Dorset County Pension Fund Performance Report

Quarter ending 31 March 2024

Dorset County Pension Fund
administered by Dorset Council

Brunel Pension Partnership

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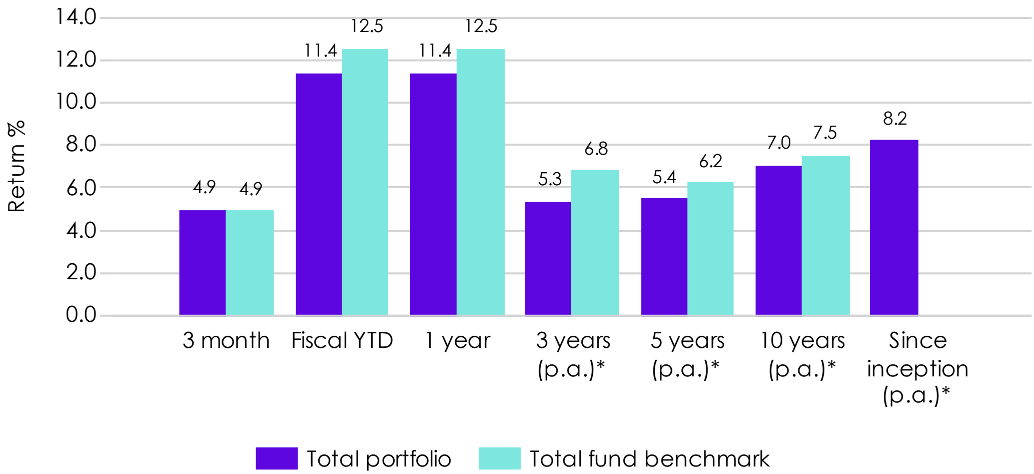
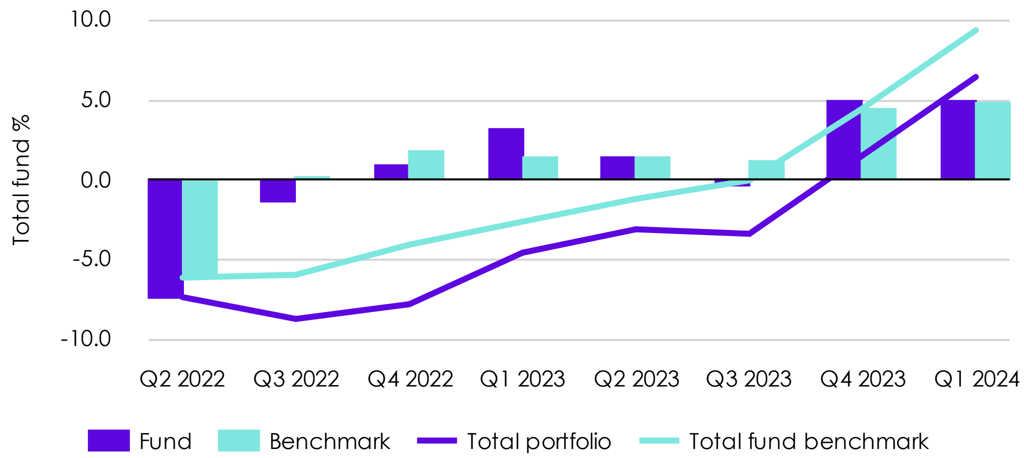
Pension Fund performance

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

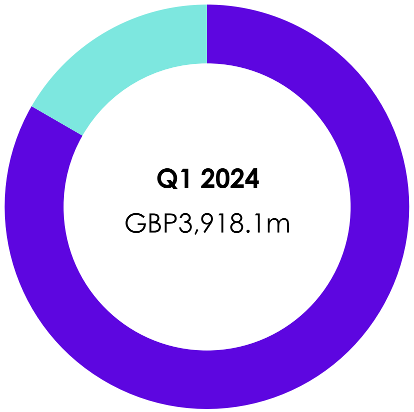
Markets enjoyed a strong first quarter, as global equities rose around 10% (GBP). US equities were strong, whilst the UK and emerging markets lagged. China remained a drag on the latter, although the market staged a slight recovery towards the end of the quarter. Credit markets also had a good quarter, and spreads in High Yield and sub-Investment Grade markets ended the quarter arguably quite tight. Gains in asset markets reflected a more positive outlook on growth and earnings. This led to expectations that interest rates would not fall as rapidly as previously expected. In Private Markets, fundraising in Private Equity remained tricky and deals to exit were thin on the ground.

The total fund increased by 4.9% during the quarter, matching the benchmark. Over twelve months to quarter-end, the portfolio increased by 11.4%, against a 12.5% rise in the benchmark.

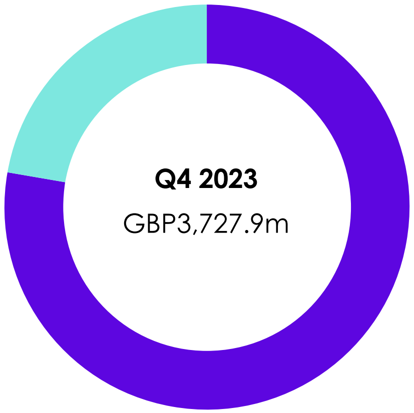
Brunel's listed portfolios reflected the strong markets and were all up in absolute terms, except for the two UK gilt portfolios (not held by Dorset), which were hindered by the "higher for longer" outlook. Global High Alpha and Global Sustainable both saw rises in excess of 9%.

Asset summary

Assets transitioned to Brunel



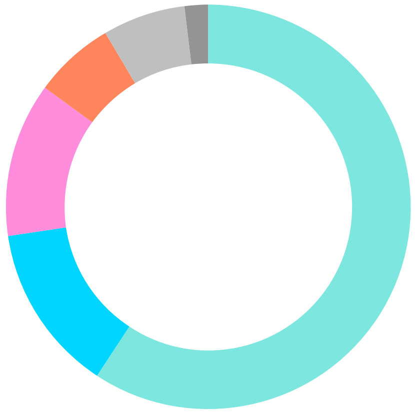
Transitioned	83.28%
Legacy assets	16.72%



Transitioned	77.77%
Legacy assets	22.23%

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

Asset allocation breakdown



Key:

Equities	59.27%
Fixed income	13.43%
Private markets	12.34%
Property	6.46%
Other	6.62%
Cash	1.88%

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

Overview of assets

Detailed asset allocation

Equities	£2,322.35m	59.27%
Global Sustainable Equities	£393.60m	10.05%
Global High Alpha Equities	£325.32m	8.30%
Global Small Cap Equities	£247.53m	6.32%
UK Active Equities	£204.13m	5.21%
Passive Smart Beta (Hedged)	£174.95m	4.47%
Passive Smart Beta	£173.93m	4.44%
Emerging Markets Equities	£147.80m	3.77%
PAB Passive Global Equities (Hedged)	£135.83m	3.47%
Passive UK Equities	£135.77m	3.47%
PAB Passive Global Equities	£131.88m	3.37%
Passive Developed Equities (Hedged)	£123.07m	3.14%
Passive Developed Equities	£119.98m	3.06%
CTB Passive Global Equities	£0.00m	0.00%
CTB Passive Global Equities (Hedged)	£0.00m	0.00%
Legacy Assets	£8.55m	0.22%

Fixed income	£526.13m	13.43%
Multi-Asset Credit	£269.76m	6.88%
Sterling Corporate Bonds	£256.37m	6.54%

Private markets (incl. property)	£736.50m	18.80%
Private Equity Cycle 1	£57.75m	1.47%
Secured Income Cycle 1	£52.83m	1.35%
Secured Income Cycle 3	£25.84m	0.66%
Infrastructure Cycle 3	£20.92m	0.53%
Private Equity Cycle 3	£3.62m	0.09%
Legacy Assets	£575.54m	14.69%

Other	£259.41m	6.62%
Diversifying Returns Fund	£262.20m	6.69%
Legacy Assets	-£2.79m	-0.07%

Cash not included

Overview of assets

Top 10 Equity Holdings at Pension Fund

ISIN	Security Name	Sector	Sub-sector	Country	Market Value (£)	% of Pension fund	ESG Score
US5949181045	MICROSOFT CORP	Information Technology	Systems Software	UNITED STATES	57,107,521.98	1.46%	15.21
US0231351067	AMAZON.COM INC	Consumer Discretionary	Broadline Retail	UNITED STATES	41,523,662.96	1.06%	30.20
US67066G1040	NVIDIA CORP	Information Technology	Semiconductors	UNITED STATES	27,376,646.93	0.70%	13.45
US57636Q1040	MASTERCARD INC - A	Financials	Transaction & Payment	UNITED STATES	25,170,170.45	0.64%	16.56
US02079K3059	ALPHABET INC-CL A	Communication Services	Interactive Media &	UNITED STATES	24,524,501.76	0.63%	24.09
US0378331005	APPLE INC	Information Technology	Technology Hardware	UNITED STATES	23,426,265.71	0.60%	16.72
GB0009895292	ASTRAZENECA PLC	Health Care	Pharmaceuticals	UNITED KINGDOM	22,746,940.96	0.58%	22.03
GB00BP6MXD84	SHELL PLC	Energy	Integrated Oil & Gas	UNITED KINGDOM	22,236,816.56	0.57%	33.68
GB00B10RZP78	UNILEVER PLC	Consumer Staples	Personal Care Products	UNITED KINGDOM	18,416,116.69	0.47%	23.57
DK0062498333	NOVO NORDISK A/S-B	Health Care	Pharmaceuticals	DENMARK	18,003,875.53	0.46%	23.06

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

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Aberdeen Standard	13,928	0.4%	2.50%	-2.1%	-1.8%	-0.0%
Cash	73,708	1.9%	-	1.9%	0.3%	0.0%
CBRE	253,029	6.5%	10.00%	-3.5%	0.9%	0.1%
Harbourvest	63,088	1.6%	2.50%	-0.9%	0.7%	0.0%
Hermes	83,652	2.1%	4.00%	-1.9%	-1.5%	-0.0%
IFM	161,422	4.1%	4.00%	0.1%	-0.0%	-0.0%
Insight	29	0.0%	-	0.0%	-	-
Internally Managed UK Equities	7,857	0.2%	-	0.2%	1.3%	0.0%
Investec	404	0.0%	-	0.0%	0.2%	0.0%
Wellington	292	0.0%	-	0.0%	-1.0%	-0.0%
Global High Alpha Equities	325,323	8.3%	7.50%	0.8%	9.9%	0.8%
Global Sustainable Equities	393,596	10.0%	10.00%	0.0%	9.2%	0.9%
UK Active Equities	204,132	5.2%	5.00%	0.2%	3.9%	0.2%
Emerging Markets Equities	147,803	3.8%	5.00%	-1.2%	2.8%	0.1%
Global Small Cap Equities	247,530	6.3%	6.00%	0.3%	6.5%	0.4%
Diversifying Returns Fund	262,203	6.7%	6.00%	0.7%	4.3%	0.3%

Performance attribution

Pension fund performance attribution - to quarter end

	End market value £'000	Actual % allocation at end of quarter	Strategic asset allocation (%)	Difference (%)	Fund return (%): 3 months	Contribution to return: 3 month
Multi-Asset Credit	269,759	6.9%	7.50%	-0.6%	2.2%	0.2%
Sterling Corporate Bonds	256,367	6.5%	6.50%	0.0%	1.2%	0.0%
PAB Passive Global Equities	131,881	3.4%	3.00%	0.4%	7.6%	0.1%
PAB Passive Global Equities (Hedged)	135,830	3.5%	3.00%	0.5%	7.9%	0.1%
Passive Developed Equities	119,976	3.1%	2.50%	0.6%	9.7%	0.3%
Passive Developed Equities (Hedged)	123,072	3.1%	2.50%	0.6%	10.2%	0.3%
Passive UK Equities	135,774	3.5%	5.00%	-1.5%	3.6%	0.1%
Passive Smart Beta	173,930	4.4%	3.75%	0.7%	8.2%	0.4%
Passive Smart Beta (Hedged)	174,946	4.5%	3.75%	0.7%	8.6%	0.4%
Private Equity Cycle 1	57,750	1.5%	-	1.5%	N/M	N/M
Private Equity Cycle 3	3,625	0.1%	-	0.1%	N/M	N/M
Infrastructure Cycle 3	20,923	0.5%	-	0.5%	N/M	N/M
Secured Income Cycle 1	52,829	1.3%	-	1.3%	N/M	N/M
Secured Income Cycle 3	25,839	0.7%	-	0.7%	N/M	N/M

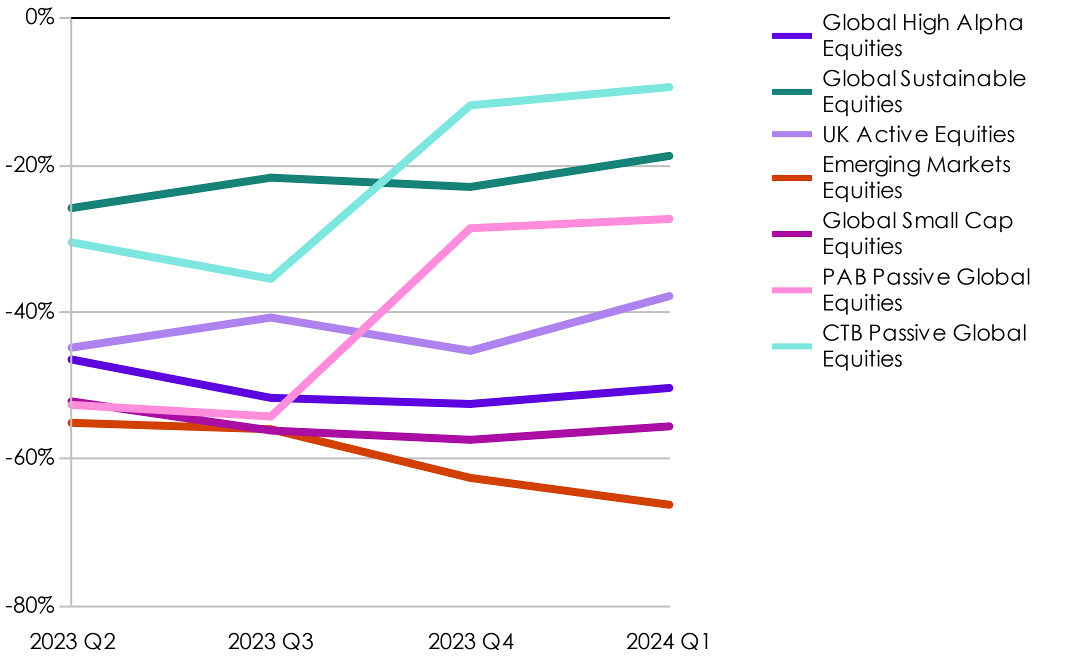
Private Markets 3 month performance is not material.

Stewardship and climate metrics

Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Global High Alpha Equities	**78**	**79**	**1.6**	**1.5**	**2.5**	**2.4**
MSCI World*	164	160	4.9	4.8	8.2	8.0
Global Sustainable Equities	**155**	**160**	**2.2**	**2.0**	**4.8**	**5.1**
MSCI ACWI*	201	197	4.9	4.8	8.3	8.1
UK Active Equities	**79**	**82**	**7.4**	**6.8**	**11.4**	**10.4**
FTSE All Share ex Inv Tr*	145	131	9.7	8.3	19.4	18.5
Emerging Markets Equities	**193**	**179**	**1.9**	**2.1**	**4.3**	**4.6**
MSCI Emerging Markets*	515	531	5.8	6.0	8.3	8.4
Global Small Cap Equities	**90**	**92**	**2.4**	**1.3**	**1.6**	**1.2**
MSCI Small Cap World*	211	208	3.8	3.9	5.7	5.9
PAB Passive Global Equities	**120**	**118**	**1.4**	**1.2**	**3.6**	**3.5**
FTSE Dev World TR UKPD*	168	163	4.7	4.6	8.5	8.3
PAB Passive Global Equities (Hedged)	**120**	**118**	**1.4**	**1.2**	**3.6**	**3.5**
CTB Passive Global Equities	**148**	**148**	**2.3**	**2.1**	**5.1**	**5.0**
CTB Passive Global Equities (Hedged)	**148**	**148**	**2.3**	**2.1**	**5.1**	**5.0**
FTSE Dev World TR UKPD*	168	163	4.7	4.6	8.5	8.3
Passive Developed Equities	**168**	**163**	**4.1**	**4.0**	**8.5**	**8.3**
Passive Developed Equities (Hedged)	**168**	**163**	**4.1**	**4.0**	**8.5**	**8.3**
Passive UK Equities	**137**	**132**	**7.4**	**7.5**	**18.8**	**18.3**
Passive Smart Beta	**313**	**304**	**3.4**	**3.3**	**11.1**	**10.9**
Passive Smart Beta (Hedged)	**313**	**304**	**3.4**	**3.3**	**11.1**	**10.9**

*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
Equities				
Global High Alpha Equities	9.6%	13.5%	12.4%	11.7%
Global Sustainable Equities	6.6%	14.7%	10.7%	11.3%
UK Active Equities	7.0%	11.9%	8.6%	11.0%
Emerging Markets Equities	-4.4%	13.9%	-1.8%	13.9%
Global Small Cap Equities	2.9%	15.9%	4.8%	14.3%
Passive Developed Equities	11.8%	11.6%	11.9%	11.6%
Passive Developed Equities (Hedged)	9.6%	15.5%	9.7%	15.4%
Passive UK Equities	8.2%	10.9%	8.0%	10.9%
Passive Smart Beta	10.5%	9.9%	10.0%	9.9%
Passive Smart Beta (Hedged)	8.3%	13.9%	7.8%	13.9%
Other				
Diversifying Returns Fund	5.0%	4.4%	5.5%	0.6%

Risk and return summary

Brunel portfolio performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Private markets (incl. property)				
Private Equity Cycle 1	17.2%	12.6%	10.7%	11.3%
Secured Income Cycle 1	-1.7%	5.3%	6.7%	2.1%

Risk and return summary

Legacy manager performance - 3 year

	Annualised return	Risk (standard deviation)	Benchmark return	Benchmark standard deviation
Aberdeen Standard	13.6%	13.0%	8.0%	10.9%
Brunel PM Cash	51.2%	-	-	-
Cash	0.9%	-	-	-
CBRE	2.3%	11.1%	1.4%	9.4%
Harbourvest	19.6%	20.0%	8.0%	10.9%
Hermes	2.4%	7.2%	9.9%	0.1%
IFM	14.5%	8.1%	9.9%	0.1%
Insight	-5.1%	15.0%	-4.7%	14.9%
Royal London	-3.9%	11.6%	-5.5%	12.8%
Dorset County Pension Fund	5.3%	8.0%	6.8%	6.9%

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 (59.05%)			**2,313.79**									
Global High Alpha Equities	MSCI World	+2-3%	325.32	9.9%	-0.1%	20.5%	-2.5%	9.6%	-2.8%	13.9%	1.2%	15 Nov 2019
Global Sustainable Equities	MSCI ACWI	+2%	393.60	9.2%	-0.1%	13.2%	-8.0%	6.6%	-4.1%	6.8%	-3.9%	01 Dec 2020
UK Active Equities	FTSE All Share ex Inv Tr	+2%	204.13	3.9%	0.2%	10.4%	2.0%	7.0%	-1.6%	5.4%	-0.7%	21 Nov 2018
Emerging Markets Equities	MSCI Emerging Markets	+2-3%	147.80	2.8%	-0.6%	3.9%	-2.4%	-4.4%	-2.6%	1.2%	-1.9%	09 Oct 2019
Global Small Cap Equities	MSCI Small Cap World	+2%	247.53	6.5%	1.0%	9.8%	-4.2%	2.9%	-1.9%	3.3%	-2.0%	03 Mar 2021
PAB Passive Global Equities	FTSE Dev World PAB	Match	131.88	7.6%	-0.1%	21.2%	-	-	-	17.9%	-0.2%	23 Nov 2022
PAB Passive Global Equities (Hedged)	FTSE Dev World PAB	Match	135.83	7.9%	-0.1%	24.7%	-0.1%	-	-	22.7%	-0.2%	15 Dec 2022
CTB Passive Global Equities	FTSE Dev World CTB	Match	-	7.5%	-0.5%	21.4%	-0.6%	-	-	20.9%	-0.5%	15 Dec 2022
CTB Passive Global Equities (Hedged)	FTSE Dev World CTB	Match	-	8.0%	-0.3%	25.0%	-0.4%	-	-	22.7%	-0.5%	15 Dec 2022
Passive Developed Equities	FTSE Developed	Match	119.98	9.7%	-	22.6%	-0.1%	11.8%	-0.1%	11.8%	-0.1%	24 Jan 2020
Passive Developed Equities (Hedged)	FTSE Developed	Match	123.07	10.2%	-	26.4%	-0.1%	9.6%	-0.1%	11.5%	-0.1%	31 Jan 2020
Passive UK Equities	FTSE All Share	Match	135.77	3.6%	0.1%	8.5%	0.1%	8.2%	0.1%	4.2%	0.1%	11 Jul 2018
Passive Smart Beta	SciBeta Multifactor Composite	+0.5-1%	173.93	8.2%	0.1%	15.5%	0.5%	10.5%	0.5%	9.4%	0.3%	25 Jul 2018
Passive Smart Beta (Hedged)	SciBeta Multifactor Hedged Composite	+0.5-1%	174.95	8.6%	0.1%	19.0%	0.6%	8.3%	0.5%	8.6%	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 (13.43%)			**526.13**									
Multi-Asset Credit	SONIA +4%	0% to +1.0%	269.76	2.2%	-0.1%	11.7%	2.6%	-	-	2.2%	-4.6%	01 Jun 2021
Sterling Corporate Bonds	iBoxx Sterling Non Gilt x	+1%	256.37	1.2%	1.1%	8.8%	2.7%	-	-	7.2%	1.8%	14 Dec 2022
Private markets (incl. property) (4.11%)			**160.97**									
Private Equity Cycle 1	MSCI ACWI	+3%	57.75	N/M	N/M	5.5%	-15.7%	17.2%	6.5%	14.6%	1.9%	26 Mar 2019
Private Equity Cycle 3	MSCI ACWI	+3%	3.62	N/M	N/M	-	-	-	-	-58.1%	-79.4%	28 Apr 2023
Infrastructure Cycle 3	n/a - absolute return target	net 8% IRR	20.92	N/M	N/M	-2.6%	-5.8%	-	-	-3.3%	-8.3%	13 Oct 2022
Secured Income Cycle 1	CPI	+2%	52.83	N/M	N/M	-3.2%	-6.4%	-1.7%	-8.4%	-1.0%	-5.3%	15 Jan 2019
Secured Income Cycle 3	CPI	+2%	25.84	N/M	N/M	-	-	-	-	-	-1.3%	01 Jun 2023
Other (6.69%)			**262.20**									
Diversifying Returns Fund	SONIA +3%	0% to +2.0%	262.20	4.3%	2.2%	10.9%	2.8%	5.0%	-0.5%	4.3%	-0.8%	31 Jul 2020
Total Brunel assets (excl. cash) (83.28%)			**3,263.09**									

*Since initial investment
+ Excess to benchmark, may not include outperformance
Private Markets 3 month performance is not material.

Portfolio overview

Legacy assets

Portfolio	AUM (GBPm)	Perf. 3 month	Excess+ 3 month	Perf. 1 year	Excess+ 1 year	Perf. 3 year	Excess+ 3 year	Perf. SII*	Excess+ SII*	Initial investment
Fixed income (0.00%)			**-**							
Royal London	-	-0.5%	-	6.7%	-	-3.9%	1.6%	6.0%	0.6%	01 Jul 2007
Private markets (incl. property) (14.69%)			**575.54**							
CBRE	253.03	0.9%	2.1%	1.6%	3.1%	2.3%	0.9%	6.5%	0.2%	01 Jan 2000
Aberdeen Standard	13.93	-1.8%	-5.4%	1.4%	-7.0%	13.6%	5.5%	5.1%	-0.9%	01 Jun 2006
Harbourvest	63.09	0.7%	-2.9%	-1.8%	-10.3%	19.6%	11.6%	12.9%	7.2%	01 May 2006
Hermes	83.65	-1.5%	-3.9%	-7.7%	-17.6%	2.4%	-7.5%	5.0%	-5.0%	01 Feb 2015
IFM	161.42	-	-2.4%	4.6%	-5.3%	14.5%	4.5%	12.9%	2.9%	01 Apr 2016
Brunel PM Cash	0.42	10.4%	10.4%	81.3%	81.3%	51.2%	51.2%	37.7%	-	01 Jun 2020
Other (1.88%)			**73.74**							
Insight	0.03	-	-	-11.3%	-	-5.1%	-0.4%	2.9%	0.4%	01 Jul 2012
Cash	73.71	0.3%	0.3%	1.3%	1.3%	0.9%	0.9%	0.5%	-	01 Jan 2009
Total legacy assets (excl. cash) (16.57%)	**649.27**									

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

Chief Investment Officer commentary

Risk assets began the year as they finished the last – in fine form, with global equities up close to 10% in sterling terms. The US market was the clear leader, up over 11%, while emerging markets and the FTSE All-Share brought up the rear, with returns under 4%. The former was dragged down again by China, where the market ended the quarter in negative territory. However, the China index did finish the quarter strongly, rebounding from its January lows as the People's Bank of China announced an easing of policy. Despite the risk-on nature of the market, small cap stocks underperformed their large-cap brethren. Credit also benefited in the rally, albeit to a more muted extent, given spreads were already tight - but loans, and High Yield and other sub-investment grade markets made good headway. All returns, however, paled in comparison to the return of bitcoin and other associated digital assets. I mention this in passing to highlight the role that demand has on financial assets – eleven Bitcoin ETFs were approved and launched in January in the US and they saw inflows of $12bn.

Gains across all asset classes could largely be attributed to a US economy that proved more resilient than had been predicted, and to a collective shrug at the implication that higher-than-expected growth would lead to interest rates being higher for longer as a result of stickier inflation. Corporate earnings also came in positively, with even Nvidia beating its own, very lofty expectations. In terms of US economic data: Q4 GDP was revised up; employment data was strong; manufacturing data moved back into expansion territory; and positive consumer spending was sustained. The upshot was that inflation increased in February when measured year-on-year, halting the recent disinflationary trend. Whilst the Federal Reserve kept its ‘dot plot’ forecast at three interest rate cuts for the year, markets jettisoned their December forecast for seven cuts, and, by the end of March, were forecasting just two.

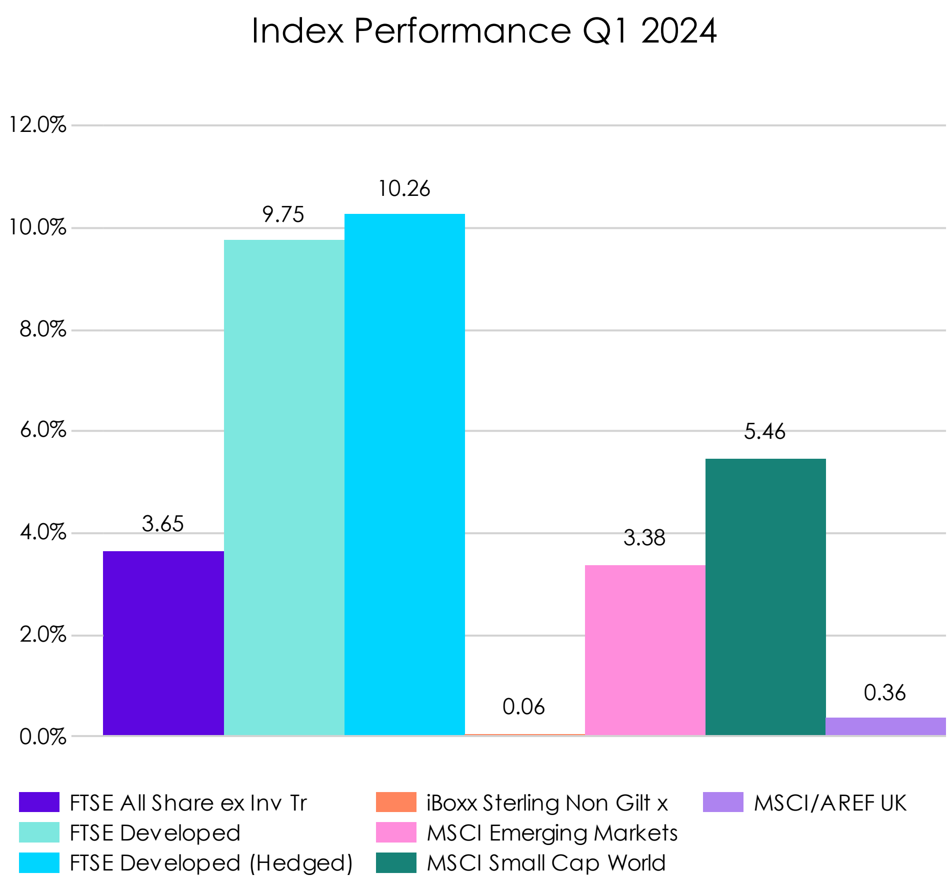
Unsurprisingly, government bonds adjusted to the change in expectation. UK 10-year government bond yields rose from 3.5% to 3.9% as prices fell. Interestingly, the move didn’t derail growth stocks or the market, as it might have done previously, although the ‘magnificent seven’ became the ‘magnificent five’, as Tesla and Apple underperformed!

The tightening of corporate credit spreads meant that borrowers could refinance debt that had been originated at much higher financing costs. As such, Issuance in the US and European leveraged loan and high-yield markets skyrocketed, as investors’ risk appetite improved materially. Demand was also strong in the CLO market, as previously warehoused loans overhanging from 2023 were sold. The continued expansion of the private credit market led to significant personnel changes and, indeed, whole team lift-outs, as new players seek to enter the market – quite reminiscent of bull market behaviour of old.

Fund raising in private equity broadly remained challenging, as end-investors still face liquidity concerns from previous overcommitments. Venture capital and growth funds looked most depressed at quarter-end, raising the smallest amount since 2017. On the exit side of the equation, deal activity remained muted and, although there were tentative green shoots in the IPO market (which had been shut for most of 2023), the recovery looks fragile.

In other macro news, Donald Trump was confirmed as the US presidential Republican candidate, but the more significant development after quarter-end was the missile attack by Iran on Israel - whilst little damage was done and the current market thesis is that this may be the end of hostilities, it certainly increased the risks in the region and elsewhere.

Chief Investment Officer commentary



Source: State Street

Global High Alpha Equities

Launch date
6 December 2019

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

Liquidity
Managed

Benchmark
MSCI World

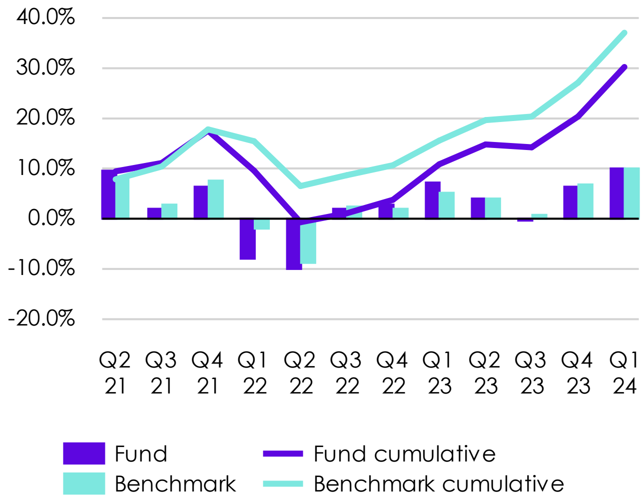
Outperformance target
+2-3%

Total fund value
£4,448m

Risk profile
High

Dorset's Holding:
GBP325m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	9.9	20.5	9.6	14.5
Benchmark	10.0	23.1	12.4	13.3
Excess	-0.1	-2.5	-2.8	1.2

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

Performance commentary

Global developed equities (as proxied by the MSCI World index) returned 10% in GBP terms over the quarter. The strong return was delivered against a backdrop of a resilient US economic growth outlook, rebounding oil prices, and continued positive sentiment around Artificial Intelligence and interest rate cuts. (It should be noted, however, that expectations for those cuts were pared back over the quarter). Cyclical sectors generally outperformed defensive. Communications Services, IT and Financials were the best-performing sectors. Broad style indices showed that Quality outperformed Growth, and both outperformed Value.

The portfolio captured the strong market performance, returning 9.9% during the period, just 0.1% below-benchmark.

Sector attribution showed allocation and selection were neutral overall. Selection was strong in IT, where an overweight to TSMC added 0.4% and an underweight to Apple added 0.8%, which more than offset the negative impact of an underweight holding in Nvidia, costing 0.5%. TSMC (a large Taiwanese semiconductor company) was the largest single contributor to relative returns. The company returned 26% after reporting strong revenue and guidance that lived up to its lofty consensus expectations for AI-driven growth. Selection was weak in Communications Services, largely due to an underweight to Meta, which performed strongly. It was also weak in Financials, driven by overweight holdings in HDFC and Moody's - the latter underperformed after reporting quarterly earnings that missed consensus estimates.

Underlying manager performance varied widely for the quarter. RLAM and Baillie Gifford outperformed, whilst Fiera and AB, two managers with more of a quality focus, moderately underperformed - despite the MSCI Quality index outperforming the broader index. Their underperformance partly reflected the fact that neither manager holds Nvidia or Meta, thereby missing out on 2.3% from relative returns versus the MSCI World index. (The companies are also among the largest three holdings in the MSCI Quality index - thus the latter's very strong quarter). Unsurprisingly, Harris was the weakest performer, as Value stocks in general were not well-rewarded during the quarter.

From inception to quarter-end, the portfolio outperformed the benchmark by 1.2% p.a.

Global High Alpha Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MICROSOFT CORP	6.28	4.57	20,441,701
AMAZON.COM INC	4.37	2.58	14,232,457
MASTERCARD INC	2.86	0.62	9,308,596
ALPHABET INC	2.71	2.58	8,807,989
TAIWAN SEMICONDUCTOR	2.24	-	7,299,629

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
TAIWAN SEMICONDUCTOR	2.24	-
MASTERCARD INC	2.86	0.62
AMAZON.COM INC	4.37	2.58
MICROSOFT CORP	6.28	4.57
UNITEDHEALTH GROUP INC	2.06	0.70

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	0.75	3.88
META PLATFORMS INC	-	1.66
NVIDIA CORP	2.08	3.44
BROADCOM INC	-	0.91
JPMORGAN CHASE & CO	-	0.89

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2023	Q1 2024
AMAZON.COM INC	30.61	30.20
MICROSOFT CORP	15.21	15.21
ALPHABET INC-CL A	24.09	24.09
MASTERCARD INC - A	16.56	16.56
NOVO NORDISK A/S-B	23.06	23.06

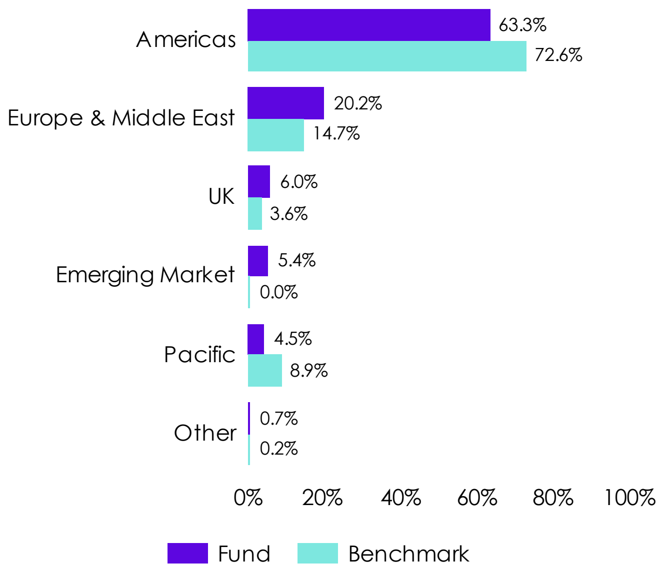
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

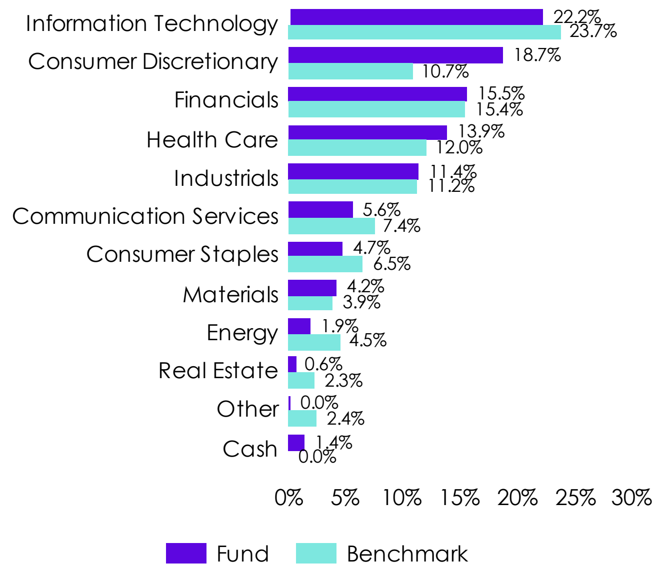
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Global High Alpha	78	79	1.55	1.54	2.52	2.44
MSCI World*	164	160	4.87	4.80	8.24	8.05

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

Regional exposure



Sector exposure

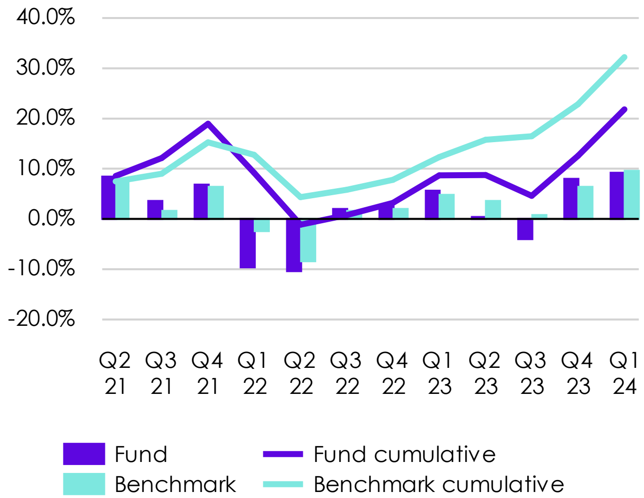


Global Sustainable Equities

Launch date
20 October 2020
Investment strategy & key drivers
Global equity exposure concentrating on ESG factors
Liquidity
Managed
Benchmark
MSCI ACWI
Outperformance target
+2%
Total fund value
£3,817m
Risk profile
High

Dorset's Holding:
GBP394m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	9.2	13.2	6.6	7.9
Benchmark	9.3	21.2	10.7	12.4
Excess	-0.1	-8.0	-4.1	-4.5

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

Performance commentary

The portfolio returned 9.2% over the quarter, while the MSCI ACWI benchmark returned 9.3%. Over the year to quarter-end, the fund returned 13.2%, short of the MSCI ACWI's 21.2%. One-year underperformance could be attributed to a spike in market concentration in Q2 and to a subsequent rally for Energy stocks in Q3. However, as noted in the previous quarterly commentary, the market environment then shifted to favour sustainable investing. The portfolio notably outperformed in Q4 2023 and, in Q1 2024, captured all of the upside in one of the strongest market rallies this century - the 9th strongest ACWI quarter out of 97.

Over the quarter, there was a drop in the number of rate cuts the market anticipated for 2024. This came on the back of inflation numbers that were stickier than first expected. The anticipation of imminent rate cuts had acted as a tailwind for the portfolio's Quality/Growth style of investing in Q4 2023 - relative negative underperformance is therefore to be expected when that sentiment reverses. However, the strength of the Quality names in the portfolio, coupled with positive quarterly earnings for the underlying companies, meant that the portfolio sustained its strong performance momentum despite the revised rate expectations.

Stock selection was the main driver of relative performance at a sector level. The portfolio added notable performance through the Health Care sector, largely through the equipment and technology sub-sectors. Edwards Lifesciences, for example, returned 26% over the quarter.

Meanwhile, the "magnificent 7" stocks continued to exert a major impact. In 2023, their strength had caused a relative drag on portfolio performance - but that strength dimmed somewhat in Q1 2024. The portfolio has no exposure to Apple and Tesla, and both declined over the quarter, returning -10% and -30% respectively. Of the remaining five, however, it had exposure to four: Microsoft, Nvidia, Amazon and Alphabet. Each of these contributed positively to absolute return over the period, most notably Nvidia, which returned 84%.

Whilst fund underperformance over the year is disappointing, it is notable that the majority of sustainable manager peers also failed to outperform the MSCI ACWI.

Global Sustainable Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
MASTERCARD INC	2.80	0.56	11,033,506
MICROSOFT CORP	2.39	4.12	9,397,015
INTUIT INC	2.36	0.25	9,284,092
ANSYS INC	2.06	0.04	8,089,530
ASML HOLDING NV	2.05	0.54	8,066,977

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
MASTERCARD INC	2.80	0.56
INTUIT INC	2.36	0.25
ANSYS INC	2.06	0.04
WASTE MANAGEMENT INC	2.03	0.12
ADYEN NV	1.57	0.05

Top 5 active underweights

	Weight %	Benchmark weight %
APPLE INC	-	3.49
MICROSOFT CORP	2.39	4.12
META PLATFORMS INC	-	1.49
ALPHABET INC	1.01	2.32
NVIDIA CORP	1.96	3.09

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2023	Q1 2024
MASTERCARD INC - A	16.56	16.56
INTUIT INC	17.95	17.95
WASTE MANAGEMENT INC	19.58	19.58
AMAZON.COM INC	30.61	30.20
EDWARDS LIFESCIENCES CORP	23.88	23.88

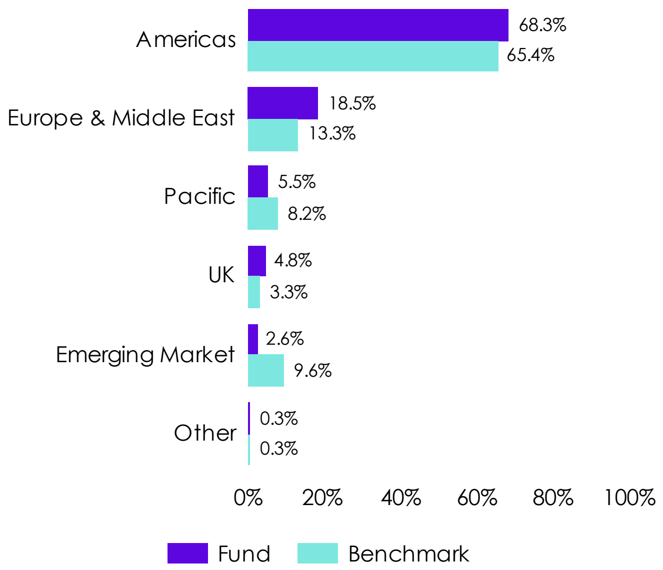
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

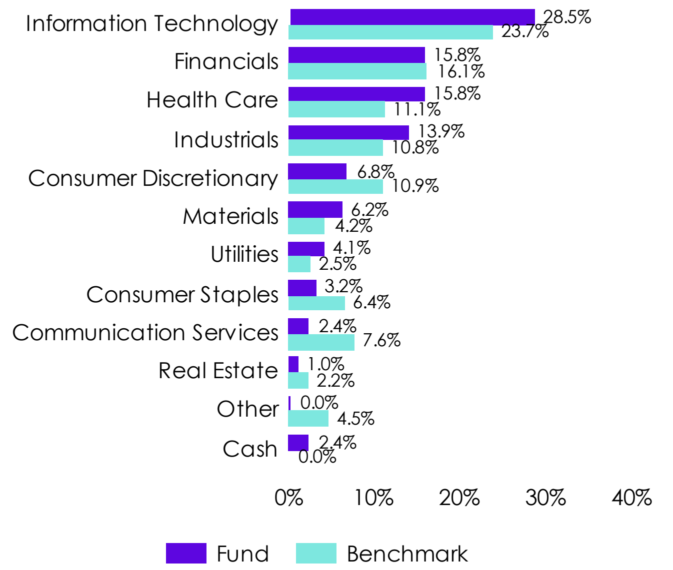
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Global Sustainable	155	160	2.21	1.96	4.83	5.06
MSCI ACWI*	201	197	4.89	4.82	8.25	8.08

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

Regional exposure



Sector exposure

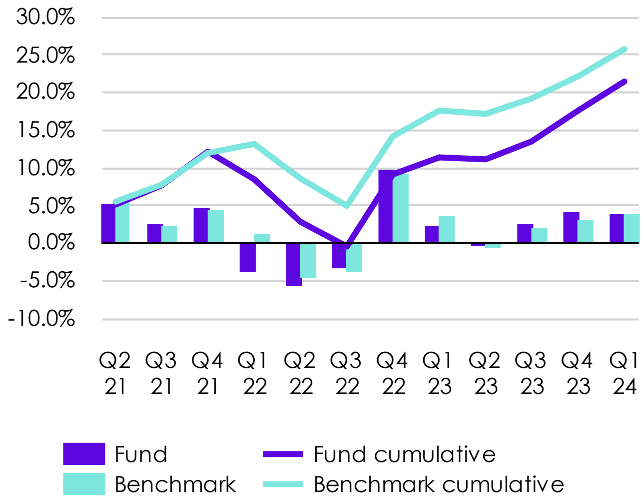


UK Active Equities

Launch date
1 December 2018
Investment strategy & key drivers
Active stock and sector exposure to UK equity markets
Liquidity
Managed
Benchmark
FTSE All Share ex Inv Tr
Outperformance target
+2%
Total fund value
£1,287m
Risk profile
High

Dorset's Holding:
GBP204m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	3.9	10.4	7.0	5.3
Benchmark	3.7	8.4	8.6	6.1
Excess	0.2	2.0	-1.6	-0.8

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

Performance commentary

The FTSE All-Share Index excluding Investment Trusts returned 3.7% over the quarter, underperforming the developed market index (MSCI World) by over 6% in GBP terms. In a reversal of the previous quarter, the FTSE 100 outperformed the FTSE 250. The portfolio returned 3.9% during the period, outperforming the benchmark by 0.2%, and delivering a fourth consecutive quarter of outperformance.

Sector attribution shows that allocation was the main driver of outperformance. The main contributors were an overweight to Industrials (the best-performing sector) and underweight to the Utilities. Selection was negative over the quarter and was weakest in the Consumer Discretionary sector, where overweights in Taylor Wimpey and Persimmon were among the detractors. Other major detractors in the portfolio included an overweight holding in St James's Place (SJP), the UK wealth manager, which fell 32% after the company reported taking a provision of £426 million for potential client refunds due to complaints about an insufficient level of service from their advisers.

The largest positive contributor to relative returns was the overweight holding in Babcock, which participated strongly in the rally in defence-related names over the quarter. Market cap allocation was a headwind over the quarter, detracting 0.5% from relative returns - driven by the portfolio's overweight to the smallest quintile of companies (which was also the worst-performing quintile).

On a manager-by-manager basis, Invesco outperformed the index by 1.8%, building on strong relative performance over the prior two quarters. The reporting quarter's outperformance was driven by the positive contribution from the Momentum factor, particularly in March. Of the other targeted factors, Value also contributed positively, whilst Quality was flat. Baillie Gifford underperformed by 2% over the quarter, giving up the 2% outperformance made the previous quarter. Sector allocation was positive, driven largely by the overweight in Industrials. However, this was more than offset by negative stock selection, which was weakest in the Financials sector: overweight holdings in SJP, Prudential and Close Brothers all impacted negatively.

From inception to quarter-end, the portfolio underperformed the benchmark by 0.8% per annum.

UK Active Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
ASTRAZENECA PLC	5.33	7.11	10,885,328
UNILEVER PLC	4.92	4.49	10,036,220
SHELL PLC	4.13	7.82	8,432,394
HSBC HOLDINGS PLC	3.27	5.44	6,671,591
GLENCORE PLC	2.70	2.42	5,513,916

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
LEGAL & GENERAL GROUP PLC	2.48	0.68
MARKS & SPENCER GROUP PLC	1.87	0.23
HOWDEN JOINERY GROUP PLC	1.76	0.22
INFORMA PLC	1.98	0.52
BUNZL PLC	1.74	0.46

Top 5 active underweights

	Weight %	Benchmark weight %
SHELL PLC	4.13	7.82
HSBC HOLDINGS PLC	3.27	5.44
BP PLC	1.83	3.73
ASTRAZENECA PLC	5.33	7.11
NATIONAL GRID PLC	-	1.77

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
SHELL PLC	33.68	33.68
ASTRAZENECA PLC	21.81	22.03
UNILEVER PLC	23.57	23.57
GLENCORE PLC	38.56	38.56
HSBC HOLDINGS PLC	24.98	24.95

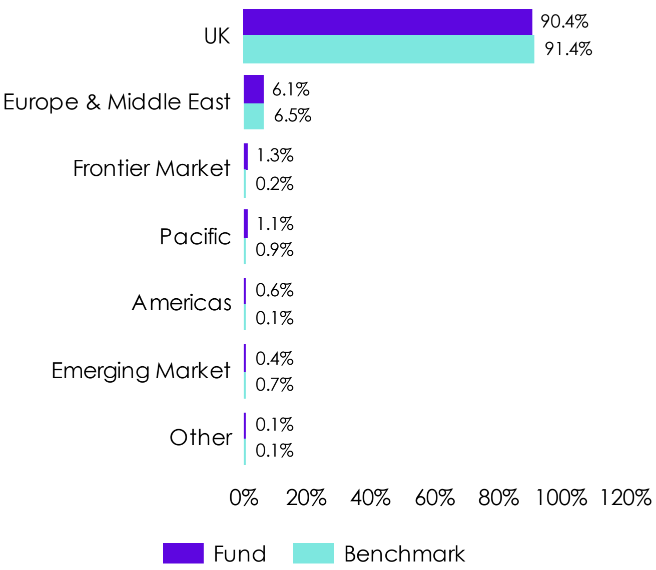
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

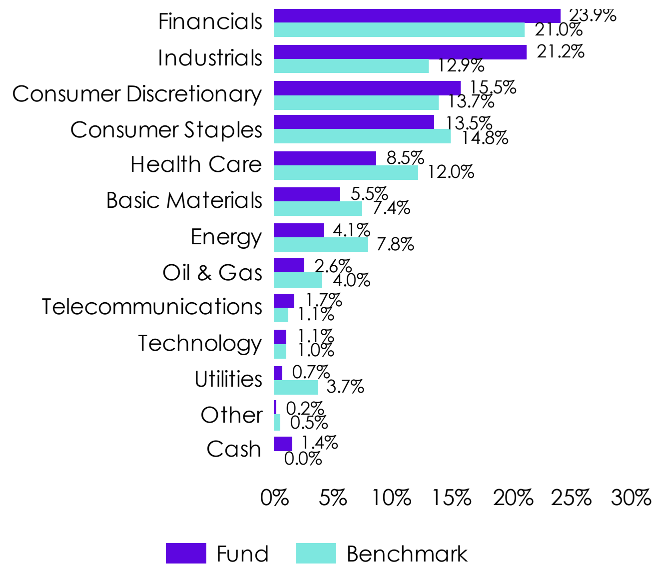
Portfolio	WACI 2023 Q4	WACI 2024 Q1	Total Extractive Exposure[1] 2023 Q4	Total Extractive Exposure[1] 2024 Q1	Extractive Industries (VOH)[2] 2023 Q4	Extractive Industries (VOH)[2] 2024 Q1
UK Active Equities	79	82	7.40	6.80	11.39	10.39
FTSE All Share ex Inv	145	131	9.74	8.32	19.40	18.55

*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



Emerging Markets Equities

Launch date
8 November 2019

Investment strategy & key drivers
Equity exposure to emerging markets

Liquidity
Managed

Benchmark
MSCI Emerging Markets

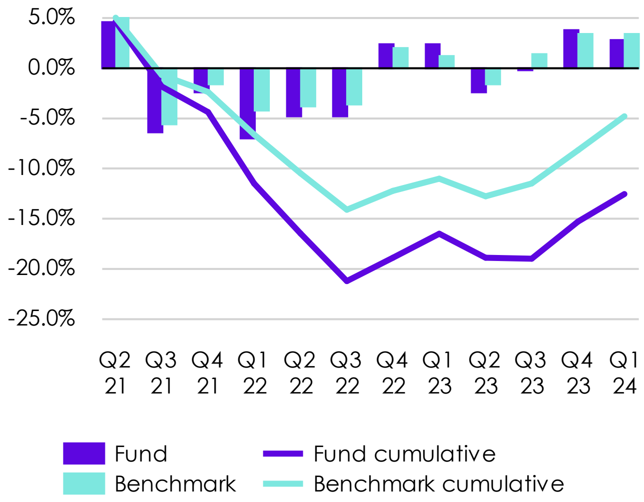
Outperformance target
+2-3%

Total fund value
£1,029m

Risk profile
High

Dorset's Holding:
GBP148m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.7	3.9	-4.5	0.6
Benchmark	3.4	6.3	-1.8	2.5
Excess	-0.6	-2.4	-2.6	-1.9

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

Performance commentary

Emerging Markets produced a modest return during the quarter, returning +3.4%. In a strikingly similar fashion to the previous quarter, most emerging economies continued to make positive gains (16 out of 24 countries were positive). China continued to be a drag, with the market down 1.4%.

The Emerging Markets portfolio returned +2.7%, which was behind the benchmark return of +3.4%. Ninety-One beat the benchmark by +1.1%. Genesis underperformed by -1.9%, which was mostly due to underexposure in Taiwan and Energy. Wellington was in line with benchmark. Since-inception portfolio performance remained behind the benchmark. At quarter-end, the portfolio had made an annualised return of 0.6%, lagging the benchmark by 1.9%.

At stock level, holdings in the Financials sector weighed most heavily on relative performance. AIA Group – a life insurer – performed poorly and fell by 22% due to elevated medical claims. AIA is an example of financialization in emerging markets, which is a common theme adopted by the managers.

Country allocation was very significant during the quarter. Total impact on relative performance from country allocation was almost 150 negative basis points. Some markets produced a strong return; Taiwan, for example, returned +12.4%. The fund remains biased towards faster-growing economies, which often leads to an underweight in Taiwan, which is considered more developed than several Western European economies. Sector allocation was also significant.

The allocation impact on relative performance from sectors was approximately -60 basis points. This was driven almost entirely by the underweight to Energy and overweight to Consumer Staples. These sectors returned +7.8% and -3.6% respectively. The fund is typically underweight Energy, given the lack of companies with potential to align to Net Zero. The overexposure to consumers is a result of Genesis' bias towards the emerging consumer.

The outlook for EM remains cautiously optimistic. All three managers had been actively adding to companies, which at quarter-end were cheap enough to own due to recent share price weakness. However, investors should still be mindful of the slowdown in China, which could have worldwide repercussions on asset prices.

Emerging Markets Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
TAIWAN SEMICONDUCTOR	9.18	8.33	13,569,443
SAMSUNG ELECTRONICS CO LTD	5.11	4.64	7,557,694
TENCENT HOLDINGS LTD	4.26	3.57	6,303,438
HDFC BANK LTD	1.90	0.68	2,811,093
PDD HOLDINGS INC	1.78	0.96	2,625,733

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
AIA GROUP LTD	1.56	-
HDFC BANK LTD	1.90	0.68
NETEASE INC	1.71	0.56
INNER MONGOLIA YILI INDUSTRIAL	1.13	0.02
KIMBERLY-CLARK DE MEXICO SAB	1.05	0.05

Top 5 active underweights

	Weight %	Benchmark weight %
CHINA CONSTRUCTION BANK CORP	-	0.81
HON HAI PRECISION INDUSTRY CO	-	0.81
ALIBABA GROUP HOLDING LTD	1.26	2.03
PETROLEO BRASILEIRO SA	0.17	0.89
AL RAJHI BANK	-	0.60

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
TENCENT HOLDINGS LTD	19.32	19.50
SAMSUNG ELECTRONICS CO LTD	19.41	18.03
RELIANCE INDUSTRIES LTD	-	40.19
PDD HOLDINGS INC	29.23	29.27
HDFC BANK LIMITED	30.77	30.77

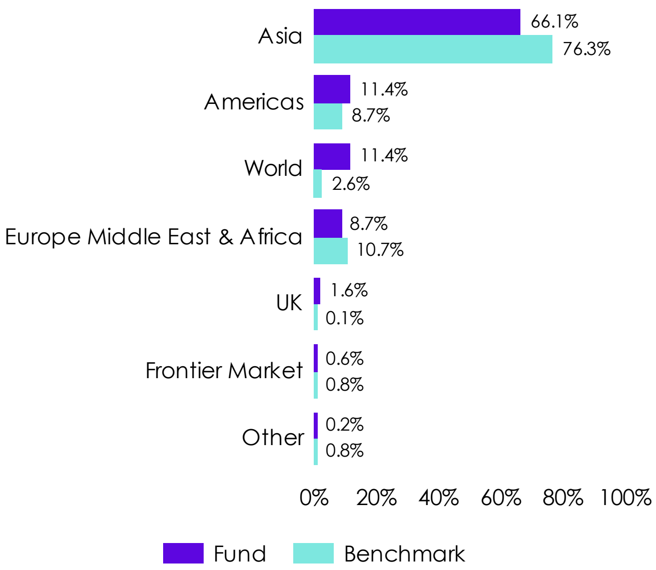
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

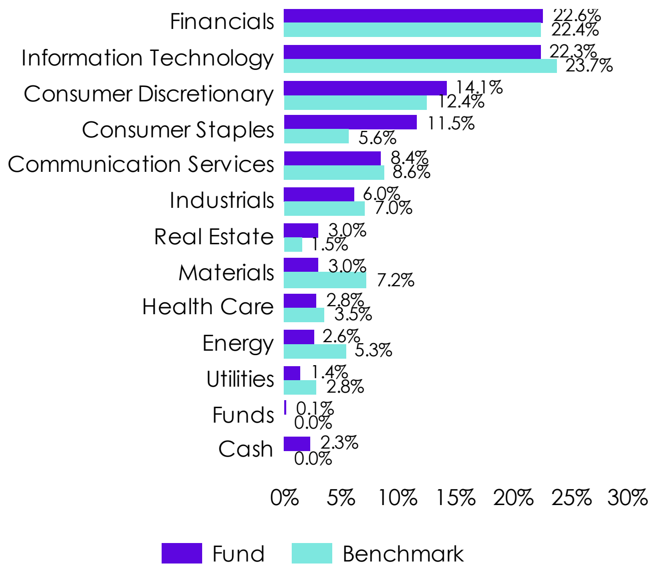
Portfolio	WACI 2023 Q4	WACI 2024 Q1	Total Extractive Exposure[1] 2023 Q4	Total Extractive Exposure[1] 2024 Q1	Extractive Industries (VOH)[2] 2023 Q4	Extractive Industries (VOH)[2] 2024 Q1
Emerging Markets	193	179	1.89	2.15	4.31	4.60
MSCI Emerging	515	531	5.84	5.96	8.34	8.40

*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

Launch date
2 October 2020

Investment strategy & key drivers
Global equity exposure to smaller capitalisation companies

Liquidity
Managed

Benchmark
MSCI Small Cap World

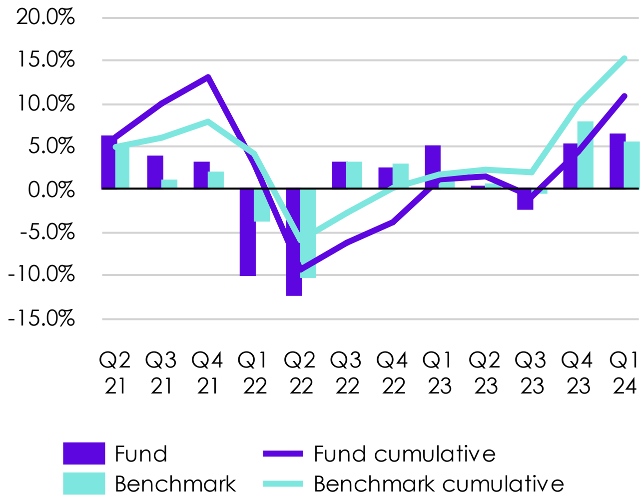
Outperformance target
+2%

Total fund value
£984m

Risk profile
High

Dorset's Holding:
GBP248m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	6.5	9.8	2.9	8.7
Benchmark	5.5	14.0	4.8	11.0
Excess	1.0	-4.2	-1.8	-2.4

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

Performance commentary

Over the quarter, global small cap equity markets rallied, amid hopes for resilient economic growth and that moderating inflation could lead central banks to reduce interest rates. Energy and Industrials were the best-performing sectors within the MSCI World Small Cap index, whilst the Real Estate sector lagged.

The Global Small Cap Equity portfolio returned 6.5% over the quarter, outperforming the benchmark by 1.0%.

Stock selection was the main driver of relative returns over the quarter. Whilst stock selection in Industrials was negative, stock selection in Communication Services and Financials contributed to relative returns. Overall, sector allocation effects were broadly neutral, with the underweight to Energy detracting, whilst the underweight to Real Estate contributed to relative returns.

In terms of the managers, performance was mixed. American Century returned 9.7% over the quarter, significantly outperforming the benchmark (by 4.2%). Outperformance was driven by strong stock selection, particularly in Healthcare and Consumer Discretionary. Within the Consumer Discretionary sector, resilient consumer demand and increased travel-related spending supported strong results for a number of holdings.

Kempen returned 4.2% in absolute terms, modestly underperforming the benchmark by 1.3%. Stock selection in Industrials and Healthcare sectors detracted, whilst stock selection in Financials and Communication Services was positive. The lack of Energy exposure also detracted from relative returns.

Montanaro returned 6.6% over the quarter, outperforming the benchmark by 1.1%. Relative returns were driven by positive stock selection, particularly in Communication Services, whilst stock selection in Technology and Materials detracted from relative returns. The lack of exposure to Real Estate also added to relative returns.

At a stock level, 4imprint Group, a UK supplier of promotional merchandise, was the largest contributor to relative returns.

We expect continued volatility over the coming period, as markets grapple with the outlook for inflation and interest rate expectations.

Global Small Cap Equities

Top 5 holdings

	Weight %	B'mark weight %	Client value (GBP)*
BAWAG GROUP AG	1.37	0.06	3,385,885
4IMPRINT GROUP PLC	1.36	0.03	3,357,790
BRUNSWICK CORP/DE	1.28	0.09	3,164,940
PRO MEDICUS LTD	1.23	0.05	3,035,432
TREX CO INC	1.21	0.14	2,987,288

*Estimated client value

Top 5 active overweights

	Weight %	Benchmark weight %
4IMPRINT GROUP PLC	1.36	0.03
BAWAG GROUP AG	1.37	0.06
BRUNSWICK CORP/DE	1.28	0.09
PRO MEDICUS LTD	1.23	0.05
THERMON GROUP HOLDINGS INC	1.19	0.01

Top 5 active underweights

	Weight %	Benchmark weight %
MICROSTRATEGY INC	-	0.33
EMCOR GROUP INC	-	0.22
PURE STORAGE INC	-	0.20
SAIA INC	-	0.20
NUTANIX INC	-	0.20

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
FUJITEC CO LTD	29.88	29.88
WINTRUST FINANCIAL CORP	-	26.71
HOULIHAN LOKEY INC	26.14	26.14
THERMON GROUP HOLDINGS	23.59	23.59
MTU AERO ENGINES AG	27.14	27.26

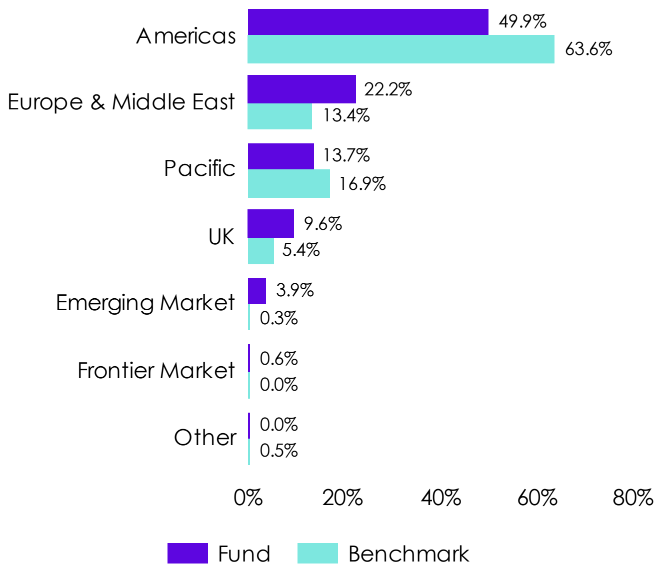
*Source: Sustainalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

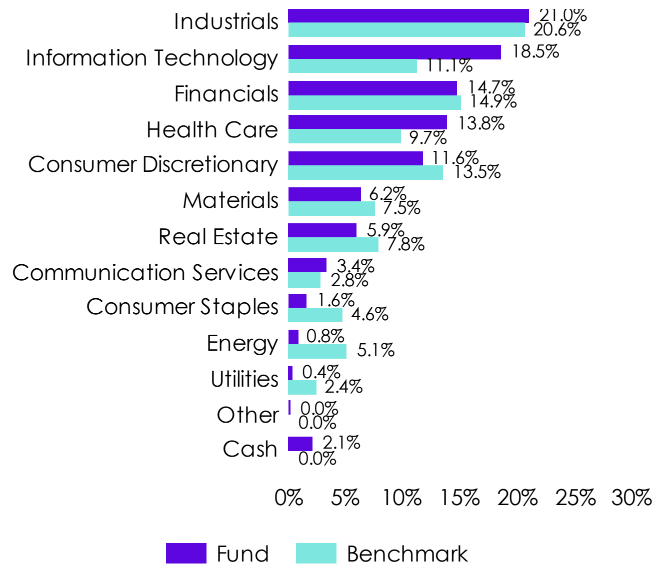
Portfolio	WACI 2023 Q4	WACI 2024 Q1	Total Extractive Exposure[1] 2023 Q4	Total Extractive Exposure[1] 2024 Q1	Extractive Industries (VOH)[2] 2023 Q4	Extractive Industries (VOH)[2] 2024 Q1
Global Small Cap	90	92	2.43	1.28	1.62	1.16
MSCI Small Cap	211	208	3.79	3.93	5.75	5.87

*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

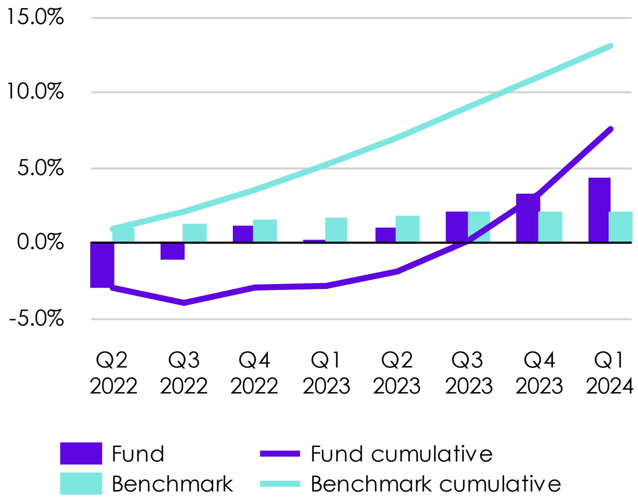


Diversifying Returns Fund

Launch date
12 August 2020
Investment strategy & key drivers
Strategy utilising currencies, credit, rates and equities
Liquidity
Managed
Benchmark
SONIA +3%
Outperformance target
0% to +2.0%
Total fund value
£968m
Risk profile
Moderate

Dorset's Holding:
GBP262m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	4.3	10.8	4.9	4.3
SONIA +3%	2.0	8.1	5.5	5.1
Excess	2.2	2.7	-0.6	-0.9

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

Performance commentary

The Diversifying Returns Fund returned 4.3% over the first quarter of 2024. The benchmark return was 2.0%. The sterling-hedged 50/50 equity/bond index we monitor returned 4.8% over the quarter, as equities performed well.

Increasing exposure to equities over the six months to quarter-end enabled the portfolio to benefit from the 2024 market rally and to decrease the level of underperformance vs the cash-plus benchmark. However, the portfolio remained behind the cash-plus benchmark, both since inception and over a three-year period. This benchmark has been hard to beat in an environment where interest rates have risen aggressively, raising the benchmark return whilst simultaneously hampering the performance of risk assets.

Exposure to traditional asset classes held through Fulcrum and Lombard Odier benefited performance; exposure to equities and commodities made a positive contribution to returns. Exposure to sovereign bonds held through these managers detracted from performance, but not enough to negate the significant positive returns gained from exposure to other traditional asset classes. Over the quarter, Lombard Odier returned 4.9% and Fulcrum 5.6%.

Fulcrum also benefitted from alternative return streams, with positive contributions coming from the long/short thematic equities book and from discretionary macro positioning in Japanese equities and commodities.

J. P. Morgan also performed well over the quarter, returning 9.3%. Following a disappointing end to 2023, relative value equity momentum was the best-performing signal. Other equity signals also performed well with Value, Quality and Trend making positive contributions to returns.

UBS returned -7.0% for the period. Its largest positions, long Norwegian Kroner and Japanese Yen, each played a large part in its negative returns. In particular, the yen was weak. Despite the removal of negative interest rates by the Bank of Japan, increasing US yields resulted in the large rate differential between the yen and dollar persisting.

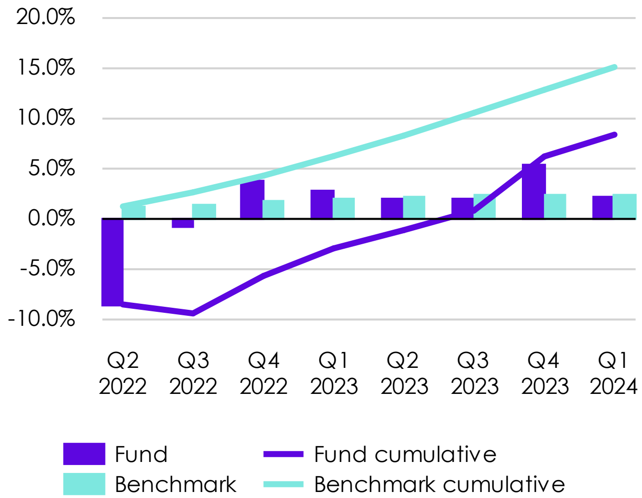
There were positive contributions from a short position in the New Zealand dollar and long exposure to the Colombian peso. There was also a positive contribution from the short position in the Chinese renminbi, as Chinese monetary policy was eased.

Multi-Asset Credit

Launch date
7 July 2021
Investment strategy & key drivers
Exposure to higher yield bonds with moderate credit risk
Liquidity
Managed
Benchmark
SONIA +4%
Outperformance target
0% to +1.0%
Total fund value
£2,968m
Risk profile
Moderate

Dorset's Holding:
GBP270m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	2.2	11.8	-	2.2
SONIA +4%	2.3	9.2	-	6.8
Excess	-0.1	2.6	-	-4.6

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

Performance commentary

Sub-investment grade started the year in positive fashion against a backdrop of rising interest rates and tightening credit spreads. Investors started to pull back from the aggressive pivot mentality, causing a rise in US Treasury yields. Many market participants are assuming two or fewer rate cuts in the US this year - a significant reversal from the six-cuts narrative that dominated last year. US and UK 2-year yields rose by 37 basis points (bps) and 21bps respectively.

Credit spreads tightened over the quarter, with High Yield Bonds – proxied by Bloomberg Global High Yield – tightening by 41bps to 382bps at quarter-end. A wider acceptance of a soft landing - or of none at all - along with strong technical factors, such as excess cash with asset managers, had fuelled the contraction.

All areas of sub-Investment Grade posted a positive return despite the rising interest rate environment. This was driven by spread compression and carry. Collateralised Loan Obligations (CLOs) were the primary beneficiaries, given their floating rate and higher carry; sub-IG CLO tranches returned in excess of 3%. High Yield Bonds and Leveraged Loans posted local returns of +2.1% and +1.6% respectively. The only notable outlier across the broader credit spectrum was Investment Grade, which fell by approximately 75bps in local terms.

The portfolio returned +2.2% over the quarter, which was in line with both the primary and composite benchmarks. Neuberger Berman, CQS and Oaktree returned +1.6%, +3.2% and +2.9% respectively. Neuberger Berman posted a weaker return due to its rate-sensitive allocation to Investment Grade corporates and its lack of exposure to CLOs. Oaktree and CQS saws strong opportunities in CLOs, given their higher carry and stronger structural protection against default.

Since-inception performance reached +2.2%, lagging the primary benchmark by 4.6%. The composite benchmark had returned approximately +2.6% over the same period.

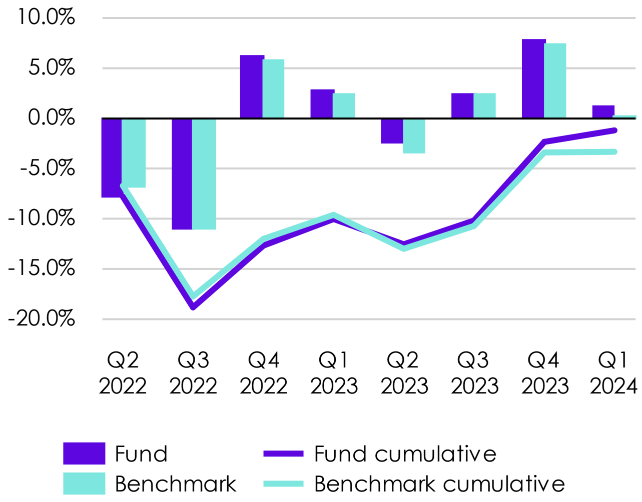
All three managers maintained a cautiously optimistic outlook. All-in yields had fallen to 7.8% (at quarter-end) for the Multi-Asset Credit portfolio with a duration of 2.8 years. Investors should remain wary of the reduced amount of compensation for credit risk. Our managers remain heavily focused on the quality of their issuers, leaving them well-positioned to outperform versus market default rates.

Sterling Corporate Bonds

Launch date
2 July 2021
Investment strategy & key drivers
Managed credit selection to generate excess sterling yield returns
Liquidity
Managed
Benchmark
iBoxx Sterling Non Gilt x
Outperformance target
+1%
Total fund value
£2,796m
Risk profile
Moderate

Dorset's Holding:
GBP256m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	1.2	8.8	-	-3.3
Benchmark	0.1	6.1	-	-4.3
Excess	1.1	2.7	-	0.9

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

Performance commentary

Markets recalibrated their pricing for expected central bank cuts over the year, contributing to negative returns for government bond markets over the quarter.

The sterling Investment Grade credit market (non-gilt) returned 0.1% over the quarter, as the effect of higher yields was mitigated by tighter credit spreads and higher carry. The shorter duration of the credit market index also helped offset some of the government-induced market headwinds. Given the rise in yields, sectors with a greater proportion of long-dated bonds performed poorly, including utilities and social housing. Supranationals was the worst-performing sector, while the bank and insurance sectors performed well.

Over the period, the Sterling Corporate Bonds portfolio returned 1.2%, outperforming the benchmark by 1.1%.

The main drivers of positive relative performance over the quarter were stock selection and sector allocation. Stock selection in bank and insurance bonds significantly contributed to relative returns. Within banks, the portfolio's bias towards subordinated bonds was helpful, particularly AT1s, which continued to outperform the wider market. At a sector level, the portfolio's underweight position in supranationals and overweight in insurance both contributed to relative returns.

In terms of credit rating bands, the allocation to BB-rated bonds contributed most to relative returns, whilst the significant underweight allocation to AAA-rated bonds was also positive.

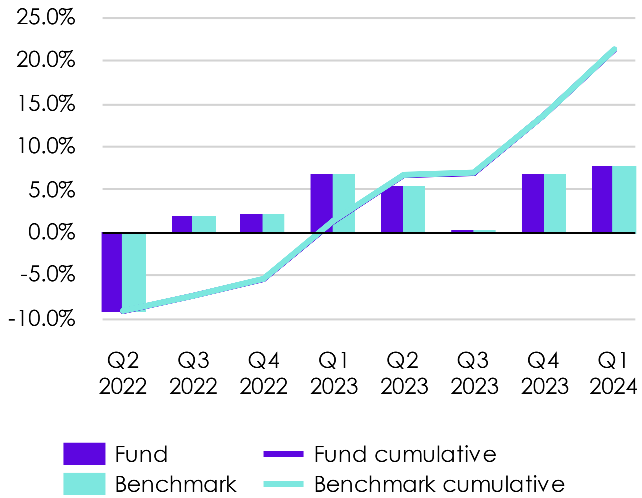
The holding in Thames Water was a detractor over the quarter. RLAM continues to believe that liquidity in the operating company remains satisfactory and that valuations remain attractive on a fundamental basis.

Bond yields are generally higher than they had been at the start of the year and interest rate cuts are now closer. RLAM therefore believes that overall government bond yields look attractive, and that credit spreads continue to compensate credit investors for the risk of default. Whilst yields are expected to remain sensitive to economic data, the portfolio is highly diversified, with a bias towards bonds with greater security and downside protection relative to the benchmark.

PAB Passive Global Equities

Launch date
1 November 2021
Investment strategy & key drivers
Passive global equity exposure aligned to Paris Agreement climate goals
Liquidity
High
Benchmark
FTSE Dev World PAB
Outperformance target
Match
Total fund value
£2,711m
Risk profile
High
Dorset's Holding:
GBP132m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	7.6	21.3	-	8.5
Benchmark	7.6	21.3	-	8.6
Excess	-	-	-	-0.1

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

Performance commentary

The FTSE Developed Paris Aligned Index (GBP Hedged) (PAB) returned 7.9% over Q1 2024.

The PAB's holding in Tesla made a large negative contribution to returns. Tesla is a significant position in the portfolio, owing to its strong Green Revenue score and a positive tilt score for Scope 3 carbon emissions intensity. Tesla suffered a significant fall in share price over the quarter, driven by falling demand, production halts, rumours of staff layoffs, growing pressure to cut prices, and increasing pressure from competitors - particularly Chinese EV manufacturers.

Among the 'Magnificent 7', Tesla suffered the worst performance over the quarter. Overweights to Microsoft and Alphabet meant that both made positive contributions to returns over the quarter. However, the portfolio had underweight positions in Nvidia and Meta, and these stocks both had strong performance over the quarter. The main driver of performance for Meta was strong earnings results, while Nvidia continued to benefit from the surging interest in AI.

At quarter-end, the PAB had 4 holdings in the Energy sector, each of which made a negative contribution to portfolio returns over the quarter: Vestas Wind Systems A/S, First Solar, Enphase Energy and SolarEdge Technologies. Each of these stocks was held overweight due to Green Revenue and TPI Management Quality scores. The broader Energy sector, including companies with significant oil & gas exposure, performed strongly over the quarter. Stocks held by the market-weighted index but not held at all in this portfolio included Exxon Mobil, Chevron, Shell, BP and ConocoPhillips. Each of these delivered positive returns over the quarter, benefiting from significant increases in the price of crude oil.

The portfolio decarbonisation trajectory is in line with the requirements of EU regulations for Paris-aligned benchmarks, which utilises EVIC rather than revenue in its decarbonisation calculations.

PAB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
AMAZON.COM INC	5.80	7,651,973
MICROSOFT CORP	5.44	7,170,279
ALPHABET INC	4.60	6,069,380
APPLE INC	4.06	5,352,702
TESLA INC	2.83	3,726,311

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2023	Q1 2024
AMAZON.COM INC	30.61	30.20
MICROSOFT CORP	15.21	15.21
TESLA INC	25.23	25.26
APPLE INC	17.22	16.72
ALPHABET INC-CL A	24.09	24.09

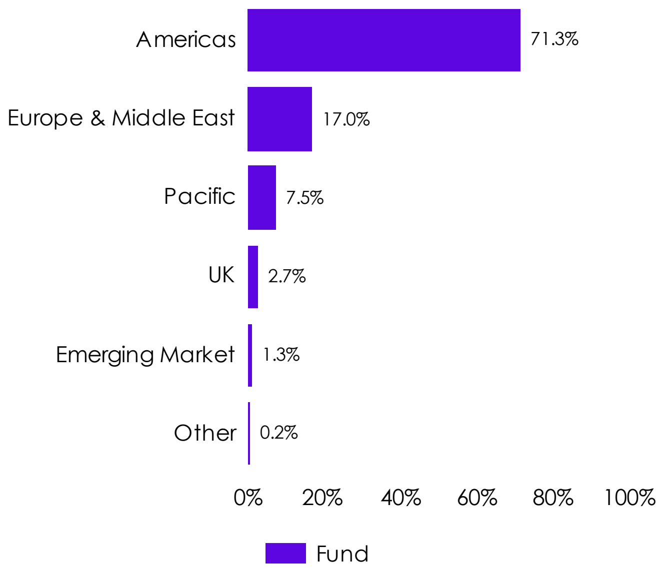
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

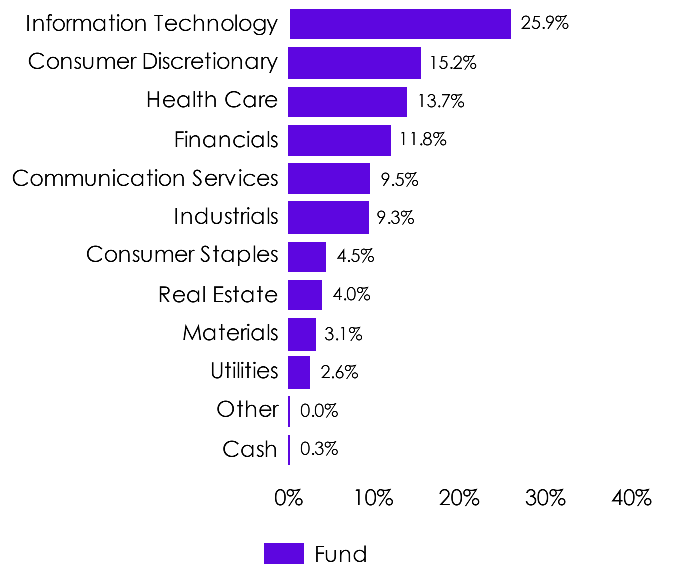
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
PAB Passive Global	120	118	1.39	1.21	3.57	3.48
FTSE Dev World TR	168	163	4.69	4.60	8.45	8.34

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

Regional exposure



Sector exposure



PAB Passive Global Equities (Hedged)

Launch date
1 November 2021

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

Liquidity
High

Benchmark
FTSE Dev World PAB

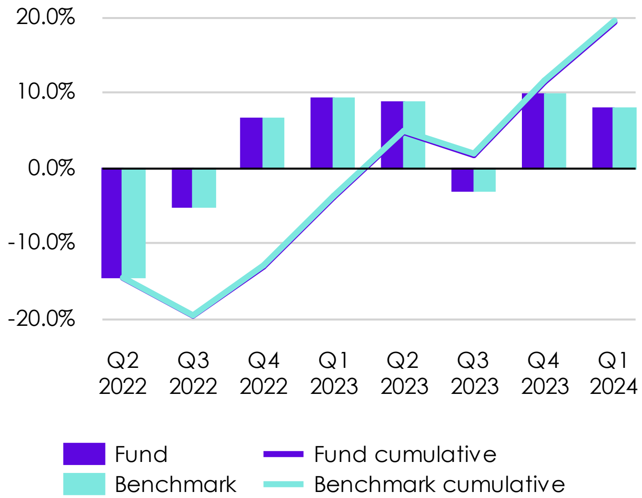
Outperformance target
Match

Total fund value
£1,424m

Risk profile
High

Dorset's Holding:
GBP136m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	7.9	24.7	-	5.7
Benchmark	8.0	24.8	-	5.8
Excess	-0.1	-0.1	-	-0.1

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

Performance commentary

The FTSE Developed Paris Aligned Index (GBP Hedged) (PAB) returned 7.9% over Q1 2024.

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. The US dollar only weakened slightly against sterling over the quarter, resulting in a small outperformance in the hedged product.

PAB's holding in Tesla made a large negative contribution to returns. Tesla is a significant position in the portfolio owing to its strong Green Revenue score and a positive tilt score for Scope 3 Carbon Emissions Intensity. Tesla saw significant falls in share price in the first quarter, driven by falling demand, , production halts, rumours of staff layoffs, growing pressure to cut prices, and increasing pressure from competitors, particularly Chinese EV manufacturers.

Of the "Magnificent 7" stocks, it was Tesla that performed worst over the quarter. Microsoft and Alphabet are held at a larger weight than in the market cap weighted index and each made positive contributions to return over the quarter. However, the portfolio had underweight positions in Nvidia and Meta, and both stocks performed strongly over the quarter. The main driver of performance for Meta was strong earnings results, while Nvidia continued to benefit from the surging interest in AI.

The PAB had 4 holdings in the Energy sector, which each made a negative contribution to portfolio return over the quarter: Vestas Wind Systems A/S, First Solar, Enphase Energy and SolarEdge Technologies. Each of these stocks was held at a weight above the market cap weighted index due to Green Revenue scoring and positive TPI Management Quality scores. The broader Energy sector, including companies with significant oil & gas exposure, performed strongly over the quarter. Stocks held by the market-weighted index, but not held at all in this portfolio, included Exxon Mobil, Chevron, Shell, BP and ConocoPhillips. Each of these four posted positive returns over the quarter, benefitting from significant increases in the price of crude oil.

The portfolio decarbonisation trajectory remained in line with the requirements of EU regulations for Paris-aligned benchmarks - and thus the portfolio is shaped by EVIC rather than Revenue in decarbonisation calculations.

PAB Passive Global Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
AMAZON.COM INC	5.80	7,881,122
MICROSOFT CORP	5.44	7,385,003
ALPHABET INC	4.60	6,251,136
APPLE INC	4.06	5,512,996
TESLA INC	2.83	3,837,901

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	Q1 2024
AMAZON.COM INC	30.61	30.20
MICROSOFT CORP	15.21	15.21
TESLA INC	25.23	25.26
APPLE INC	17.22	16.72
ALPHABET INC-CL A	24.09	24.09

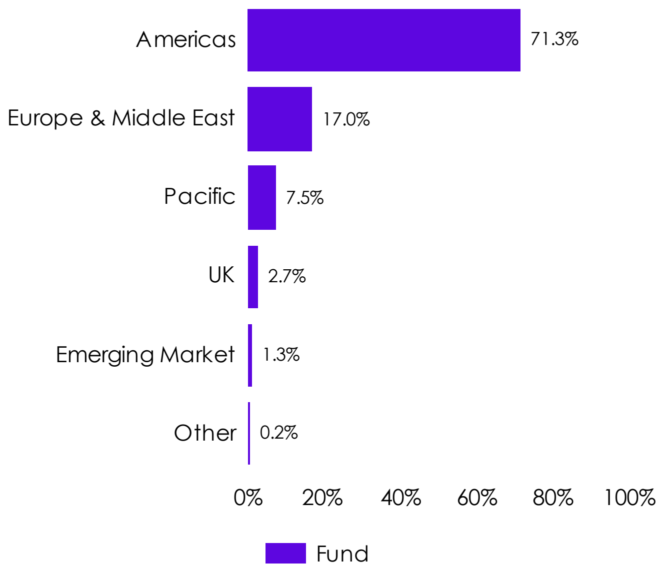
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

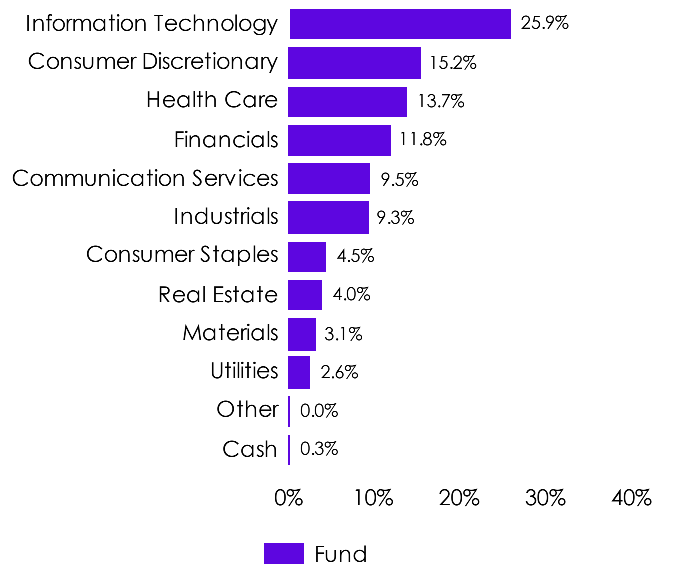
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
PAB Passive Global	120	118	1.39	1.21	3.57	3.48

*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

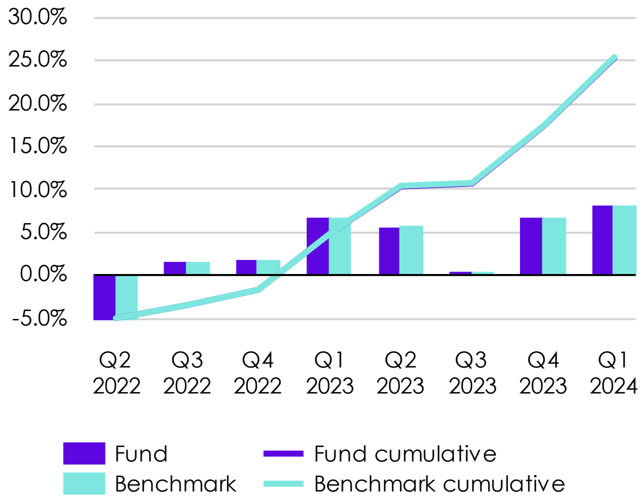


CTB Passive Global Equities

Launch date
1 May 2022
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
£673m
Risk profile
High

Dorset's Holding:
GBP-m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	7.9	21.9	-	14.2
Benchmark	8.0	22.0	-	14.2
Excess	-0.1	-0.1	-	-0.0

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

Performance commentary

The FTSE Developed Climate Transition Index (GBP) (CTB) returned 8.0% over Q1 2024. The CTB Passive Global Equities (GBP Hedged) product closely replicated the performance of the benchmark over the period, returning 7.9%.

Nvidia was the single largest contributor to positive returns in the portfolio, as the continuing 'AI boom' drove the company share price significantly higher. However, the position was held at an underweight compared to the broader index.

Amazon was held at an overweight relative to the broader index. This contributed positively to performance over the quarter. Amazon's strong stock price performance was buoyed by increasing revenues, driven in part by new advertisements on the company's video platform.

Tesla was the single largest contributor to the underperformance of the CTB portfolio versus the broader index. Tesla is a significant position in the portfolio owing to its strong Green Revenue score and a positive tilt score for Scope 3 carbon emissions intensity. Tesla's share price suffered significant falls in the first quarter, due to falling demand, production halts, rumours of staff layoffs & growing pressure to cut prices.

The Energy sector contributed the least to portfolio performance. Positions held at an overweight, including Vestas Wind Systems A/S, First Solar, Enphase Energy and SolarEdge Technologies, performed poorly. These holdings perform well on both Green Revenue and positive TPI Management Quality scores. Other Energy sector companies, with significant oil & gas exposure, performed strongly over the quarter. These are underweight positions in this portfolio relative to the broader index.

Technology sector companies made the largest positive contribution to performance, despite shifting expectations on interest rate cuts.

The portfolio decarbonisation trajectory remained in line with the requirements of EU regulations for Paris-aligned benchmarks - these utilise EVIC rather than Revenue in decarbonisation calculations.

CTB Passive Global Equities

Top 5 holdings

	Weight %	Client value (GBP)*
MICROSOFT CORP	**5.44**	-
AMAZON.COM INC	**4.78**	-
ALPHABET INC	**4.62**	-
APPLE INC	**4.05**	-
TESLA INC	**2.60**	-

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
AMAZON.COM INC	**30.61**	**30.20**
MICROSOFT CORP	**15.21**	**15.21**
APPLE INC	**17.22**	**16.72**
TESLA INC	**25.23**	**25.26**
ALPHABET INC-CL A	**24.09**	**24.09**

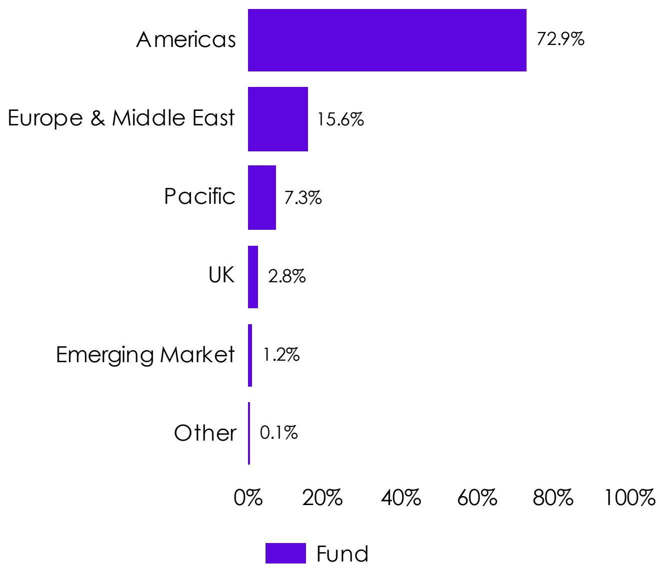
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

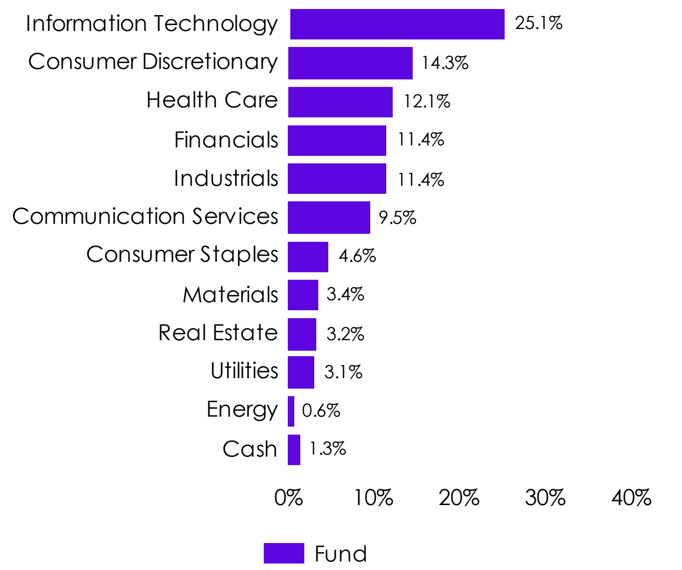
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
CTB Passive Global	**148**	**148**	2.26	2.05	5.09	5.02
FTSE Dev World TR	**168**	**163**	4.69	4.60	8.45	8.34

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

Regional exposure



Sector exposure



CTB Passive Global Equities (Hedged)

Launch date
1 May 2022

Investment strategy & key drivers
Passive global equity exposure aligned to Climate Transition goals - hedged

Liquidity
High

Benchmark
FTSE Dev World CTB

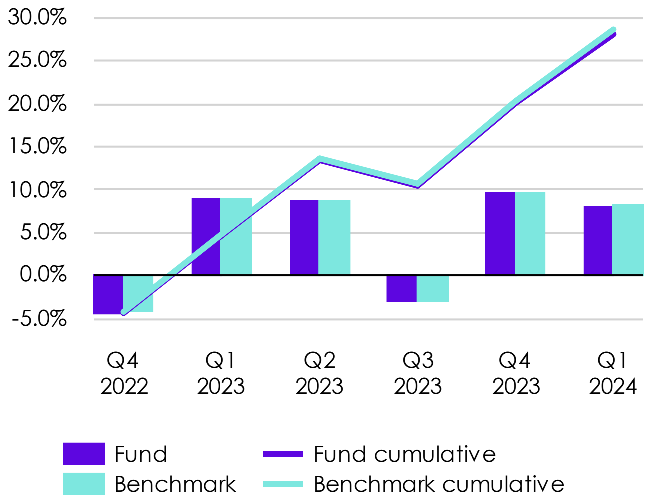
Outperformance target
Match

Total fund value
£0m

Risk profile
High

Dorset's Holding:
GBP-m

Rolling 2yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	8.0	25.0	-	22.7
Benchmark	8.3	25.4	-	23.2
Excess	-0.3	-0.4	-	-0.5

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

Performance commentary

The FTSE Developed Climate Transition Index (GBP Hedged) (CTB) returned 8.3% over Q1 2024. The CTB Passive Global Equities (GBP Hedged) product closely replicated the performance of the benchmark over this period.

There was a small outperformance in the hedged product relative to the unhedged.

Nvidia was the single largest contributor to positive returns in the portfolio, as the continuing 'AI boom' drove the company share price significantly higher. However, the position was held at an underweight compared to the broader index.

Amazon was held at an overweight relative to the broader index. This contributed positively to performance over the quarter. Amazon's strong stock price performance was buoyed by increasing revenues, driven in part by new advertisements on the company's video platform.

Tesla was the single largest contributor to the underperformance of the CTB portfolio versus the broader index. Tesla is a significant position in the portfolio owing to its strong Green Revenue score and a positive tilt score for Scope 3 carbon emissions intensity. Tesla's share price suffered significant falls in the first quarter, due to falling demand, production halts, rumours of staff layoffs & growing pressure to cut prices.

The Energy sector contributed the least to portfolio performance. Positions held at an overweight, including Vestas Wind Systems A/S, First Solar, Enphase Energy and SolarEdge Technologies, performed poorly. These holdings perform well on both Green Revenue and positive TPI Management Quality scores. Other Energy sector companies, with significant oil & gas exposure, performed strongly over the quarter. These are underweight positions in this portfolio relative to the broader index.

Technology sector companies made the largest positive contribution to performance, despite shifting expectations on interest rate cuts.

The portfolio decarbonisation trajectory remained in line with the requirements of EU regulations for Paris-aligned benchmarks, which utilise EVIC rather than revenue in decarbonisation calculations.

CTB Passive Global Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
MICROSOFT CORP	**5.44**	-
AMAZON.COM INC	**4.78**	-
ALPHABET INC	**4.62**	-
APPLE INC	**4.05**	-
TESLA INC	**2.60**	-

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
AMAZON.COM INC	**30.61**	**30.20**
MICROSOFT CORP	**15.21**	**15.21**
APPLE INC	**17.22**	**16.72**
TESLA INC	**25.23**	**25.26**
ALPHABET INC-CL A	**24.09**	**24.09**

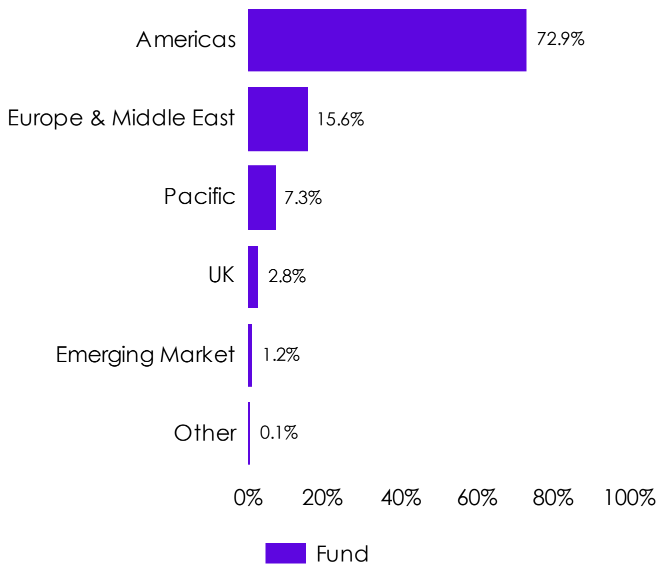
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

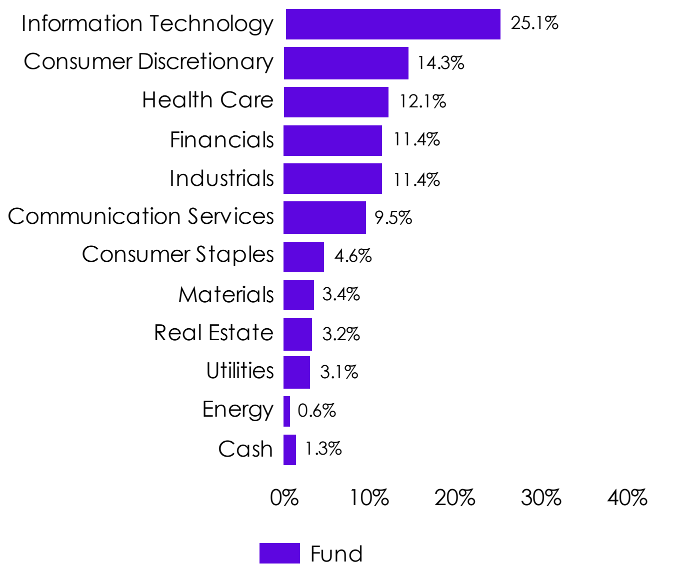
Portfolio	WACI 2023 Q4	WACI 2024 Q1	Total Extractive Exposure[1] 2023 Q4	Total Extractive Exposure[1] 2024 Q1	Extractive Industries (VOH)[2] 2023 Q4	Extractive Industries (VOH)[2] 2024 Q1
CTB Passive Global	**148**	**148**	2.26	2.05	5.09	5.02

*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

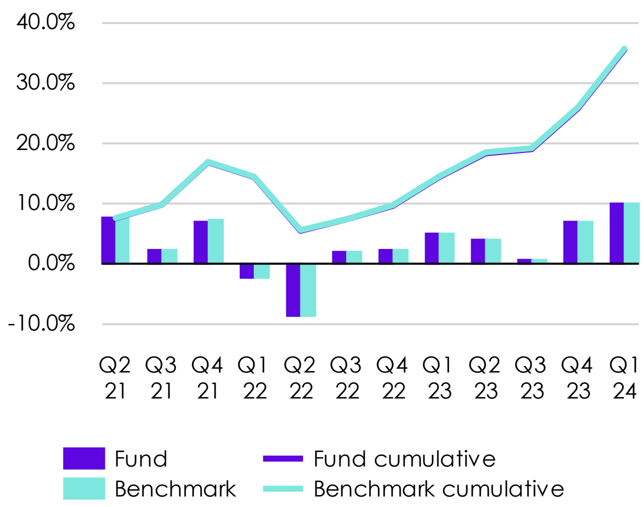


Passive Developed Equities

Launch date
11 July 2018
Investment strategy & key drivers
Passive global equity exposure
Liquidity
High
Benchmark
FTSE Developed
Outperformance target
Match
Total fund value
£749m
Risk profile
High

Dorset's Holding:
GBP120m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	9.7	22.6	11.9	11.7
Benchmark	9.8	22.7	11.9	11.7
Excess	-0.0	-0.1	-0.1	-0.0

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

Performance commentary

Passive Developed Equities returned 9.7% in the first quarter of 2024 and 22.6% over the year to quarter-end. The portfolio closely replicated the FTSE Developed World Index.

The continued resilience of the US economy and strong performance by companies linked to AI technology, helped the US and the Technology sector to perform well over the quarter. The US market returned 11.4% for sterling-denominated investors. The Technology sector returned 14.2%; hardware and equipment manufacturers, particularly in the semiconductor space, outperformed software and services companies. The Japanese stockmarket also benefited from this trend, returning 11.6% for sterling investors.

The quarter saw the outperformance of the 'Magnificent 7' begin to dilute. Nvidia was again a standout performer, returning 84.1% over the period, with Microsoft, Meta and Alphabet making strong contributions to returns. However, Apple and Tesla were among the worst performers in the index. Apple was overtaken by Microsoft as the company with the largest global market capitalisation, as sales in China fell and its app store came under regulatory scrutiny in both Europe and the US. Tesla's share price declined, as it delivered fewer vehicles in Q1 2024 than in Q1 2023.

The Financials sector was a strong performer, returning 11.6%, supported by diminishing expectations for interest rate cuts. The Energy sector also performed well, returning 10.3%, as oil prices rebounded over the quarter.

Weakness in the price of some industrial metals contributed to the weak performance of the Basic Materials sector. The Real Estate sector was the weakest-performing over the quarter, returning 0.5%.

Passive Developed Equities

Top 5 holdings

	Weight %	Client value (GBP)*
MICROSOFT CORP	**4.67**	**5,597,335**
APPLE INC	**3.73**	**4,470,715**
NVIDIA CORP	**3.20**	**3,838,095**
ALPHABET INC	**2.48**	**2,969,555**
AMAZON.COM INC	**2.42**	**2,905,140**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	Q1 2024
AMAZON.COM INC	**30.61**	**30.20**
MICROSOFT CORP	**15.21**	**15.21**
APPLE INC	**17.22**	**16.72**
META PLATFORMS INC-CLASS A	**33.69**	**33.80**
NVIDIA CORP	**13.45**	**13.45**

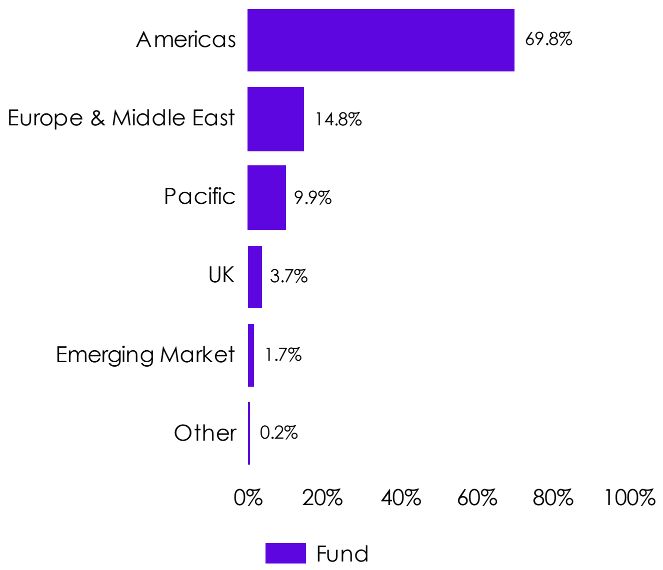
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

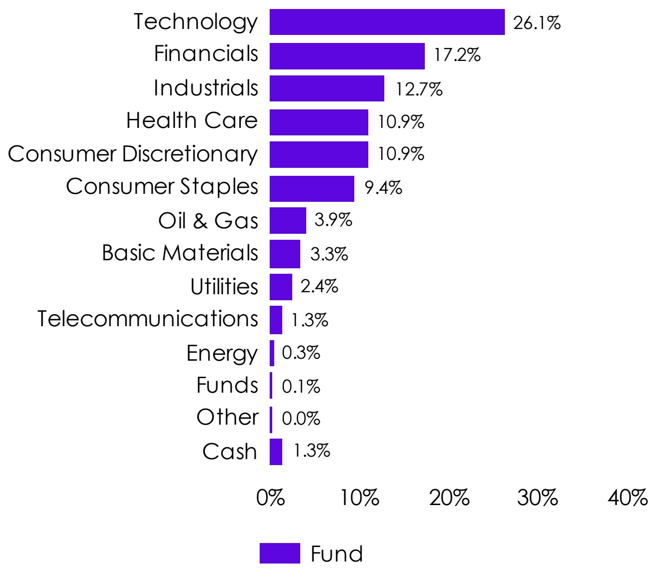
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Passive Developed	**168**	**163**	4.06	4.03	8.48	8.31

*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

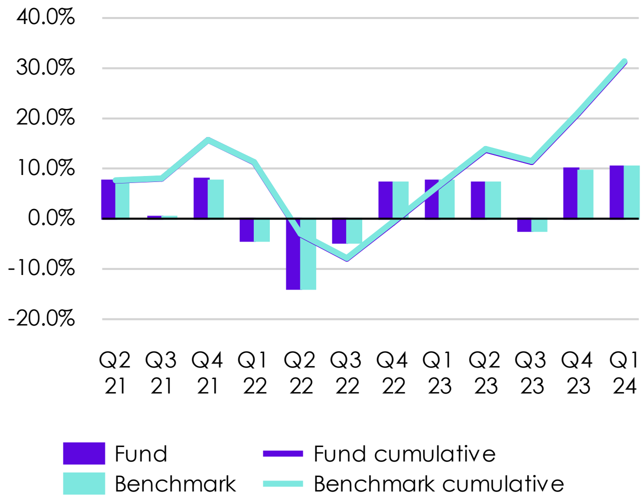


Passive Developed Equities (Hedged)

Launch date
11 July 2018
Investment strategy & key drivers
Passive global equity exposure - hedged
Liquidity
High
Benchmark
FTSE Developed
Outperformance target
Match
Total fund value
£123m
Risk profile
High

Dorset's Holding:
GBP123m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	10.2	26.4	9.6	10.4
Benchmark	10.3	26.4	9.7	10.5
Excess	-0.0	-0.1	-0.1	-0.1

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

Performance commentary

Passive Developed Equities (GBP Hedged) returned 10.2% in the first quarter of 2024, and 26.4% over the last year. The fund replicated the FTSE Developed Index (GBP Hedged) in line with expectations.

Although sterling weakened against the US dollar over the quarter, it strengthened against a number of other currencies. The net effect was that the hedged product outperformed the unhedged product.

It was a good quarter for Technology stocks, particularly those associated with the manufacture of hardware used for Artificial Intelligence. The Financials sector was a strong performer through the period, supported by diminishing expectations for interest rate cuts. The Energy sector also performed well, as oil prices rebounded.

Weakness in the prices of some industrial metals led to weak performance in the Basic Materials sector. The Real Estate sector was the weakest-performing over the quarter.

In local currency terms, Japan was the best-performing of the major developed markets, returning 18.7%. The US returned 10.3%, while Europe (excluding the UK) and the UK market returned 8.3% and 4.0% respectively.

Nvidia was again a standout performer, with Microsoft, Meta and Alphabet making strong contributions to returns. However, Apple and Tesla were among the worst performers. Apple was overtaken by Microsoft as the company with the largest global market capitalisation, as sales in China fell and its app store came under scrutiny in both Europe and the US.

Tesla's share price declined, as it delivered fewer vehicles in Q1 2024 than it had done in Q1 2023.

Passive Developed Equities (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
MICROSOFT CORP	**4.67**	**5,741,795**
APPLE INC	**3.73**	**4,586,099**
NVIDIA CORP	**3.20**	**3,937,152**
ALPHABET INC	**2.48**	**3,046,195**
AMAZON.COM INC	**2.42**	**2,980,118**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
AMAZON.COM INC	**30.61**	**30.20**
MICROSOFT CORP	**15.21**	**15.21**
APPLE INC	**17.22**	**16.72**
META PLATFORMS INC-CLASS A	**33.69**	**33.80**
NVIDIA CORP	**13.45**	**13.45**

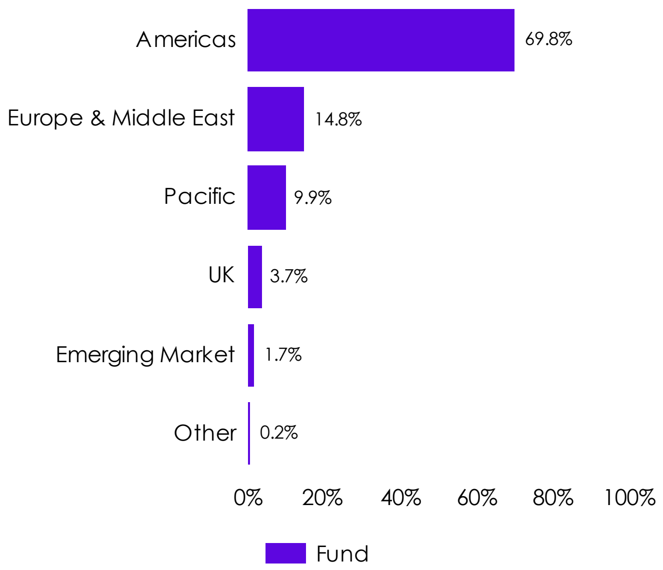
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

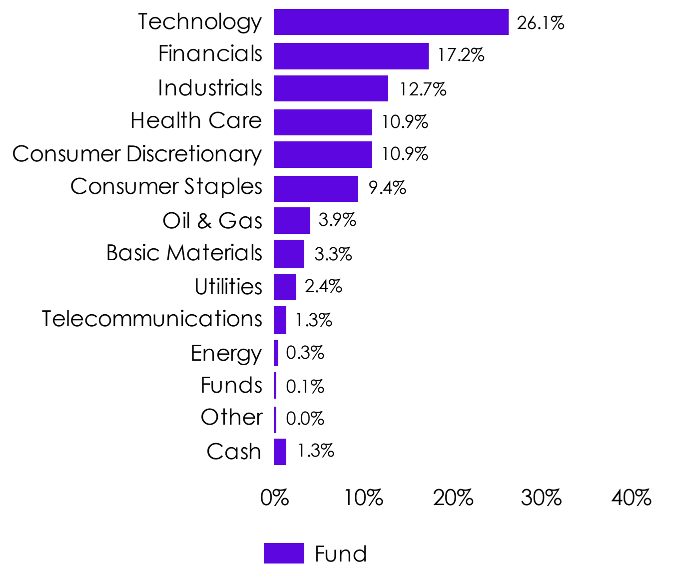
Portfolio	WACI		Total Extractive Exposure¹		Extractive Industries (VOH)²	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Passive Developed	**168**	**163**	4.06	4.03	8.48	8.31

*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

Launch date
11 July 2018

Investment strategy & key drivers
Passive UK equity exposure

Liquidity
High

Benchmark
FTSE All Share

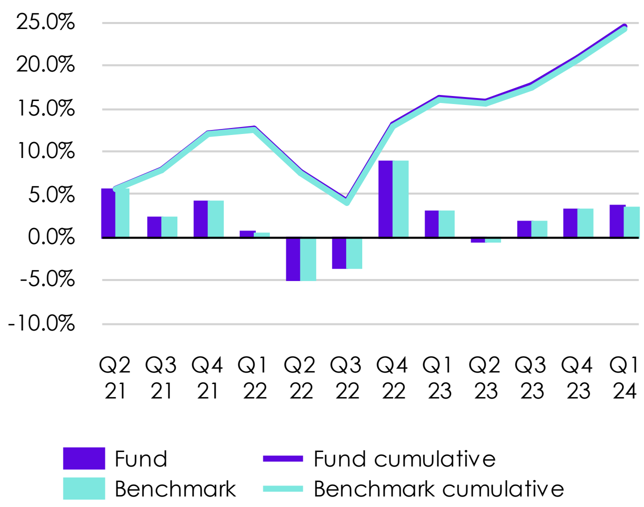
Outperformance target
Match

Total fund value
£136m

Risk profile
High

Dorset's Holding:
GBP136m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	3.6	8.5	8.2	4.2
FTSE All Share	3.6	8.4	8.0	4.1
Excess	0.1	0.1	0.1	0.1

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

Performance commentary

In the first quarter of 2024, Passive UK Equities returned 3.6%, while it returned 8.5% over the 12 months to quarter-end. The product tracked the FTSE All-Share Index in line with expectations.

The UK market underperformed the global index, which returned 9.8% over the period. Technology stocks, a large part of the global market and small part of the UK market, performed well, contributing to the performance differential. The Energy and Financial sectors enjoyed good performance, but returns were stronger for global stocks in these sectors than for their UK equivalents.

The UK Industrials sector enjoyed a second consecutive quarter of strong performance. Rolls Royce rose 42.4%, as a return to profit in 2023 and increase in flight hours was further augmented by the announcement of a cost-cutting programme and an ambitious set of financial targets. BAE systems also performed well, returning 21.5%.

The Basic Materials sector was the weakest-performing in the UK market, down 5.9% over the quarter. Rio Tinto and Glencore, both large index constituents, reported a fall in earnings which weighed on their share prices. A reduction in the UK energy price cap was detrimental to the Utilities sector, which provided a negative return of 3.8%.

Passive UK Equities

Top 5 holdings

	Weight %	Client value (GBP)*
SHELL PLC	**7.14**	**9,698,866**
ASTRAZENECA PLC	**6.60**	**8,956,466**
HSBC HOLDINGS PLC	**4.95**	**6,720,469**
UNILEVER PLC	**4.13**	**5,605,328**
BP PLC	**3.46**	**4,695,506**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
SHELL PLC	**33.68**	**33.68**
ASTRAZENECA PLC	**21.81**	**22.03**
BP PLC	**35.97**	**35.97**
HSBC HOLDINGS PLC	**24.98**	**24.95**
UNILEVER PLC	**23.57**	**23.57**

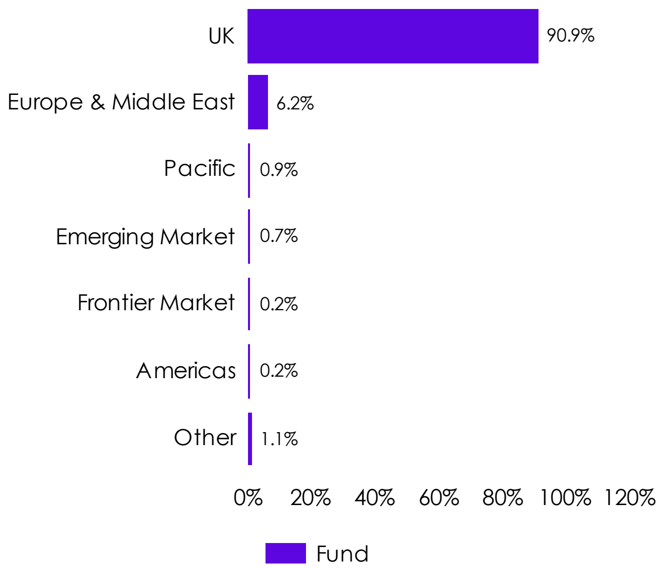
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

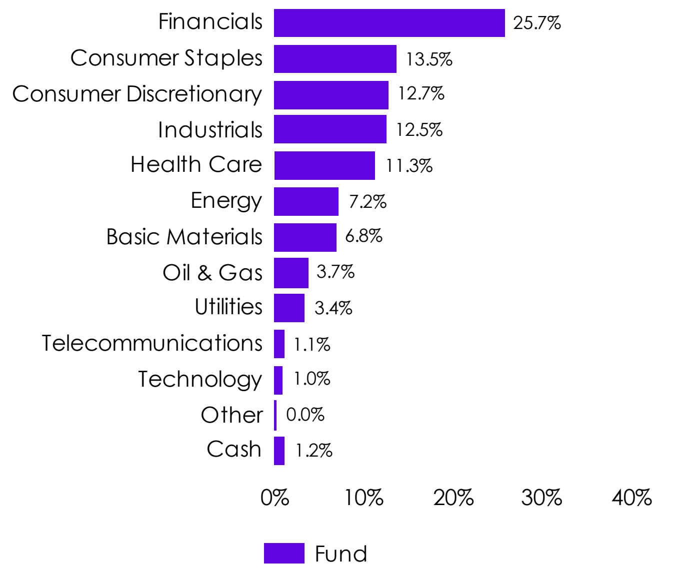
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Passive UK Equities	**137**	**132**	7.41	7.45	18.84	18.34

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

Regional exposure



Sector exposure

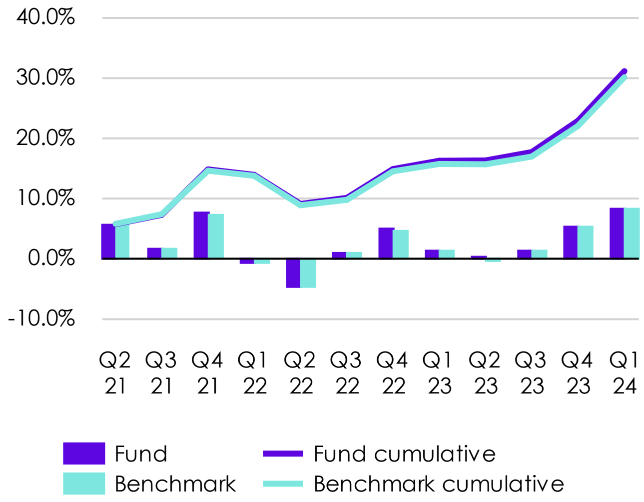


Passive Smart Beta

Launch date
18 July 2018
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
£174m
Risk profile
High

Dorset's Holding:
GBP174m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	8.2	15.5	10.5	9.4
Benchmark	8.1	15.0	10.0	9.1
Excess	0.1	0.5	0.5	0.3

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

Performance commentary

In the first quarter of 2024, Passive Smart Beta Equities returned 8.2%, underperforming the MSCI World Index, which returned 10.0%. The portfolio tracked the Scientific Beta Index in line with expectations. Over the prior 12 months, the product returned 15.5%. For the same period, the MSCI World Index returned 23.1%.

Over the quarter, the Low Volatility and 'high investment' components of the Quality signal made positive contributions to returns relative to the market cap index. Value and the 'profitability' component of the Quality signal marginally underperformed the broader market. The product does not explicitly target size as a factor, but does have a tilt towards smaller companies as a result of the product's portfolio construction methodology, which aims to reduce levels of concentration compared to the market capitalisation index. The quarter saw larger companies outperform their smaller counterparts and this played a large part in the relative underperformance of the product. The negative impact of size was also felt over the 12-month period (to quarter-end), as the product was underweight the large companies that make up a large portion of the MSCI Index.

Sector attribution shows there was a negative allocation impact from being underweight the Technology sector and a negative selection effect from being underweight the larger companies within the Technology sector (the best-performing over the quarter).

The largest single-stock contributors to return were Marathon Petroleum and Meta Platforms. Marathon Petroleum performed well after reporting earnings and revenues that significantly beat analysts' expectations. Meta also performed well, as the market reacted positively both to the company's announcement that it would return more capital to shareholders and to positive developments in its use of artificial intelligence.

The biggest negative contribution was from Intel. The firm's share price has struggled since it reported an operating loss of $7bn within its chip manufacturing division, as it looks to increase internal levels of chip manufacturing.

Passive Smart Beta

Top 5 holdings

	Weight %	Client value (GBP)*
BOSTON SCIENTIFIC CORP	**0.72**	**1,248,743**
JOHNSON & JOHNSON	**0.65**	**1,139,122**
WALMART INC	**0.65**	**1,123,547**
ALLSTATE CORP/THE	**0.64**	**1,121,684**
T-MOBILE US INC	**0.62**	**1,081,374**

*Estimated client value

Largest contributors to ESG risk

	ESG risk score* Q4 2023	ESG risk score* Q1 2024
3M CO	**40.98**	**40.98**
MARATHON PETROLEUM CORP	**-**	**30.49**
META PLATFORMS INC-CLASS A	**-**	**33.80**
BOSTON SCIENTIFIC CORP	**23.25**	**23.25**
WALMART INC	**25.26**	**25.26**

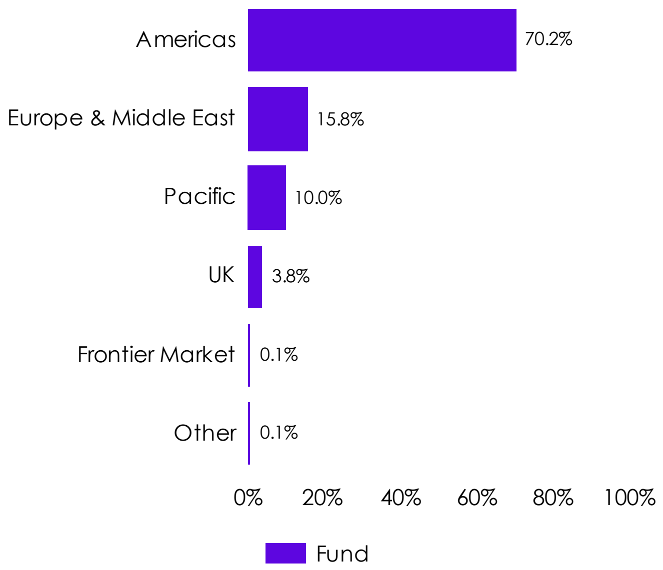
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

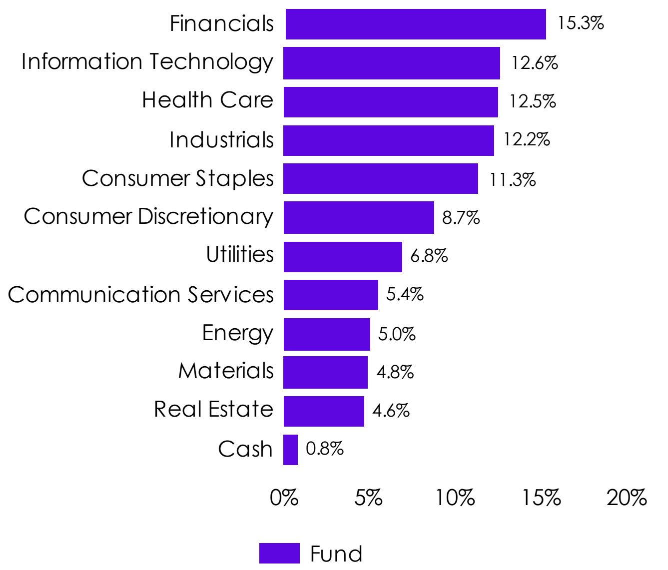
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Passive Smart Beta	**313**	**304**	3.37	3.33	11.08	10.86

*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)

Launch date
25 July 2018

Investment strategy & key drivers
Passive equity exposure utilising alternative smart beta indices - hedged

Liquidity
Reasonable

Benchmark
SciBeta Multifactor Hedged Composite

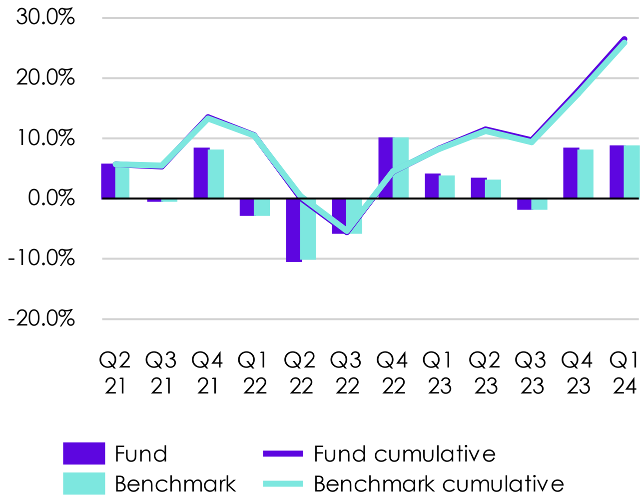
Outperformance target
+0.5-1%

Total fund value
£175m

Risk profile
High

Dorset's Holding:
GBP175m

Rolling 3yr performance



Performance to quarter end

Performance	3 month	1 year	3 year*	Since inception*
Fund	8.6	19.0	8.3	8.6
Benchmark	8.5	18.5	7.8	8.3
Excess	0.1	0.6	0.5	0.2

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

Performance commentary

In the first quarter of 2024, Passive Smart Beta Equities GBP Hedged returned 8.6%, outperforming the unhedged Smart Beta product. The product tracked the Scientific Beta index in line with expectations and underperformed the market cap-based Passive Developed Equities GBP-hedged product, which returned 10.2%. Over the 12 months to quarter-end, the product returned 19.0%. For the same period, the Passive Developed Equities GBP-hedged product returned 26.4%.

Over the quarter, the Low Volatility and 'high investment' component of the Quality signal made positive contributions to returns relative to the market cap index. Value and the 'profitability' component of the quality signal marginally underperformed the broader market. The product does not explicitly target size as a factor. However, it does have a tilt towards smaller companies as a result of the product's portfolio construction methodology, which aims to reduce levels of concentration versus the market capitalisation index. The quarter saw larger companies outperform their smaller counterparts and this played a major part in the relative underperformance of the product. The negative impact of size was also felt over the one-year period, as the product was underweight the large companies that make up a large portion of the MSCI Index.

Sector attribution shows there was a negative allocation impact from being underweight the Technology sector. There was also a negative selection effect from being underweight the larger companies within the Technology sector, since these were the best performing over the quarter.

The largest single stock contributors to return were Marathon Petroleum and Meta Platforms. Marathon Petroleum performed well after reporting earnings and revenues that significantly beat analysts' expectations. Meta also performed well, as the market reacted positively both to the company's announcement that it would return more capital to shareholders, and to positive developments in its use of artificial intelligence. The biggest negative contribution was from Intel. The firm's share price has struggled since it reported an operating loss of $7bn within its chip manufacturing division, as it looks to increase internal levels of chip manufacturing.

Passive Smart Beta (Hedged)

Top 5 holdings

	Weight %	Client value (GBP)*
BOSTON SCIENTIFIC CORP	0.72	1,256,039
JOHNSON & JOHNSON	0.65	1,145,777
WALMART INC	0.65	1,130,111
ALLSTATE CORP/THE	0.64	1,128,237
T-MOBILE US INC	0.62	1,087,691

*Estimated client value

Largest contributors to ESG risk

	ESG risk score*	
	Q4 2023	Q1 2024
3M CO	40.98	40.98
MARATHON PETROLEUM CORP	-	30.49
META PLATFORMS INC-CLASS A	-	33.80
BOSTON SCIENTIFIC CORP	23.25	23.25
WALMART INC	25.26	25.26

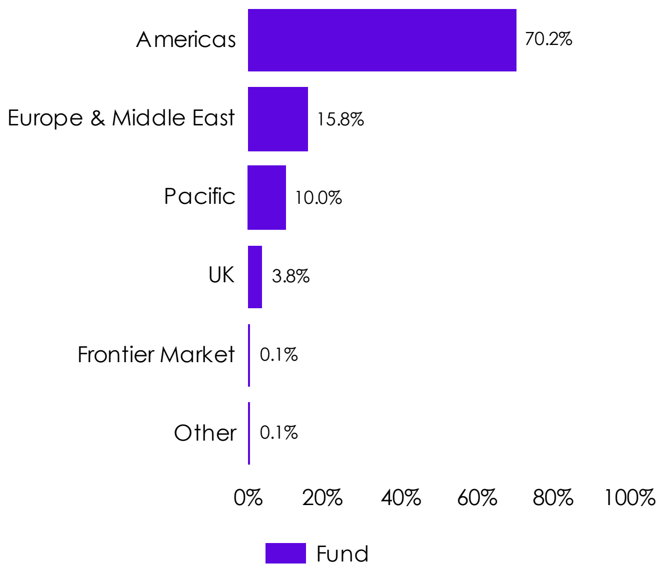
*Source: Sustainanalytics. The table is ordered by negative overall ESG impact on the portfolio, with the most impactful at the top. ESG Risk Score reference: 0-10 is Negligible, 10-20 is Low, 20-30 is Medium, 30-40 is High, 40+ is Severe.

Carbon metrics

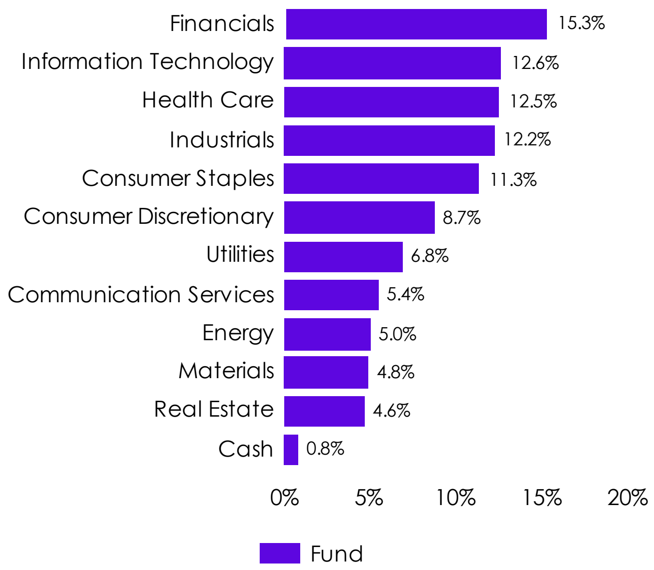
Portfolio	WACI		Total Extractive Exposure[1]		Extractive Industries (VOH)[2]	
	2023 Q4	2024 Q1	2023 Q4	2024 Q1	2023 Q4	2024 Q1
Passive Smart Beta	313	304	3.37	3.33	11.08	10.86

*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



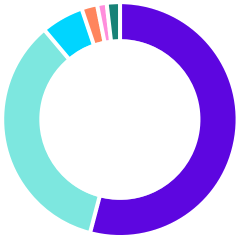
Private Equity Cycle 1

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
£60.69m
Amount Called
£46.84m
% called to date
77.18
Number of underlying funds
7
Dorset's Holding:
GBP57.75m

Country

Invested in underlying investments

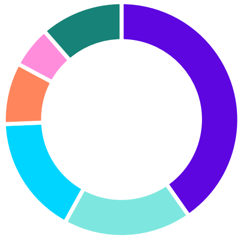


North America	54.1%
Western Europe	34.8%
Asia Pacific	5.8%
Global	2.2%
Middle-East/North Africa	1.3%
Other	1.8%

Source: Colmore
Country data is lagged by one quarter

Sector

GICs level 1



Financials	40.3%
Information Technology	17.7%
Health Care	16.4%
Industrials	8.5%
Telecommunication	5.7%
Other	11.4%

Source: Colmore
Sector data is lagged by one quarter

Performance commentary

Deal activity continued to show signs of picking up, largely reflecting sellers' adjusting pricing expectations (although some high-quality technology assets continued to attract high purchase multiples from buyers).

GPs remained focused on operational improvements as a driver for EBITDA growth vs a pure increase in top-line revenue. Select portfolio companies were showing some signs of underperformance due to a combination of wage inflation pressures (experienced over the ~12 months to quarter-end) alongside some instances of 'de-stocking', whereby companies grew to meet pent-up and outsized demand in 2021/2022 (driven by COVID-related supply issues) which then fell away to a greater degree than expected.

Outside of the Brunel portfolios, liquidity continued to cause challenges for GPs and LPs in older funds, which had expected to be realizing/harvesting returns - but an exit environment failed to materialise (IPO markets remained especially closely watched - but were still muted).

Portfolio deployment stood at c.~76% invested, 100% committed. Portfolio performance remained positive and was flat vs the prior quarter.

Pipeline:

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
57.7	5.5%	14.6%	2,278,456	819,302	1,459,154	1,483,420	1.36	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
£70.00m

The fund is denominated in GBP

Commitment to Investment
£70.00m

Amount Called
£4.41m

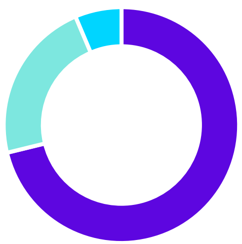
% called to date
6.30

Number of underlying funds
1

Dorset's Holding:
GBP3.62m

Country

Invested in underlying investments

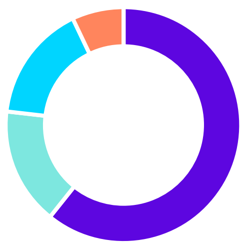


North America	71.2%
Europe	22.4%
Rest of the World	6.4%

Source: Colmore
Country data is lagged by one quarter

Sector

GICs level 1



Information Technology	60.8%
Health Care	16.1%
Industrials	16.1%
Consumer Discretionary	7.1%
Other	-0.1%

Source: Colmore
Sector data is lagged by one quarter

Performance commentary

Deal activity continued to show signs of picking up, largely reflecting sellers adjusting pricing expectations (although some high-quality technology assets continued to attract high purchase multiples from buyers).

GPs remained focused on operational improvements as a driver for EBITDA growth vs a pure increase in top-line revenue. Select portfolio companies showed some signs of underperformance due to a combination of wage inflation pressures experienced over the ~12 months to quarter-end, and some instances of 'de-stocking', whereby companies grew to meet pent-up and outsized demand in 2021/2022 (driven by COVID-related supply issues) which then fell away to a greater degree than expected.

Outside of the Brunel portfolios, liquidity continued to cause challenges for GPs and LPs in older funds, which had expected to be realizing/harvesting returns - but an exit environment failed to materialise. (IPO markets remained especially closely watched, but were still muted).

The Cycle 3 PE portfolio developed tremendously in the short space of time from Neuberger Berman's selected to establish and manage the Clifton vehicle (to quarter-end), helping Brunel to filter one of the busiest and richest fundraising environments in memory.

Pro-forma for the pending approved investments mentioned in the pipeline below, the Cycle 3 PE portfolio stood as follows:

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
3.6	-	-58.1%	2,180,511	0	2,180,511	-67,130	0.82	-0.0%	-0.0%

*Money weighted return. Net of all fees.

Private Equity Cycle 3

- 14 fund commitments made, representing 88% of total committed capital

- 31% impact funds (vs 40% ambition at outset)

- 49% small-/mid-cap, 32% large-cap, 8% growth/VC

- 55% primary, 17% coinvest, 16% secondary

- 39% North America, 36% Europe, 13% RoW

- only 12% remains uncommitted, but with suitable opportunities close to being identified

Pipeline:

Two high-conviction small-/mid-cap European buyout funds were approved by Brunel during the quarter and both closed in early Q2. Both are considered ESG leaders, focusing on founder- and family-owned companies in the DACH and Northwest Europe regions, respectively. These will be presented at the next ISG.

A climate-focused primary impact fund is currently in due diligence by Neuberger Berman, with Brunel yet to receive a formal veto pack. One final primary fund remains to be selected, with several candidates being reviewed - likely a US small-/mid-cap buyout fund to round out the portfolio construction process.

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
£80.00m

The fund is denominated in GBP

Commitment to Investment
£80.00m

Amount Called
£21.53m

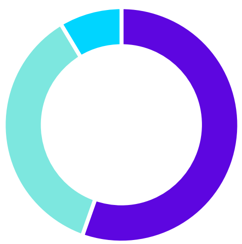
% called to date
26.92

Number of underlying funds
1

Dorset's Holding:
GBP20.92m

Country

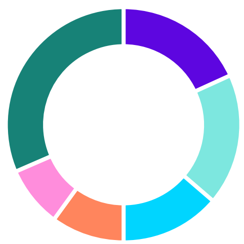
Commitment in underlying investments



Europe (incl. UK)	55.4%
North America	36.0%
Rest Of World	8.6%

Source: Stepstone.
Country data is as of latest available Q3 23

Sector



Diversified Renewables	18.1%
Timber	18.1%
Wind	13.8%
Water Utilities	10.1%
Agriculture	8.4%
Other	31.5%

Source: Stepstone.
Country data is as of latest available Q3 23

Performance commentary

Despite continued volatility in political, economic and investment landscapes, Infrastructure as an asset class remained broadly resilient and an attractive option for investors during more turbulent times.

The consensus remained that most major developed economies would see positive, but sluggish growth throughout 2024 and that the Fed, ECB and BoE would start cutting rates in 2024, lowering the discount rate used by managers for their valuations. However, given the “higher for longer” consensus, we do not forecast any significant short-term impacts.

Global Infrastructure remained key in the execution of government agendas to boost economic growth, bring down energy consumption, and increase the production of renewable energy. The ability to build diversified portfolios with medium-to-long-term investment horizons, low exposures to cyclical sectors, the capacity to work closely with portfolio company management teams, and an emphasis on investing in companies with strong recurring cashflows, should combine to continue providing downside protection and strong competitive advantages.

At the end of Q1 2024, Cycle 3 was ~58% committed and ~28% invested. At the end of Q4 2023, Cibus Fund II closed - the European agriculture-focused primary fund. Cibus held final close in Q1 2024 at $510m. In addition, There were also Q1 closures for Mirova Energy Transition 6, a Europe-focused renewables, and energy transition infrastructure primary fund, and DIF Infrastructure VII, a global primary fund focused on

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
20.9	-2.6%	-3.3%	2,490,428	0	2,490,428	237,819	0.97	-0.0%	-0.0%

*Money weighted return. Net of all fees.

Infrastructure Cycle 3

brownfield and greenfield infrastructure assets. Mirova held its first close at the end of Q1 2024.

Pipeline:

During Q1, three tactical investments were approved by Brunel and are subject to further StepStone due diligence:

1. ~£28m follow-on co-investment opportunity into a platform which invests in sustainable infrastructure, innovative technologies & essential assets arising from Cycle 2G

2. ~£28m co-investment opportunity into a US renewable energy developer

3. ~£32m secondaries fund consisting of 7-8 secondary investments.

StepStone will be responsible for sourcing high-quality secondary opportunities and writing smaller tickets across both LP-led and GP-led strategies, capitalising on the tailwinds created by the supply-demand imbalance in the secondary market, as both GP and LP appetite for liquidity solutions increases.

Secured Income Cycle 1

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

Benchmark
CPI

Outperformance target
+2%

Launch date
1 October 2018

Commitment to portfolio
£60.00m

The fund is denominated in GBP

Commitment to Investment
£60.00m

Amount Called
£59.94m

% called to date
99.90

Number of underlying funds
3

Dorset's Holding:
GBP52.83m

Performance commentary

Despite hopes that the UK had reached the top of the interest rate cycle, further volatility was expected as the market continued to find new pricing levels.

Open-ended long lease property funds suffered redemptions by investors hit by the liquidity shock in late 2022, with further redemptions received from de-risking investors and those concerned about the outlook for the property asset class.

Deferring payments, both funds made selective asset sales to fund these redemptions, with M&G Secured Property Income Fund (SPIF) making excellent progress and faster payments than Abrdn Long Lease Property (LLP), where we expect to see more sales over 2024.

Despite the outflows, both funds showed strong fundamentals. Rent collection was at pre-pandemic levels, both have WAULTs longer than 25 years, record high distribution yields and low vacancy. As at quarter-end, M&G SPIF had no vacancy, while Abrdn LLP was working hard to reduce its one void in the portfolio, leasing up the majority of the remaining floorspace over Q4, albeit on a multi-tenant as opposed to single-tenant basis.

The portfolio is fully drawn into Greencoat Renewable Income (GRI). Over final months of 2023, the fund deployed into a number of strategies, including further top-ups into Solar II. New investments were made into the Green Hydrogen Energy Company (GHECO), a JV to develop ready-to-build hydrogen electrolyser projects, and Equans, the largest owner of district heating assets in the UK. Furthermore, Greencoat finalised the acquisition of Project Toucan, and is now de-aggregating the solar assets across multiple SMAs and unitised vehicles, including the vehicle in which the portfolio will be invested. It is hoped this re-structuring will be completed over the summer.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
52.8	-3.2%	-1.0%	229,524	643,513	-413,988	-346,091	0.97	-0.1%	-0.0%

*Money weighted return. Net of all fees.

Secured Income Cycle 3

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

Benchmark
CPI

Outperformance target
+2%

Launch date
1 April 2022

Commitment to portfolio
£30.00m

The fund is denominated in GBP

Commitment to Investment
£29.68m

Amount Called
£25.23m

% called to date
85.01

Number of underlying funds
3

Dorset's Holding:
GBP25.84m

Performance commentary

Despite the hopes that the UK has reached the top of the interest rate cycle, further volatility is expected as the market continues to find new pricing levels. Open-ended long lease property funds have suffered redemptions from investors hit by the liquidity shock in late 2022, with further redemptions received from de-risking investors. Deferring payments, both funds are making selective asset sales to fund these redemptions, with M&G Secured Property Income Fund (SPIF) making excellent progress and faster payments than Abrdn Long Lease Property (LLP), where we expect to see more sales over 2024.

Despite the outflows, both funds are showing strong fundamentals. Rent collection is at pre-pandemic levels, both have WAULTs longer than 25 years, record high distribution yields and low vacancy. M&G SPIF has no vacancy, while Abrdn LLP has been working hard to reduce their one void in the portfolio, leasing up the majority of the remaining floorspace over Q4 albeit on a multi-tenant as opposed to single tenant basis.

Post the period end a draw down into Greencoat Renewable Income (GRI) was made which took the cycle 3 portfolio to being fully drawn. Over the last few months of 2023, GRI invested into a number of strategies, including further top ups into Solar II. New investments were made into the Green Hydrogen Energy Company (GHECO), a JV to develop ready to build hydrogen electrolyser projects, and Equans, the largest owner of district heating assets in the UK. Furthermore, Greencoat finalised the acquisition of Project Toucan, and are now de-aggregating the solar assets across multiple SMAs and unitised vehicles, including the vehicle in which the portfolio will be invested. It is hoped this re-structuring will be completed over the Summer.

Pipeline

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

Portfolio summary

Market value (GBP millions)	1 Year MWR*	Since Inception MWR*	Inflows	Outflows	Net cash flow latest quarter	Value added latest quarter	TVPI	Contribution to return: 1 year	Contribution to return: since inception
25.8	-	-	5,560,819	105,790	5,455,028	-155,386	1.02	0.0%	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
Money-weighted return	A performance measure that takes into account the timing and size of cash flows, including contributions and withdrawals.
MWR	Money weighted return - similar to an IRR - it reflects the actual investment return taking into account cashflows
NAV	Net asset value
net performance	Performance after deduction of all fees
PAB	Paris-Aligned Benchmark - targets a 50% lower carbon exposure from 2020 and then a 7% annual reduction
Quality	Quality stocks typically have a high Return on Equity, a very consistent profit outcome and exhibit higher and stable margins
relative risk	Relative volatility when compared with a benchmark
sector/stock selection	Performance driven by the selection of individual investments within a country or sector
since inception	Period since the portfolio was formed
since initial investment	Period since the client made its first investment in the fund
SONIA	Sterling Overnight Index Average - Overnight interbank interest rate - replacement for LIBOR
source of performance data	Source of performance data is provided net of fees by State Street Global Services unless otherwise indicated
standard deviation	Standard deviation is a measure of volatility for an investment using historical data. Volatility is used as a measure of investment risk. A higher number may indicate a more volatile (or riskier) investment but should be taken in context with other measures of risk
time-weighted return	A performance measure that eliminates the impact of cash flows, focussing solely on the investment's rate of return over a specific time period. It does not account for the timing and size of contributions and withdrawals.
total extractive exposure	Revenue derived from extractive operations as a % of total corporate revenue
total return (TR)	Total Return - including price change and accumulated dividends
tracking error	A measure of relative volatility around a benchmark. A fund which differs greatly from the benchmark is likely to have a high tracking error
transitioned assets	Client assets that have been transferred to the Brunel Pension Partnership
TVPI	Total Value to Paid In; ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid in
Value	Value stocks typically have a low valuation when measured on a Price to Book or Price to earnings ratio
WACI	Weighted Average Carbon Intensity; measures the carbon intensity of businesses rather than total carbon emissions. It is expressed as tonnes of CO2 equivalent per million GBP of investment exposure
yield to worst	Lowest possible yield on a bond portfolio assuming no defaults

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