Dorset County Pension Fund Performance Report

Quarter ending 31 March 2023

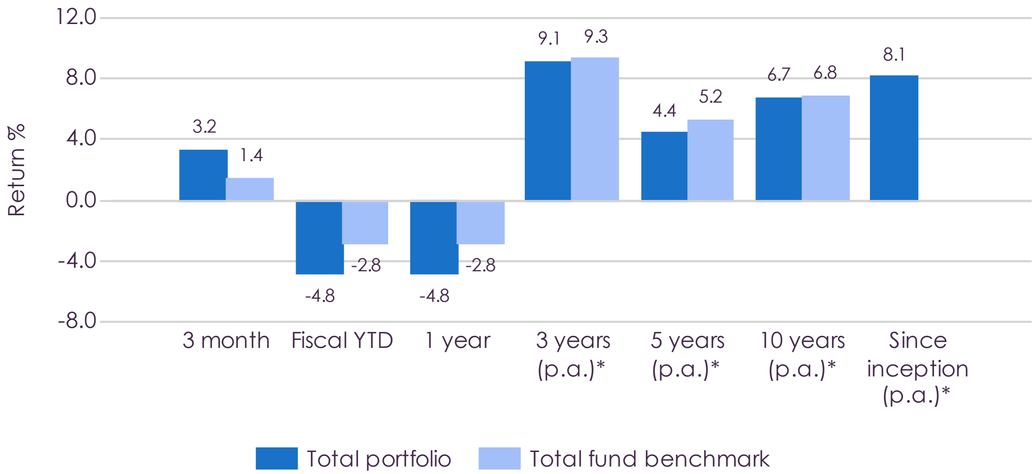
Dorset County Pension Fund
administered by Dorset Council

BRUNEL
Pension Partnership

Contents

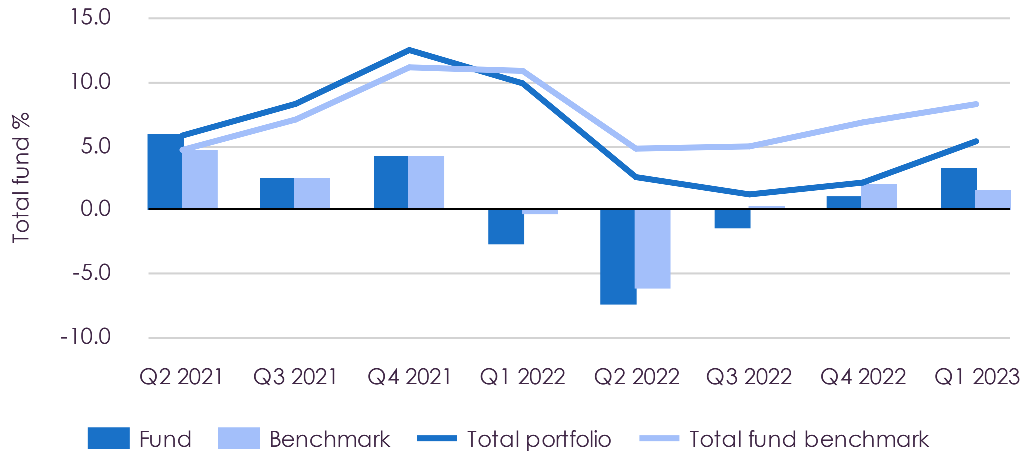
Pension Fund performance

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

Global Equities started the year strongly, but this was derailed in March by the collapse of Silicon Valley Bank and the rushed takeover of Credit Suisse by UBS. This in turn led to a rush onto 'safe haven' assets such as Government Bonds. Investors believe that these events may lead to pressure on policy rates to rise. This view is also supported by signs that the inflationary pressures are starting to ease. Meanwhile, Brunel published its new Climate change Policy after completion of the Climate Stocktake.

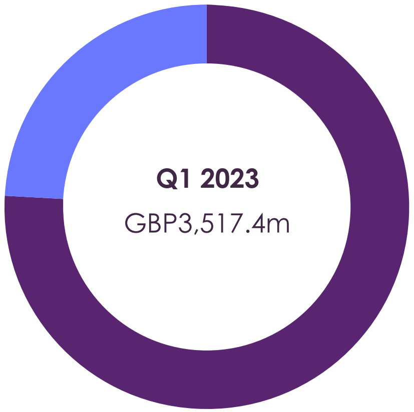
The total portfolio rose 3.2%, whilst the benchmark rose 1.4%. For 12 months, the total portfolio lagged the benchmark (-4.8% vs -2.8%).

The relative performance of Brunel's active equity portfolios during the quarter was broadly ahead of benchmark (the exception being UK Active Equities, which underperformed). Both the Sterling Corporate Bond and the Multi Asset Credit portfolios produced positive returns ahead of benchmark.

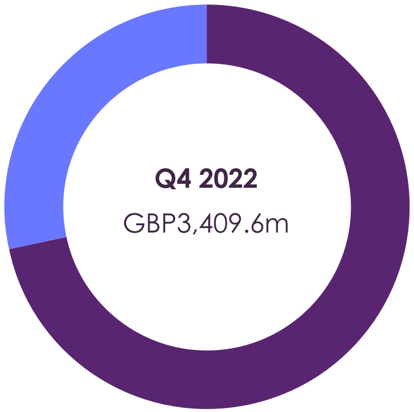
During the quarter, there were further investments made across a wide range of Brunel strategies (including passive equities, actively-managed equities, and actively-managed bonds.

Asset summary

Assets transitioned to Brunel



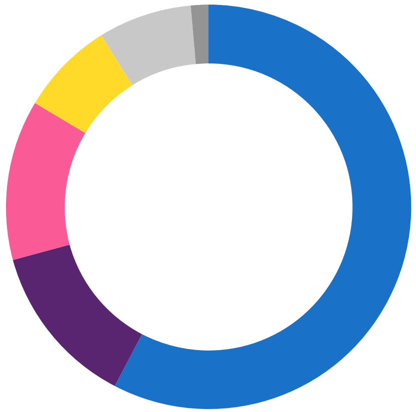
Transitioned	75.89%
Legacy assets	24.12%



Transitioned	71.65%
Legacy assets	28.35%

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

Asset allocation breakdown



Key:

Equities	57.65%
Fixed Income	13.12%
Private Markets	12.82%
Property	7.53%
Other	7.48%
Cash	1.40%

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

Overview of assets

Detailed asset allocation

Equities	£2,027.87m	57.65%
Global Sustainable Equities	£347.68m	9.88%
Global High Alpha Equities	£269.88m	7.67%
Global Small Cap Equities	£225.50m	6.41%
UK Active Equities	£184.87m	5.26%
Passive Smart Beta	£159.41m	4.53%
Passive Smart Beta (Hedged)	£147.85m	4.20%
Emerging Markets Equities	£142.25m	4.04%
Passive UK Equities	£125.12m	3.56%
Passive Developed Equities	£102.49m	2.91%
Passive Developed Equities (Hedged)	£97.38m	2.77%
PAB Passive Global Equities (Hedged)	£54.36m	1.55%
CTB Passive Global Equities	£54.31m	1.54%
CTB Passive Global Equities (Hedged)	£54.27m	1.54%
PAB Passive Global Equities	£54.26m	1.54%
Legacy Assets	£8.26m	0.23%

Fixed income	£461.54m	13.12%
Multi-Asset Credit	£232.45m	6.61%
Sterling Corporate Bonds	£68.89m	1.96%
Legacy Assets	£160.20m	4.55%

Private markets (incl. property)	£715.72m	20.35%
Secured Income Cycle 1	£56.34m	1.60%
Private Equity Cycle 1	£45.66m	1.30%
Infrastructure Cycle 3	£9.70m	0.28%
Private Equity Cycle 3	£0.00m	0.00%
Legacy Assets	£604.02m	17.17%

Other	£262.97m	7.48%
Diversifying Returns Fund	£236.50m	6.72%
Legacy Assets	£26.47m	0.75%

Cash not included

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 (%)	Contribution to return
Aberdeen Standard	20,236	0.6%	2.50%	-1.9%	7.3%	0.0%
CBRE	264,879	7.5%	10.00%	-2.5%	2.6%	0.2%
Harbourvest	69,954	2.0%	2.50%	-0.5%	-3.9%	-0.1%
Hermes	93,750	2.7%	4.00%	-1.3%	-4.1%	-0.1%
IFM	154,272	4.4%	4.00%	0.4%	0.9%	0.0%
Insight	18,955	0.5%	12.00%	-11.5%	1.2%	0.0%
Internally Managed UK Equities	7,487	0.2%	-	0.2%	0.9%	0.0%
Ninety One	429	0.0%	-	0.0%	-1.7%	-0.0%
Royal London	160,203	4.6%	4.00%	0.6%	3.0%	0.1%
Wellington	344	0.0%	-	0.0%	-1.3%	-0.0%
Global High Alpha Equities	269,882	7.7%	7.50%	0.2%	7.1%	0.5%
Global Sustainable Equities	347,678	9.9%	10.00%	-0.1%	5.5%	0.5%
UK Active Equities	184,868	5.3%	5.00%	0.3%	2.3%	0.1%
Emerging Markets Equities	142,249	4.0%	5.00%	-1.0%	2.4%	0.1%
Global Small Cap Equities	225,495	6.4%	5.00%	1.4%	5.0%	0.3%
Diversifying Returns Fund	236,496	6.7%	6.00%	0.7%	0.1%	0.0%

Performance attribution

Pension fund performance attribution - to quarter end

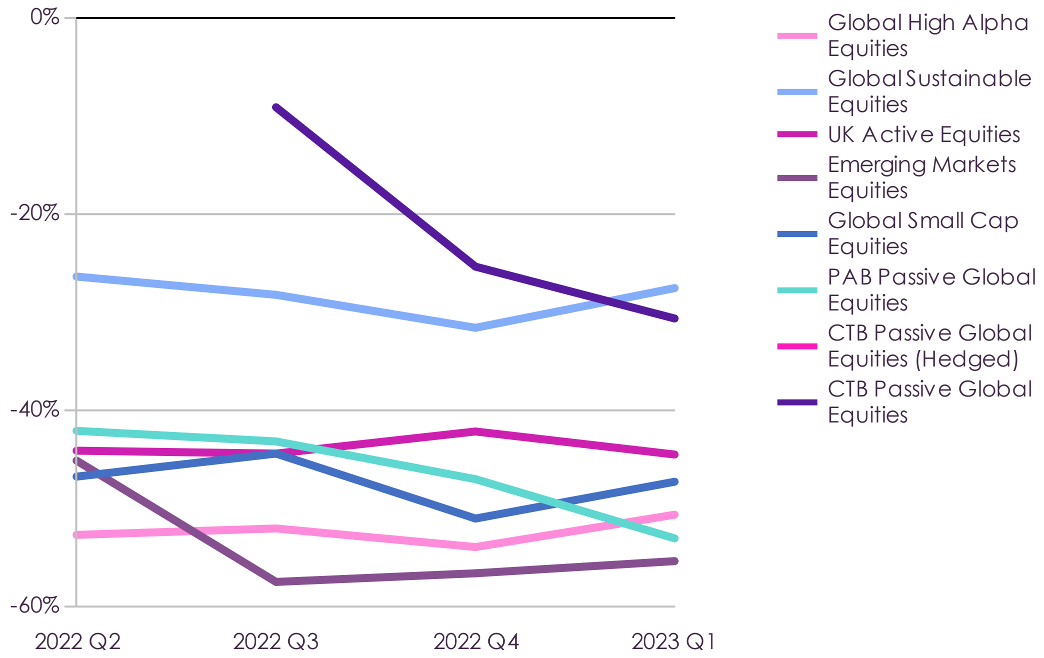
	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%)	Contribution to return
Multi-Asset Credit	232,449	6.6%	5.00%	1.6%	2.7%	0.2%
Sterling Corporate Bonds	68,888	2.0%	-	2.0%	2.7%	0.0%
PAB Passive Global Equities	54,261	1.5%	-	1.5%	6.7%	0.1%
PAB Passive Global Equities (Hedged)	54,356	1.5%	-	1.5%	9.2%	0.1%
CTB Passive Global Equities	54,306	1.5%	-	1.5%	6.5%	0.1%
CTB Passive Global Equities (Hedged)	54,266	1.5%	-	1.5%	9.0%	0.1%
Passive Developed Equities	102,485	2.9%	2.50%	0.4%	4.8%	0.1%
Passive Developed Equities (Hedged)	97,383	2.8%	2.50%	0.3%	7.4%	0.2%
Passive UK Equities	125,124	3.6%	3.00%	0.6%	3.1%	0.1%
Passive Smart Beta	159,407	4.5%	3.75%	0.8%	1.4%	0.0%
Passive Smart Beta (Hedged)	147,854	4.2%	3.75%	0.5%	3.9%	0.2%
Private Equity Cycle 1	45,659	1.3%	-	1.3%	-3.2%	-0.0%
Infrastructure Cycle 3	9,696	0.3%	-	0.3%	-2.0%	-0.0%
Secured Income Cycle 1	56,345	1.6%	-	1.6%	-1.6%	-0.0%
Cash	49,231	1.4%	2.00%	-0.6%	-0.2%	-0.0%

Stewardship and climate metrics

Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Global High Alpha Equities	**89**	**82**	**1.3**	**1.2**	**3.3**	**3.6**
MSCI World*	193	166	2.8	3.3	7.8	9.2
Global Sustainable Equities	**152**	**140**	**2.6**	**2.6**	**3.1**	**5.6**
MSCI ACWI*	222	193	2.8	3.3	7.8	9.1
UK Active Equities	**93**	**84**	**3.5**	**5.0**	**15.9**	**11.3**
FTSE All Share ex Inv Tr*	160	152	4.9	6.3	21.7	19.5
Emerging Markets Equities	**196**	**186**	**0.8**	**1.1**	**5.0**	**4.1**
MSCI Emerging Markets*	453	418	3.3	3.6	7.3	7.8
Global Small Cap Equities	**115**	**109**	**1.4**	**3.0**	**3.0**	**3.2**
MSCI Small Cap World*	234	207	2.9	3.2	5.0	5.9
PAB Passive Global Equities	**102**	**79**	**0.9**	**0.6**	**1.7**	**3.4**
FTSE Dev World TR UKPD*	194	168	2.7	3.1	7.7	9.4
PAB Passive Global Equities (Hedged)	**102**	**79**	**0.9**	**0.6**	**1.7**	**3.4**
CTB Passive Global Equities	**145**	**117**	**2.7**	**1.6**	**4.9**	**6.2**
CTB Passive Global Equities (Hedged)	**145**	**117**	**2.7**	**1.6**	**4.9**	**6.2**
FTSE Dev World TR UKPD*	194	168	2.7	3.1	7.7	9.4
Passive Developed Equities	**193**	**169**	**2.6**	**2.7**	**7.6**	**9.4**
Passive Developed Equities (Hedged)	**193**	**169**	**2.6**	**2.7**	**7.6**	**9.4**
Passive UK Equities	**158**	**151**	**3.6**	**5.1**	**21.3**	**19.2**
Passive Smart Beta	**329**	**308**	**3.2**	**2.9**	**7.8**	**12.6**
Passive Smart Beta (Hedged)	**329**	**308**	**3.2**	**2.9**	**7.8**	**12.6**

*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/

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Global High Alpha Equities	17.9%	15.4%	17.1%	13.8%
UK Active Equities	12.3%	13.5%	13.9%	12.7%
Emerging Markets Equities	7.1%	14.9%	8.3%	14.2%
Passive Developed Equities	16.7%	13.7%	16.8%	13.7%
Passive Developed Equities (Hedged)	16.1%	17.1%	16.2%	17.1%
Passive UK Equities	14.0%	12.7%	13.8%	12.7%
Passive Smart Beta	16.2%	11.8%	15.7%	11.8%
Passive Smart Beta (Hedged)	15.7%	15.2%	15.1%	15.2%
Private Equity Cycle 1	18.4%	14.1%	16.0%	13.0%
Secured Income Cycle 1	1.2%	5.4%	5.9%	2.1%

Since portfolio inception

Risk and return summary

Legacy manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Aberdeen Standard	10.6%	17.2%	13.8%	12.7%
Cash	0.0%	-	-	-
CBRE	2.7%	11.1%	1.3%	9.5%
Harbourvest	22.8%	23.2%	13.8%	12.7%
Hermes	4.0%	7.7%	10.0%	0.1%
IFM	13.8%	8.8%	10.0%	0.1%
Insight	6.2%	15.5%	6.4%	15.4%
Royal London	-3.0%	11.5%	-5.0%	12.7%
Dorset County Pension Fund	9.1%	8.6%	9.3%	7.7%

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 (57.42%)			**2,019.61**									
Global High Alpha Equities	MSCI World	+2-3%	269.88	7.1%	2.1%	0.4%	0.9%	17.9%	0.8%	12.0%	2.2%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	347.68	5.5%	0.9%	-1.3%	-0.3%	-	-	4.2%	-2.3%	01 Dec 2020
UK Active Equities	FTSE All Share ex Inv Tr	+2%	184.87	2.3%	-1.1%	2.3%	-1.6%	12.3%	-1.6%	4.3%	-1.3%	21 Nov 2018
Emerging Markets Equities	MSCI Emerging Markets	+2-3%	142.25	2.4%	1.2%	-5.1%	-0.7%	7.1%	-1.3%	0.4%	-1.8%	09 Oct 2019
Global Small Cap Equities	MSCI Small Cap World	+2%	225.50	5.0%	3.4%	-2.9%	0.1%	-	-	0.3%	-1.0%	03 Mar 2021
PAB Passive Global Equities	FTSE Dev World PAB	Match	54.26	6.7%	-	-	-	-	-	3.0%	-0.2%	23 Nov 2022
PAB Passive Global Equities (Hedged)	FTSE Dev World PAB	Match	54.36	9.2%	-	-	-	-	-	4.5%	-0.2%	15 Dec 2022
CTB Passive Global Equities	FTSE Dev World CTB	Match	54.31	6.5%	-	-	-	-	-	5.2%	-0.1%	15 Dec 2022
CTB Passive Global Equities (Hedged)	FTSE Dev World CTB	Match	54.27	9.0%	-	-	-	-	-	4.3%	-0.2%	15 Dec 2022
Passive Developed Equities	FTSE Developed	Match	102.49	4.8%	-	-0.6%	-0.1%	16.7%	-0.1%	8.7%	-0.1%	24 Jan 2020
Passive Developed Equities (Hedged)	FTSE Developed	Match	97.38	7.4%	-	-6.2%	-0.1%	16.1%	-0.1%	7.2%	-0.2%	31 Jan 2020
Passive UK Equities	FTSE All Share	Match	125.12	3.1%	-	3.0%	0.1%	14.0%	0.2%	3.3%	0.1%	11 Jul 2018
Passive Smart Beta	SciBeta Multifactor Composite	+0.5-1%	159.41	1.4%	0.1%	2.2%	0.5%	16.2%	0.5%	8.1%	0.3%	25 Jul 2018
Passive Smart Beta (Hedged)	SciBeta Multifactor Hedged Composite	+0.5-1%	147.85	3.9%	0.2%	-3.5%	0.6%	15.7%	0.6%	6.5%	0.2%	25 Jul 2018

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
Fixed income (8.57%)			**301.34**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	232.45	2.7%	0.8%	-3.4%	-9.8%	-	-	-2.7%	-8.1%	01 Jun 2021
Sterling Corporate Bonds	iBoxx Sterling Non Gilt x	+1%	68.89	2.7%	0.3%	-	-	-	-	0.6%	-0.4%	14 Dec 2022
Private markets (incl. property) (3.18%)			**111.70**									
Private Equity Cycle 1	MSCI ACWI	+3%	45.66	-3.3%	-7.8%	13.7%	14.6%	19.8%	3.8%	19.5%	8.9%	26 Mar 2019
Private Equity Cycle 3	MSCI ACWI	+3%	-	-	-4.5%	-	-	-	-	-	-2.4%	30 Nov 2022
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	9.70	-0.9%	-2.2%	-	-	-	-	-3.2%	-7.3%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	56.34	-1.6%	-2.9%	-12.1%	-22.2%	-0.1%	-6.0%	-0.2%	-4.7%	15 Jan 2019
Other (6.72%)			**236.50**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	236.50	0.1%	-1.6%	-2.9%	-8.2%	-	-	1.9%	-2.0%	31 Jul 2020
Total Brunel assets (excl. cash) (75.89%)			**2,669.15**									

*Since initial investment

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
Fixed income (4.55%)			**160.20**							
Royal London	160.20	3.0%	-0.1%	-13.9%	1.3%	-3.0%	2.0%	6.0%	0.6%	01 Jul 2007
Private markets (incl. property) (17.17%)			**604.02**							
CBRE	264.88	2.6%	14.5%	-11.7%	-2.8%	2.7%	1.4%	6.7%	0.1%	01 Jan 2000
Aberdeen Standard	20.24	7.3%	4.2%	10.0%	7.1%	10.6%	-3.3%	5.3%	-0.5%	01 Jun 2006
Harbourvest	69.95	-3.9%	-7.0%	-2.6%	-5.5%	22.8%	9.0%	13.8%	8.3%	01 May 2006
Hermes	93.75	-4.1%	-6.5%	6.5%	-3.5%	4.0%	-6.0%	6.7%	-3.4%	01 Feb 2015
IFM	154.27	0.9%	-1.5%	16.4%	6.5%	13.8%	3.8%	14.2%	4.2%	01 Apr 2016
Brunel PM Cash	0.93	117.2%	117.2%	85.8%	85.8%	-	-	24.9%	-	01 Jun 2020
Other (1.94%)			**68.19**							
Insight	18.96	1.2%	-	-19.9%	-0.3%	6.2%	-0.1%	4.4%	0.5%	01 Jul 2012
Cash	49.23	-0.2%	-0.2%	0.7%	0.7%	-	-	0.4%	-	01 Jan 2009
Total legacy assets (excl. cash) (23.67%)	**832.41**									

*Since initial investment

Chief Investment Officer commentary

Listed Markets

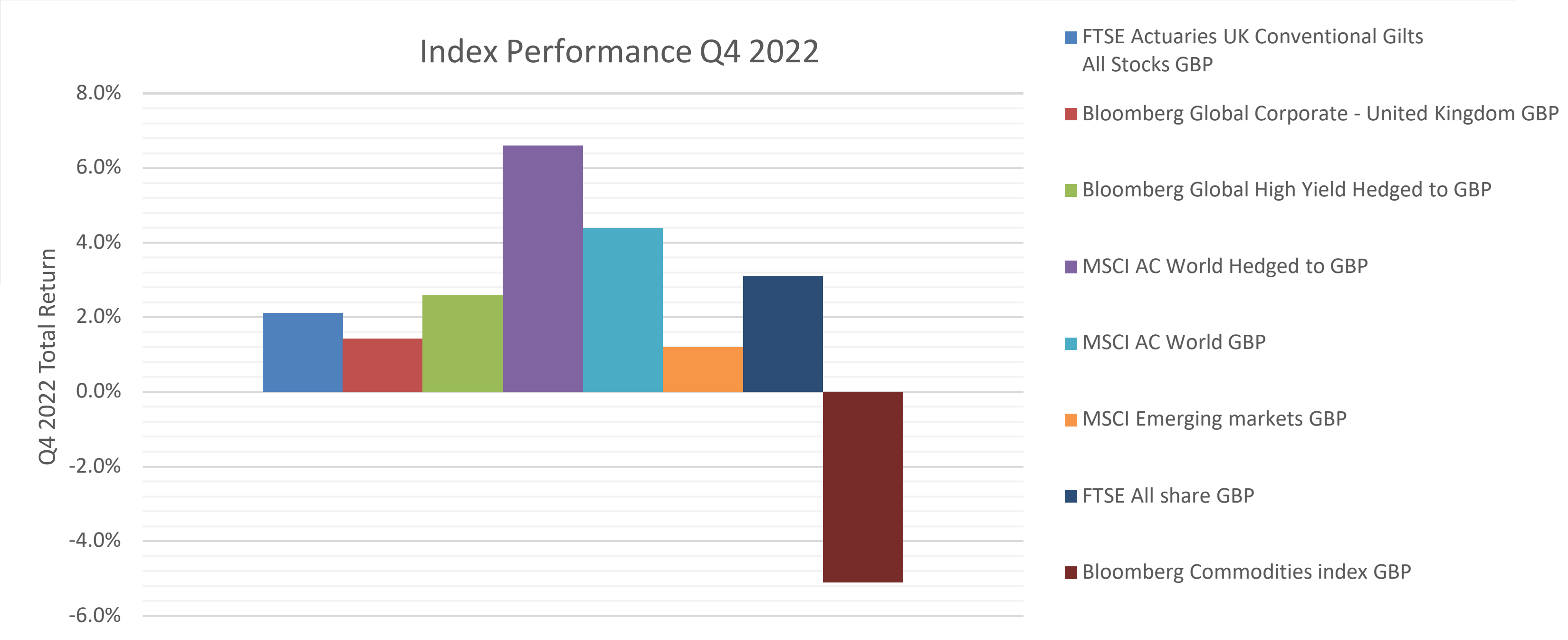
Source: Morningstar Direct, Morningstar Indexes. Data as of March 31, 2023.

Global equities started the year very strongly and by February, the market was such that predicted 12 month returns had already been achieved leaving commentators to ponder what next! What next was the collapse of Silicon Valley Bank (SVB) followed by an emergency takeover of Credit Suisse by UBS and fears of a sequel to the banking crisis of 2008. Understandably this led to a broad market sell off as volatility spiked. Interestingly it also led to a return of investors buying "safe haven" Government bonds which duly rallied. Perversely it was a large loss on government bonds held by SVB that sparked the rout in the first place. However, fears of a systemic crisis have abated following placatory measures by the Federal Reserve and data that indicated to the market that inflation was cooling. Markets eventually resumed their rise – albeit at a more muted pace.

As fears surrounded the smaller regional banks in the US (those deemed systemically unimportant) deposits fled in their trillions to the larger "too big to fail" banking franchises. In the US the regional banks have played a disproportionate role in lending and thus economic growth, their diminished role has certainly tightened the recessionary noose around the US economy, as has the resultant tightening of lending standards. In a similar way we are also seeing this in the UK as lots of the smaller banks are withdrawing from the mortgage market, pushing lending costs higher. It has been estimated that the effect could be as much as 1% in equivalent interest rates rises.

Within equity markets, emerging markets posted positive returns but were a laggard. Chinese shares originally still buoyed by the reopening sentiment soured as US-China tensions ratcheted up following the shooting of a Chinese high-altitude balloon in US airspace. The European stock market was the best performing market led by information technology and consumer discretionary sectors. Indeed, this pattern was evident in all developed markets with Growth and Quality stocks significantly outperforming Value stocks -namely the banking and commodity sectors. Large caps also outperformed small caps.

Chief Investment Officer commentary



This was a broadly supportive backdrop for our active equity franchise; however, it is worthy of note that within the US the majority of the gains were driven by only 5% of companies; namely the large cap growth stocks. This is not where we are typically positioned. Also, such a concentration of gains is a very unhealthy state of affairs and masks broader weakness.

Elsewhere there has been something for everyone in the recent economic data. The inflationist camp saw the unemployment rate fall to 3.5%, almost at an all-time record low, whilst those looking for evidence that inflation is moderating saw lower payroll growth and a fall in job openings. Inflation is stalling, as headline CPI rose only 0.1% in March after a 0.4% rise in the previous period. To put it into perspective, the US Federal Reserve is looking for unemployment to rise to 4.5% as a signal that rate rises are having the desired cooling effect.

Chief Investment Officer commentary

Private Markets

These themes and others where dominant in private markets. SVB had been the biggest provider of capital to private equity and VC and its demise will certainly have ramifications for funding, where deal flow was already slowing due to higher rates, inflation, and economic uncertainty. Most directly it has impacted the issuance of Private debt, which is a significant tool used by the Private equity industry. Net asset values across private markets are gradually, beginning to reflect the worst of 2022 and have remained (outside of property) quite resilient.

SVB highlights that 2023 will be, as we have written before, the year when the economic effects of significantly higher rates begin to bite, sometimes in unintended and surprising ways. There is a lag to rising rates, but we are close to catching up. It is estimated that in the UK 1.4m mortgages need to be refinanced this year, and most of them currently have rates below 2%. With the average UK mortgage rate being 7.22% as of end of March 2023(1), spending will need to be reduced to fund this huge increase in housing costs, which will have a knock on to the broader economy. Corporate debt shares a similar dynamic. This is the dilemma that central banks face, but they also see high inflation and tight labour markets; can they land precisely, and stop, on the 4.5% unemployment number? It has to be a low probability outcome and so we should brace for further market turbulence this year.

Responsible Investment Update

Finally, we launched our climate policy and completed our climate stocktake, both can be seen on our website. The climate policy was an evolution of our current stance but has further “turned the screws” on what we expect of our managers and of the companies the partnership owns. For example, we have prioritised metrics relating to alignment and credibility of alignment over carbon intensity. An approach that gets to the heart of what Net Zero is trying to achieve, which is real world change. We have also stated targets to tackle debt and private markets with the same drive by which we have always targeted listed equity markets.

1 United Kingdom BBA Mortgage Rate - March 2023 Data - 1995-2022 Historical (tradingeconomics.com)

Global High Alpha Equities

Investment strategy & key drivers

High conviction, unconstrained global equity portfolio

Liquidity

Managed

Benchmark

MSCI World

Outperformance target

+2-3%

Total fund value

£4,006m

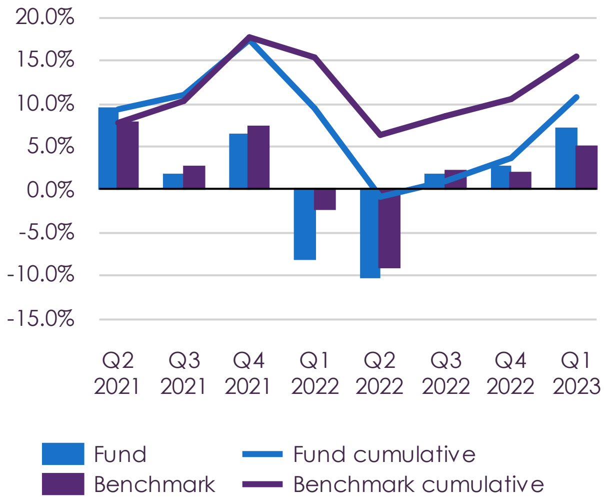
Risk profile

High

Dorset's Holding:

GBP270m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	7.1	0.4	12.7
Benchmark	4.9	-0.5	10.5
Excess	2.1	0.9	2.2

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

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 4.9% in GBP terms over the quarter. Strong economic news in January generated positive sentiment and allayed fears of recession before concerns about the banking sector in March shifted focus to the stability of the global financial system causing volatility in markets.

Style characteristics were again evident in the quarter with growth outperforming value, high quality outperforming low quality and large outperforming small. Once again, the largest names dominated the index performance – the six largest index holdings (Apple, Microsoft, Amazon, Alphabet, NVIDIA and Tesla) contributed c3.2% to index returns.

The portfolio returned 7.1% during the period, outperforming the benchmark by 2.1%. Sector allocation was positive as both the Fund's largest active sector positions added to relative performance (an overweight to Consumer Discretionary, the best performing sector, and an underweight to Energy the worst performing sector). Positive stock selection also contributed to relative returns with the strongest selection in Industrials with contributions across several names, this offset weaker selection in Consumer Discretionary in which an underweight to Tesla was the largest detractor.

Four of the five managers outperformed. RLAM's consistency continues to be in evidence, and they have outperformed in 11 out of 13 full quarters since inception in very volatile and differentiated market environments. Baillie Gifford were the strongest performing manager this quarter, benefitting from the growth driven environment. Sector attribution showed selection within IT as the main driver. An overweight holding in NVIDIA which returned 85% contributed circa 3% to Baillie Gifford's relative return. AB underperformed this quarter by 3%, following outperformance last quarter. The majority of underperformance occurred in March. An overweight holding in Charles Schwab was particularly painful costing circa 2.2% in relative return, as the company's banking operation was caught up in concerns about falling client deposits and paper losses in the bank's bond portfolio. In addition, not owning big tech names (Apple, NVIDIA, Tesla and Meta) cost AB close to 2.4% in relative return.

Since inception the portfolio is outperforming the benchmark by 2.2% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	5.37	3.82	14,503,966
AMAZON.COM INC	3.04	1.77	8,193,884
ALPHABET INC	2.63	2.23	7,105,208
MASTERCARD INC	2.57	0.58	6,938,988
UNITEDHEALTH GROUP INC	2.01	0.83	5,428,216

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MASTERCARD INC	2.57	0.58
TAIWAN SEMICONDUCTOR	1.86	-
MICROSOFT CORP	5.37	3.82
HDFC BANK LTD	1.34	-
MOODY'S CORP	1.43	0.09

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	0.71	4.91
META PLATFORMS INC	-	0.89
EXXON MOBIL CORP	-	0.85
JPMORGAN CHASE & CO	-	0.72
PROCTER & GAMBLE CO/THE	-	0.66

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
AMAZON.COM INC	30.28	30.28
MICROSOFT CORP	15.24	15.00
ALPHABET INC-CL A	24.14	24.60
NESTLE SA-REG	24.13	27.37
MASTERCARD INC - A	16.98	17.02

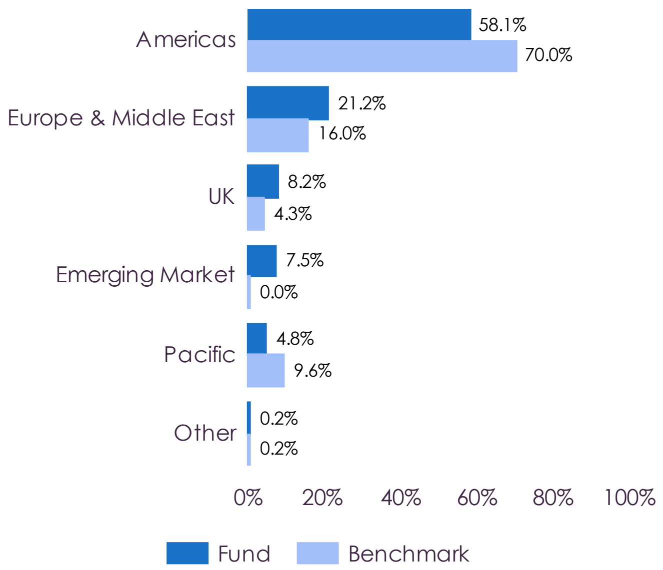
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

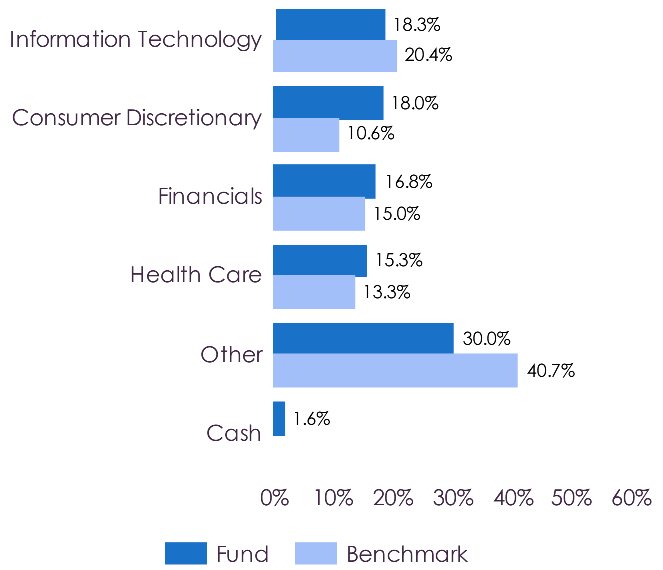
Portfolio	WACI		Extractives revenues¹		Extractives reserves²	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Global High Alpha	89	82	1.29	1.19	3.32	3.60
MSCI World*	193	166	2.81	3.26	7.83	9.22

*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

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

Liquidity
Managed

Benchmark
MSCI ACWI

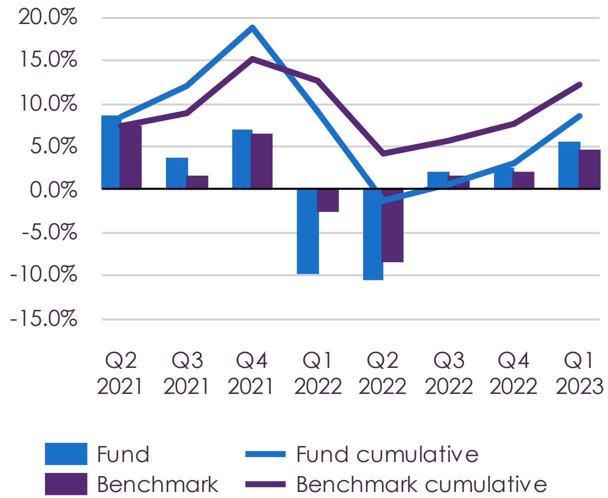
Outperformance target
+2%

Total fund value
£3,321m

Risk profile
High

Dorset's Holding:
GBP348m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	5.5	-1.3	5.8
Benchmark	4.5	-0.9	9.0
Excess	0.9	-0.3	-3.3

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

Performance commentary

The fund returned 5.5% over the quarter, a relative outperformance of 1% against the MSCI ACWI. The fund is relatively flat over the 1-year period, returning -0.9% on a gross basis, in line with the MSCI ACWI.

Over the quarter there was a notable disparity in returns between the Growth style of investing and the Value style of investing. If we use Dividend Yield as a proxy for Growth and Value, the top performing Growth decile returned 14.4%, whilst the top Value decile returned 1.2%. Growth outperformed Value consistently throughout the quarter.

There was a notable outperformance of Growth during a recovery period through January and again during the second half of March as the market began to price in an expected reduction in the FED's interest rate rises. As discussed in the CIO commentary, the expected reduction in interest rate rises was a consequence of cooling inflation data and financial sector volatility.

The fund has positive exposure to the Growth style and a notable under exposure to the Value parts of the market, this contributed to the quarterly outperformance. On a sector basis, the overweight positioning in the IT sector, notably the Software sub sector, contributed to most of the outperformance. However, the fund also has notable underweight positions in both the Energy and Financials sectors, both which significantly underperformed the broader MSCI ACWI.

Given the CIO commentary, it should be noted that the fund itself does have minimal exposure to the overall Bank sector, a 5% underweight position (although a part of the fund's bank exposure) is to the regional bank sub sector. Unfortunately, the only two positions in regional banks within the fund were in SVB, which is now effectively valued at 0, and First Republic, which suffered an 80% loss. These 2 positions, through 2 different managers, cost the fund around 70bps in absolute performance. However, due to fund 's underweight position in Banks, the sector had very little impact on relative performance and the fund's positioning in the broader Financials sector contributed positively to relative performance.

All 5 managers were able to demonstrate diversified sources of absolute positive performance over the quarter. Ownership & Nordea notably Outperforming the ACWI.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	2.57	3.40	8,920,688
MASTERCARD INC	2.51	0.52	8,727,206
ANSYS INC	2.43	0.05	8,453,826
MARKETAXESS HOLDINGS INC	2.30	0.02	7,984,322
ADYEN NV	2.09	0.06	7,251,347

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
ANSYS INC	2.43	0.05
MARKETAXESS HOLDINGS INC	2.30	0.02
ADYEN NV	2.09	0.06
MASTERCARD INC	2.51	0.52
INTUIT INC	1.79	0.20

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	4.37
ALPHABET INC	0.85	1.98
TESLA INC	-	0.93
MICROSOFT CORP	2.57	3.40
META PLATFORMS INC	-	0.79

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2022	Q1 2023
MASTERCARD INC - A	16.98	17.02
MICROSOFT CORP	15.24	15.00
MARKETAXESS HOLDINGS INC	16.07	16.07
FORTIVE CORP	35.01	34.76
ADYEN NV	16.41	16.23

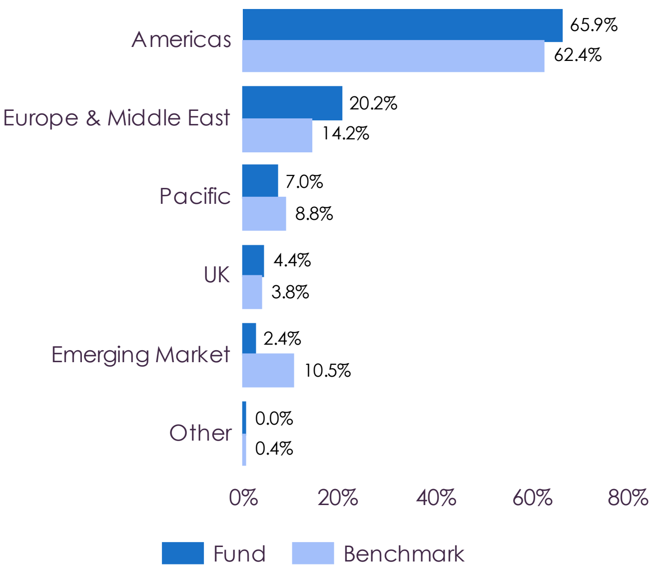
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

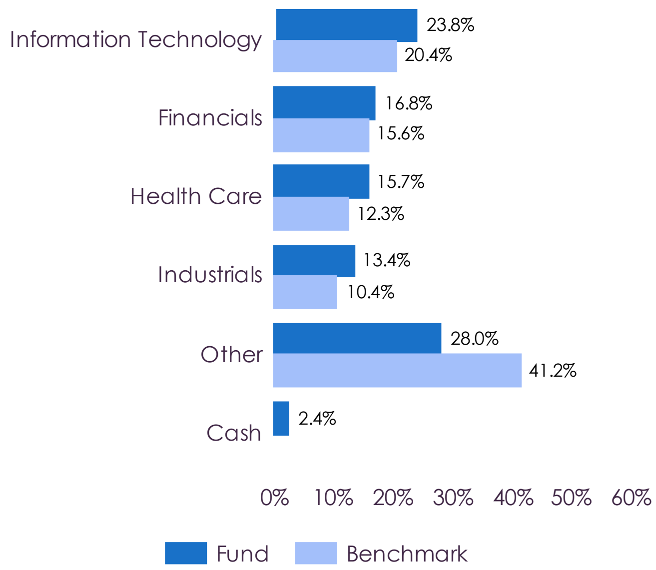
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Global Sustainable	152	140	2.65	2.64	3.13	5.64
MSCI ACWI*	222	193	2.82	3.27	7.76	9.06

*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

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

Liquidity
Managed

Benchmark
FTSE All Share ex Inv Tr

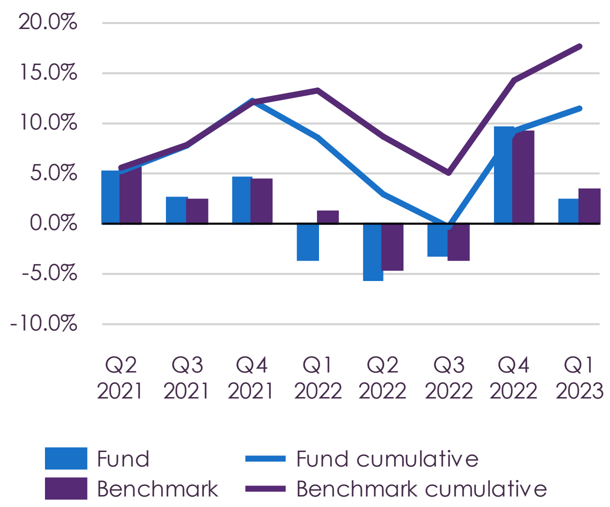
Outperformance target
+2%

Total fund value
£1,356m

Risk profile
High

Dorset's Holding:
GBP185m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	2.3	2.3	4.2
Benchmark	3.4	3.9	5.6
Excess	-1.1	-1.6	-1.4

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

Performance commentary

The FTSE All-Share Index, excluding Investment Trusts, returned 3.4% over the quarter, underperforming the developed market index (MSCI World). Partly explained by the UK's under-exposure to large global growth tech names that performed so well across the quarter. Underperformance of the quality factor in the UK was notable (considering it broadly outperformed in the US, Europe and Asia), as the banking crisis drove investors into stocks less vulnerable to the possible economic consequences. In the UK the higher quality debt driven signals did not perform as strongly as they did globally.

The portfolio returned 2.3% during the period, underperforming the benchmark by 1.1%. Attribution analysis shows positive contribution from allocation unable to fully offset negative effects from selection. The positive impact of overweight allocations to Industrials and Consumer Discretionary were the largest allocation effects. Poor selection in Financials and Industrials were the largest contributors to negative selection. Within Industrials, the overweight position in Inchcape (premium car importer and distributor) detracted following a negative market reaction (concerns about the execution risks linked to an acquisition and uncertainty around the outlook for consumer discretionary spending on luxury cars). Financials, the overweight holdings in Legal and General and Lancashire Holdings were the largest detractors. Both names were impacted by general concerns about the insurance sector and the negative impact of rising interest rates on the value of bond portfolios.

Baillie Gifford outperformed by 0.3% consolidating a strong outperformance last quarter. Positive allocation impact arising from overweights to Consumer Discretionary and Industrials sectors more than offset negative impact from selection. Baillie Gifford also benefited from its underweight position in the largest companies in the index as they underperformed the broad index.

Invesco underperformed the index by 2% this quarter. Unusually, all three of the factors targeted by Invesco detracted (Value, Momentum and Quality). In particular, the Value factor underperformed as the fear of a banking crisis drove investors out of attractively valued stocks.

From inception to quarter-end, the portfolio underperformed the benchmark by 1.4% per annum.

UK Active Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
ASTRAZENECA PLC	6.34	7.55	11,727,159
UNILEVER PLC	5.17	4.84	9,557,181
SHELL PLC	3.93	7.46	7,257,149
HSBC HOLDINGS PLC	3.18	5.03	5,885,856
BP PLC	3.10	4.16	5,736,464

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
BUNZL PLC	2.20	0.47
LEGAL & GENERAL GROUP PLC	2.26	0.64
BURBERRY GROUP PLC	2.04	0.45
HOWDEN JOINERY GROUP PLC	1.54	0.17
BAILLIE GIFFORD UK & BALANCED	1.31	-

Top 5 active underweights

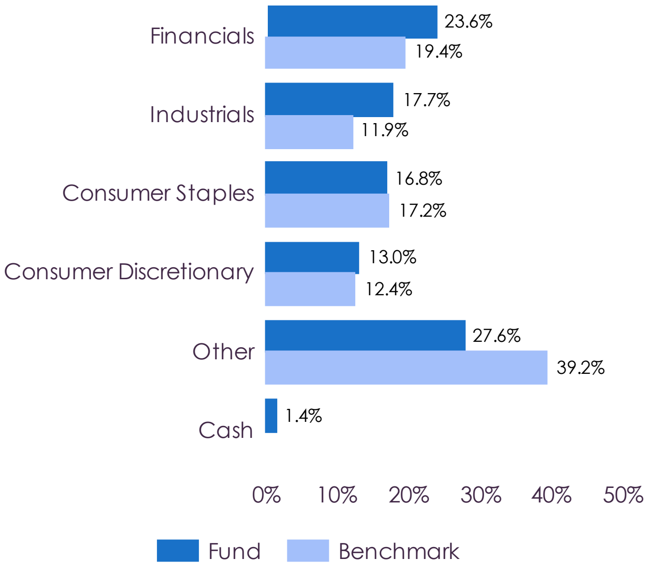
	Weight %	Benchmark weight %
SHELL PLC	3.93	7.46
HSBC HOLDINGS PLC	3.18	5.03
GSK PLC	0.76	2.60
NATIONAL GRID PLC	-	1.82
RECKITT BENCKISER GROUP PLC	0.48	2.00

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
SHELL PLC	37.65	37.65
ASTRAZENECA PLC	22.21	22.47
UNILEVER PLC	23.98	24.12
BP PLC	32.67	33.81
RIO TINTO PLC	30.68	30.68

*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.

Sector exposure



Carbon metrics

Portfolio	WACI 2022 Q4	WACI 2023 Q1	Extractives revenues¹ 2022 Q4	Extractives revenues¹ 2023 Q1	Extractives reserves² 2022 Q4	Extractives reserves² 2023 Q1
UK Active Equities	93	84	3.48	5.02	15.89	11.30
FTSE All Share ex Inv	160	152	4.95	6.28	21.71	19.50

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

Emerging Markets Equities

Investment strategy & key drivers
Equity exposure to emerging markets

Liquidity
Managed

Benchmark
MSCI Emerging Markets

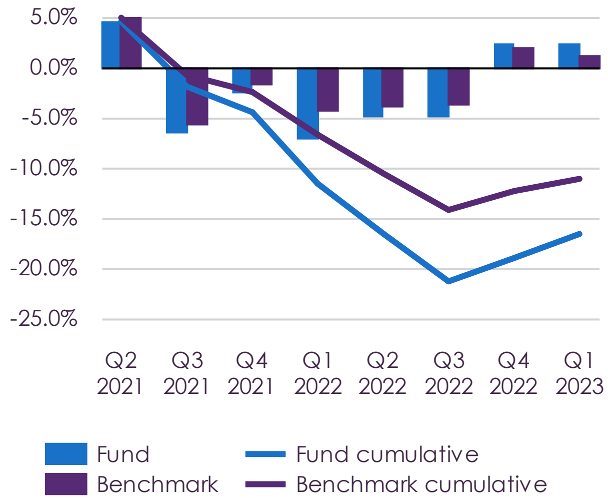
Outperformance target
+2-3%

Total fund value
£1,088m

Risk profile
High

Dorset's Holding:
GBP142m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	2.4	-5.2	-0.4
Benchmark	1.2	-4.5	1.4
Excess	1.2	-0.7	-1.7

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

Performance commentary

Emerging markets experienced a rollercoaster start to 2023. The year started with optimism around the Chinese economy reopening and gathering steam; however, this soon dissipated as geopolitics and banking fears tipped emerging markets into negative territory by mid-March. Only a very late rally, fuelled by the US support for domestic banks, pushed emerging market equities back into positive territory. Returns over the period – proxied by MSCI Emerging Markets Index - were +1.2% in GBP terms.

The portfolio had another positive quarter, returning +121bps over the benchmark on a net of fees basis. This was mixed at manager level. Genesis, Wellington & Ninety-One had gross relative returns of +170bps, +47bps and +163bps respectively. Genesis benefitted from country allocation because of India and the Middle East significantly underperforming. Ninety-One showed strong selection skill in Taiwan, particularly in Semiconductors. Wellington lagged the other managers due to poorer selection, particularly in China and Korea.

Mercadolibre – a LatAm focussed e-commerce platform - was the standout performer at a stock level, returning approximately +51%. Price appreciation was driven by belief that the company would gain further market share. On the negative side, Hapvida – a Brazilian hospital and clinic operator – fell approximately -48% over the quarter due to disappointing 4th quarter earnings and increased investor concerns over cash conversion and debt management.

Styles exhibited dispersion during the quarter. Deep Value and Quality Value outperformed the main market by approximately +2-3%. The Defensive style was by far the weakest, underperforming the broader market by almost -6%. Ultimately, these investment styles didn't impact relative performance.

Looking forward there are still many reasons to be positive about emerging markets. Firstly, the banking crisis in Europe and the US should not have a significant impact given the lack of contagion and the fact that emerging banks are well versed in handing turmoil. Secondly, valuations are still very attractive in both absolute terms and vs developed markets. Finally, emerging markets are much further through the tightening cycle vs their developed peers, allowing them more room to manoeuvre in the near term.

Emerging Markets Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
TAIWAN SEMICONDUCTOR	7.60	6.58	10,808,683
TENCENT HOLDINGS LTD	4.69	4.67	6,671,521
SAMSUNG ELECTRONICS CO LTD	4.24	4.10	6,030,065
ALIBABA GROUP HOLDING LTD	2.96	2.89	4,211,629
AIA GROUP LTD	2.31	-	3,280,554

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
AIA GROUP LTD	2.31	-
HDFC BANK LTD	1.31	-
ISHARES CORE MSCI EM IMI UCITS	1.04	-
TAIWAN SEMICONDUCTOR	7.60	6.58
NASPERS LTD	1.63	0.62

Top 5 active underweights

	Weight %	Benchmark weight %
RELIANCE INDUSTRIES LTD	0.57	1.32
CHINA CONSTRUCTION BANK CORP	0.23	0.96
BAIDU INC	-	0.64
AL RAJHI BANK	-	0.59
PETROLEO BRASILEIRO SA	0.13	0.63

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
TAIWAN SEMICONDUCTOR	13.62	13.62
TENCENT HOLDINGS LTD	22.18	21.76
SAMSUNG ELECTRONICS CO LTD	19.59	19.53
ALIBABA GROUP HOLDING LTD	26.36	26.36
HDFC BANK LTD-ADR	31.45	30.92

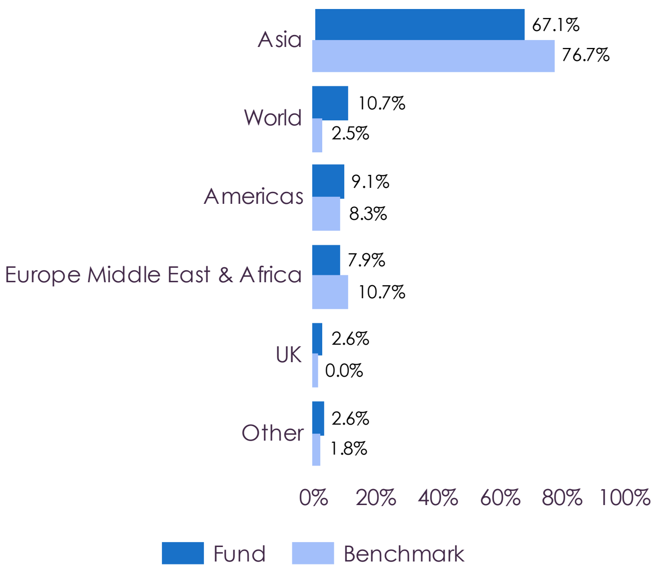
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

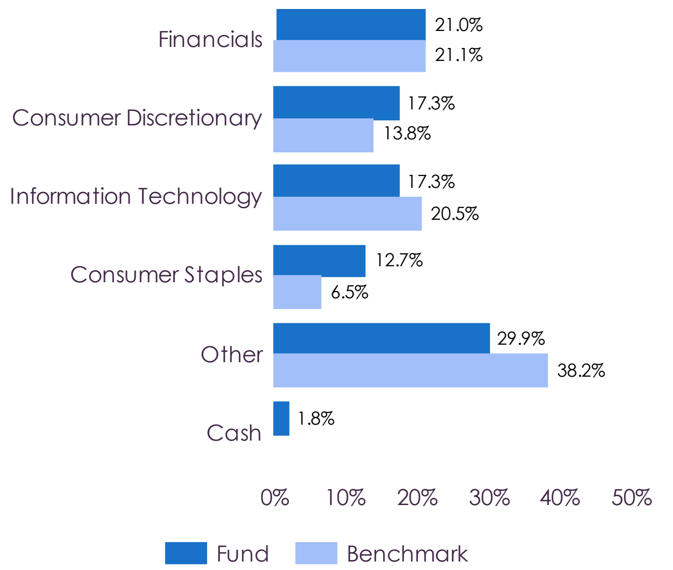
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Emerging Markets	196	186	0.81	1.05	5.03	4.06
MSCI Emerging	453	418	3.29	3.61	7.26	7.78

*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 Small Cap Equities

Investment strategy & key drivers

Global equity exposure to smaller capitalisation companies

Liquidity

Managed

Benchmark

MSCI Small Cap World

Outperformance target

+2%

Total fund value

£897m

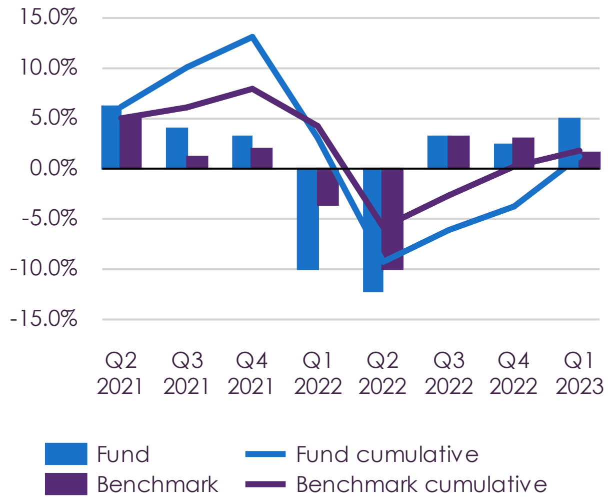
Risk profile

High

Dorset's Holding:

GBP225m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	5.0	-2.8	8.2
Benchmark	1.6	-3.0	9.9
Excess	3.4	0.2	-1.6

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

Performance commentary

In Q1 2023 the global small cap market, proxied by the MSCI World Small Cap index, delivered positive returns. Small cap equities rallied in January on speculation that global central banks would soon end interest rate hikes. These hopes faded in February as relatively strong economic data renewed inflation fears. Concerns about the banking system led to increased volatility in March, however a quick response from regulators helped to calm markets by the end of the quarter.

The Global Small Cap Equity Fund returned 5.0% over the quarter, outperforming the benchmark by 3.4%. The portfolio's outperformance was driven by strong stock selection in the Technology sector. There was also a positive impact from the portfolio's overweight allocation to Technology, which outperformed other sectors over Q1.

In terms of individual manager performance, American Century returned 3.7% over the quarter, outperforming the benchmark by 2.1%. Stock selection in Technology, notably in software and semiconductor holdings, was a key contributor.

Kempen returned 5.8% in absolute terms, outperforming the benchmark by 4.2%. Kempen's outperformance was driven by positive stock selection in Technology and Industrials sectors. The overweight allocation to the Technology sector also contributed to relative returns.

Montanaro returned 6.3% over the quarter, outperforming the benchmark by 4.7%. Montanaro's stock selection in the Consumer Discretionary sector was the largest contributor to relative returns. The underweight exposure to Financials and overweight to Technology also contributed to relative returns.

Fortnox, the Swedish provider of cloud accounting software, was the largest stock contributor to performance over Q1. The company benefitted from implementing price increases across all its products, positively impacting the bottom line.

We expect continued volatility over the coming period, as markets grapple with the outlook for inflation, interest rate expectations and potential recession. Following the banking sector turmoil in March, the sector may face heightened competition, increasing funding costs and decreasing profitability. As banks become more selective lenders, this could lead to potential funding issues for smaller companies. It is worth nothing, however, that the portfolio's debt ratios are more attractive than the benchmark, given the portfolio's overall bias towards Quality companies.

Global Small Cap Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
JABIL INC	1.59	0.18	3,585,219
FORTNOX AB	1.27	0.05	2,855,087
PRO MEDICUS LTD	1.16	0.03	2,607,223
THERMON GROUP HOLDINGS	1.14	0.01	2,570,129
MTU AERO ENGINES AG	1.13	-	2,547,759

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
JABIL INC	1.59	0.18
FORTNOX AB	1.27	0.05
MTU AERO ENGINES AG	1.13	-
4IMPRINT GROUP PLC	1.13	-
THERMON GROUP HOLDINGS INC	1.14	0.01

Top 5 active underweights

	Weight %	Benchmark weight %
BUILDERS FIRSTSOURCE INC	-	0.19
DECKERS OUTDOOR CORP	-	0.18
FIVE BELOW INC	-	0.17
LIFE STORAGE INC	-	0.17
REXFORD INDUSTRIAL REALTY INC	-	0.16

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
FUJITEC CO LTD	36.04	29.88
MTU AERO ENGINES AG	27.80	27.69
SITIME CORP	-	39.88
THERMON GROUP HOLDINGS	23.70	23.70
FORTNOX AB	-	21.00

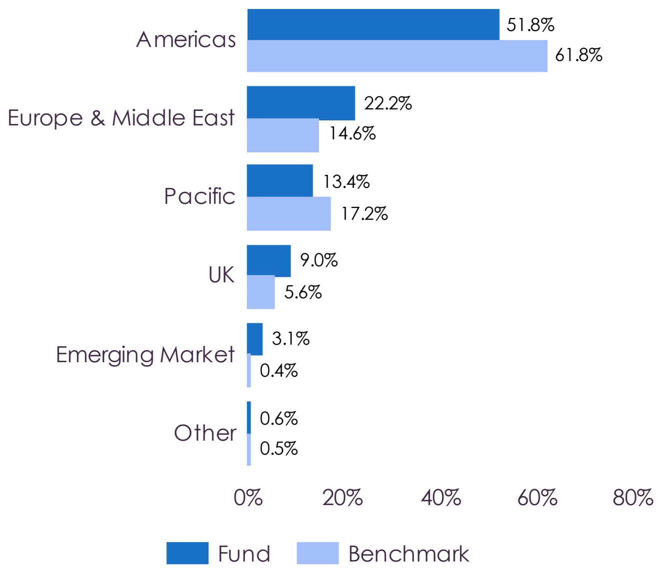
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

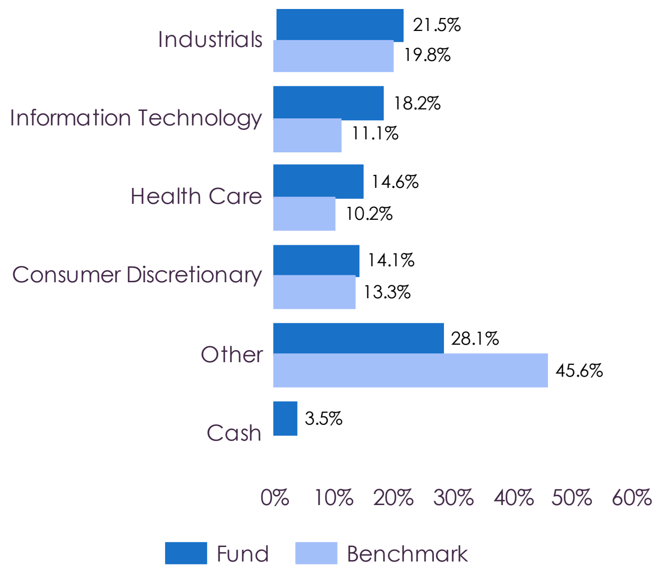
Portfolio	WACI 2022 Q4	WACI 2023 Q1	Extractives revenues[1] 2022 Q4	Extractives revenues[1] 2023 Q1	Extractives reserves[2] 2022 Q4	Extractives reserves[2] 2023 Q1
Global Small Cap	115	109	1.40	2.97	2.99	3.18
MSCI Small Cap	234	207	2.86	3.16	4.96	5.87

*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



Diversifying Returns Fund

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

Liquidity
Managed

Benchmark
SONIA +3%

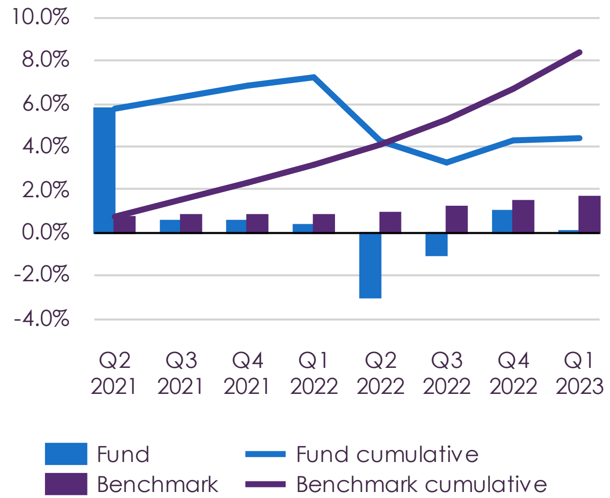
Outperformance target
0% to +2.0%

Total fund value
£1,373m

Risk profile
Moderate

Dorset's Holding:
GBP236m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	0.1	-2.8	1.9
Benchmark	1.7	5.3	4.0
Excess	-1.6	-8.2	-2.1

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

Performance commentary

The Diversifying Returns Fund returned 0.1% over the first quarter of 2023. The benchmark return was 1.7%. The portfolio returned -2.8% for the year ending 31st March 2023, underperforming the cash plus 3% benchmark which returned 5.3%. The sterling hedged 50/50 equity/bond index we monitor returned 4.8% over the quarter and -7.7% over one year.

Fulcrum lost 2.5% over the quarter. The positive contribution made by the strategic equities component of the strategy was more than offset by negative returns from fixed income, where Fulcrum were short interest rate, on the view that inflationary pressures have been underestimated. Within the relative value bucket, volatility strategies detracted from performance.

JPM returned -0.8% for the quarter. The biggest detractor from returns was the fixed income trend signal which was positioned short rates as yields came in over the period. Equity value and quality signals also detracted from returns while fixed income carry and value signals made a positive contribution to returns.

Lombard Odier recorded a positive return of 2.7%. Positioning in developed market equities and sovereign bonds were the largest positive contributors. The structure of the fund, investing largely through derivatives, was also beneficial with interest earned on cash making an 80bps contribution to quarterly performance. All asset class exposures, except for long volatility, made a positive contribution to returns.

UBS returned -0.25% over the three-month period. The long position in the Norwegian Kroner weighed on performance as oil prices continued to retreat and the Norges Bank maintained a lower policy rate than the ECB. The long position in the Japanese Yen also made a negative contribution to returns as Bank of Japan guidance remained dovish. Short positions in the US and New Zealand dollar made a positive contribution to returns, along with long positions in the Brazilian Real and Columbian and Chilean Peso.

Multi-Asset Credit

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

Liquidity
Managed

Benchmark
SONIA +4%

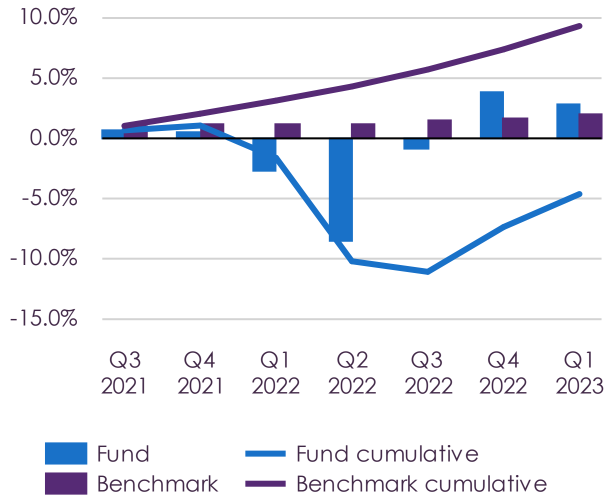
Outperformance target
0% to +1.0%

Total fund value
£2,599m

Risk profile
Moderate

Dorset's Holding:
GBP232m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	2.7	-3.4	-3.0
Benchmark	1.9	6.3	5.5
Excess	0.8	-9.8	-8.4

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

Performance commentary

Sub-investment grade credit endured a challenging start to 2023. The past quarter was filled with exceptionally high levels of volatility, which impacted both rates and credit spreads.

The quarter began with an aggressive rally as investors bet on peak inflation. This soon changed as US data releases - mentioned in the CIO Commentary - on payrolls and inflation implied that the economy was not slowing. The collapse of Silicon Valley Bank in March caused a U-turn in credit markets. Creating a risk off environment, where government yields fell and credit spreads rose simultaneously.

The banking fears ultimately resulted in Credit Suisse being forced to merge with UBS. As part of the merger terms, FINMA – the regulation authority in Switzerland - forced 100% losses on the AT1 bonds whilst preserving some value in equity capital. This subsequently caused the entire AT1 market to reprice, as investors expressed doubt that AT1 bonds across Europe would remain higher in the capital structure.

Miraculously, most asset classes within sub-IG credit ended the quarter in positive territory. High yield bonds – proxied by the Bloomberg Global High Yield Index – returned +2.6% on a GBP hedged basis. Loans, proxied by the Morningstar LSTA US Leveraged Loan Index, also made a positive return of +2.6% in GBP hedged terms. The only clear laggard was Bank Capital, which fell approximately -6% over the quarter in local terms; this was down as much as -12.5% intra-quarter.

The MAC portfolio returned +2.7% over the quarter. This was ahead of the SONIA+4% cash benchmark and composite benchmark, which returned +1.9% and +2.6% respectively.

The underlying managers had very different experiences, mostly driven by their exposures to Bank Capital. Oaktree – who have no Bank Capital - were the standout performer, returning +353bps. CQS – who hold almost 20% in Bank Capital - were the weakest performer, returning +212bps. CQS lost over -100bps in performance from owning a Credit Suisse AT1 instrument alone. Neuberger Berman have a modest exposure to bank capital and returned +281bps.

The medium to longer term outlook in credit remains unchanged from a pricing standpoint. The portfolio now yields an attractive 9% on a yield to worst basis. However, Q1 2023 brutally reminded investors that default risks are here to stay and that managers should remain vigilant when assessing issuers.

Sterling Corporate Bonds

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

£2,017m

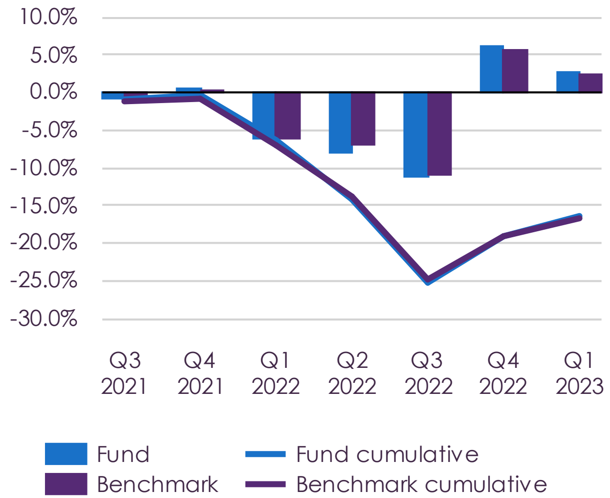
Risk profile

Moderate

Dorset's Holding:

GBP69m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	2.7	-10.7	-9.7
Benchmark	2.4	-10.2	-9.8
Excess	0.3	-0.5	0.1

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

Performance commentary

Stronger than expected economic data early in the year suggested most major economies would avoid a recession, but the banking sector turbulence at the end of the period reignited growth fears. It was expected that the banking sector would respond by lending more cautiously and hence tightening credit conditions. The Bank of England (BoE) raised rates twice over Q1, with rates ending the quarter at 4.25%.

The sterling investment grade credit market returned 2.4% over the quarter, boosted by the fall in gilt yields and additional carry from credit holdings, while credit spreads ended the quarter broadly unchanged.

Over the period, the Sterling Corporate Bonds portfolio returned 2.7% (net of fees), outperforming the benchmark.

The portfolio's outperformance over the quarter was primarily driven by positive sector allocation, with a positive contribution from the overweight exposure to the social housing and structured sectors. This was partially offset by overweight exposure to insurance. The modest overweight allocation to banks had a neutral impact overall, however, within banks the exposure to AT1 issues detracted from relative returns. It is worth noting that the portfolio had no exposure to subordinated debt issued by Credit Suisse, and the overall allocation to AT1s was relatively low at 2.3%.

Security selection detracted from relative performance. This mainly reflected security selection in banks and insurance, which outweighed positive security selection in consumer services and utilities.

In terms of credit rating bands, the most significant contribution to outperformance came from the overweight to BBB bonds and unrated bonds. The impact of duration was neutral and yield curve positioning was mildly positive.

In terms of outlook, RLAM expect that inflation has peaked. Driven by the view that energy prices will moderate, and weaker GDP growth will reduce the tightness of the labour market. Nonetheless, RLAM believe that UK interest rates are likely to rise slightly further as the BoE continues to focus on bringing inflation under control. While credit spreads remain at reasonably attractive levels, it is likely that higher rates will lead to a slowdown in the UK, impacting company earnings and leading to some increase in credit rating downgrades and default rates.

PAB Passive Global Equities

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

Liquidity
High

Benchmark
FTSE Dev World PAB

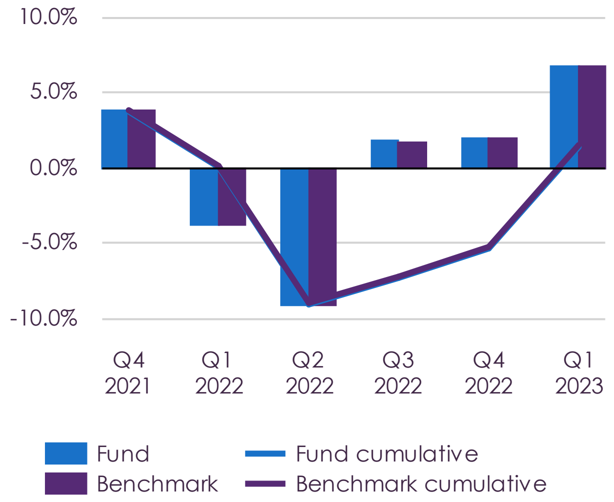
Outperformance target
Match

Total fund value
£1,620m

Risk profile
High

Dorset's Holding:
GBP54m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	6.7	0.7	0.4
Benchmark	6.8	0.7	0.5
Excess	-	-0.1	-0.1

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

Performance commentary

The FTSE Developed Paris Aligned index (PAB) began the year strongly, up 6.8% over Q1 2023. The PAB Passive Global Equities strategy closely replicated the benchmark's performance over this period.

Sector performance was varied over the quarter with three sectors doing particularly well: Communication Services, Consumer Discretionary and IT. These sectors were up by more than 10% over the quarter.

Large positions in US IT companies were strong drivers of performance, notably Apple, Microsoft, and NVIDIA, whilst Alphabet drove performance in the Communication Services sector.

Within Consumer Discretionary Amazon and Tesla were significant positive contributors to performance as these stocks rebounded strongly from a difficult Q4.

The Health Care and Financials sectors were the worst performing sectors over the period, with negative absolute performance.

The Energy sector was a further detractor for the market cap weighted index, and the worst performing sector in Q1 2023; however, the FTSE Developed Paris Aligned index (PAB) currently has no exposure to the Energy sector. This exposure combined with a limited allocation to the Financials sector proved positive for performance over Q1 2023.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	5.68	3,082,645
TESLA INC	5.60	3,040,934
MICROSOFT CORP	5.54	3,008,351
ALPHABET INC	4.96	2,691,061
AMAZON.COM INC	4.47	2,425,444

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	Q1 2023
TESLA INC	-	28.82
AMAZON.COM INC	30.28	30.28
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
ALPHABET INC-CL A	24.14	24.60

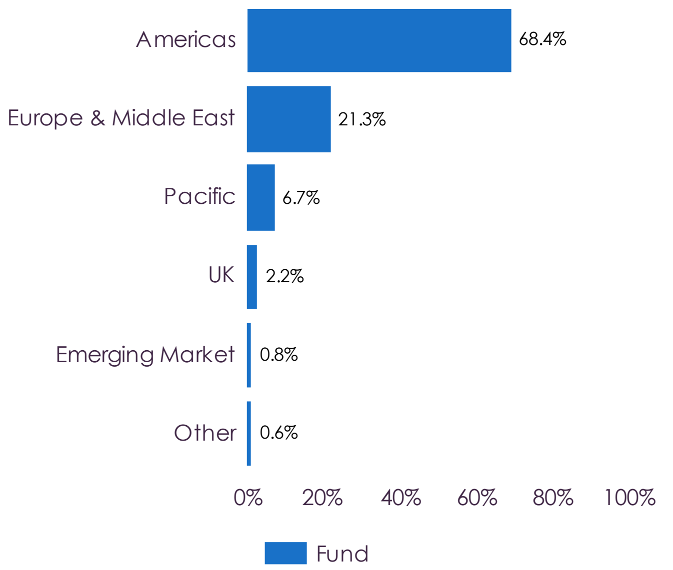
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

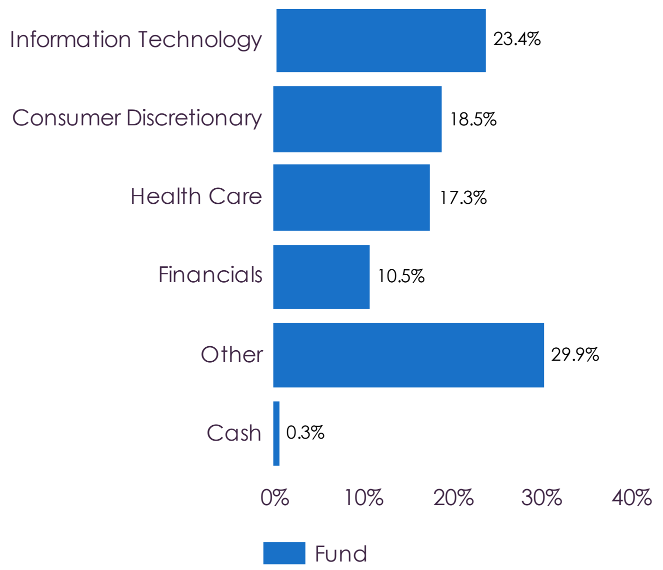
Portfolio	WACI 2022 Q4	WACI 2023 Q1	Extractives revenues[1] 2022 Q4	Extractives revenues[1] 2023 Q1	Extractives reserves[2] 2022 Q4	Extractives reserves[2] 2023 Q1
PAB Passive Global	102	79	0.91	0.61	1.68	3.42
FTSE Dev World TR	194	168	2.69	3.10	7.69	9.44

*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



PAB Passive Global Equities (Hedged)

Investment strategy & key drivers

Passive global equity exposure aligned to Paris Agreement climate goals - hedged

Liquidity

High

Benchmark

FTSE Dev World PAB

Outperformance target

Match

Total fund value

£797m

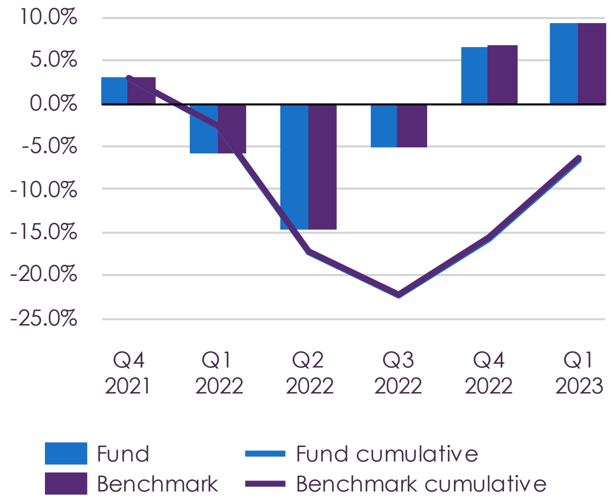
Risk profile

High

Dorset's Holding:

GBP54m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	9.2	-5.6	-5.9
Benchmark	9.2	-5.4	-5.8
Excess	-	-0.2	-0.2

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

Performance commentary

The FTSE Developed Paris Aligned index (PAB) began the year strongly, up 6.8% over the first quarter.

Sterling appreciated against a basket of developed market currencies over the period, up 1% against the Euro, 2.8% against the US Dollar and 3.7% against the Japanese Yen. Because of this currency appreciation the hedged product outperformed the unhedged product, returning 9.2% over Q1 2023. The PAB Passive Global Equities (Hedged) strategy closely replicated the benchmark's performance over the period.

Sector performance was varied over the quarter with three sectors doing particularly well: Communication Services, Consumer Discretionary and IT. These sectors were up by more than 10% over the quarter. Large positions in US IT companies were strong drivers of performance, notably Apple, Microsoft, and NVIDIA, whilst Alphabet drove performance in the Communication services sector. Within Consumer Discretionary Amazon and Tesla were significant positive contributors to performance as these stocks rebounded strongly from a difficult Q4.

The Health Care and Financials sectors were the worst performing sectors over the period, with negative absolute performance.

The Energy sector was a further detractor for the market cap weighted index, and the worst performing sector in Q1 2023. However, the FTSE Developed Paris Aligned index (PAB) currently has no exposure to the Energy sector. This exposure combined with a limited allocation to the Financials sector proved beneficial to the product's performance over Q1 2023.

PAB Passive Global Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	5.68	3,088,042
TESLA INC	5.60	3,046,259
MICROSOFT CORP	5.54	3,013,618
ALPHABET INC	4.96	2,695,773
AMAZON.COM INC	4.47	2,429,691

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
TESLA INC	-	28.82
AMAZON.COM INC	30.28	30.28
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
ALPHABET INC-CL A	24.14	24.60

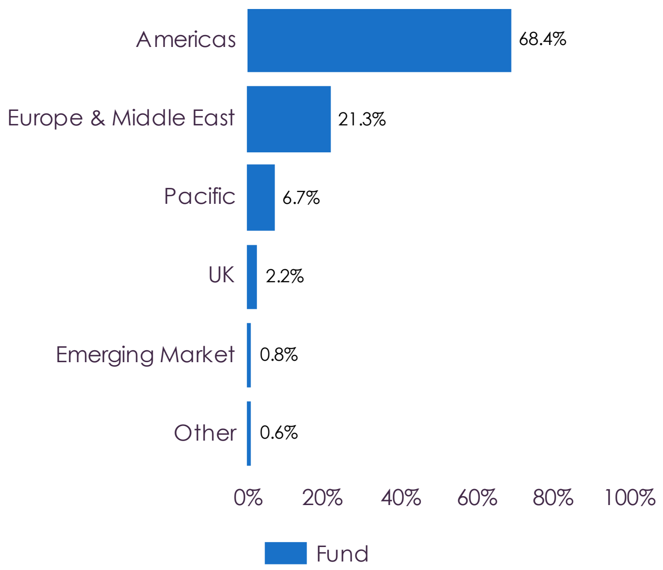
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

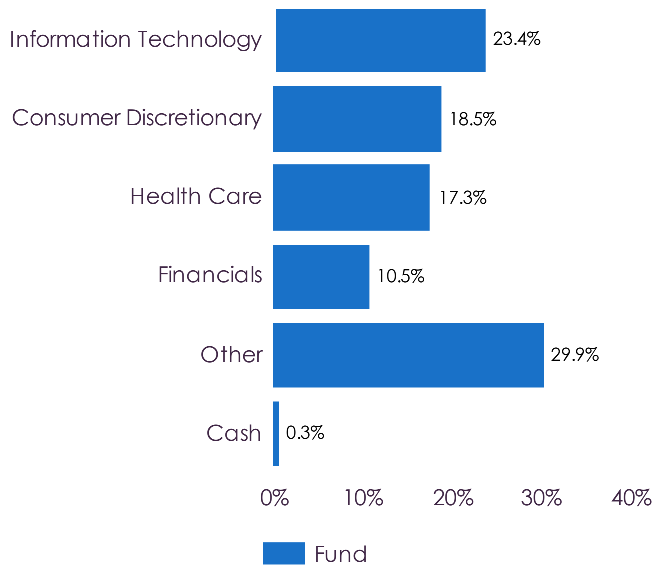
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
PAB Passive Global	102	79	0.91	0.61	1.68	3.42

*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



CTB Passive Global Equities

Investment strategy & key drivers

Passive global equity exposure aligned to Climate Transition goals

Liquidity

High

Benchmark

FTSE Dev World CTB

Outperformance target

Match

Total fund value

£641m

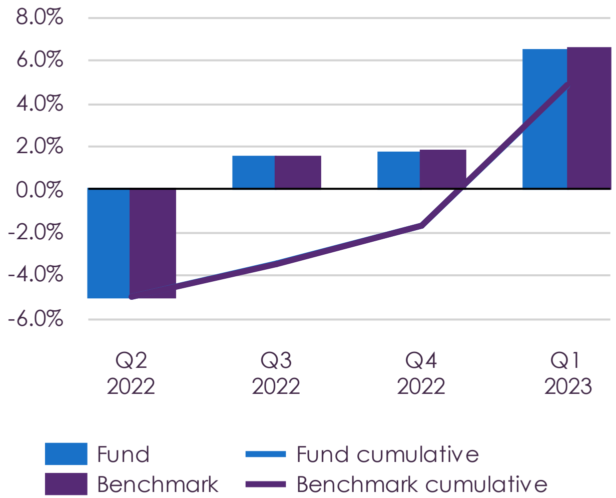
Risk profile

High

Dorset's Holding:

GBP54m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	6.5	-	4.6
Benchmark	6.5	-	4.6
Excess	-	-	-

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

Performance commentary

The FTSE Developed Climate Transition index (CTB) performed strongly over Q1 2023, up 6.5%. The CTB Passive Global Equities product closely replicated the performance of the benchmark over this period.

Sector performance was varied over the quarter with three sectors doing particularly well: Communication Services, Consumer Discretionary and IT. These sectors were up by more than 10% over the quarter.

Large positions in US IT companies were strong drivers of performance, notably Apple, Microsoft, and NVIDIA, whilst Alphabet drove performance in the Communication Services sector.

Within Consumer Discretionary Amazon and Tesla were significant positive contributors to performance as these stocks rebounded strongly from a difficult Q4.

The Energy sector was the worst performing sector over the period with negative absolute performance, alongside Financials and Health Care. The strategy has a limited allocation to these sectors compared to the traditional market cap weighted index, which proved beneficial to performance over Q1 2023.

CTB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	5.65	3,066,663
MICROSOFT CORP	5.47	2,968,875
TESLA INC	5.44	2,954,538
ALPHABET INC	4.97	2,697,781
AMAZON.COM INC	3.97	2,155,499

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2022	Q1 2023
TESLA INC	-	28.82
AMAZON.COM INC	30.28	30.28
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
ALPHABET INC-CL A	24.14	24.60

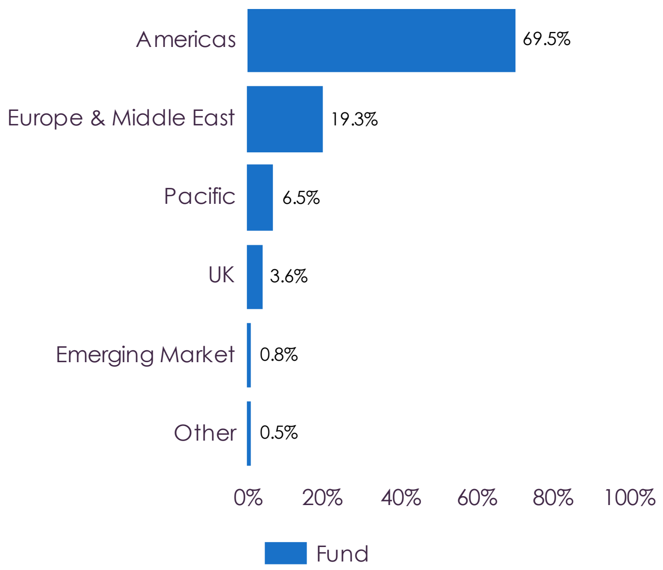
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

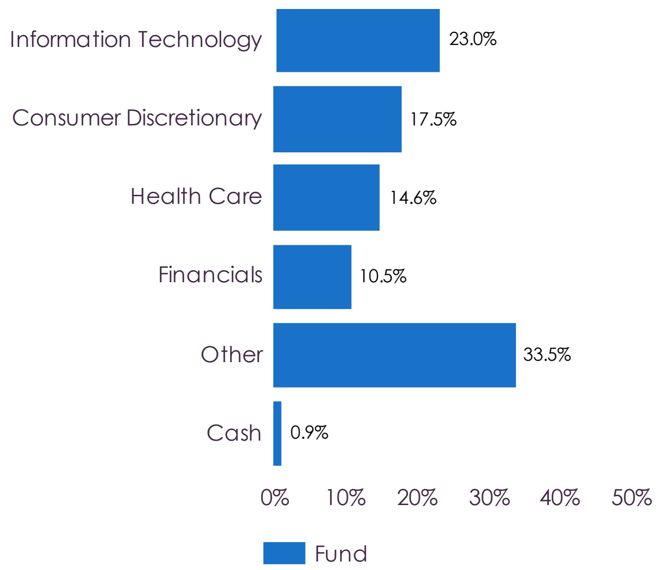
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
CTB Passive Global	145	117	2.69	1.59	4.85	6.21
FTSE Dev World TR	194	168	2.69	3.10	7.69	9.44

*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



CTB Passive Global Equities (Hedged)

Investment strategy & key drivers

Passive global equity exposure aligned to Climate Transition goals - hedged

Liquidity

High

Benchmark

FTSE Dev World CTB

Outperformance target

Match

Total fund value

£54m

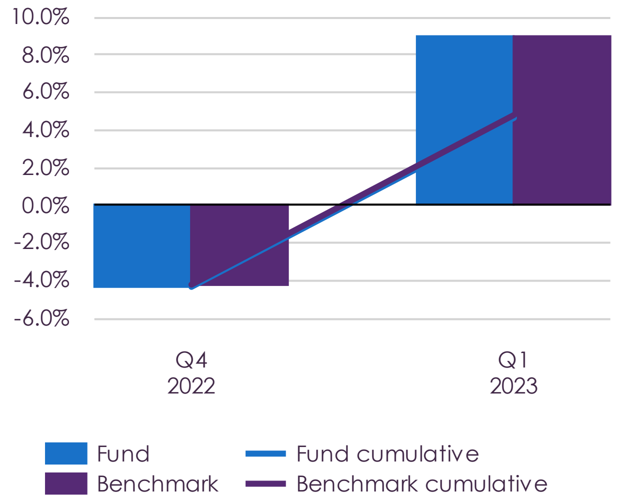
Risk profile

High

Dorset's Holding:

GBP54m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	9.0	-	4.3
Benchmark	9.0	-	4.4
Excess	-	-	-0.2

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

Performance commentary

The FTSE Developed Climate Transition index (CTB) performed strongly over Q1 2023, up 6.5% to the end of the period.

Sterling appreciated against a basket of developed market currencies over Q1 2023, up 1% against the Euro, 2.8% against the US Dollar and 3.7% against the Japanese Yen. Because of this appreciation the hedged product outperformed the unhedged product, returning 9% over Q1 2023. The CTB Passive Global Equities (Hedged) product closely replicated the performance of the benchmark over this period.

Sector performance was varied over the quarter with three sectors doing particularly well: Communication Services, Consumer Discretionary and IT. These sectors were up by more than 10% over the quarter.

Large positions in US IT companies were strong drivers of performance, notably Apple, Microsoft, and NVIDIA, whilst Alphabet drove performance in the Communication Services sector.

Within Consumer Discretionary Amazon and Tesla were significant positive contributors to performance as these stocks rebounded strongly from a difficult Q4.

The Energy sector was the worst performing sector over the period with negative absolute performance, alongside Financials and Health Care.

The strategy has a limited allocation to these sectors compared to the traditional market cap weighted index, which proved beneficial to performance over Q1 2023.

CTB Passive Global Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	5.65	3,064,413
MICROSOFT CORP	5.47	2,966,696
TESLA INC	5.44	2,952,370
ALPHABET INC	4.97	2,695,801
AMAZON.COM INC	3.97	2,153,917

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2022	Q1 2023
TESLA INC	-	28.82
AMAZON.COM INC	30.28	30.28
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
ALPHABET INC-CL A	24.14	24.60

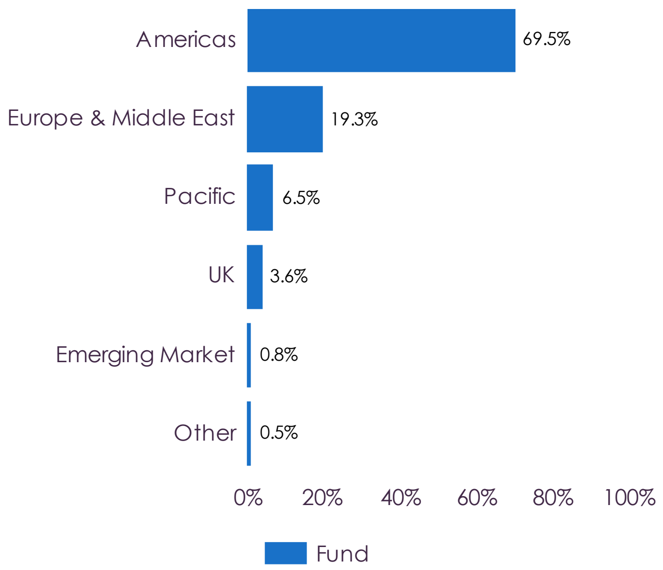
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

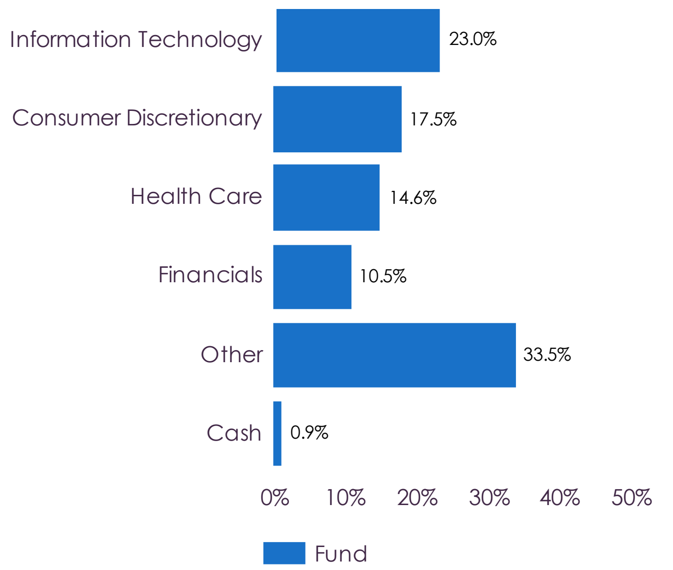
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
CTB Passive Global	145	117	2.69	1.59	4.85	6.21

*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



Passive Developed Equities

Investment strategy & key drivers
Passive global equity exposure

Liquidity
High

Benchmark
FTSE Developed

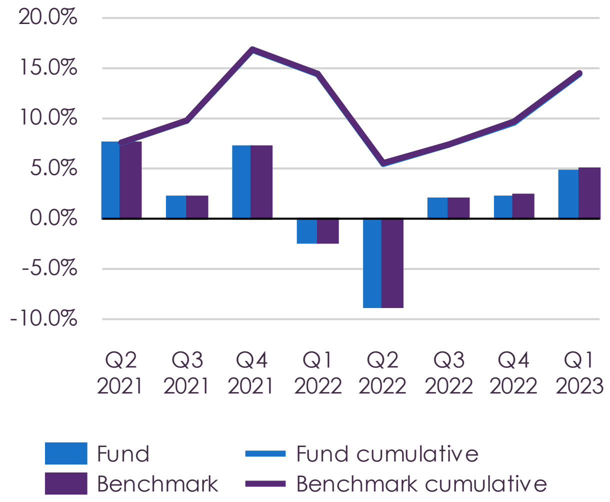
Outperformance target
Match

Total fund value
£887m

Risk profile
High

Dorset's Holding:
GBP102m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	4.8	-0.6	9.5
Benchmark	4.8	-0.5	9.5
Excess	-	-	-

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

Performance commentary

Passive Developed Equities returned 4.8% in the first quarter of 2023 and -0.6% over the past year. The fund closely replicated the FTSE Developed World Index.

The Technology sector made a large contribution to returns over the quarter. Within the sector NVIDIA performed particularly well, returning 85%, as the market made a positive assessment of the company's dominant position in A.I. chip manufacturing.

The Consumer Discretionary sector was the second-best performing sector, benefitting from a reassessment of interest rate expectations. Falling interest rate expectations and negative sentiment towards banks following the failure of Silicon Valley Bank and the UBS merger with Credit Suisse resulted in weak performance from the Financial sector and softer energy prices weighed on Energy sector performance.

For Sterling investors, Europe ex. UK was the strongest performing region. With a larger allocation to the Financial and Energy sectors, the UK market's performance was weaker.

Europe was also the strongest performing region over 12 months to 31st March 2023, returning 19.1%. The UK returned 5.1% but North America delivered a negative return of 2.5%.

Passive Developed Equities

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	4.47	4,577,118
MICROSOFT CORP	3.89	3,984,004
ALPHABET INC	2.10	2,157,050
AMAZON.COM INC	1.65	1,695,445
NVIDIA CORP	1.18	1,213,693

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
AMAZON.COM INC	30.28	30.28
EXXON MOBIL CORP	36.47	43.55
META PLATFORMS INC-CLASS A	-	34.54

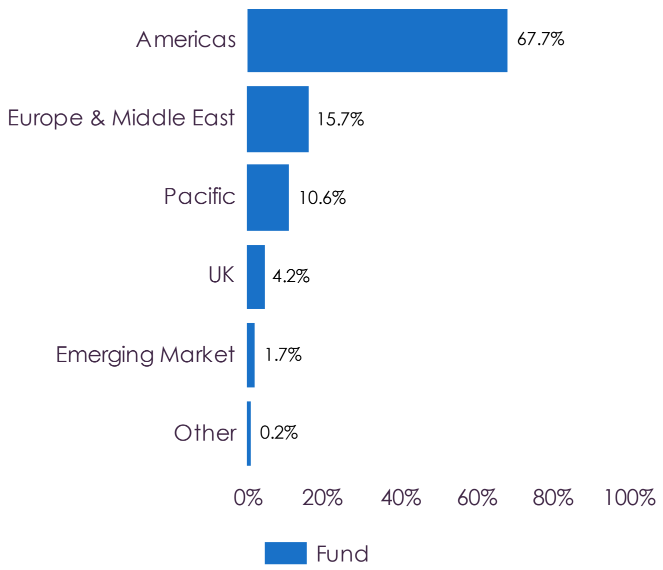
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

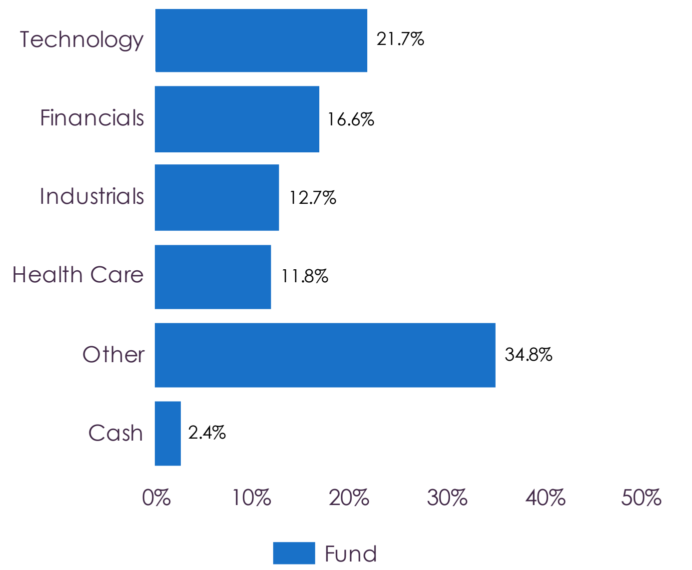
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Passive Developed	193	169	2.65	2.70	7.58	9.41

*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



Passive Developed Equities (Hedged)

Investment strategy & key drivers
Passive global equity exposure - hedged

Liquidity
High

Benchmark
FTSE Developed

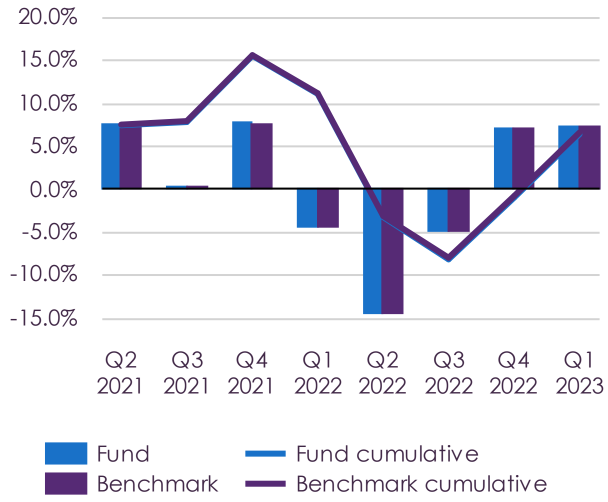
Outperformance target
Match

Total fund value
£518m

Risk profile
High

Dorset's Holding:
GBP97m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	7.4	-6.2	7.3
Benchmark	7.4	-6.1	7.4
Excess	-	-0.1	-0.1

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

Performance commentary

Passive Developed Equities (GBP Hedged) returned 7.4% in the first quarter of 2023 and -6.2% over the past year. The fund replicated the FTSE Developed World (GBP Hedged) Index in line with expectations.

With a large amount of the fund invested in the US, the GBP/USD exchange rate generally has a large bearing on the performance differential between the hedged and unhedged products. Over the quarter, Sterling appreciated 2.8% against the US Dollar but depreciated 6.1% over the year.

The Technology sector made a large contribution to returns over the quarter. Within the sector NVIDIA performed particularly well, returning 90% in USD, as the market made a positive assessment of the company's dominant position in A.I. chip manufacturing. The Consumer Discretionary sector was the second best performing, benefitting from a reassessment of interest rate expectations.

Falling interest rate expectations and negative sentiment towards banks following the failure of Silicon Valley Bank and news of the UBS merger with Credit Suisse resulted in weak performance from the Financial sector. Softer energy prices weighed on Energy sector performance.

Europe was the strongest performing region in local currency terms over the quarter. With a larger allocation to the Financial and Energy sectors, the UK market's performance was weaker.

Europe was also the strongest performing region over 12 months to 31st March 2023, returning 14.5% in EUR while North America delivered a negative return of 6.3% in USD.

Passive Developed Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
APPLE INC	4.47	4,349,235
MICROSOFT CORP	3.89	3,785,651
ALPHABET INC	2.10	2,049,656
AMAZON.COM INC	1.65	1,611,034
NVIDIA CORP	1.18	1,153,266

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	Q1 2023
APPLE INC	16.68	16.91
MICROSOFT CORP	15.24	15.00
AMAZON.COM INC	30.28	30.28
EXXON MOBIL CORP	36.47	43.55
META PLATFORMS INC-CLASS A	-	34.54

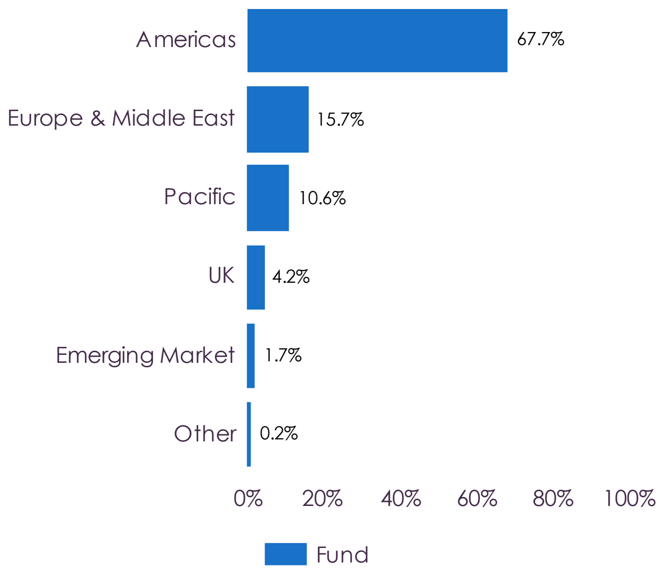
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

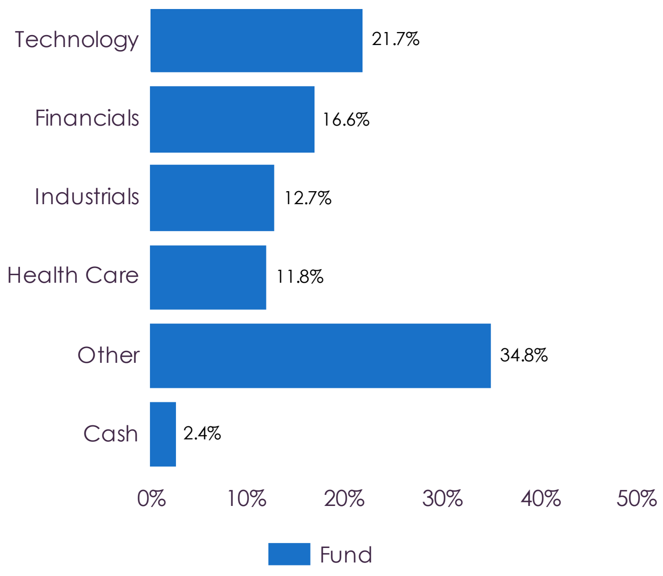
Portfolio	WACI		Extractives revenues¹		Extractives reserves²	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Passive Developed	193	169	2.65	2.70	7.58	9.41

*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



Passive UK Equities

Investment strategy & key drivers
Passive UK equity exposure

Liquidity
High

Benchmark
FTSE All Share

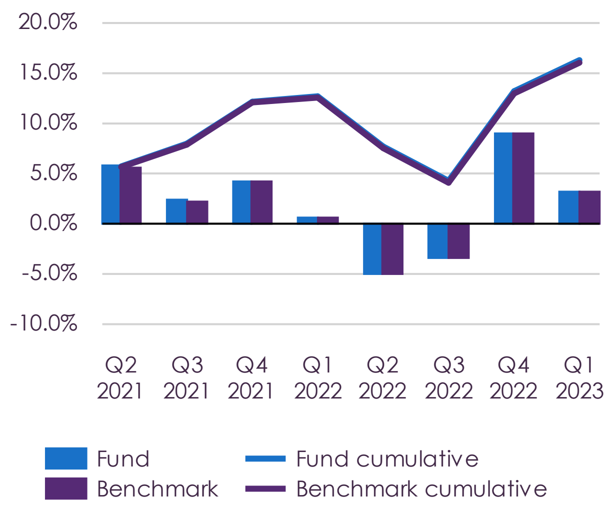
Outperformance target
Match

Total fund value
£125m

Risk profile
High

Dorset's Holding:
GBP125m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	3.1	3.0	3.3
Benchmark	3.1	2.9	3.3
Excess	-	0.1	0.1

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

Performance commentary

In the first quarter of 2023 Passive UK Equities returned 3.1% and 3.0%, when considered over a one-year period. The fund performed in line with the FTSE All-Share Index.

The UK market underperformed the FTSE Developed World Index which returned 4.8% over the quarter. The Technology sector accounts for a large portion of the global index and performed well, while the Basic Materials sector in the UK markedly underperformed that of the global index as miners struggled. Financials along with energy companies, which make up a large part of the UK index, also underperformed the broader global index.

The Consumer Discretionary sector was the strongest performing in the UK market as JD Wetherspoons swung to profit for the first half of their reporting year, simultaneously beating analyst expectations. Within this sector, ASOS also performed well, though it should be noted this is only a partial reversal of a longer-term share price decline. The Industrials sector also outperformed with strong contributions coming from CRH Plc, Rolls Royce and BAE Systems. As alluded to previously, the Basic Materials sector was the worst and in fact the only negative performing sector in the UK market over the quarter.

Passive UK Equities

Top 5 holdings

	Weight %	Client value (GBP)*
ASTRAZENECA PLC	6.99	8,751,029
SHELL PLC	6.79	8,493,824
HSBC HOLDINGS PLC	4.67	5,848,129
UNILEVER PLC	4.43	5,542,526
BP PLC	3.82	4,777,093

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	ESG risk score* Q1 2023
SHELL PLC	37.65	37.65
ASTRAZENECA PLC	22.21	22.47
BP PLC	32.67	33.81
UNILEVER PLC	23.98	24.12
HSBC HOLDINGS PLC	20.36	20.36

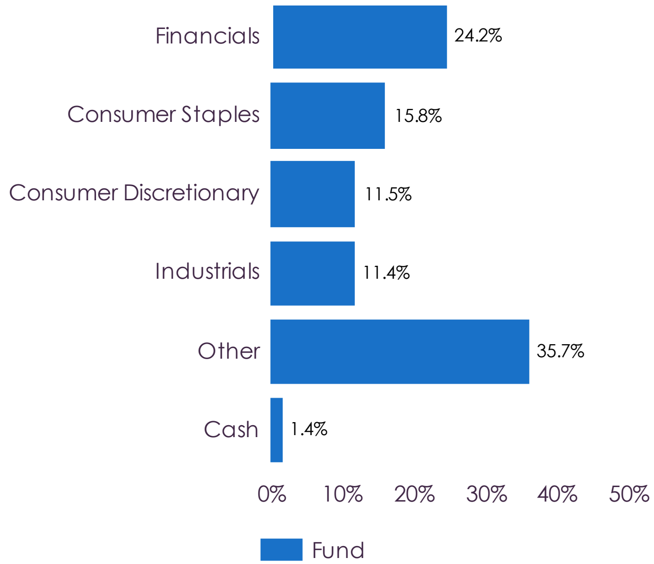
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

Portfolio	WACI		Extractives revenues¹		Extractives reserves²	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Passive UK Equities	158	151	3.61	5.11	21.34	19.20

*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



Passive Smart Beta

Investment strategy & key drivers

Passive equity exposure utilising alternative smart beta indices

Liquidity

Reasonable

Benchmark

SciBeta Multifactor Composite

Outperformance target

+0.5-1%

Total fund value

£159m

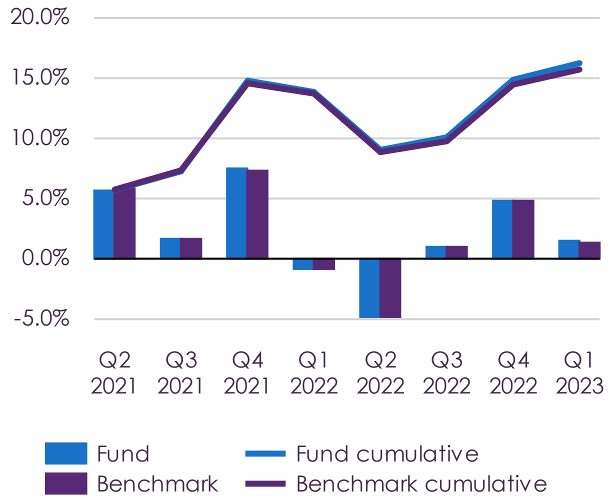
Risk profile

High

Dorset's Holding:

GBP159m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	1.4	2.2	8.1
Benchmark	1.3	1.6	7.9
Excess	0.1	0.5	0.3

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

Performance commentary

In the first quarter of 2023 Passive Smart Beta Equities returned 1.4%, underperforming the MSCI World Index which returned 4.9%. The fund tracked the Scientific Beta Index in line with expectations. Over one year, to 31st March 2023, the product returned 2.2%. The MSCI World Index returned -0.5%.

Over the quarter, low volatility was the worst performing of the factors targeted by the fund, penalised as a result of underexposure to the Technology and Consumer Discretionary sectors and overexposure to Utilities relative to the market capitalisation benchmark. The value factor also underperformed the broader market as did the high investment sleeve of the quality factor. However, the high profitability component of the quality factor outperformed the MSCI World Index.

As alluded to above, attribution analysis shows a negative allocation effect from underweight exposure to the Technology and Consumer Discretionary sectors. There was also a large negative contribution from stock selection in both sectors. Stock selection in the Industrials sector and a slight underweight position to the Health Care sector made a positive contribution to returns relative to the market capitalisation index.

Passive Smart Beta

Top 5 holdings

	Weight %	Client value (GBP)*
GILEAD SCIENCES INC	0.66	1,046,849
WALMART INC	0.66	1,044,289
CISCO SYSTEMS INC	0.65	1,038,109
SYNOPSYS INC	0.61	971,503
JOHNSON & JOHNSON	0.60	958,015

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2022	Q1 2023
META PLATFORMS INC-CLASS A	-	34.54
SOUTHERN CO/THE	32.65	32.65
EXXON MOBIL CORP	36.47	43.55
KRAFT HEINZ CO/THE	35.17	35.28
GILEAD SCIENCES INC	22.86	22.86

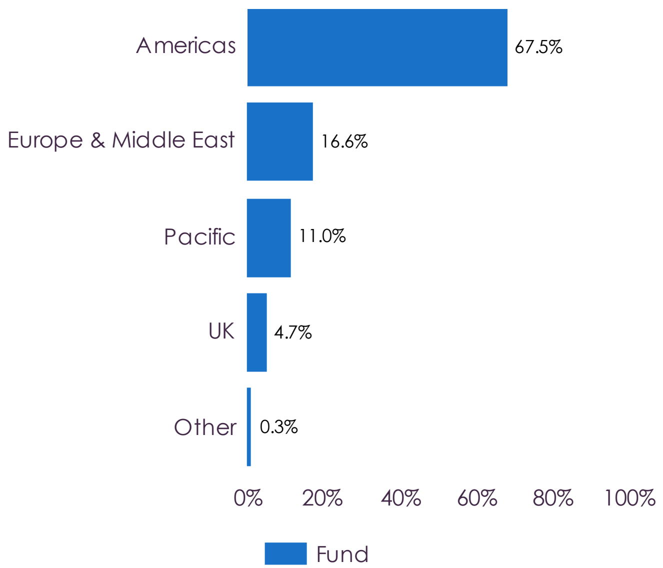
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

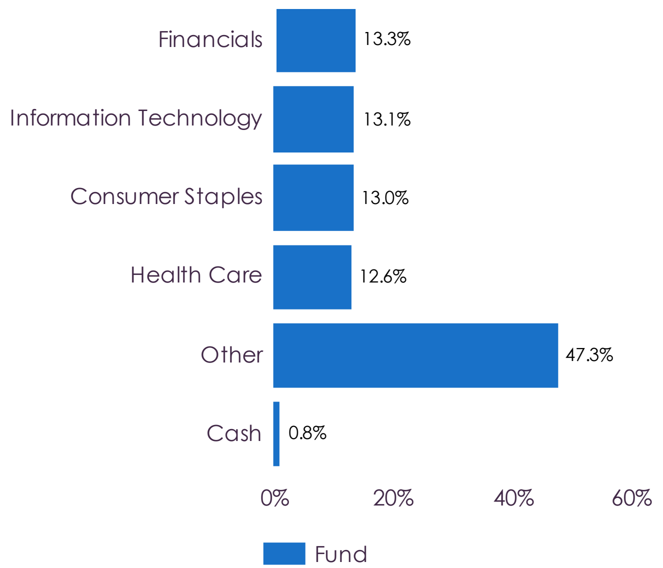
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Passive Smart Beta	329	308	3.18	2.90	7.76	12.57

*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



Passive Smart Beta (Hedged)

Investment strategy & key drivers

Passive equity exposure utilising alternative smart beta indices - hedged

Liquidity

Reasonable

Benchmark

SciBeta Multifactor Hedged Composite

Outperformance target

+0.5-1%

Total fund value

£148m

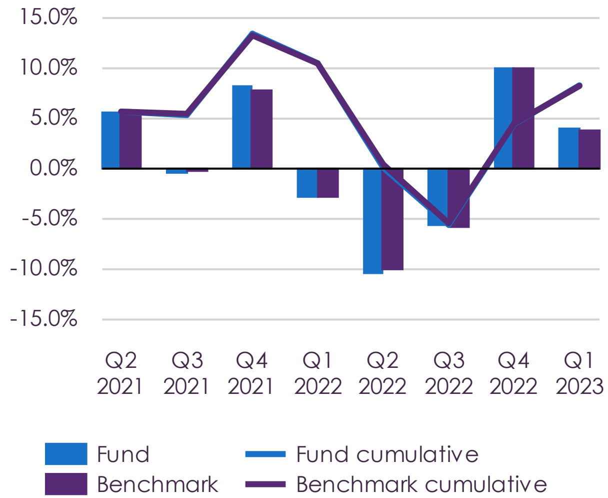
Risk profile

High

Dorset's Holding:

GBP148m

Rolling performance



Performance to quarter end

Performance	3 month	1 year	Since inception *
Fund	3.9	-3.5	6.5
Benchmark	3.7	-4.0	6.3
Excess	0.2	0.6	0.2

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

Performance commentary

In the first quarter of 2023 Passive Smart Beta Equities GBP Hedged returned 3.9%, outperforming the unhedged Smart Beta product which was hindered by the depreciation of the US dollar versus Sterling. The product underperformed the Passive Developed Equities GBP Hedged product which returned 7.4%. Over a one-year period to 31st March 2023, Passive Smart Beta Equities GBP Hedged returned -3.5%. The product tracked the Scientific Beta index in line with expectations.

Over the quarter, low volatility was the worst performing of the factors targeted by the fund, penalised as a result of underexposure to the Technology and Consumer Discretionary sectors and overexposure to Utilities relative to the market capitalisation benchmark. The value factor also underperformed the broader market as did the high investment sleeve of the quality factor. However, the high profitability component of the quality factor outperformed the MSCI World Index.

As alluded to above, attribution analysis shows a negative allocation effect from underweight exposure to the Technology and Consumer Discretionary sectors. There was also a negative contribution from stock selection in both sectors. Stock selection in the Industrials sector and a slight underweight position to the Health Care sector made a positive contribution to returns relative to the market capitalisation index.

Passive Smart Beta (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
GILEAD SCIENCES INC	0.66	970,978
WALMART INC	0.66	968,603
CISCO SYSTEMS INC	0.65	962,871
SYNOPSYS INC	0.61	901,092
JOHNSON & JOHNSON	0.60	888,582

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2022	Q1 2023
META PLATFORMS INC-CLASS A	-	34.54
SOUTHERN CO/THE	32.65	32.65
EXXON MOBIL CORP	36.47	43.55
KRAFT HEINZ CO/THE	35.17	35.28
GILEAD SCIENCES INC	22.86	22.86

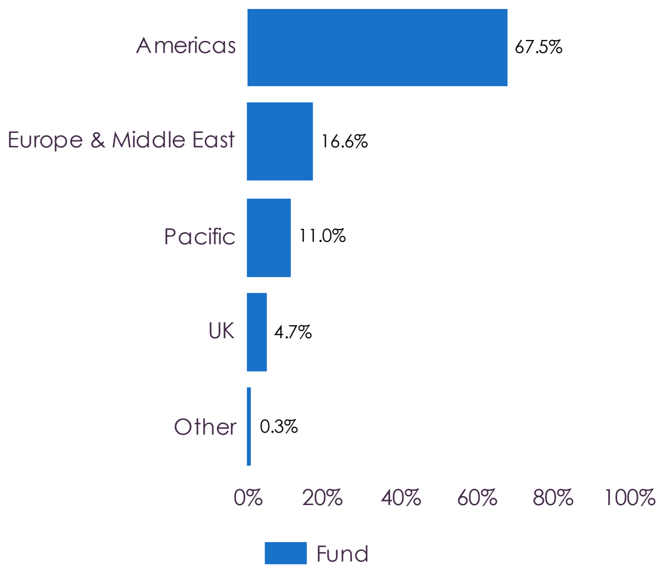
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

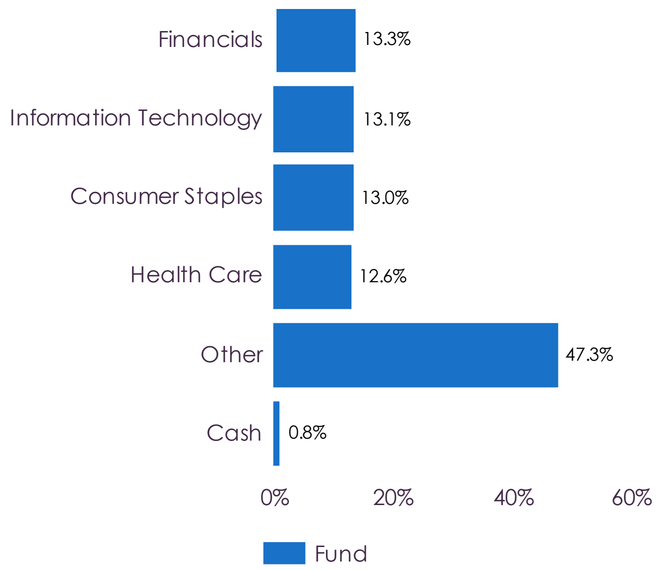
Portfolio	WACI		Extractives revenues[1]		Extractives reserves[2]	
	2022 Q4	2023 Q1	2022 Q4	2023 Q1	2022 Q4	2023 Q1
Passive Smart Beta	329	308	3.18	2.90	7.76	12.57

*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
£60.00m

The fund is denominated in GBP

Commitment to Investment
£61.23m

Amount Called
£36.80m

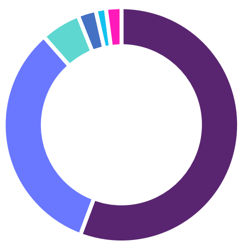
% called to date
60.10

Number of underlying funds
7

Dorset's Holding:
GBP45.66m

Country

Invested in underlying investments

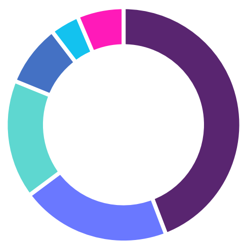


North America	55.7%
Western Europe	32.8%
Asia Pacific	5.5%
Global	2.5%
Middle-East/North Africa	1.4%
Other	2.1%

Source: Colmore
Country data is lagged by one quarter

Sector

GICs level 1



Financials	44.1%
Information Technology	20.7%
Health Care	16.3%
Consumer Discretionary	8.5%
Consumer Staples	4.0%
Other	6.4%

Source: Colmore
Sector data is lagged by one quarter

Performance commentary

Given the episodic nature of M&A markets (currently tending more to ebb than flow), deal activity has continued to slow, reflecting macro-economic headwinds. Major themes seen in 2022 continue to play out: (i) persistent (albeit slowing) inflation; (ii) hawkish central bank policy; (iii) the numerator/denominator effects; and (iv) a slow-down in both sponsor M&A activity and the funding of such via the public debt markets. With respect to the Brunel private equity portfolios, this has created attractive opportunities for secondaries' managers to capture LP stakes in pre-existing portfolios at attractive discounts to NAV. GPs are funding deals via a greater share of equity (versus more scarce debt), which has led to a focus on active management to drive company growth, rather than financial engineering/leverage. For existing holdings, managers remain sensitive to cost management with inflationary pressures for both staffing costs and input prices (with managers generally preferring asset-light businesses with less exposure to the latter). Revenue growth at underlying companies is continuing to grow in most cases, but EBITDA margins (a measure of operating profit) are being stressed by rising costs.

The pace of portfolio deployment remains strong, with the portfolio now over 60% called (buyout funds having now largely matched the deployment levels seen in the secondaries and coinvest funds). Portfolio performance remains positive (albeit with some slight deterioration versus the prior quarter). Fund performance was broadly flat, except for some multiple contraction, most prominent in the portfolio's secondaries funds..

Portfolio summary

Market value (GBP millions)	3 Month MWR*	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	Contribution to return: 3 months	Contribution to return: 1 year	Contribution to return: since inception
45.7	-3.3%	13.7%	19.5%	2,716,487	614,461	2,102,026	-1,522,710	-0.0%	0.1%	0.0%

*Money weighted return. Net of all fees.

Private Equity Cycle 3

Investment objective
Global portfolio of private equity investments

Benchmark
MSCI ACWI

Outperformance target
+3%

Launch date
1 April 2022

Commitment to portfolio
£60.00m

The fund is denominated in GBP

Commitment to Investment
£5.93m

Amount Called
£-m

% called to date
-

Number of underlying funds
1

Dorset's Holding:
GBP-m

Performance commentary

Negative values can be explained by management fees and expenses charged by the GP (APAX). As of 31/03/2023 no capital calls were made by APAX and therefore true valuation should be zero at a client level. The portfolio has made two underlying investments, funded by a credit facility; once a capital call is made, a more accurate Adjusted Value will be reflected in future reports.

The outsourced solution for the remainder of cycle 3 is progressing well and is in late stage legal negotiations, pending fund formation.

Portfolio summary

Market value (GBP millions)	3 Month MWR*	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	Contribution to return: 3 months	Contribution to return: 1 year	Contribution to return: since inception
0.0	-	-	-	0	0	0	64,093	0.0%	-0.0%	-0.0%

*Money weighted return. Net of all fees.

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
£70.00m

The fund is denominated in GBP

Commitment to Investment
£70.00m

Amount Called
£9.89m

% called to date
14.12

Number of underlying funds
1

Dorset's Holding:
GBP9.70m

Performance commentary

Economic growth was set to slow in 2023 in the light of tighter financial conditions and elevated inflation. This downbeat outlook began to ease over the first quarter, with most economies seeing upward revisions to their GDP growth forecasts. Bank failures in March saw the spectre of volatility in markets return, along with uncertainty over policy rate decisions. As a result, market recovery has been inconsistent, with the increase in market volatility highlighting the importance of well-structured infrastructure investments with downside protection, strong inflation linkage and inherent mission-critical objectives.

Since the portfolio's inception, deal flow activity has been strong, and Brunel has been selective. As at the end of Q1, Cycle 3 is circa 27% committed to three Primary investments including Vauban Core Infrastructure IV, Sandbrook Climate Infrastructure Fund and Meadowlark Lands Fund. In addition, as of March 2023, Tactical investments include Project Appellation, a US forestry investment focused on income from carbon credits; Project Ardor, an investment in an operating Indian renewables portfolio and IPP; Suez, the international water and waste company; and Havfram, an offshore wind installation vessel company.

Two further investments were approved in Q1 by Brunel, subject to final due diligence and approvals by Stepstone; a primary commitment to Copenhagen Infrastructure Partners Fund V and a Tactical opportunity to invest alongside Blackstone into a renewables developer in the US.

The investment into Arcus Fund 3 and the co-investment with the same manager that had been approved by Brunel (and were presented to ISG) were ultimately not concluded due to issues relating to key fund terms that were identified as part of StepStone's legal due diligence. Other opportunities are being progressed instead.

Portfolio summary

Market value (GBP millions)	3 Month MWR*	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	Contribution to return: 3 months	Contribution to return: 1 year	Contribution to return: since inception
9.7	-0.9%	-	-3.2%	6,577,045	289,067	6,287,978	-69,251	-0.0%	-0.0%	-0.0%

*Money weighted return. Net of all fees.

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
£59.96m

% called to date
99.94

Number of underlying funds
3

Dorset's Holding:
GBP56.34m

Performance commentary

The M&G Secured Income Property Fund has experienced significant downward movement to reflect the new yield environment, which has now flattened over Q1. The fund looks attractive on a forward-looking returns basis, with a positive illiquidity premium above equivalent bond yields. The fund continues to hold a high-quality real estate portfolio with strong fundamentals and a clear pathway to cover outstanding redemptions, subject to the sales underway completing in due course. The fund is proposing to amend the fund's dealing and deferral terms, which Brunel supports.

The aim is to align payments to investors with the timing of sales proceeds and to increase the redemption notice period to correspond with a reasonable timeframe in which to sell assets.

The abrdn Long Lease Property Fund has also experienced a more muted performance in Q1, with early indications that the level of price declines is slowing. The fund is continuing to make tactical disposals to meet its redemption queue, predominantly where there are ESG issues, tenant covenant concerns or shorter leases. The fund is likely to see a further modest valuation decline as we move through the first half of the year. Despite a challenging period, the fund remains an attractive proposition with a well-diversified portfolio, a strong tenant base and an attractive income return.

Brunel made a further commitment to GRI in Q1 for the Cycle 3 client commitments. The fund continues to offer good diversification, with a forecast hold-to-life IRR of circa 8%. The new top-up is likely to be drawn down by the end of Q3 to fund a strong existing pipeline of opportunities across solar and wind assets. The Greencoat team are seeing a lot of deal flow, with much of the fund's dry powder absorbed last year, allowing them to be more selective, with new additions at keen valuations.

Please note - the large inflows and outflows during this quarter were due to a technicality. It was discovered that an agreed fee discount had not been applied by the manager. To recalculate it, the fund accounting replicated a redemption and a subscription of the fund. The transaction did not actually take place.

Portfolio summary

Market value (GBP millions)	3 Month MWR*	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	Contribution to return: 3 months	Contribution to return: 1 year	Contribution to return: since inception
56.3	-1.6%	-12.1%	-0.2%	21,192,006	21,971,485	-779,479	-925,988	-0.0%	-0.2%	-0.0%

*Money weighted return. Net of all fees.

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
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
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 return measure that helps account for the distorting impacts of flows into and out of a fund

Term	Comment
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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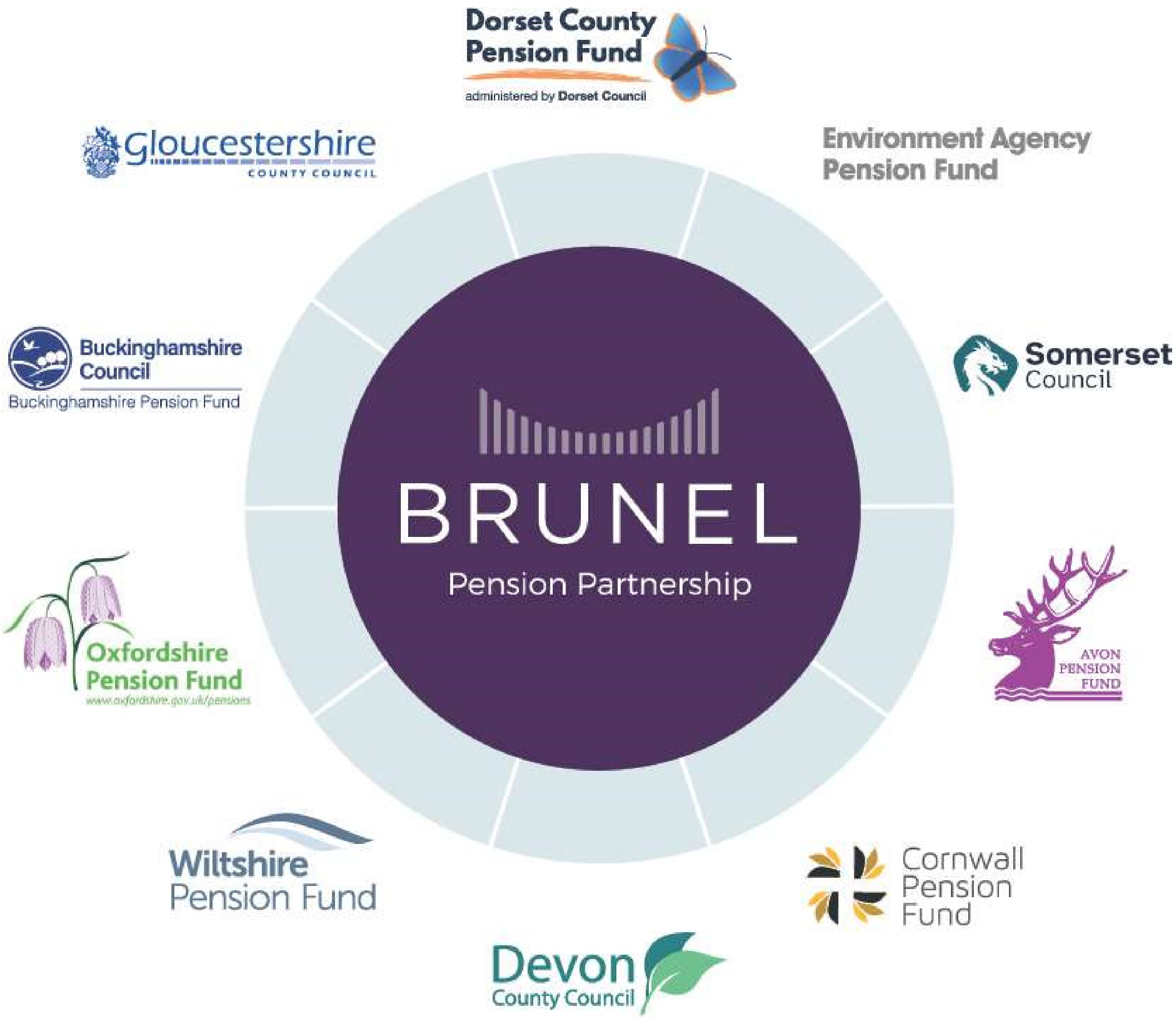

Dorset County Pension Fund
administered by Dorset Council
Environment Agency Pension Fund
Gloucestershire County Council
Buckinghamshire Council
Buckinghamshire Pension Fund
Somerset Council
BRUNEL
Pension Partnership
Oxfordshire Pension Fund
AVON PENSION FUND
Wiltshire Pension Fund
Cornwall Pension Fund
Devon County Council