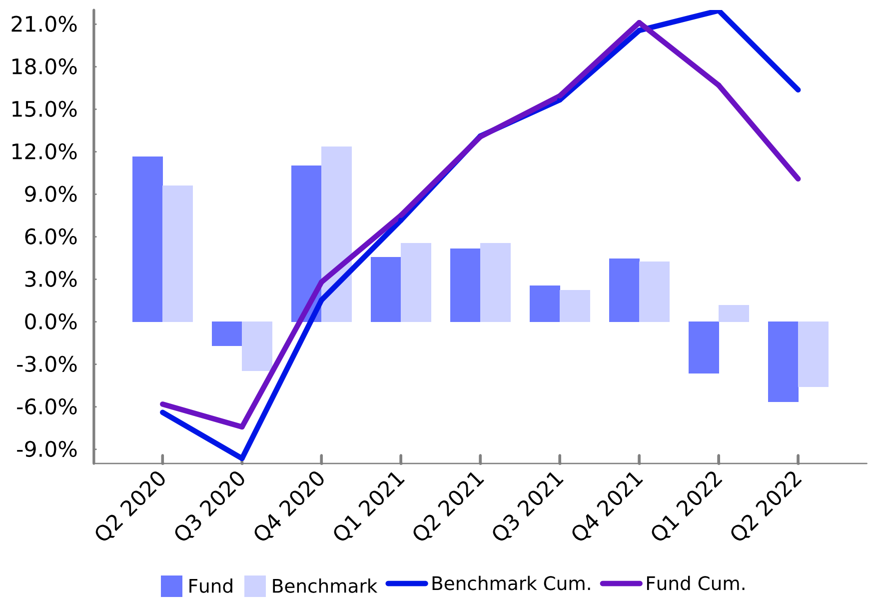
Overview

	Description
Portfolio Objective:	Provide exposure to UK Equities, together with enhanced returns from manager skill.
Investment Strategy & Key Drivers:	Skilled managers will create opportunities to add long term value through stock selection and portfolio construction.
Liquidity:	Managed level of liquidity. Less exposure to more illiquid assets.
Risk/Volatility:	High absolute risk with moderate relative risk, around 4% tracking error.
Total Fund Value:	£1,304,080,671

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-5.7%	-4.6%	-1.1%
Fiscal YTD	-5.7%	-4.6%	-1.1%
1 Year	-2.6%	2.9%	-5.5%
3 Years	0.4%	2.3%	-1.8%
5 Years			
10 Years			
Since Inception	2.7%	4.3%	-1.6%

Rolling Performance*



* Partial returns shown in first quarter

The FTSE All-Share Index excluding Investment Trusts returned -4.6% over the quarter. UK equities outperformed developed global equities which, measured by the MSCI World Index, returned -9.0%. This was in part due to the sector make-up of each market. The Technology and Consumer Discretionary sectors were the weakest performing from a global perspective and each accounts for a larger proportion of the global market. However, the Energy sector, which was a strong performer in the quarter, accounts for a larger portion of the UK index. Smaller companies tended to suffer relative to larger companies over the quarter, evidenced by the FTSE 250 Ex IT significantly underperforming the FTSE 100 Ex IT and FTSE All-Share Ex-IT, both of which have less of a small-cap bias.

Over the quarter, the portfolio returned -5.6%, underperforming the index by 1.0%. Attribution analysis shows this was driven by stock selection effects, with allocation effects having negligible net contributions to relative returns.

• The Health Care, Energy and Consumer Staples sectors were the only positive performers in absolute terms in Q2. The portfolio's underweight allocation to Energy and overweight allocation to Industrials contributed negatively, but this was offset by positive allocation effects from the Materials and Real Estate sectors, where the portfolio is underweight; both sectors were poor performers over the quarter.

• For the second consecutive quarter, stock selection in the Financials sector made the largest negative contribution to relative performance. An underweight to HSBC and overweights to St. James‘s Place and IntegraFin Holdings were particularly harmful. Stock selection in the Health Care sector was another significant detractor.

• The portfolio’s tilt towards smaller companies made a negative contribution to relative performance.

At the manager level, Invesco outperformed the index by 2.1%, whilst Baillie Gifford underperformed by 6.1%.
• The Value and Momentum factors were the dominating drivers of performance for Invesco, while Quality was flat. Whilst not specifically targeted as a factor, Volatility also provided some positive relative performance.

• Over the quarter, Baillie Gifford maintained its expected tilts towards Growth stocks and towards smaller companies - tilts that contributed to its underperformance. A large overweight to the Industrials sector further detracted. The poor performance of Growth companies favoured by Baillie Gifford over the quarter resulted in negative stock selection in every sector other than Consumer Discretionary and Real Estate.

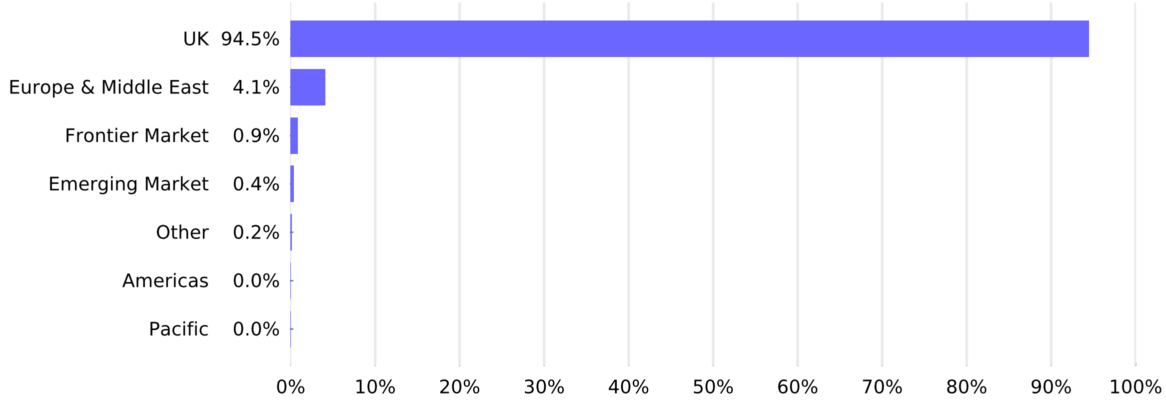
From inception to end-Q2, the portfolio returned 2.9% on an annualised basis, while the benchmark returned 4.3% over the same period.

Brunel UK Active Equity – Region & Sector Exposure

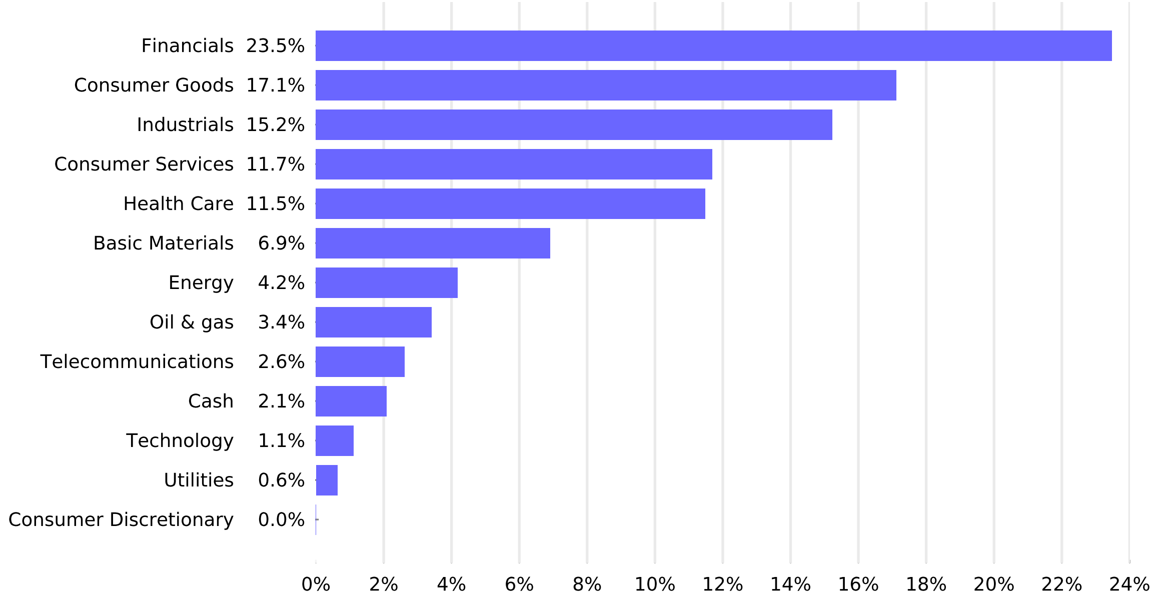
Top 20 Holdings

	Mkt. Val.(GBP)
ASTRAZENECA PLC	78,719,927
UNILEVER PLC	56,979,736
SHELL PLC	53,815,295
GSK PLC	46,747,467
DIAGEO PLC	43,239,281
BRITISH AMERICAN TOBACCO PLC	41,251,525
BP PLC	39,448,717
RIO TINTO PLC	38,606,140
LEGAL & GENERAL GROUP PLC	35,166,465
BUNZL PLC	31,762,475
HSBC HOLDINGS PLC	31,484,549
RELX PLC	31,114,605
GLENCORE PLC	29,593,362
VODAFONE GROUP PLC	26,333,633
STANDARD CHARTERED PLC	24,282,025
ST JAMES'S PLACE PLC	21,077,006
IMPERIAL BRANDS PLC	19,980,668
BAILLIE GIFFORD BR SM-C-ACC	19,306,778
BARCLAYS PLC	19,022,205
LLOYDS BANKING GROUP PLC	17,507,006

Regional Exposure



Sector Exposure



Brunel UK Active Equity – Responsible Investment

BRUNEL Pension Partnership

Top 10 ESG Contributors to Overall Score

	Insight	Momentum
1. ST JAMES'S PLACE PLC	75.2	81.3
2. DIAGEO PLC	63.5	70.0
3. LEGAL & GENERAL GROUP PLC	64.8	61.5
4. BP PLC	62.6	69.6
5. 3I GROUP PLC	69.4	76.1
6. UNILEVER PLC	59.3	44.5
7. SHELL PLC	59.2	67.8
8. DCC PLC	74.1	20.2
9. COMPASS GROUP PLC	65.2	75.5
10. AUTO TRADER GROUP PLC	66.0	23.4

Bottom 10 ESG Detractors to Overall Score

	Insight	Momentum
1. ASTRAZENECA PLC	51.0	66.9
2. LANCASHIRE HOLDINGS LTD	13.2	28.2
3. GSK PLC	49.9	73.5
4. HISCOX LTD	25.7	23.9
5. GLENCORE PLC	50.6	43.7
6. BARCLAYS PLC	47.6	57.4
7. HIKMA PHARMACEUTICALS PLC	41.3	21.1
8. EXPERIAN PLC	43.3	66.6
9. RECKITT BENCKISER GROUP PLC	47.5	50.0
10. IMPERIAL BRANDS PLC	49.7	65.4

* Position 1 is the top contributor/detractor.

0 50 100

Weighted Average ESG Score	2022 Q1	2022 Q2
Portfolio	57.0	57.2
FTSE All Share (ex. Inv.)	57.1	57.2

TruValue Labs & SASB

Brunel Assessment:

- Barclays (Bank) faces $1 million penalty over payments firm collapse. Premier FX misled consumers about the services it was licensed to provide and failed to protect customer money. Barclays was the company's sole banker in the UK and along with the fine will reimburse customers their money.
- Diageo (Food & beverage) unveils a £170 million investment plan for a carbon neutral brewery in Ireland. St James's Gate will increase the production of Guinness to meet global demand and to scale up the use of renewables technology.
- Experian (Services) customer accounts have been easily hijacked by malicious parties through a combination of public research and lax verification practices. This discovery has compounded previous data breaches.
- Shell (Extractives) announced it will construct Europe's largest renewable hydrogen factory, capable of producing 60,000 kilograms of fuel per day. The factory is expected to be operational by 2025 and will aim to provide green hydrogen to decarbonise the commercial road transport sector.

90% of the bottom 10 ESG detractors are covered by engagement or specific voting activities.
Brunel has engaged extensively to improve the carbon intensity and extractives exposure of this Portfolio which is now significantly below its benchmark.

Weighted Average Carbon Intensity (WACI)

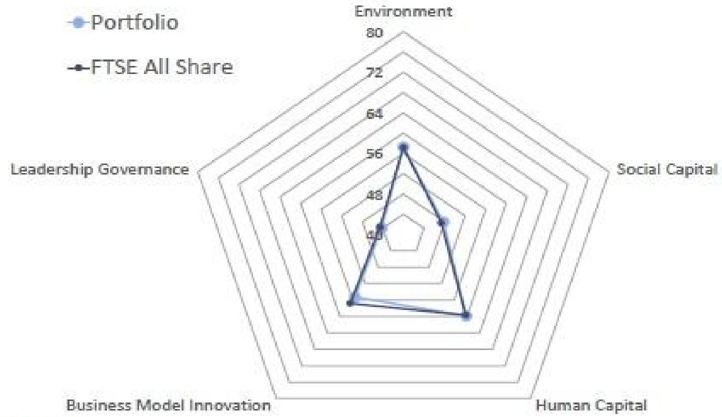
Source: Trucost

Extractive Exposure

	Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	Q1	Q2	Q1	Q2
Portfolio	3.1	3.0	16.7	14.8
FTSE All Sh. (ex. Inv)	4.0	4.1	19.8	19.6

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

Absolute Weighted ESG Scores



TruValue Labs & SASB

Brunel Emerging Market Equity

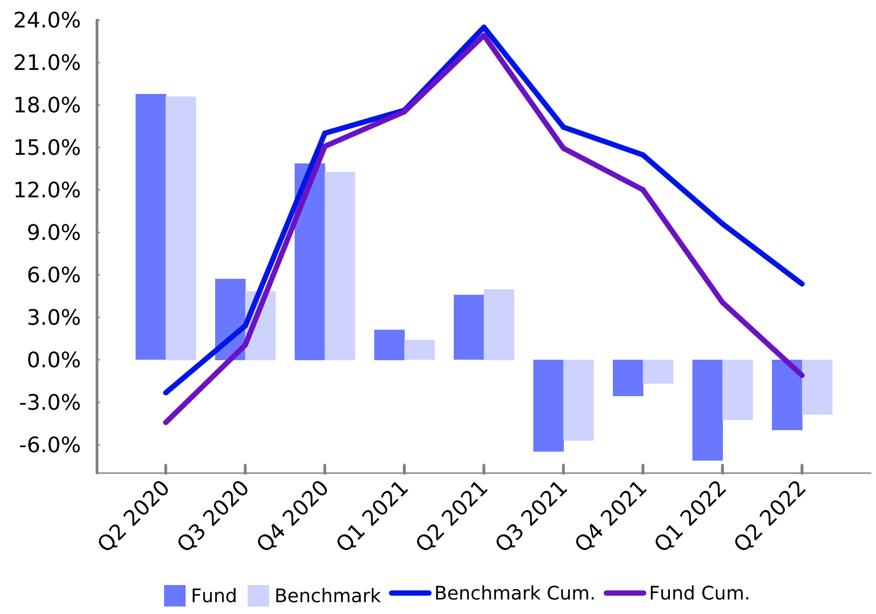
Overview

	Description
Portfolio Objective:	Provide exposure to emerging market equities, targeting excess returns and enhanced risk control from leading managers.
Investment Strategy & Key Drivers:	A geographically diverse portfolio, typically expected to achieve higher long-term growth rates than developed economies.
Liquidity:	Managed liquidity. Less exposure to more illiquid assets
Risk/Volatility:	High absolute risk with moderate to high relative risk, around 5% tracking error.
Total Fund Value:	£1,071,259,885

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-5.0%	-3.9%	-1.1%
Fiscal YTD	-5.0%	-3.9%	-1.1%
1 Year	-19.5%	-14.7%	-4.9%
3 Years			
5 Years			
10 Years			
Since Inception	-0.4%	2.0%	-2.4%

Rolling Performance*



* Partial returns shown in first quarter

The equity markets over the quarter were dominated by rising inflation, tightening fiscal policy in a large number of global markets, the conflict in Ukraine, and fears of a global recession. The MSCI World Index experienced its third-worst quarterly fall in a decade: 9% in GBP terms. The MSCI Emerging Markets Index was relatively protected, falling by 3.9%. A significant contributor to this protection was China, which gained 12% over the quarter, while the MSCI Emerging Markets ex China Index fell 11%. This was the first quarter since Q3 2020 where China outperformed the rest of the emerging markets, which was attributable to the easing of lockdowns in China. While the easing of lockdowns benefitted domestic equities, the same effect was not apparent in other emerging markets. However, the outlook for China is now tempered by Beijing's continuing intention to operate a zero-Covid strategy, and by the continuing possibility that American Depositary Receipts may be delisted.

During the quarter, the US Federal Reserve enacted a 75-basis point rate rise, the highest for 28 years. Similar rate rises were seen in a number of emerging markets, including Chile, Mexico and Poland, harming Growth and Technology stocks specifically, and investor sentiment in equities more broadly. This sell-off of Technology stocks combined with geopolitical tensions across the Taiwan Strait to cause Taiwan's leading index to fall 13%.

Brunel Emerging Market Equity

BRUNEL
Pension Partnership

The ongoing conflict in Ukraine continued to put pressure on supply chains. Energy prices remained high as EU leaders moved to ban most Russian oil imports, and prices of agricultural products were pushed higher. Due to fears of a recession, commodity-producing emerging market countries saw some large falls over the quarter, with South Africa and Brazil falling 16% and 18% respectively.

Consequently, the two worst-performing sectors over the quarter were Information Technology and Materials, with each falling 14%. The only significant outperforming sector was Consumer Discretionary, which gained 15%, primarily driven by domestic activity in China.
The fund returned -4.9% over the quarter, 107 basis points (bps) behind the benchmark. The largest driver of the fall was stock selection in the Consumer Discretionary sector. While the fund had a small overweight to Consumer Discretionary, and positive absolute performance in the sector, underweight positions in certain Chinese Consumer Discretionary stocks resulted in the fund lagging the benchmark in the sector. Another significant detractor was the Information Technology sector, which was primarily driven by overweight positions in Taiwanese Information Technology stocks - these suffered particularly large falls over the quarter.

The managers had quite similar experiences over the quarter, each of them underperforming the benchmark. Genesis underperformed by 61bps, NinetyOne by 245bps and Wellington by 11bps.

• The largest contributor to Genesis underperformance was an overweight position in Brazilian Health Care stock Hapvida, which fell 55%. Holdings in innovative and high-tech Chinese Healthcare stocks also experienced falls over the period.

• Approximately half of the underperformance of NinetyOne was driven by the Chinese Consumer Discretionary sector. These falls reflected a mixture of allocation effects from an underweight to the sector as a whole, and some selection effect from holding stocks which failed to beat benchmark performance. The next most significant detractors were overweight allocations to the India and Taiwanese Information Technology sectors and an underweight to the relatively well-performing Chinese Information Technology sector.

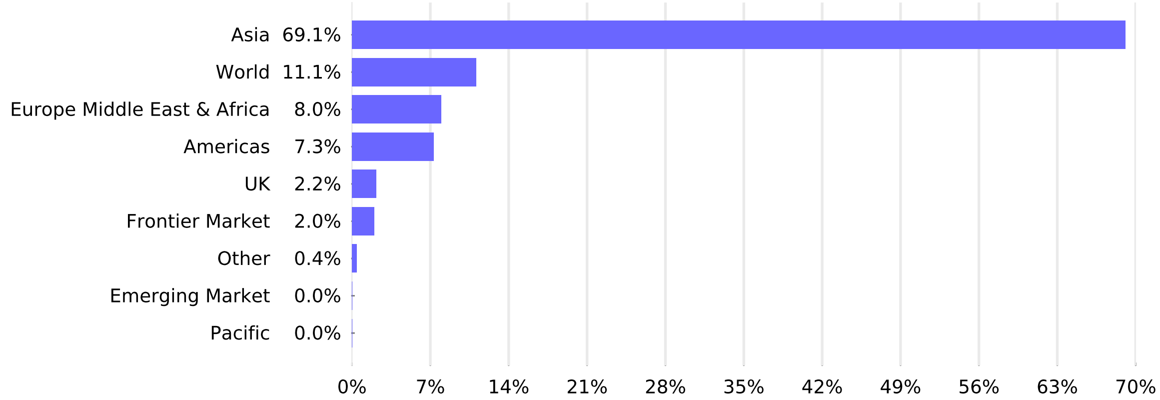
• While, like the other managers, the Consumer Discretionary sector in China was a detractor, Wellington's close-to-benchmark allocation and overweight position in China Tourism Group Duty Free Corporation resulted in the overall effect of this theme being quite minor. For Wellington, the largest detractors were the Taiwanese and Japanese Information Technology sectors, where Wellington was overweight at the sector level, and invested in particularly hard-hit stocks such as ASPEED, TSMC, Parade Technologies and GlobalWafers.

Brunel Emerging Market Equity – Region & Sector Exposure

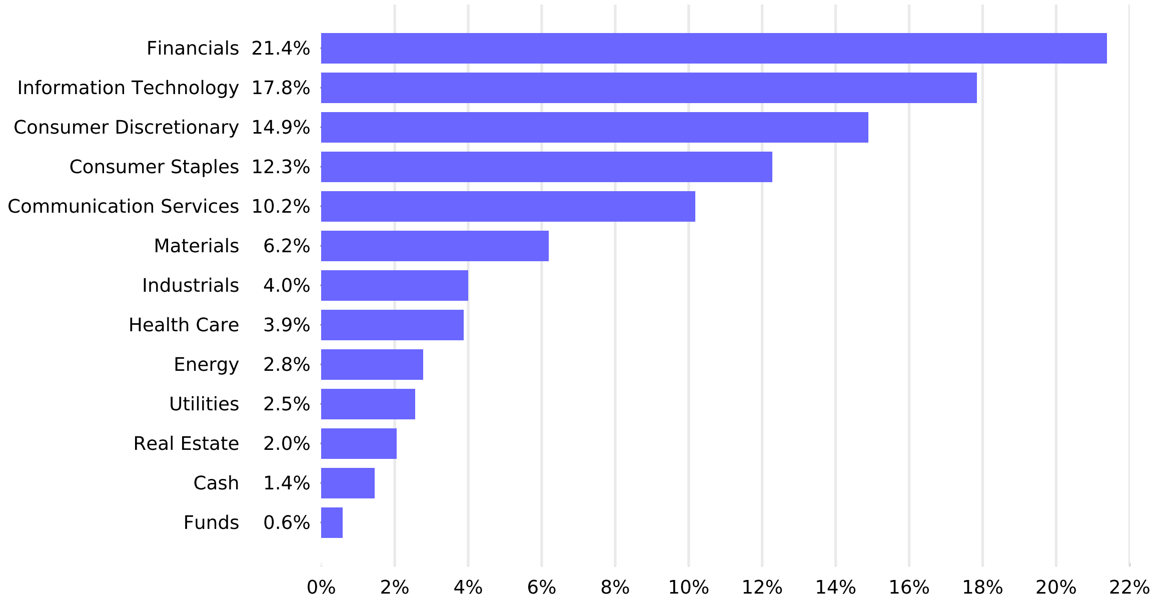
Top 20 Holdings

	Mkt. Val.(GBP)
TAIWAN SEMICONDUCTOR MANUFAC	77,902,846
TENCENT HOLDINGS LTD	46,666,248
SAMSUNG ELECTRONICS CO LTD	30,870,106
AIA GROUP LTD	28,995,942
ALIBABA GROUP HOLDING LTD	21,836,689
NETEASE INC	15,782,595
BID CORP LTD	13,651,034
INFOSYS LTD-SP ADR	13,180,026
INNER MONGOLIA YILI INDUS-A	12,995,344
RELIANCE INDUSTRIES LTD	11,831,480
MEDIATEK INC	11,424,790
BANK CENTRAL ASIA TBK PT	11,065,493
MEITUAN-CLASS B	10,042,903
WULIANGYE YIBIN CO LTD-A	9,958,268
SAMSUNG ELECTRONICS-PREF	9,756,050
CHINA LONGYUAN POWER GROUP-H	9,714,830
CHINA CONSTRUCTION BANK-H	9,688,760
WALMART DE MEXICO SAB DE CV	9,572,290
CONTEMPORARY AMPEREX TECHN-A	9,543,500
HDFC BANK LTD-ADR	9,019,117

Regional Exposure



Sector Exposure



Brunel Emerging Market Equity – Responsible Investment

BRUNEL Pension Partnership

Top 10 ESG Contributors to Overall Score

	Insight	Momentum
1. INNER MONGOLIA YILI INDUSTRIAL GROUP C	75.0	50.0
2. TAIWAN SEMICONDUCTOR MANUFACTURIN	60.9	66.4
3. MEDIATEK INC	72.2	82.1
4. RELIANCE INDUSTRIES LTD	67.0	85.2
5. AIA GROUP LTD	63.1	70.9
6. CHINA LONGYUAN POWER GROUP CORP LTD	72.0	70.0
7. BANK CENTRAL ASIA TBK PT	67.7	89.4
8. JD.COM INC	65.3	83.1
9. CONTEMPORARY AMPEREX TECHNOLOGY CC	68.4	67.9
10. GREENTOWN SERVICE GROUP CO LTD	75.5	86.8

Bottom 10 ESG Detractors to Overall Score

	Insight	Momentum
1. TENCENT HOLDINGS LTD	52.0	76.6
2. KIMBERLY-CLARK DE MEXICO SAB DE CV	28.6	42.3
3. ALIBABA GROUP HOLDING LTD	51.2	73.6
4. SAMSUNG ELECTRONICS CO LTD	54.0	75.1
5. ICICI BANK LTD	42.5	29.0
6. ANTA SPORTS PRODUCTS LTD	46.8	83.0
7. KE HOLDINGS INC	37.3	24.6
8. NETEASE INC	54.2	83.2
9. HIKMA PHARMACEUTICALS PLC	41.3	21.1
10. NAVER CORP	46.1	31.1

Weighted Average ESG Score	2022 Q1	2022 Q2
Portfolio	57.5	58.4
MSCI EM	57.8	58.5

TruValue Labs & SASB

* Position 1 is the top contributor/detractor.

0 50 100

Weighted Average Carbon Intensity (WACI)

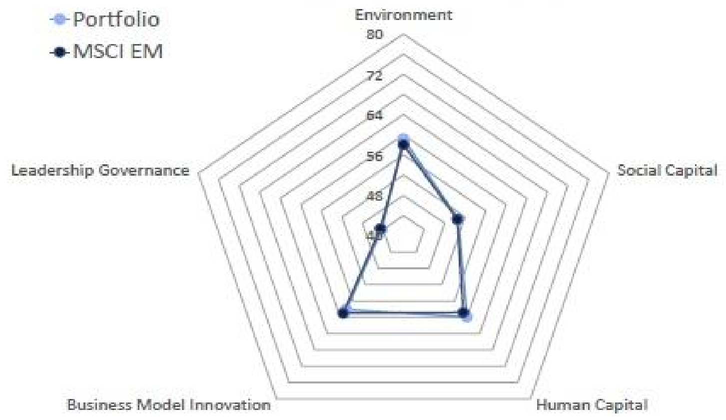
Source: Trucost

Extractive Exposure

	Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	Q1	Q2	Q1	Q2
Portfolio	0.7	0.8	5.1	5.1
MSCI EM	2.5	3.2	7.3	7.2

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

Absolute Weighted ESG Scores



TruValue Labs & SASB

Brunel Assessment:

- Tencent (Technology), China's antitrust watchdog fined Chinese tech giants including Alibaba, Tencent and Bilibili for failing to comply with anti-monopoly rules on the disclosure of past transactions. Tencent was fined for not reporting five deals.
- China Longyuan Power (Electric Utilities), saw positive momentum as the state confirmed they will allocate an additional 50 billion yuan of renewable energy subsidies as the government pushes for energy security.
- Kimberly-Clark (Consumer Goods) subsidiary 4E Brands has filed for bankruptcy after selling toxic hand sanitiser after inadequately sourcing ingredients during the pandemic.
- Inner Mongolia Yili Industrial Group Co Ltd (Food & Beverage) has become the first to publish a dual-carbon target and roadmap with China's food industry. Yili also launched a global zero carbon alliance, while establishing China's first carbon neutral facility and zero-carbon milk product.

80% of the bottom 10 ESG detractors are covered by engagement or specific voting activities.
The weighted average carbon intensity of the portfolio and benchmark saw a slight decline over the quarter. The portfolio remains significantly below its benchmark, the MSCI Emerging Markets, for both extractives revenue exposures and extractive industries value of holdings.

Brunel Multi-Asset Credit

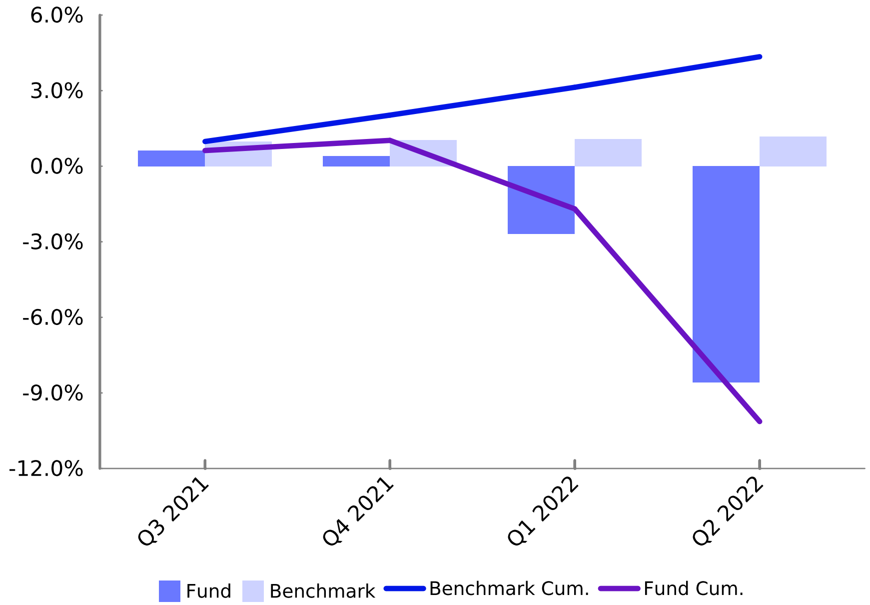
Overview

	Description
Portfolio Objective:	To gain exposure to a diversified portfolio of enhanced credit opportunities with modest exposure to interest rate risk.
Investment Strategy & Key Drivers:	Exposure to specialised, higher yielding bond sectors which provide diversified credit driven returns.
Liquidity:	Managed liquidity
Risk/Volatility:	Moderate absolute and relative risk with high relative risk vs cash.
Total Fund Value:	£2,352,940,113

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-8.6%	1.2%	-9.8%
Fiscal YTD	-8.6%	1.2%	-9.8%
1 Year			
3 Years			
5 Years			
10 Years			
Since Inception	-10.1%	4.3%	-14.5%

Rolling Performance*



* Partial returns shown in first quarter

The portfolio returned -8.59% on a net-of-fees basis, whereas the SONIA +4% primary benchmark returned +1.2%. The outcome was to be expected, given the inhospitable environment for credit prices. The secondary benchmark, a 50-50 split of the Bloomberg Global High Yield and S&P/LSTA US Leveraged Loan 100 indices, returned -8.23% over the same period, close to the portfolio return.

Credit registered one its worst quarterly returns in recent years. A perfect storm of rising interest rates and increased recession risk caused yields and spreads to rise simultaneously, impacting the entire credit spectrum. No areas within credit were immune from these movements, resulting in widespread falls in bond prices. Rising interest rates were a direct consequence of central bank activity across the globe.

US yields had another volatile quarter, ultimately rising once again because of runaway inflation and subsequent central bank tightening. The US 10-year benchmark bond ended the period at 2.98%, an increase of 66 basis points. This was as high as 3.4% in June; however, yields quickly pulled back as investors became concerned about a global recession. The curve remained very flat over the quarter, with 2-year, 5-year and 10-year yields trading in close proximity. The curve remains partially inverted, with the 5-year yielding slightly more than the 10-year. The 10-2 Year Treasury Yield Spread ended the period at zero, having widened to over 40 basis points during the quarter. The United Kingdom also saw large increases in government yields, with the 10-year benchmark bond rising to 2.31% at the end of the quarter, significantly higher than the March 2022 yield of 1.63%. The UK yield curve is not as flat as the US, with the 10-2 Year Treasury Yield Spread at 39 basis points at quarter-end, an increase of 12 basis points over the period.

Spreads widened in every asset class over the quarter, as a direct result of slowing growth and recession fears. High yield corporate spreads – proxied by Bloomberg Global High Yield Index – almost doubled to 618 basis points (from 374 basis points). Hard currency emerging market corporates, proxied by Bloomberg EM USD Corporates, rose by almost 100 basis points to 462 basis points at quarter-end.

Floating rate assets were once again the best place to be from an asset class perspective within sub-investment grade credit. The lower duration element protected investors from rate-driven capital losses. Bank loans, a floating rate asset approximated by the S&P/LSTA US Leveraged Loan 100 Index, fell by 5.43% in GBP hedged terms. The asset class still fell due to recession fears, which caused spreads to rise. Whilst disappointing, this was comfortably ahead of fixed rate assets like high yield bonds. The Bloomberg Global High Yield Index fell over 11% in GBP-hedged terms over the same period. Specialist asset classes such as convertible bonds and contingent capital fell in line with fixed rate credits and offered limited return protection given the environment. The Thomson Reuters Global Convertible Index fell 12% in local terms, whilst ICE BoA Contingent Capital fell almost 9% over the same period.

Results were once again mixed at manager level. Neuberger Berman - which represents 60% of the portfolio – fell by 9.2%, driven by a higher weighting to fixed rate bonds, which was over 60% heading into Q2 2022. Oaktree and CQS –each representing 20% of the portfolio - performed relatively better, both returning -7.8%. The primary driver for the better performance across these managers was twofold – (1) No exposure to investment grade bonds, which fell significantly due to higher duration, and (2) Much lower fixed rate exposures - less than 40% for both.

Since-inception portfolio return is now -10.2% on a net-of-fees basis, which is behind the primary benchmark return of +4.3% over the same period. Whilst disappointing in absolute terms, the portfolio remained ahead of the secondary credit-focussed benchmark comprised of loans and high yield. The secondary benchmark returned -10.5% from portfolio launch to quarter-end, 35 basis points behind the portfolio.

Managers have been increasing the level of quality in their portfolios, given that defaults are expected to rise in a recession environment. Managers feel cautiously optimistic about prospects, as they believe current portfolio yields – almost 10% on a yield-to-worst basis with a duration of around 2 years – more than compensate investors for default risk. However, managers remain cautious in the near term and expect more mark-to-market volatility, given the unknowns surrounding global growth and inflation in the months to come.

Brunel Multi-Asset Credit – Region & Sector Exposure

Top 20 Holdings

	Mkt. Val.(GBP)
NEUBERGER BERMAN BRUNEL MULTI NEUER BEN BREL MU AD I2AGBPA	1,480,711,399
CQS GLOBAL FUNDS MUTUAL FUND	502,087,221
OAKTREE (LUX) III SA SICAV MUTUAL FUND	497,052,233

Brunel Sterling Corporate Bonds

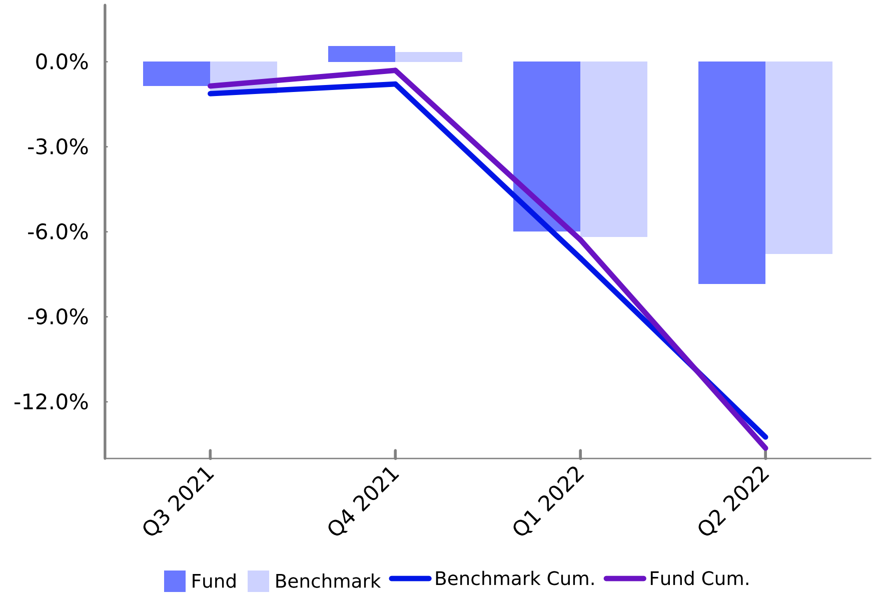
Overview

	Description
Portfolio Objective:	Provides exposure to sterling corporate bonds, with additional returns from manager skill.
Investment Strategy & Key Drivers:	Active approach to provide additional returns over the benchmark. Credit selection should drive returns.
Liquidity:	Managed liquidity
Risk/Volatility:	Moderate absolute risk with low to moderate relative risk.
Total Fund Value:	£1,935,538,330

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-7.8%	-6.8%	-1.1%
Fiscal YTD	-7.8%	-6.8%	-1.1%
1 Year			
3 Years			
5 Years			
10 Years			
Since Inception	-13.6%	-13.2%	-0.4%

Rolling Performance*



* Partial returns shown in first quarter

Over the quarter, inflation continued to be the headline influence on developed markets, although this crystallized into fears of recession in June. Bond markets were hit hard as rising interest rates drove government bond yields higher globally. In this context, the iBoxx Sterling Non-Gilt All-Maturities benchmark returned -6.79%.

Whilst broad sterling credit indices outperformed UK government debt (on an all-maturities basis) over the period, it was still the worst calendar quarter for the sterling credit market this century. The negative return reflected the rise in government bond yields and the widening of credit spreads over the quarter.

Over the period, the Sterling Corporate Bonds portfolio returned -7.85%, underperforming the benchmark by 1.06%.

• Credit sector allocation significantly impacted relative performance over the period, detracting 72 basis points (bps). Specifically, the portfolio's substantial underweight in supranational bonds, which outperformed the market, detracted 49bps. Although the underweight in supranational bonds hurt performance, Royal London Asset Management (RLAM) remains confident that the sector offers a very low yield premium that can be materially improved elsewhere in the market without taking excessive risk. The overweight positions in insurance and real estate also detracted from returns.

• Security selection negatively impacted relative performance, detracting 60bps over the quarter. Poor relative performance of subordinated bank and insurance debt was only partly offset by positive security selection in the structured bonds and real estate sectors. As banks and insurance are high beta sectors, the impact from subordinated financials on performance in the short term is not surprising, and it is worth noting that RLAM remains highly confident of the long-term value offered by the bonds held in the portfolio.

• From a credit rating perspective, the portfolio's overweight position in BBB bonds detracted from returns (-122bps). The holdings within the structured bond sector, as well as the high weighting in subordinated banks, resulted in this overweight position. Sub-investment grade exposure was also detrimental to relative performance, detracting 29bps.

• Duration added 18bps to relative performance over the period. Whilst portfolio duration was lower than that of the benchmark in the early part of the quarter, portfolio duration was marginally higher than the benchmark (+0.36 years) by the end of the quarter.

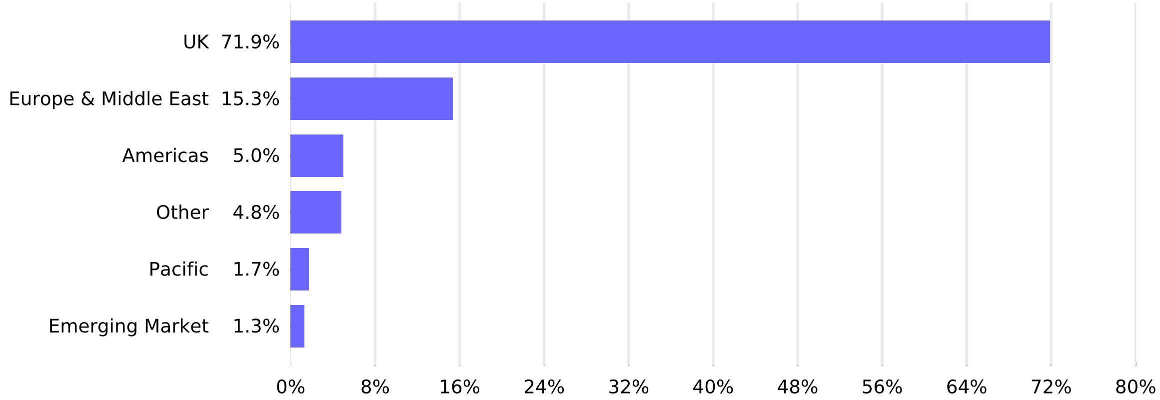
Over the quarter, there were no client subscriptions or redemptions. The total portfolio AUM was £1.95bn as at the end of the quarter.

Brunel Sterling Corporate Bonds – Region & Sector Exposure

Top 20 Holdings

	Mkt. Val.(GBP)
AVLN 6 7/8 05/20/58	17,690,700
BNP 2 05/24/31	15,968,866
SCTWID 7 06/16/43	13,766,498
THAMES 7.738 04/09/58	13,457,669
HSBC 4 3/4 03/24/46	13,357,249
BLNDLN 5.264 09/24/35	13,091,135
DERB 5.564 06/30/41	12,748,628
DELMAR 5.5457 02/19/29	12,650,600
EDF 6 01/23/2114	12,333,005
ASPR 4.674 03/31/40	11,761,258
SHBLN 2.348 09/30/27	11,679,588
HOUSFN 5.2 10/11/43	11,367,648
FWFIN 5.182 04/20/35	11,299,257
THAMES 4 5/8 05/19/26	10,969,867
TSCOPR 5.744 04/13/40	10,961,650
ANNFND 3.935 07/12/47	10,886,380
BACR 5 3/4 09/14/26	10,688,270
NWIDE Float 02/24/31	9,998,809
ASSGEN 6.269 PERP	9,728,514
ZURNVX 6 5/8 PERP	9,711,398

Regional Exposure



Passive Dev Eq Paris Aligned

BRUNEL Pension Partnership

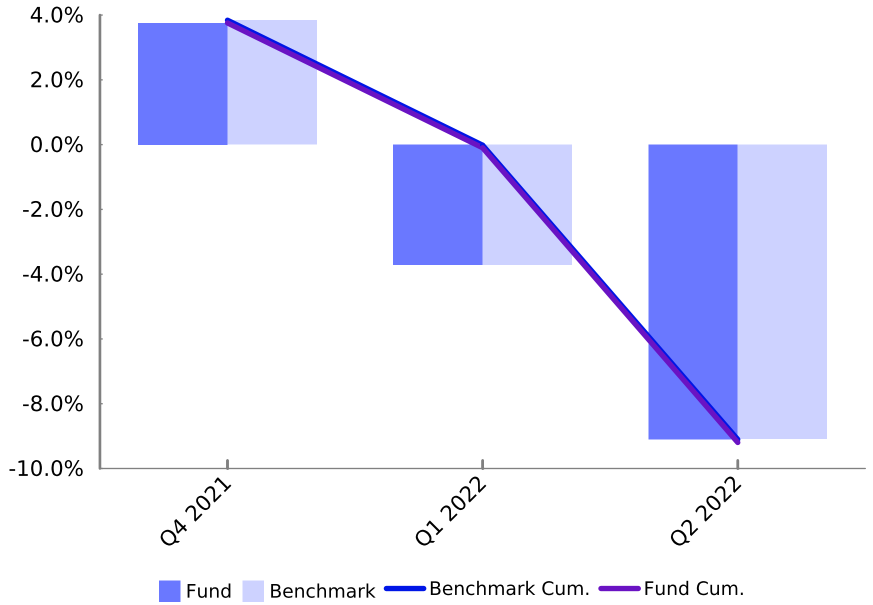
Overview

	Description
Portfolio Objective:	Provide global equity market exposure, reduce carbon exposure and align to the Paris Agreement.
Investment Strategy & Key Drivers:	Portfolio is invested in global equities in accordance with FTSE Global Developed PAB Index.
Liquidity:	High
Risk/Volatility:	Volatility: high. Relative/active risk: very low.
Total Fund Value:	£1,982,140,020

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-9.1%	-9.1%	0.0%
Fiscal YTD	-9.1%	-9.1%	0.0%
1 Year			
3 Years			
5 Years			
10 Years			
Since Inception	-9.2%	-9.1%	-0.1%

Rolling Performance*



* Partial returns shown in first quarter

• As the significant macroeconomic risks posed in Q1 spilt over into Q2 2022, the FTSE Developed Paris Aligned (PAB) benchmark performed negatively in absolute terms – like many global indices. The benchmark returned -9.1% to the end of the quarter. From the November 1 inception date, the benchmark performance stood at -9.2% to quarter-end. The Passive Paris Aligned Developed Equities fund closely replicated the benchmark performance over both periods.

• Continuing from Q1 2022, sterling depreciated relative to several other global currencies, down by 7.4% against the US dollar and by 2.2% against the euro. The hedged portfolio consequently underperformed the unhedged portfolio over the quarter, returning -14.5%.

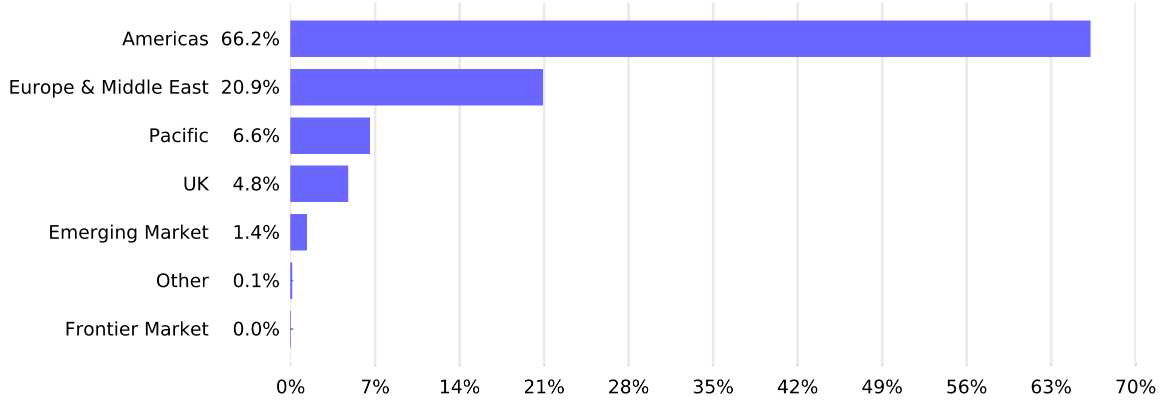
• Consumer Discretionary and IT were the most significant underperformers over the quarter, whilst some of the more defensive sectors offered resilience to the general downward trend. In this context, Consumer Staples and Health care were the only positive performers, whilst the Utilities sector was flat.

Passive Dev Eq Paris Aligned – Region & Sector Exposure

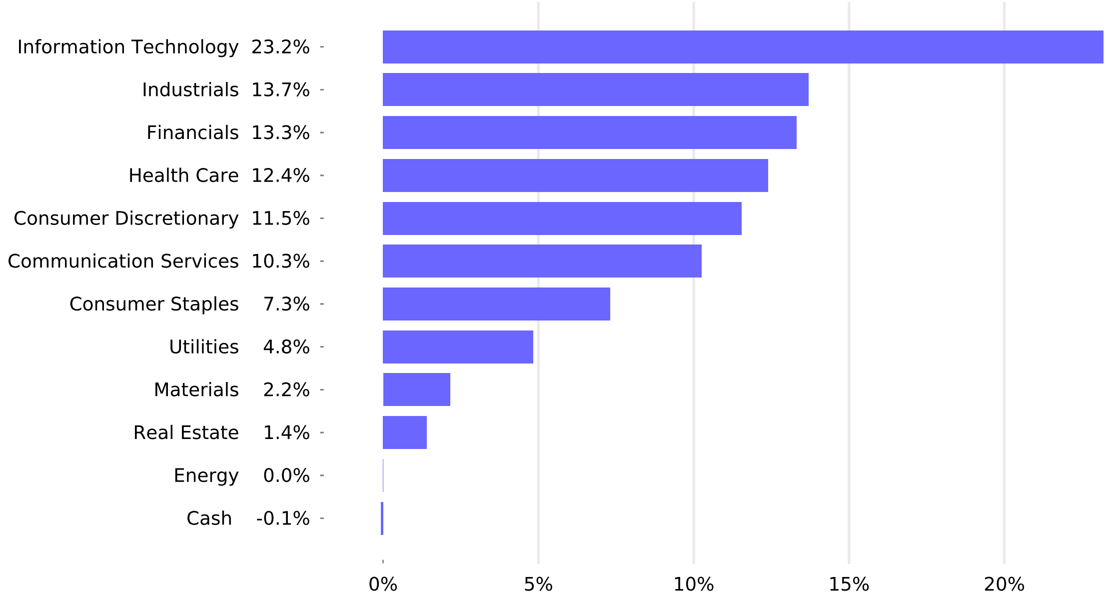
Top 20 Holdings

	Mkt. Val.(GBP)
APPLE INC	132,316,872
MICROSOFT CORP	125,376,797
AMAZON.COM INC	87,867,626
ALPHABET INC-CL A	58,229,341
ALPHABET INC-CL C	54,528,507
HONEYWELL INTERNATIONAL INC	50,127,759
UNILEVER PLC	38,856,674
NESTLE SA-REG	33,019,156
UNITEDHEALTH GROUP INC	32,300,664
TESLA INC	31,774,070
SCHNEIDER ELECTRIC SE	29,737,674
THERMO FISHER SCIENTIFIC INC	29,515,596
VERIZON COMMUNICATIONS INC	26,413,831
INTL BUSINESS MACHINES CORP	21,602,988
LVMH MOET HENNESSY LOUIS VUI	19,289,056
MASTERCARD INC - A	18,936,563
CHUBB LTD	16,713,366
SAP SE	16,567,769
AT&T INC	16,532,979
JPMORGAN CHASE & CO	16,178,765

Regional Exposure



Sector Exposure



Passive Dev Eq Paris Aligned – Responsible Investment

BRUNEL
Pension Partnership

Top 10 ESG Contributors to Overall Score

	Insight	Momentum
1. HONEYWELL INTERNATIONAL INC	69.0	74.0
2. SCHNEIDER ELECTRIC SE	71.2	47.5
3. SAP SE	65.0	71.0
4. TEXAS INSTRUMENTS INC	65.2	50.0
5. UNILEVER PLC	59.3	44.5
6. SIEMENS AG	67.1	67.1
7. ORSTED AS	73.5	62.1
8. IBERDROLA SA	65.9	27.8
9. ENGIE SA	68.9	61.9
10. CONSOLIDATED EDISON INC	65.6	70.2

Bottom 10 ESG Detractors to Overall Score

	Insight	Momentum
1. MICROSOFT CORP	46.4	37.2
2. ALPHABET INC	46.3	50.0
3. APPLE INC	48.5	63.6
4. AMAZON.COM INC	50.5	50.0
5. CHUBB LTD	35.7	57.7
6. ABBVIE INC	34.6	16.6
7. TESLA INC	51.0	26.3
8. AT&T INC	47.5	71.2
9. UNITEDHEALTH GROUP INC	51.6	31.0
10. PFIZER INC	46.6	42.5

* Position 1 is the top contributor/detractor.

0 50 100

Weighted Average ESG Score	2022 Q1	2022 Q2
Portfolio	55.4	55.5
FTSE Dev. World	54.5	54.8

TruValue Labs & SASB

Weighted Average Carbon Intensity (WACI)

Source: Trucost

Extractive Exposure

	Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	Q1	Q2	Q1	Q2
Portfolio	1.0	1.0	1.6	1.6
FTSE Dev. World	2.6	2.6	6.4	6.9

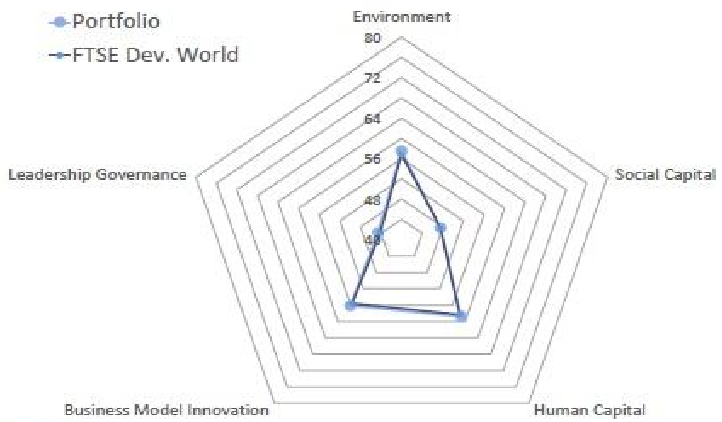
1 Extractive revenue exposure as share (%) of total revenue.
2 Value of holdings(VOH)-companies who derive revenues from extractives.
Source: Trucost

Brunel Assessment:

- Abbvie (Healthcare) has been found of shielding profits from US taxes. The maker of the popular arthritis drug Humira, generated 75% of its sales in the United States - but only reported 1% of that income for U.S. tax purposes.
- Engie (Electric utilities) agrees to 15 year LNG deal with NextDecade US facility. More than half of the supply from the project's first phase is now covered under long-term agreements that are either firm or preliminary. NextDecade said it aims to reduce CO2 emissions from its facility by more than 90%.
- Microsoft (Technology) has been affected by a zero-day vulnerability in Office 365 which has been exploited by a host of malicious actors. The CMA has also announced a formal investigation into the $68.7 billion Activision Blizzard acquisition.
- Schneider Electric (Resource Transformation) will acquire AutoGrid a Climate-AI Pioneer to support renewable energy and distributed energy expansion around the world.

100% of the bottom 10 ESG detractors are covered by engagement or specific voting activities.
The Passive Developed Paris Aligned Portfolio has a carbon intensity and extractive exposure significantly below that of its reference index, the FTSE World Developed Index.

Absolute Weighted ESG Scores



TruValue Labs & SASB

Passive Index Linked Gilts Over 5 Years

BRUNEL
Pension Partnership

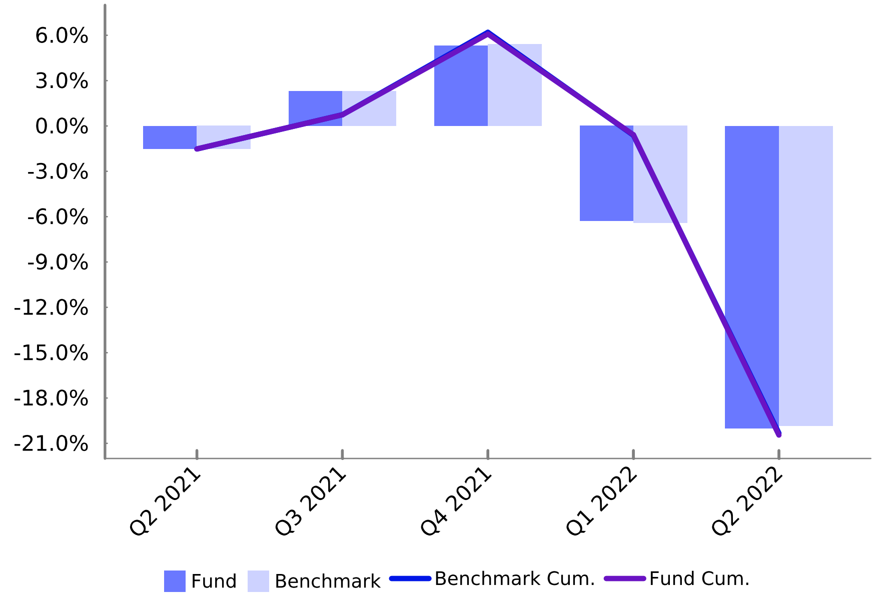
Overview

	Description
Portfolio Objective:	To provide exposure to Index linked Gilts in a low cost and highly liquid approach.
Investment Strategy & Key Drivers:	Invest passively in the securities underlying the FTSE-A UK index linked gilts over 5 years.
Liquidity:	High
Risk/Volatility:	Absolute risk low to medium with very low relative risk.
Total Fund Value:	£906,031,962

Performance to Quarter End

Ann. Performance	Fund	BM	Excess
3 Month	-20.0%	-19.8%	-0.1%
Fiscal YTD	-20.0%	-19.8%	-0.1%
1 Year	-19.2%	-19.1%	-0.1%
3 Years			
5 Years			
10 Years			
Since Inception	-19.5%	-19.3%	-0.1%

Rolling Performance*



* Partial returns shown in first quarter

Over the quarter, central banks responded to rising inflation by tightening monetary policy and indicating that there is more to come. The Bank of England increased rates at every meeting from December 2021 through to quarter-end, with the fifth consecutive increase in June taking the UK base rate to 1.25%. Rising interest rates pushed government bond yields higher and the 10-year gilt yield rose by 62 basis points to 2.23%. Gilt markets returned -7.42% on an all-maturities basis over the quarter.

Passive Index Linked Gilts Over 5 Years – Region & Sector Exposure

Top 20 Holdings

	Mkt. Val.(GBP)
UKTI 1 1/4 11/22/55	46,324,170
UKTI 1 1/8 11/22/37	45,602,388
UKTI 1 1/4 11/22/32	45,302,941
UKTI 0 5/8 03/22/40	43,473,956
UKTI 1 1/4 11/22/27	43,285,542
UKTI 0 5/8 11/22/42	40,527,054
UKTI 0 3/4 11/22/47	40,518,012
UKTI 0 3/4 03/22/34	40,480,019
UKTI 0 1/8 03/22/44	40,283,351
UKTI 0 1/2 03/22/50	39,951,658
UKTI 0 3/8 03/22/62	39,029,138
UKTI 0 1/8 03/22/68	36,930,606
UKTI 0 1/8 03/22/29	36,851,684
UKTI 0 1/8 08/10/28	36,253,660
UKTI 2 01/26/35	35,698,291
UKTI 0 1/4 03/22/52	33,804,438
UKTI 0 1/8 11/22/36	32,865,886
UKTI 0 1/8 03/22/46	32,570,258
UKTI 0 1/8 03/22/58	28,470,130
UKTI 0 1/8 08/10/41	27,777,410

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Dorset County Pension Fund
administered by Dorset Council
Environment Agency Pension Fund
SOMERSET County Council
AVON PENSION FUND
Cornwall Pension Fund
Devon County Council
Wiltshire Pension Fund
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Buckinghamshire Council
Buckinghamshire Pension Fund
Gloucestershire COUNTY COUNCIL
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Pension Partnership