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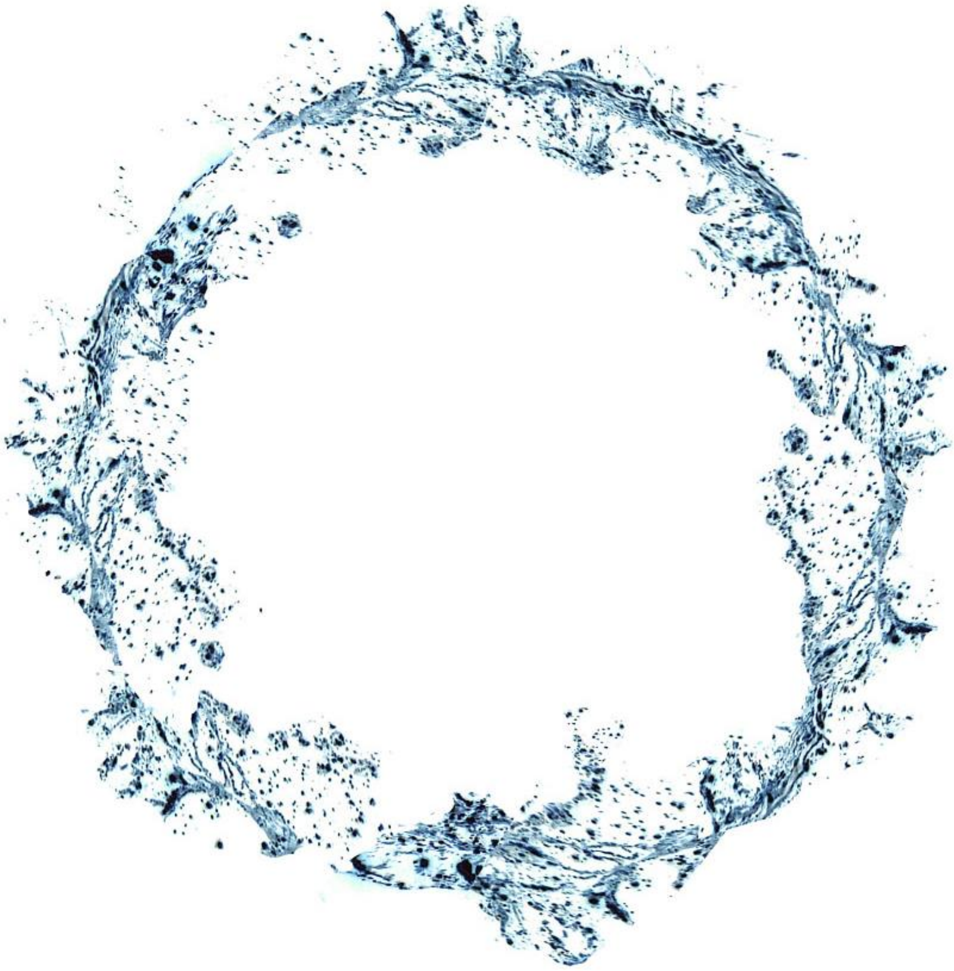


City of Westminster Pension Fund

Investment Performance Report to 31 March 2019

Deloitte Total Reward and Benefits Limited
June 2019

Contents

1 Market Background

Three and twelve months to 31 March 2019

Global equity markets rebounded strongly in the first quarter of 2019 after the sharp downturn experienced at the end of 2018, as fears over the US-China trade war eased following constructive talks and hopes of a resolution, while central banks moved to a more accommodating monetary policy signalling a halt to any further imminent rate rises.

UK equities also made gains over the quarter to 31 March 2019 with the FTSE All Share Index delivering a positive return of 9.4%. Whilst still uncertain, investors perceived the probability of a cliff-edge Brexit to have fallen following the UK Parliament's strong opposition to 'no deal', boosting hopes of a 'softer' outcome, with UK equities and sterling rising as a result. Meanwhile the underlying UK economy produced mixed signals against this uncertain political backdrop, as reported economic growth expectations slowed in line with the wider global slowdown, but unemployment fell below 4% and real wage growth continued to outpace inflation.

The FTSE 100 Index increased by 9.5% while the FTSE 250 gained 9.7% as the gains were shared among both larger international companies and smaller domestic focused companies alike. At the sector level, Technology was the best performer returning 22.8%, while Telecommunications was the only sector to deliver a negative return, falling by 6.1%.

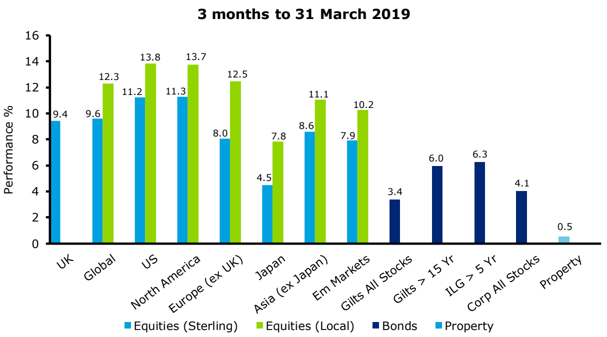
Global markets as a whole outperformed UK equities in local currency terms (12.3%) but performed broadly in line in sterling terms (9.6%) due to the appreciation of sterling, which meant that currency hedging contributed positively to the returns delivered to investors over the quarter. All regions made significant gains, led by the US which returned 13.8%, whilst Japan was the worst performer but still gained 7.8%, as measured in local currency terms.

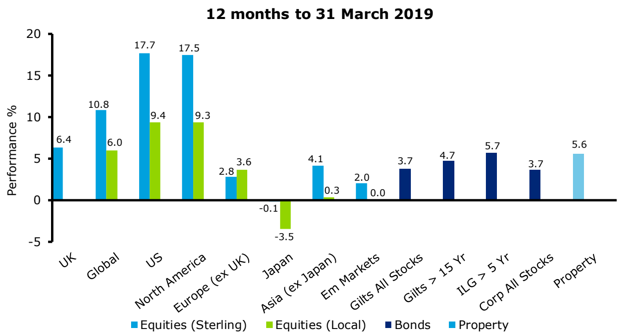
Nominal gilt yields fell sharply by about 20-30 bps across the curve and the All Stocks Gilts Index delivered a positive return of 3.4% over the quarter. Real yields also fell by a similar amount with the Over 5 Year Index-Linked Gilts Index delivering a return of 6.3% over the same period. Credit spreads tightened over the quarter, and combined with the fall in gilt yields led corporate bonds to perform strongly, with the iBoxx All Stocks Non Gilt Index returning 4.1% over the quarter.

Over the 12 months to 31 March 2019, the FTSE All Share delivered a positive return of 6.4% as the rebound in the most recent quarter offset the sharp fall at the end of 2018. At the sector level there was a wide dispersion of returns. Technology was the best performing sector returning 28.2%, whilst Telecommunications was the poorest performing sector delivering a negative return of -18.8%. Global equities performed broadly in line with UK equities in local terms (6.0%) but outperformed in sterling terms (10.8%) due to the depreciation of sterling over the year.

UK nominal gilts achieved positive returns over the 12 months to 31 March 2019, as nominal gilt yields fell by c. 20bps over the period. The All Stocks Gilts Index returned 3.7% and the Over 15 Year Gilts Index returned 4.7% over the year. UK index-linked gilts delivered positive returns as real yields also fell across the curve, particularly at shorter durations, with the Over 5 Year Index-Linked Gilts Index returning 5.7%. Corporate bonds performed similarly to gilts over the year, as their higher income yield was offset by a widening in credit spreads. The iBoxx All Stocks Non Gilt Index delivered a return of 3.7%.

The MSCI UK All Property Index returned 0.5% over the 3 months to 31 March 2019 and 5.6% over the 12 months to 31 March 2019 as the property market has begun to cool in recent quarters in light of uncertainty over Brexit and a slowing UK economy.





2 Total Fund

2.1 Investment Performance to 31 March 2019

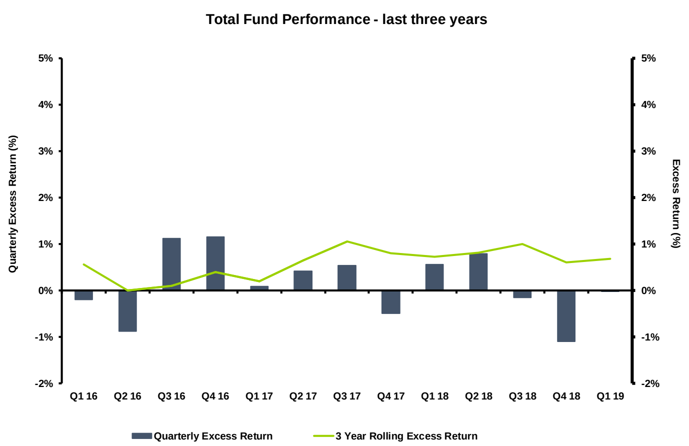
The following table summarises the performance of the Fund's managers.

Manager	Asset Class	Last Quarter (%)			Last Year (%)			Last 3 Years (% p.a.)[1]			Since inception (% p.a.)[1]		
		Fund		B'mark	Fund		B'mark	Fund		B'mark	Fund		B'mark
		Gross	Net[1]		Gross	Net[1]		Gross	Net[1]		Gross	Net[1]	
LCIV[3]	UK Equity	7.3	7.1	9.4	3.9	3.3	6.4	7.9	7.3	9.5	10.5	9.9	9.4
LGIM	Global Equity	11.7	11.7	11.7	5.1	5.0	5.0	10.8	10.8	10.8	11.0	11.0	11.0
LCIV[3]	Global Equity	12.5	12.4	9.6	9.1	8.8	10.5	18.2	17.9	14.4	14.3	14.0	11.8
Longview	Global Equity	7.2	7.0	9.9	16.6	16.0	12.0	14.9	14.2	14.4	13.9	13.2	11.6
Insight[2]	Buy and Maintain	4.3	4.3	2.9	n/a	n/a	n/a	n/a	n/a	n/a	6.3	6.2	5.4
LCIV[3]	Multi Asset Credit	2.8	2.6	1.3	n/a	n/a	n/a	n/a	n/a	n/a	0.7	0.4	2.1
Hermes	Property	0.7	0.6	0.5	6.8	6.4	5.8	8.2	7.8	7.2	9.8	9.4	8.5
Aberdeen Standard	Property	1.1	1.0	3.9	6.9	6.4	5.8	8.1	7.6	5.6	8.8	8.3	6.6
Pantheon	Global Infrastructure	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total		**7.9**	**7.8**	**7.8**	**6.4**	**6.1**	**6.7**	**10.6**	**10.3**	**9.6**	**n/a**	**n/a**	**n/a**

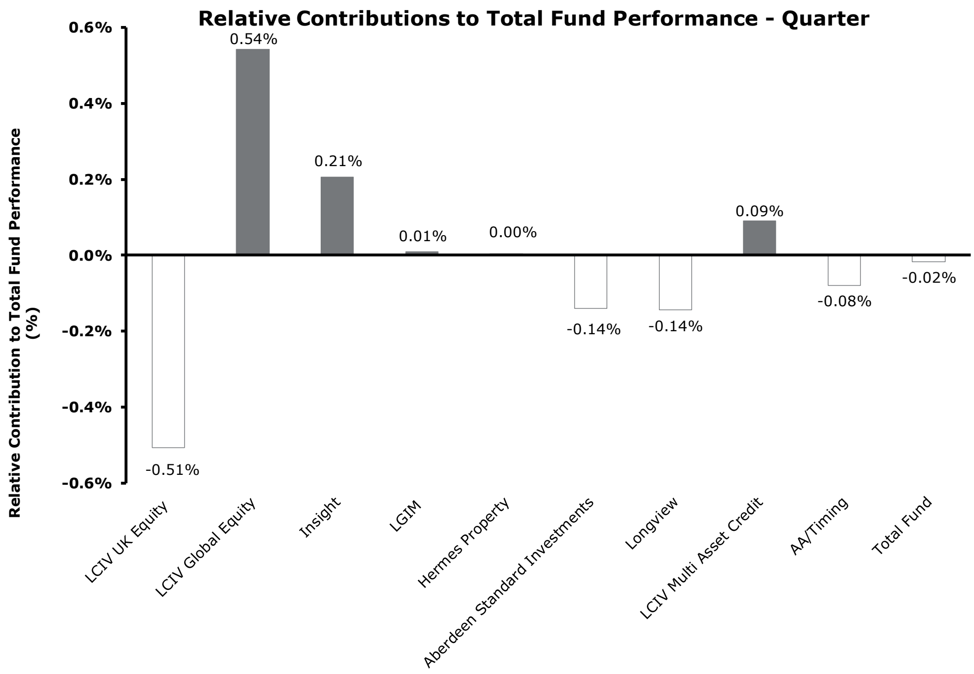
Source: Northern Trust
(1) Estimated by Deloitte when manager data is not available
See appendix 1 for more detail on manager fees and since inception dates
(2) Insight Buy and Maintain Fund date of inception of 9 April 2018. Since inception returns and benchmark returns reflect a combination of Insight Buy & Maintain Fund returns and benchmark returns from date of inception to 31 March 2019, and Insight IM (Core) Fund returns and benchmark returns from inception date 30 September 2011 until inception of the Buy and Maintain Fund
(3) Quarter and year performance figures estimated using London CIV quarterly reports. Longer term performance has been provided by Northern Trust. LCIV UK Equity Fund is managed by Majedie and was incepted on 18 May 2017. LCIV Global Equity Fund is managed by Baillie Gifford and was incepted on 11 April 2016

Over the quarter to 31 March 2019, the Fund delivered a positive return of 7.8% on a net of fees basis, matching its benchmark, with each mandate providing positive absolute returns over the period. Relative underperformance primarily driven by the LCIV UK Equity Fund and Longview was offset by the LCIV Global Equity Fund. Over the 12 month period to 31 March 2019, the Fund underperformed its benchmark by 0.6%. Whilst over the longer three-year period, the Fund outperformed its benchmark by 0.7% p.a. on a net of fees basis.

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

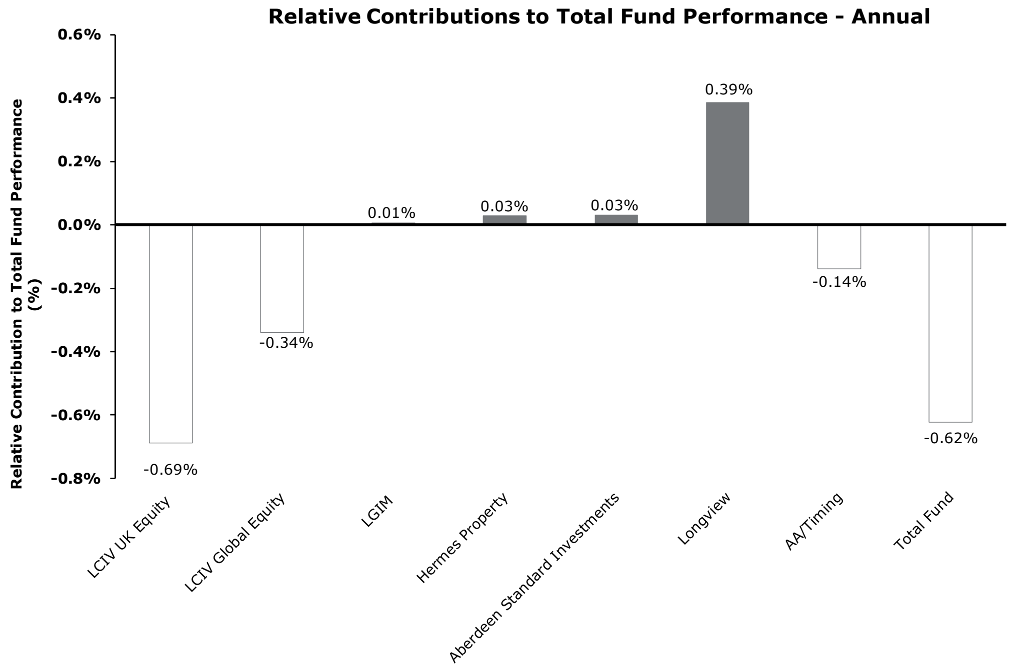


2.2 Attribution of Performance to 31 March 2019



The Fund matched its composite benchmark on a net of fees basis over the quarter to 31 March 2019. Underperformance was largely as a result of relative underperformance by the LCIV UK Equity Fund over the first quarter of 2019, with the ASI Long Lease Fund and Longview also underperforming their respective benchmarks. This was offset by the LCIV Global Equity Fund and Insight both outperforming their respective benchmarks over the same period.

The Fund underperformed its benchmark by 0.6% over the year to 31 March 2019. The LCIV UK Equity and Global Equity funds were the main detractors to relative performance over this period, partially offset by outperformance from Longview over the year to 31 March 2019.



2.3 Asset Allocation as at 31 March 2019

The table below shows the assets held by manager and asset class as at 31 March 2019.

Manager	Asset Class	End Dec 2018 (£m)	End Mar 2019 (£m)	End Dec 2018 (%)	End Mar 2019 (%)	Benchmark Allocation (%)
LCIV	UK Equity	287.6	293.0	21.9	20.8	22.5
LGIM	Global Equity (Passive)	291.8	326.0	22.3	23.1	22.5
LCIV	Global Equity	256.0	284.0	19.5	20.2	20.0
Longview	Global Equity	65.3	70.0	5.0	5.0	0.0
	Total Equity	**900.7**	**973.0**	**68.7**	**69.1**	**65.0**
Insight	Buy and Maintain	191.2	199.4	14.6	14.2	13.5
LCIV	Multi Asset Credit	89.3	91.6	10.0	6.5	6.5
	Total Bonds	**280.5**	**291.0**	**21.4**	**20.7**	**20.0**
Hermes	Property	65.6	66.0	5.0	4.7	5.0
Aberdeen Standard	Property	64.0	64.7	4.9	4.6	5.0
	Total Property	**129.6**	**130.7**	**9.9**	**9.3**	**10.0**
Pantheon	**Global Infrastructure**	0.0	14.2	0.0	1.0	5.0
	Total Infrastructure Equity	**0.0**	**14.2**	**0.0**	**1.0**	**5.0**
	Total	**1,310.8**	**1,408.9**	**100**	**100**	**100**

Source: Northern Trust

Figures may not sum due to rounding

Over the quarter to 31 March 2019, the market value of the assets increased by c. £98.1m largely as a result of the resurgence in equity markets following the start of the calendar year.

As at 31 March 2019, the Fund was overweight to equities relative to the strategic benchmark. The Fund was underweight to property by 0.7% as at the end of the first quarter of 2019 and 0.7% overweight to bonds relative to the benchmark allocation.

Over the quarter, the Fund committed $91.5m to the Pantheon Global Infrastructure III Fund. This represents c. 5% of the Fund portfolio and is to be funded from the remainder of the Longview mandate. The decision to invest in Pantheon was taken following an infrastructure equity manager selection exercise which took place in December 2018.

Pantheon issued a draw down request of $18.8m to be paid by 20 March 2019. This represents 20.5% of capital commitments to the infrastructure fund and settles an equalisation amount required to reflect interest earned on the infrastructure fund prior to the Fund’s initial commitment.

2.4 Yield analysis as at 31 March 2019

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

Manager	Asset Class	Yield as at 31 March 2019
LCIV	UK Equity	3.90%**
LGIM	Global Equity (Passive)	0.27%*
LCIV	Global Equity	1.20%**
Longview	Global Equity	2.18%
Insight	Buy and Maintain	2.56%
LCIV	Multi Asset Credit	5.37%
Hermes Property	Property	3.40%
Aberdeen Standard Investments	Long Lease Property	4.11%
	Total	**2.37%**

*Yield and benchmark yield (2.8%) as at 31 December 2018. Benchmark yield represents the income that would be distributed.

** LCIV funds' yields are provided by the London CIV and are historic yields, reflecting the distributions declared over the past 12 months as a percentage of average market value.

3 Summary of Manager Ratings

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

Manager	Mandate	Triggers for Review	Rating
Majedie	LCIV UK Equity	Further turnover within the core investment team Re-opening the UK Equity products with no clear limits on the value of assets that they would take on	1
LGIM	Global Equity (Passive)	Major deviation from benchmark returns Significant loss of assets under management	1
Baillie Gifford	LCIV Global Equity	Loss of key personnel Change in investment approach Lack of control in growth of assets under management	1
Longview	Global Equity	Loss of key personnel Change in investment approach Lack of control in growth of assets under management	2
Insight	Buy and Maintain	Departure of any of the senior members of the investment team	1
CQS	LCIV Multi Asset Credit	Significant changes to the investment team responsible for the fund	1
Hermes	Property	Significant growth in the value of assets invested in the fund Changes to the team managing the mandate	1
Aberdeen Standard Investments	Property	Richard Marshall leaving the business or ceasing to be actively involved in the fund without having gone through an appropriate hand-over A build up within the fund of holdings with remaining lease lengths around 10 years	1
Pantheon	Global Infrastructure	Significant changes to the investment team responsible for the fund	1

3.1 London CIV

Business

As at 31 March 2019, the assets under management within the 14 sub-funds of the London CIV was £8,203m. The total assets under oversight (which includes passive investment held outside of the CIV platform) increased by £0.5bn to £18.0bn over the quarter, which represents over 50% of London's total LGPS assets.

Personnel

Mike O'Donnell was appointed as the London CIV's CEO at the beginning of March. Mike is a senior finance professional and non-executive director with a background in local government finance, including twelve years as Executive Director responsible for Finance at LB Camden and nine month seconded to Birmingham City Council. He has chaired LFAC and been president of SLT the representative group for London s151 officers.

Following quarter end, at the beginning of May, Michael Pratten joined as interim Chief Investment Officer (CIO). Michael joins from Canopious where he was CIO for over five years, prior to this Michael was CIO and Managing Director at Coal Pension Trustees and has held senior positions at Wellington Asset Management and Equitas Limited.

Deloitte view – It is crucial that steps are taken to rebuild the senior management team and an appropriate strategy agreed for taking the pool forward, getting "buy-in" from the shareholders. We are continuing to monitor developments on the business side as well as the new fund launches.

3.2 Majedie

Business
Majedie's total assets under management as at 31 March 2019 was c. £12.4bn, an increase of c. £0.6bn over the quarter.

Personnel
Majedie is currently looking to hire a UK Small Cap manager, following the decision to replace Richard Staveley in January 2019. Majedie is currently in interview stages to replace Richard, with Imran Sattar and Emily Barnard running the sleeve in the meantime.

Following quarter end, in April 2019 Yuri Khodjamirian, co-manager of UK Income, announced he is leaving Majedie to return to scientific academia. Majedie therefore took the decision to make changes to their UK strategies:

- Imran Sattar will replace Matthew Smith on the UK Equity strategy, with Imran retaining his existing UK Focus portfolio responsibilities;

- Mike Totton will replace Matthew Smith on the UK Focus strategy, Mike will also become co-manager of the UK Income Strategy, alongside Mark Wharrior; and

- Matthew Smith will remain lead manager of the Tortoise Fund, providing sole focus on this strategy.

In addition, from 3 June 2019, Dan Ekstein will join Majedie. Dan is currently head of European Food Retail Research at UBS.

Majedie has also appointed another graduate trainee to the investment team who is set to begin in autumn.

Deloitte view – We recently met with Majedie regarding recent performance and team changes. Please see Majedie UK Equity Fund Review provided by Deloitte.

3.3 LGIM

Business
As at 31 December 2018, Legal & General Investment Management ("Legal & General") had total assets under management ("AuM") of £1,015bn, an increase of £30bn since 30 June 2018.

Personnel
At a firm level, LGIM announced that Michelle Scrimgeour will replace outgoing Mark Zinkula as CEO of LGIM (UK), subject to regulatory approval, and will work closely with Mark over the coming months until he leaves the business in August. Michelle joins from Columbia Threadneedle where she held the role of CEO with responsibility for the EMEA (Europe, Middle East and Africa) region. Michelle has over 30 years' experience at asset management firms and before Threadneedle she was Chief Risk Officer at M&G Investments.
Siobhan Boylan left her role as CFO in January 2019. Richard Lee, who left his role as Group Performance Director, having previously held positions as CFO and Chief Risk Officer for Legal & General Retirement, replaced Siobhan.

Three further senior appointments took place over the first quarter of 2019 as Nathan Jones, Sonja Laud and Will Riley joined LGIM to take up the roles of Global Head of Operational Risk, Deputy CIO and Head of Solutions respectively. Nathan's role will cover operational risk for the global business and will report to the CRO. Sonja Laud will work closely with and support the current CIO Anton Eser in her role as Deputy CIO. Sonja joined from Fidelity and has an active management background with a focus on developing solutions for clients. Will Riley joined LGIM to take up the role of Head of Solutions from BlackRock where he held a senior solutions role, and has experience in developing and managing investment solutions across multiple asset classes.

At the Index team level, there were three new appointments as Lawrence Chir joined as Index Equity Fund Manager, Eva Zhang joined as Index Fixed Income Fund Manager and Luca Ramottis joined as an ETF Analyst.

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

3.4 Baillie Gifford

Business

Baillie Gifford's total assets under management was c. £193.7bn as at 31 March 2019, an increase of c. £20.4bn over the quarter.

Personnel

There have been no significant team or personnel changes over the quarter to 31 March 2019.

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

3.5 Longview

Business

As at 31 March 2019, Longview held assets under management of c. £19.8bn.

During the quarter, net outflows from Longview were c. £873m with six accounts relinquishing their investment. Three of which were disinvested due to a conflict of interest, with the remainder leaving due to continued de-risking among UK Corporate DB Pension Schemes.

Personnel

During the first quarter of 2019, Maryse Medawar joined Longview as part of the Institutional Client team. Maryse joined from Wellington Management where she spent 10 years, most recently as a Client Director responsible for their Sovereign and Middle East clients and prospects.

***Deloitte view* –** The departure of Ramzi Rishani at the end of December 2018 means that both of Longview's founding partners are no longer involved in the business. This is a significant departure given Ramzi's previous role and involvement in the success of the business to date. Taking these factors into account, we would not put this strategy forward for new business.

3.6 Insight

Business

As at 31 March 2019 Insight's asset under management was c. £648bn, this represents an increase of c. £27bn over the quarter. The Insight Buy and Maintain Fund held assets under management of c. £2.3bn at the end of the first quarter of 2019, an increase of c. £0.1bn over the quarter.

Personnel

Insight made no changes to their Buy and Maintain fund team over the quarter.

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

3.7 CQS – Multi Asset Credit

Business

CQS held assets under management of c. $18.0bn as at 31 March 2019, an increase of c. $0.3bn over the quarter. The Credit Multi Asset Fund managed c. $7.3bn on behalf of its clients as at the end of the quarter.

Personnel

There were no specific team/personnel changes to the Credit Multi Asset Fund team over the quarter.

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

3.8 Hermes

Business

As at 31 March 2019, Hermes had total assets under management of c. £33.5bn, a decrease of c. £2.5bn over the quarter. Within the HPUT, total assets under management remained relatively constant at c. £1.6bn at quarter end.

Personnel

There were no changes to the HPUT team over the quarter.

***Deloitte view* –**We continue to rate the team managing HPUT and at this stage, see no reason to change this.

3.9 Aberdeen Standard Investments – Long Lease Property

Business

At the end of the first quarter of 2019, the long lease fund held assets under management of c. £2.5bn, an increase of c. £0.1bn over the quarter.

Personnel

There were no team changes over the first quarter of 2019.

Process

Since the two businesses merged, ASI has put in place a formalised process where all potential transactions are reviewed and an "allocation policy" applied where interest is expressed in the investment by more than one fund/client portfolio.

Deloitte View - We continue to rate Aberdeen Standard Investments positively for its long lease property capabilities.

3.10 Pantheon

Business

As at 31 March 2019, the Global Infrastructure III Fund held $2.2bn in assets under management. The infrastructure fund had a final close in March 2019. 11 investments have been completed for $393.2m with a further three deals pending for $109.6m, bringing the fund to 23% committed.

Personnel

Over the first quarter of 2019, Janice Ince and Judy Hyeon joined Pantheon's San Francisco team as Principal in the infrastructure team and product specialist in the global infrastructure and real assets team respectively.

Alexander Morgan, a Principal in the San Francisco office, left Pantheon at the end of March 2019.

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

4 London CIV

4.1 Investment Performance to 31 March 2019

As at 31 March 2019, the assets under management within the 14 sub-funds of the London CIV was £8,203m. The total assets under oversight (which includes passive investment held outside of the CIV platform) increased by c. £0.5bn to c. £18.0bn over the quarter, which represents over 50% of London's total assets. The table below provides an overview of the sub-funds currently available on the London CIV platform.

Sub-fund	Asset Class	Manager	Total AuM as at 31 December 2018 (£m)	Total AuM as at 31 March 2019 (£m)	Number of London CIV clients	Inception Date
LCIV UK Equity	UK Equity	Majedie	467	418	2	18/05/17
LCIV Global Equity Alpha	Global Equity	Allianz Global Investors	106	119	1	02/12/15
LCIV Global Alpha Growth	Global Equity	Baillie Gifford	2,092	2,470	13	11/04/16
LCIV Global Equity	Global Equity	Newton	557	606	3	22/05/17
LCIV Global Equity	Global Equity	Longview Partners	700	751	5	17/07/17
LCIV Equity Income	Global Equity	Epoch Investment Partners	222	240	2	08/11/17
LCIV Emerging Market Equity	Global Equity	Henderson Global Investors	276	381	6	11/01/18
LCIV Sustainable Equity Fund	Global Equity	RBC Global Asset Management (UK)	249	282	2	18/04/18
LCIV Global Total Return	Diversified growth fund	Pyrford	308	317	5	17/06/16
LCIV Diversified Growth	Diversified growth fund	Baillie Gifford	627	665	8	15/02/16
LCIV Absolute Return	Diversified growth fund	Ruffer	854	889	10	21/06/16
LCIV Real Return	Diversified growth fund	Newton	182	190	2	16/12/16
LCIV MAC	Fixed Income	CQS	639	700	10	31/05/18
LCIV Global Bond	Fixed Income	PIMCO	167	174	2	30/11/18
Total			**7,447**	**8,203**		

Over the quarter to 31 March 2019, one London Borough client left the UK Equity Fund, managed by Majedie. The Global Alpha Growth Fund (managed by Baillie Gifford) and the MAC Fund (Managed by CQS) added one new London Borough each to their client lists. No new sub-funds were launched over the quarter.

5 LCIV – UK Equity

Majedie was appointed to manage an active UK equity mandate from 31 May 2006, held as a sub-fund under the London CIV platform from 18 May 2017. The manager's remuneration is a combination of a fixed fee based on the value of assets and a performance related fee which is payable when the excess return of the portfolio over a rolling 3 year period is more than 1% p.a. The target is to outperform the benchmark by 2% p.a.

5.1 Active UK Equity – Investment Performance to 31 March 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Majedie - Gross of fees	7.3	3.9	7.9	10.5
Net of fees[1]	7.1	3.3	7.3	9.9
MSCI AC World Index	9.4	6.4	9.5	9.4
Relative (on a net basis)	-2.3	-3.1	-2.2	0.5

Source: Northern Trust

(1) Estimated by Deloitte

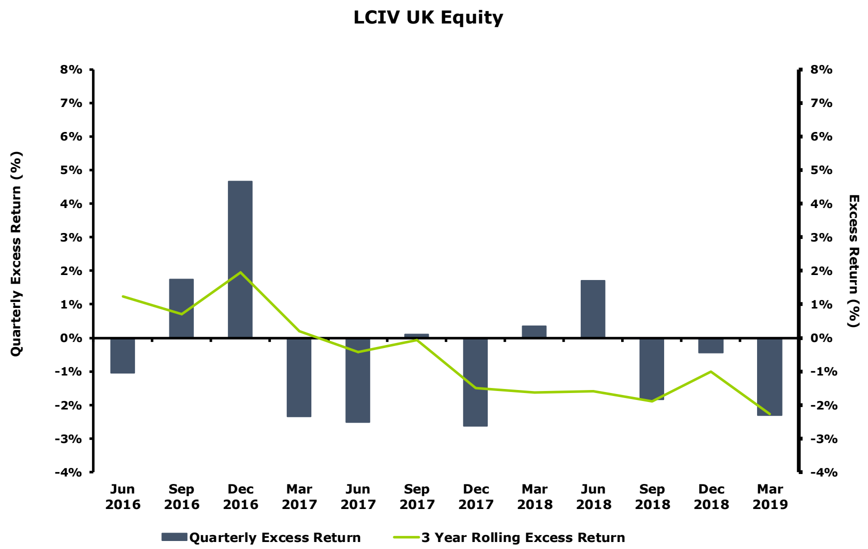
See appendix 1 for more detail on manager fees

Inception date taken as 31 May 2006

Majedie underperformed its benchmark by 2.3% on a net of fees basis over the quarter to 31 March 2019. Over the one year and three year periods to 31 March 2019, the fund underperformed its benchmark by 3.1% and 2.2% p.a. respectively on a net of fees basis.

The fund's low economic sensitivity to the UK equity market over a period of strong market resurgence was detrimental to relative performance over the quarter.

Energy holdings within the fund performed well, with all energy stocks in the portfolio delivering positive returns over the quarter including BP and Royal Dutch Shell. The fund's position to food retailers in the UK proved to be both beneficial and detrimental to the fund over the quarter, with strong performance from Tesco offset by Sainsbury following the collapse of a merger with Asda.



5.2 Performance Analysis

The top 10 holdings in the UK Equity strategy account for c. 47.3% of the fund and are detailed below.

Top 10 holdings as at 31 March 2019	Proportion of Majedie Fund
BP	8.3%
Royal Dutch Shell	7.8%
Majedie UK Smaller Companies	7.0%
Tesco	5.6%
GlaxoSmithKline	4.7%
HSBC	3.1%
Orange	3.0%
WM Morrison	2.9%
Pearson	2.6%
Centrica	2.4%
Total	**47.3%**

Note: The numbers in this table may not sum due to rounding.
Source: London CIV.

The tables below show the top 5 and bottom 5 contributors to performance over the quarter to 31 March 2019

Top 5 contributors as at 31 March 2019	Contribution (bps)
BP	+1.04
Tesco	+1.03
Majedie UK Smaller Companies	+0.38
Royal Dutch Shell	+0.37
GlaxoSmithKline	+0.37

The Majedie UK Smaller Companies allocation returned a negative 30bps to performance over the first quarter of 2019. This holding has been a source of underperformance for the fund for the last 18 months, during which time the allocation to the sleeve has fallen from c. 12% to c. 7%. The reduction in weighting to the UK Smaller Companies holding during a period of negative performance has led to a positive contribution attributed to the allocation over the first quarter of 2019.

Top 5 detractors as at 31 March 2019	Contribution (bps)
Centrica	-0.44
Pearson	-0.27
Vodafone Group	-0.17
Sainsbury	-0.16
BT Group	-0.10

6 LGIM – Global Equity (Passive)

Legal and General Investment Manager ("LGIM") was appointed to manage a global equity portfolio with the objective of replicating the performance of the FTSE All World Index benchmark. The manager is remunerated on a tiered fixed fee based on the value of assets.

6.1 Passive Global Equity – Investment Performance to 31 March 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
LGIM - Gross of fees	11.7	5.1	10.8	11.0
Net of fees[1]	11.7	5.0	10.8	11.0
FTSE World (GBP Hedged) Index	11.7	5.0	10.8	11.0
Relative (net of fees)	0.0	0.0	0.0	0.0

Source: Northern Trust

(1) Estimated by Deloitte

See appendix 1 for more detail on manager fees

Inception date taken as 1 November 2012 (prior to that the mandate was an active equity mandate). The portfolio aims to track the benchmark.

The investment objective of the fund is to track the performance of the FTSE AW-World Index (less withholding tax if applicable) - GBP Hedged (with the exception of advanced emerging markets) to within +/-0.5% p.a. for two years out of three.

The LGIM fund performed in-line with its benchmark over the quarter to 31 March 2019. The fund also successfully tracked its benchmark over the one year and three year periods respectively.

7 LCIV – Global Equity

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

7.1 Global Equity – Investment performance to 31 March 2019

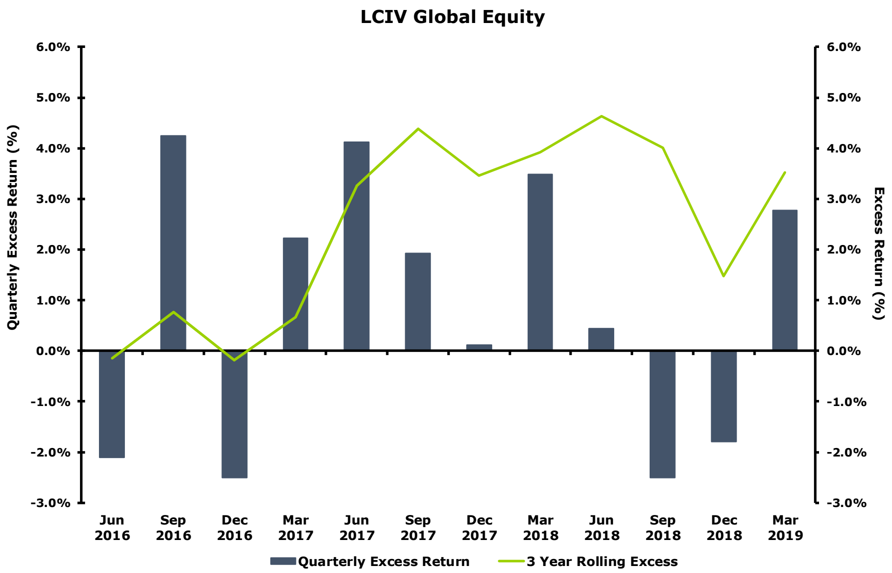
	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Baillie Gifford – Gross of fees	12.5	9.1	18.2	14.3
Net of fees	12.4	8.8	17.9	14.0
MSCI AC World Index	9.6	10.5	14.4	11.8
Relative (net of fees)	2.8	-1.7	3.5	2.2

Source: Northern Trust and estimated by Deloitte.
See appendix 1 for more detail on manager fees
Inception date taken as 18 March 2014

Over the first quarter of 2019, the LCIV Global Equity Alpha Fund, managed by Baillie Gifford, outperformed its benchmark by 2.8% on a net of fees basis. Over the year to 31 March 2019, the fund underperformed its benchmark by 1.7% on a net of fees basis, due to poor relative performance over the second and third quarters of 2018.

Given the fund's large exposure to North America and Emerging Markets, positive performance over the quarter was attributed to positive signs arising from trade talks between the US and China with North America and Emerging Markets representing 47% and 21% of the total stock allocation respectively.

The graph below shows the net quarterly returns and the rolling three-year excess returns relative to the benchmark. The fund's current three-year excess return is ahead of the target (+2% p.a.), having outperformed the benchmark by 3.5% p.a. over the three year period to 31 March 2019.



7.2 Performance Analysis

The top 10 holdings in the portfolio account for c. 28.0% of the fund and are detailed below.

Top 10 holdings as at 31 March 2019	Proportion of Baillie Gifford Fund
Naspers	3.9%
Amazon	3.5%
Prudential	3.5%
Alibaba	3.2%
Anthem	2.8%
AIA	2.5%
Moody's	2.3%
Mastercard	2.3%
Alphabet	2.2%
Visa	2.0%
Total	**28.0%**

Note: The numbers in this table may not sum due to rounding.
Source: London CIV.

The tables below show the top 5 and bottom 5 contributors to performance over the quarter to 31 March 2019.

Top 5 contributors as at 31 March 2019	Contribution (%)
Alibaba	+0.61
Naspers	+0.59
Amazon	+0.58
Moody's	+0.54
Apache	+0.46

Tesla and Resmed were the largest detractors to performance over the quarter.

Top 5 detractors as at 31 March 2019	Contribution
Tesla	-0.17
Resmed	-0.16
Grubhub	-0.09
Jardine Matheson	-0.07
Markel	-0.07

8 Longview – Global Equity

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

8.1 Active Global Equity – Investment Performance to 31 March 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Longview - Gross of fees	7.2	16.6	14.9	13.9
Net of fees[1]	7.0	16.0	14.2	13.2
MSCI World Index	9.9	12.0	14.4	11.6
Relative (on a net basis)	-2.9	4.0	-0.2	1.6

Source: Northern Trust

(1) Estimated by Deloitte

See appendix 1 for more detail on manager fees

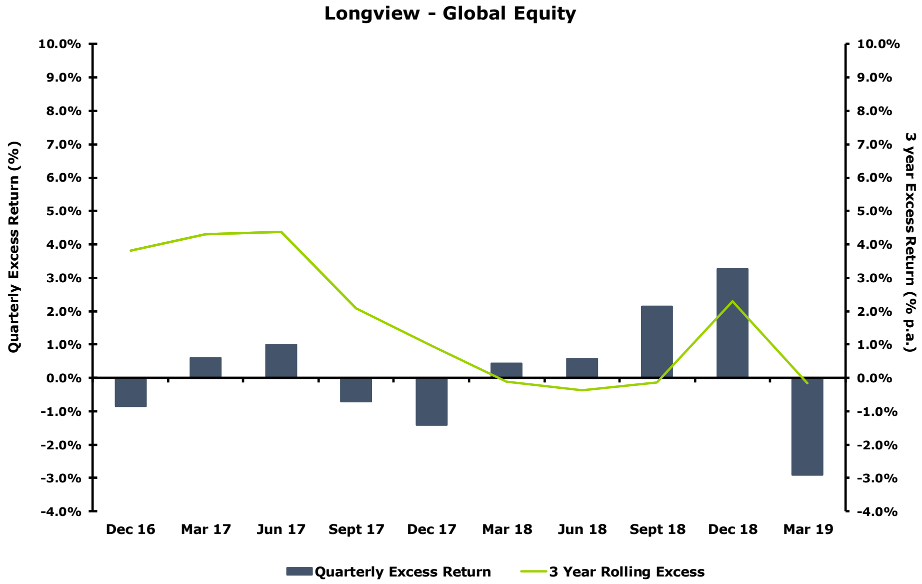
Inception date 15 January 2015

Over the quarter to 31 March 2019, Longview underperformed its benchmark by 2.9% on a net of fees basis. Over the one year period, the fund has outperformed its benchmark by 4.0%, whilst over the longer three year period the fund has underperformed its benchmark by 0.2% p.a. on a net of fees basis.

An overweight position to Healthcare, the biggest positive contributor to returns over the previous two quarters, was the largest detriment to relative performance over the first quarter of 2019. Longview attributes this to the sector not receiving the same extent of benefit as other sectors from the recent market gains resulting from a fall in interest rates.

Longview's underweight position to Technology was also a detractor to performance as higher growth assets saw increased valuations.

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



8.2 Performance Analysis

The tables below represent the top 5 and bottom 5 contributors to performance over the first quarter of 2019.

Top 5 contributors as at 31 March 2019	Contribution
IQVIA	+0.49
Charter Communications	+0.31
Zimmer Biomet Holdings	+0.26
Oracle	+0.23
Lloyds	+0.22

Over the three months to 31 March 2019, IQVIA, Charter Communications and Zimmer Biomet provided the largest contributions to performance with IQVIA and Charter Communications posting strong results at the end of 2018.

Henkel, UnitedHealth and Henry Schein were the largest detractors to fund performance over the quarter.

Top 5 detractors as at 31 March 2019	Contribution
Henry Schein	-0.70
Henkel	-0.56
UnitedHealth	-0.46
HCA Healthcare	-0.35
Sanofi	-0.33

9 Insight – Buy and Maintain

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

9.1 Buy and Maintain Fund - Investment Performance to 31 March 2019

	Last Quarter (%)	Since Inception (% p.a.)
Insight Non Gilts - Gross of fees	4.3	6.3
Net of fees[1]	4.3	6.2
iBoxx £ Non-Gilt 1-15 Yrs Index	2.9	5.4
Relative (on a net basis)	1.4	0.8

Source: Northern Trust

(1) Estimated by Deloitte

See appendix 1 for more detail on manager fees

Inception date taken as 12 April 2018.

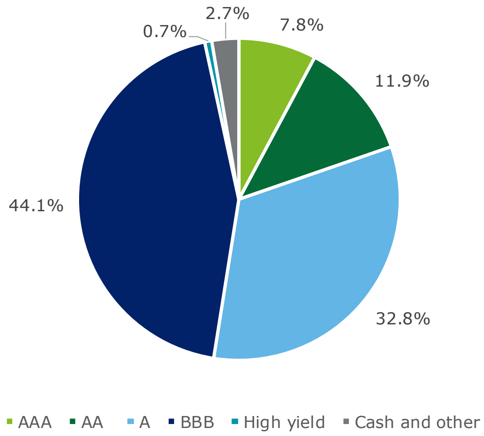
Over the first quarter of 2019, the Insight Buy and Maintain Fund outperformed its temporary iBoxx non-gilt benchmark by 1.4% on a net of fees basis.

9.2 Performance Analysis

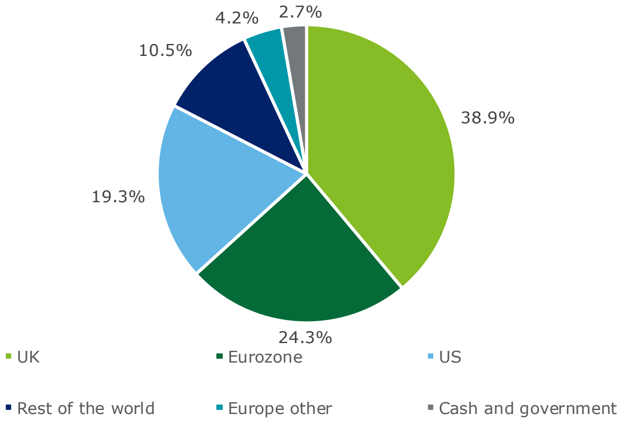
The table below summarises the Buy and Maintain portfolio's key characteristics as at 31 March 2019.

	31 March 2019
Yield (%)	2.6
No. of issuers	199
Modified duration (years)	8.3
Spread duration (years)	8.0
Government spread (bps)	154
Swaps spread (bps)	140
Largest issuer (%)	1.2
10 largest issuers (%)	11.0

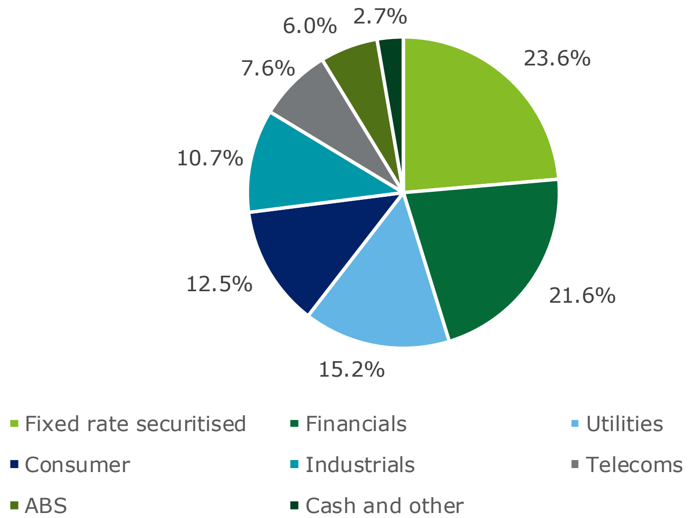
The graph below shows the split of the Buy and Maintain portfolio by credit rating. The fund's investment grade holdings made up c. 96.6% of the portfolio as at 31 March 2019, with the fund predominantly invested in BBB and A rated bonds.



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



The graph below shows the split of the Buy and Maintain portfolio by sector as at 31 March 2019.



The table below shows the top 10 issuers by market value as at 31 March 2019.

Issuer name	Rating*	Holding (%)
Centre Parcs	BBB	1.24
Prudential Plc	BBB	1.22
BNP Paribas	A	1.17
Electricite De France	A	1.11
Channel Link	BBB	1.10
Westpac	AAA	1.05
Daimler	A	1.05
HSBC	A	1.04
Pfizer	AA	1.03
Ge Capital	BBB	1.02

*Ratings provided by Insight.

10 LCIV – Multi Asset Credit

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

10.1 Multi Asset Credit – Investment Performance to 31 March 2019

	Last Quarter (%)	Since Inception (% p.a.)
CQS – MAC – Gross of fees	2.8	0.7
Net of fees[1]	2.6	0.4
3 Month Libor + 4%	1.3	2.1
Relative (on a net basis)	1.3	-1.7

Source: CQS

(1) Estimated by Deloitte

See appendix 1 for more detail on manager fees

Since inception: 30/10/18

The LCIV Credit Multi Asset Fund, managed by CQS, outperformed its benchmark by 1.2% over the quarter to 31 March 2019 on a net of fees basis. Positive performance from the credit markets over the quarter can be attributed to signals from the Federal Reserve that it would refrain from raising short-term interest rates.

CQS' decision to shift geographic and asset class focus to capture opportunities in an oversold US high yield market over the quarter served the fund well.

All asset classes provided positive contributions to performance over the quarter, with the allocation to loans, the portfolio's largest exposure, providing a net contribution of 1.3% to the portfolio's performance over the quarter to 31 March 2019. The fund also holds large allocations to asset backed securities and high yield bonds, which contributed 0.6% and 0.1% to performance respectively.

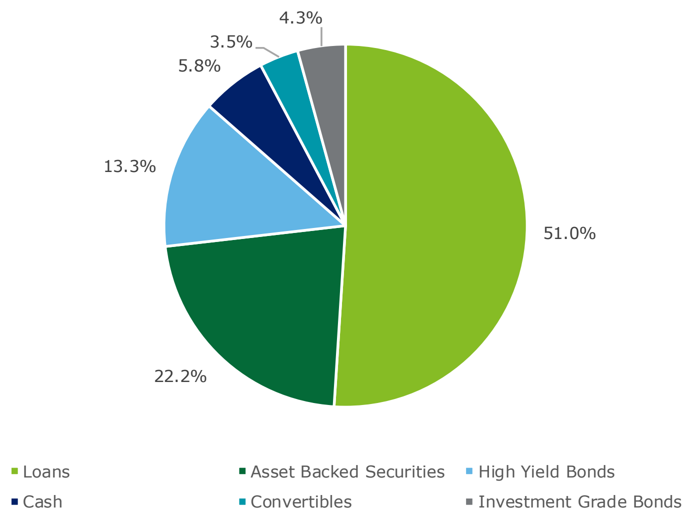
10.2 Portfolio Analysis

The table below summarises the Multi Asset Credit portfolio's key characteristics as at 31 March 2019.

	31 Mar 2019
Weighted Average Bond Rating	B+
Long Bond Equivalent Exposure with Public Rating (%)	85.0
Investment with Public Rating (%)	84.0
Yield to Maturity (%)	5.4
Spread Duration	4.1
Interest Rate Duration	1.4

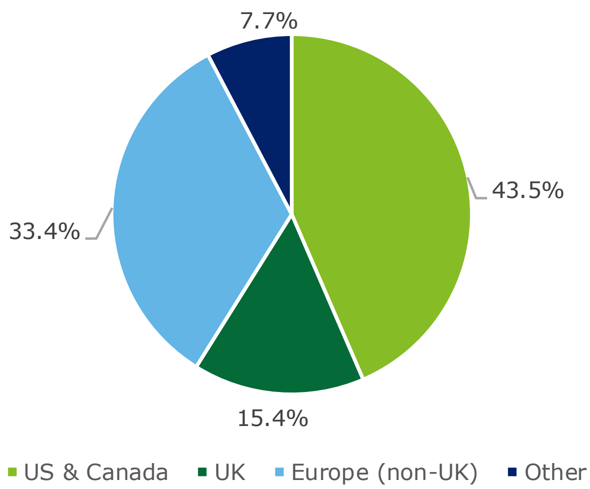
10.3 Asset Allocation

The asset allocation split of the Multi Asset Credit Fund as at 31 March 2019 is shown below.



10.4 Country Allocation

The graph below shows the regional split of the CQS Multi Asset Credit Fund as at 31 March 2019.



11 Hermes – Property

Hermes was appointed to manage a core UK property portfolio. The manager is remunerated on a fixed fee based on the value of assets. The target is to outperform the benchmark by 0.5% p.a.

11.1 Property – Investment Performance to 31 March 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Hermes - Gross of fees	0.7	6.8	8.2	9.8
Net of fees[1]	0.6	6.4	7.8	9.4
Benchmark	0.5	5.8	7.2	8.5
Relative (on a net basis)	0.1	0.6	0.6	0.9

Source: Hermes

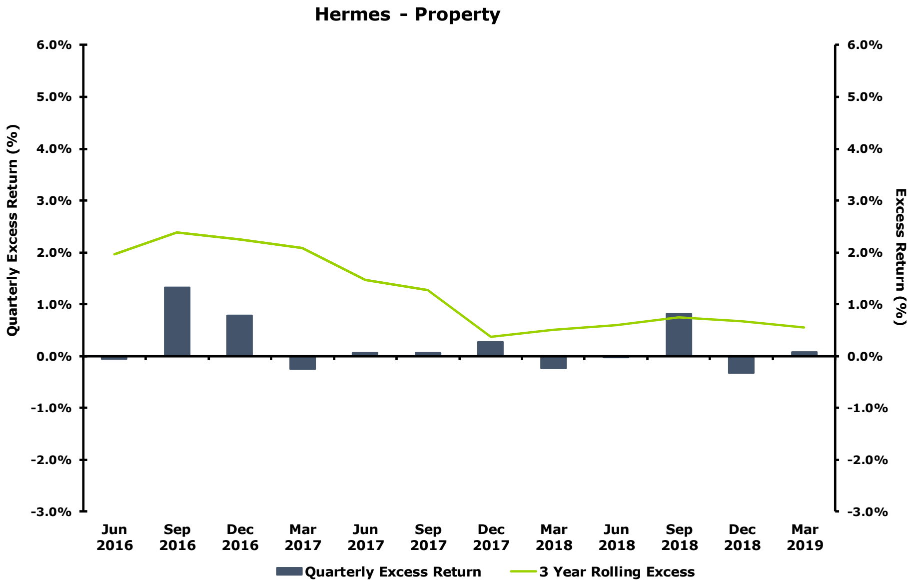
(1) Estimated by Deloitte

See appendix 1 for more detail on manager fees

Inception date is taken as 26 October 2010

Hermes outperformed its benchmark by 0.1% over the quarter to 31 March 2019 on a net of fees basis, returning 0.6% in absolute terms. The strategy outperformed its benchmark by 0.6% p.a. on a net of fees basis over both the year and three year periods to 31 March 2019. The fund remains above its target since inception, to outperform the benchmark by 0.5% p.a., outperforming its benchmark by 0.9% p.a. over this period.

Over the quarter, the Trust's investment in the Leisure sector delivered the highest contribution, with investments within the Industrial and Supermarket sectors also providing a positive contribution to performance. Exposure to the Unit Shops and Shopping Centre sectors detracted from performance over the quarter, with poor investor sentiment and weak occupier demand in the retail sector continuing to have an effect on valuations.



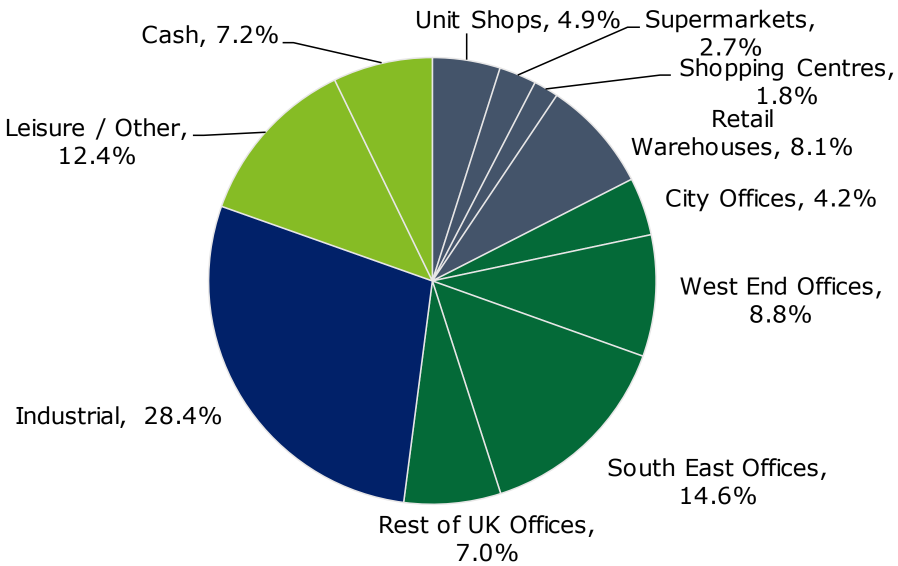
11.2 Sales and Purchases

In January 2019 the Manager completed a letting with CDS (Superstores International) Ltd, The Range, for a 15-year term for a single warehouse unit covering a total area of c. 60,000 sq. ft. The unit was previously let to Homebase. The new lease with The Range will provide annual rental income of £700k p.a. after tenant's incentives (18 months rent free by way of 36 months at half rent).

Following the acquisition and amalgamation of the Childerditch estate into the Horndon Industrial Park, over the last 12 months the Manager has been working on a project of phased refurbishments of the vacant industrial units. The buildings were pre-let during the refurbishments, which led, at completion of the work, to a significant reduction in the vacancy rate in the estate and an increase in the annual rental income to £2.9m per annum as at the end of March 2019 (compared to £1.8m as at the end of December 2017).

11.3 Portfolio Summary as at 31 March 2019

The Hermes Property Unit Trust invests across retail, offices, industrials and other sectors, with the split as at 31 March 2019 shown below.



The table below shows the top 10 directly held assets in the fund as at 31 March 2019, representing c. 31.9% of the fund.

Asset	Sub-sector	Value (£m)
Maybird Shopping Park, Stratford-upon-Avon	Retail Warehouses	85.5
8/10 Great George Street, London SW1	Offices	65.3
Polar Park, Bath Road, Heathrow	Industrial	54.7
Horndon Industrial Park, West Horndon CM13	Industrials	49.2
Broken Wharf House, London	Leisure/Other	47.8
27 Soho Square, London W1	Offices	46.3
Sainsbury's, Beaconsfield	Supermarket	42.9
Jurys Inn Hotel, Liverpool	Leisure/Other	42.4
Round Foundry & Marshalls Mill, Leeds	Offices	40.5
Camden Works, London	Offices	40.0
Total		**514.6**

12 Aberdeen Standard Investments – Long Lease Property

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

12.1 Long Lease Property – Investment Performance to 31 March 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Aberdeen Standard - Gross of fees	1.1	6.9	8.1	8.8
Net of fees[1]	1.0	6.4	7.6	8.3
Benchmark	3.9	5.8	5.6	6.6
Relative (on a net basis)	-2.9	0.6	2.0	1.7

Source: Aberdeen Standard Investments

(1) Estimated by Deloitte

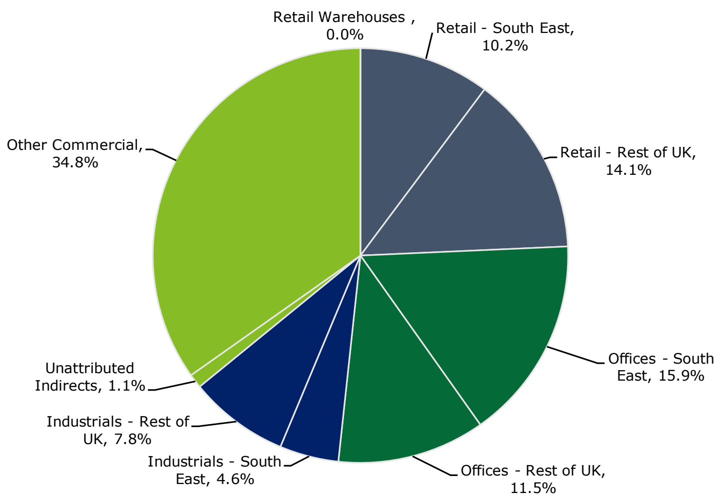
See appendix 1 for more detail on manager fees

Since inception: 14 June 2013

The ASI Long Lease Property Fund underperformed its FTSE Gilt All Stocks Index +2% benchmark by 2.9% over the quarter to 31 March 2019, delivering an absolute return of 1.0% on a net of fees basis.

12.2 Portfolio Holdings

The sector allocation in the Long Lease Property Fund as at 31 March 2019 is shown in the graph below.



Over the quarter, the fund's allocation to the office sector increased from 26.4% to 27.4% as at 31 March 2019. The holdings in both the retail and other commercial sectors reduced by 0.7% and 0.2% respectively to 24.3% and 34.8% respectively at quarter end.

The table below shows details of the top ten tenants in the fund measured by percentage of net rental income:

Tenant	% Net Income
Tesco	8.1
Whitbread	6.1
Marston's	4.8
Sainsbury's	4.8
Asda	4.2
Salford University	3.8
QVC	3.8
Save the Children	3.7
Lloyds Bank	3.7
Park Holidays UK Limited	3.5
Total	**46.5 ***

*Total may not equal sum of values due to rounding

The top 10 tenants contributed 46.5% of the total net income into the fund. Supermarkets continue to make up a significant part of the fund with Tesco, Sainsbury's and Asda contributing 17.1% to the fund's total net rental income as at 31 March 2019.

The fund's average unexpired lease term decreased over the quarter from 26.4 years to 26.1 years. The proportion of income with fixed, CPI or RPI rental increases increased by 0.3% to 90.7% over the quarter, as a result of the new inflation-linked acquisitions.

12.3 Sales and Purchases

Over the first quarter of 2019:

- The fund exchanged contracts for a car storage facility in Immingham, North Lincolnshire, which has 41 acres of land, for c. £23.9m. This represents a net initial yield of 5.4%, subject to 5-yearly RPI rent reviews capped at 9% with a 25 year lease.
- The fund finalised the purchase of St James Place, Cirencester, on a 23.5 year term for c. £47.4m. The purchase of St James Place will provide a net initial yield of 4.0% and is subject to RPI-linked rent reviews with a cap of 5%.
- The fund's Dartford based distribution centre reached completion, triggering the final payment of the total c. £21.5m to the developer. The centre is pre-let to Berendsen UK Ltd for a 25 year term, with a net initial yield of 3.9% and a 5-yearly RPI-linked rent review subject to a 10% cap.

13 Pantheon – Global Infrastructure Fund III

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

13.1 Global Infrastructure - Investment Performance to 31 March 2019

Capital Calls and Distributions

- Westminster committed $91.5m to Pantheon in February 2019.
- Over the quarter, Pantheon issued an equalisation call drawing down c. 20.5% ($18.8m) of Westminster's total commitment for payment by 20 March 2019.
- Following quarter end, Pantheon issued two more capital calls:
    - $2.7m for payment by 16 April 2019, representing c. 3.0% of Westminster's total commitment; and
    - $4.3m for payment by 13 May 2019, representing c. 4.7% of Westminster's total commitment.

Activity

During the first quarter of 2019, the fund added two new investments to its portfolio:

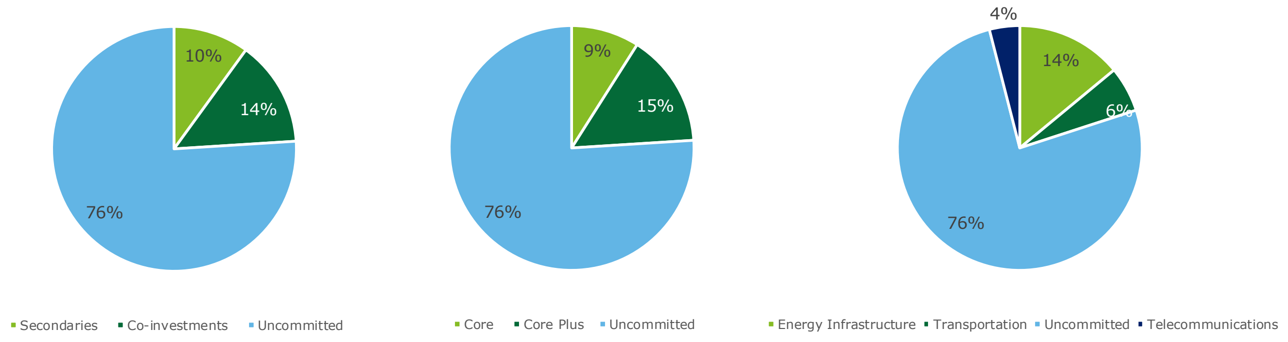
- Project Fairway – a diversified portfolio of 17 assets including renewables, thermal power and midstream assets, primarily in North America and Europe; and
- Project Persea – a co-investment opportunity in a market-leading European transportation business.

Pipeline

Pantheon currently has a healthy investment pipeline of infrastructure opportunities, with near-term deals representing c. $1.5bn of potential investments across secondaries and co-investments.

13.2 Asset Allocation

The charts below show the current diversification by strategy, stage and sector in PGIF3 as at 31 March 2019.



The target geographic diversification is 30-50% North America, 40-60% Europe and 3-15% Asia and others. The PGIF3 also aims to be 15-20% energy infrastructure (midstream), 20-30% energy infrastructure (power/utility), 20-30% transportation, 10-20% PPP/social infrastructure and 10-20% other.

13.3 Investments Held

The table below shows a list of the investments held by PGIF3 as at 31 March 2019.

Project Name	Geography	Sector	Type	Deal Size ($m)	Commitment Date
Persea	Europe	Utilities	Co-investment	106	21/03/2019
Fairway	Global	Renewables	Secondary	134	17/01/2019
Megabyte	North America	Telecom	Secondary	124	21/12/2018
Starlight	Europe	Telecom	Co-investment	109	18/12/2018
Inti	Europe	Renewables	Secondary	65	12/12/2018
Lancaster	Europe	Logistics	Co-investment	110	27/09/2018
Infinity	North America	Power	Co-investment	75	24/08/2018
Ribera	Europe	Power	Co-investment	109	25/07/2018
Springbank	North America	Transportation	Secondary	225	In closing
Cadence	North America	Midstream	Co-investment	87	In closing

Appendix 1 – Fund and Manager Benchmarks

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

Total Fund

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

Manager	Asset Class	Long Term Strategic Benchmark Allocation	Benchmark	Outperformance Target	Inception Date	Fees (p.a.)
Majedie	UK Equity	22.5	FTSE All-Share Index	+2.0 p.a. (net of fess)	31/05/06	**60bps base fees**
LGIM	Global Equity	22.5	FTSE World GBP Hedged	Passive	01/11/12	**13bps base fees**
Baillie Gifford	Global Equity	20.0	MSCI AC World Index	+2.0 p.a. (net of fess)	18/03/14	**36bps base fee**
Longview	Global Equity	0.0	MSCI World (GBP) Index	To outperform the benchmark over a market cycle	15/01/15	**75bps base fees minus a rebate dependent on fund size**
Insight	Buy and Maintain	13.5	Insight Custom Benchmark	n/a	12/04/18	**9.5bps base fees**
CQS	Multi Asset Credit	6.5	3 Month Libor	+ 4% p.a. (net of fees)	30/10/18	**40bps base fees**
Hermes	Property	5.0	IPD UK PPFI Balanced PUT Index	+0.5 p.a. (net of fess)	26/10/10	**40bps base fee**
Aberdeen Standard Investments	Property	5.0	FTSE Gilts All Stocks Index +2% p.a.	+0.5 p.a. (net of fees)	14/06/13	**50bps on first £25m, 40bps on next £25m, 30bps thereafter**
Pantheon	Global Infrastructure	5.0	3 month Libor	+ 8% p.a. (net of fees)	15/04/19	**85bps base fee with a 10% performance fee over 8% return hurdle, 100% catch-up**
	Total	**100.0**				

Appendix 2 – Manager Ratings

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

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

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

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

Appendix 3 – Risk warnings & Disclosures

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

Our advice will be specific to your current circumstances and intentions and therefore will not be suitable for use at any other time, in different circumstances or to achieve other aims or for the use of others. Accordingly, you should only use the advice for the intended purpose.

Our advice must not be copied or recited to any other person than you and no other person is entitled to rely on our advice for any purpose. We do not owe or accept any responsibility, liability or duty towards any person other than you.

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Appendix 4 – MiFID II Cost Summary

On 3 January 2018, the Markets in Financial Instruments Directive II ("MiFID II") was introduced. A key component of this legislation is for fund managers to disclose all costs incurred, with the view to increasing transparency.

	Total costs over the year to 31 March 2019 (£'000)	Total costs over the year to 31 March 2019 (%)[1]
London CIV	405	0.03
Majedie	1,718	0.12
Legal & General	148	0.01
Baillie Gifford	891	0.06
Longview	794	0.06
Insight	204	0.01
CQS	191	0.01
Hermes	111	0.01
Aberdeen Standard Investments	259	0.02
Northern Trust[2]	38	0.00
Total	**4,759**	**0.34**
Deloitte	113	0.01
Total	**4,872**	**0.35**

(1) As a percentage of total Fund value as at 31 March 2019.

(2) Custodian fees.