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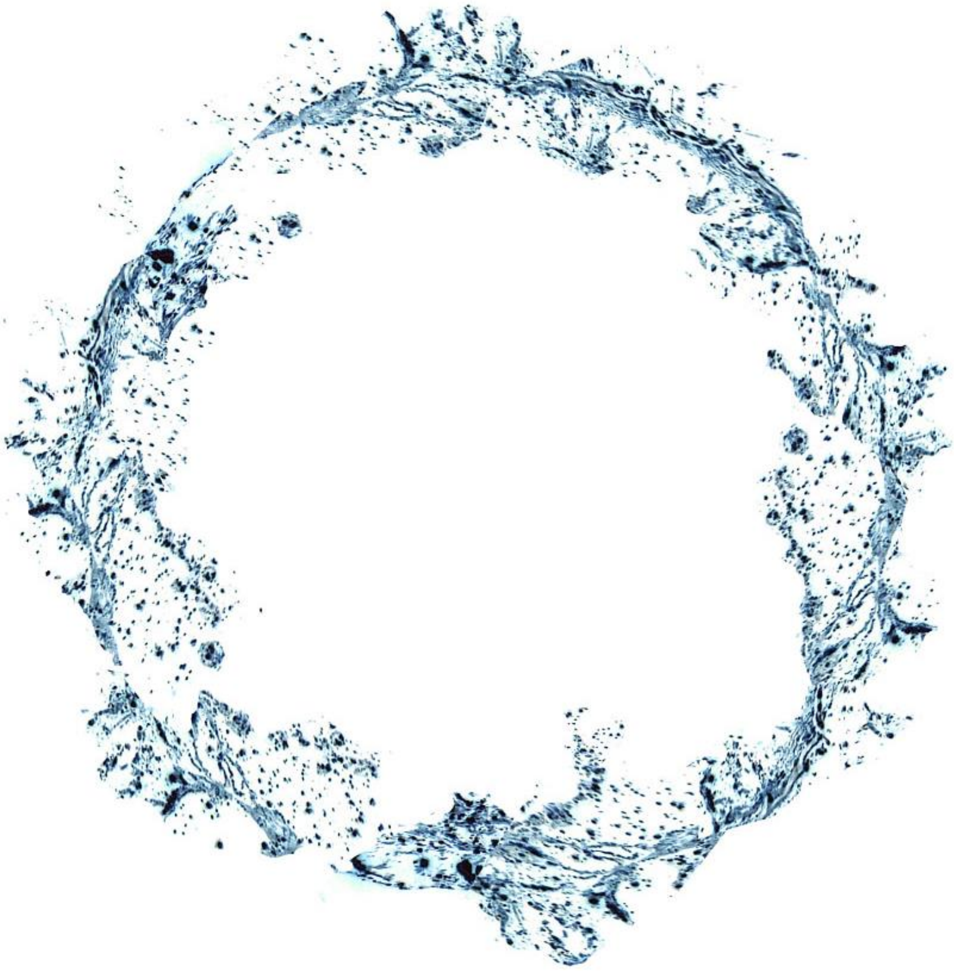


City of Westminster Pension Fund

Investment Performance Report to 31 December 2019

Deloitte Total Reward and Benefits Limited
March 2020

Contents

1 Market Background

Three and twelve months to 31 December 2019

Global equity markets delivered strong positive returns in the fourth quarter, buoyed by the agreement of an interim US-China trade deal, relatively robust economic data in challenging conditions and accommodating monetary policy by the Fed (which cut rates in October) and other central banks. Gains were shared across all global regions, with emerging markets, which are particularly sensitive to global trade disruptions, delivering the strongest returns.

UK equities also made gains over the quarter to 31 December 2019, with the FTSE All Share Index returning 4.2%. The UK market was particularly sensitive to domestic politics, proving volatile over much of the fourth quarter in response to heightened Brexit uncertainty. The decisive Conservative victory in the general election on 12 December caused UK indices to rally as expectations of an orderly Brexit increased.

The FTSE 100 Index gained 2.7% while the FTSE 250 returned 10.4%, as smaller UK-centric companies received a significant boost from the reduction in political and Brexit uncertainty, outperforming larger multinational companies where return were dampened by sterling appreciation. Technology was the best performing sector returning 14.5%, while Oil & Gas was the poorest performing sector falling 7.6% in the fourth quarter.

Global markets outperformed UK equities in local currency terms (7.9%) but underperformed in sterling terms (1.5%) as sterling appreciated following the general election. Consequently, currency hedging contributed positively to returns over the quarter. All global regions performed strongly in local currency terms, with Emerging Markets the best performer, returning 9.9%, having benefited strongly from the prospect of a 'Phase one' US-China trade deal. Europe (ex UK) was the poorest performing overseas market, as Germany continues to struggle, but still achieved a positive return of 5.6% over the quarter.

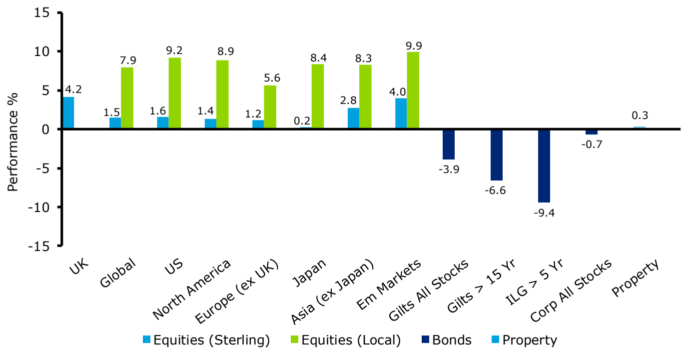
Government bond yields rebounded over the quarter in response to the improving global economic outlook as US and China trade tensions eased. In the UK, gilt yields also increased in response to an apparent reduction in Brexit-related uncertainty. Nominal gilt yields increased sharply, rising by c. 30-40 bps across the curve, partially offsetting significant yield falls in the previous quarter. The All Stocks Gilts Index subsequently delivered a negative return of -3.9% over the quarter with the Over 15 Year Index falling by 6.6%. Real yields also increased with the Over 5 Year Index-Linked Gilts Index delivering a negative return of -8.5% over the same period. Credit spreads tightened over the quarter in response to renewed risk appetite late in the period. Corporate bonds therefore outperformed equivalent gilts, with the iBoxx All Stocks Non Gilt Index experiencing a more modest fall of 0.7%.

Over the 12 months to 31 December 2019, the FTSE All Share Index delivered a positive return of 19.2% as the uncertainty surrounding the global economy appeared to ease over the final 3 months of the year. There was a wide dispersion in returns at a sector level with Technology the best performer, returning 29.6%, whilst Telecommunications was the poorest performing sector falling by 6.3%. Global markets outperformed UK equities in both local currency terms (26.9%) and sterling terms (22.3%), with sterling appreciating over the year against a basket of global currencies. It is worth noting that returns over the calendar year are somewhat inflated by the sharp falls in the final quarter of 2018.

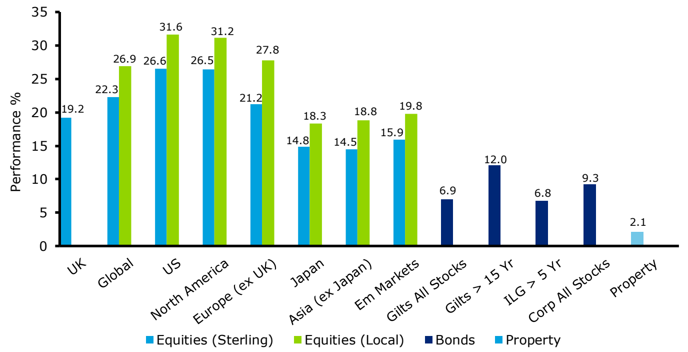
UK nominal gilts achieved strong returns over the 12 months to 31 December 2019 as nominal gilt yields fell by around 50 basis point across the curve. The All Stocks Gilts Index returned 6.9% and the Over 15 Year Gilts Index returned 12.0% over the year to 31 December 2019. UK index-linked gilts delivered positive returns as real yields also fell across the curve. The Over 5 Year Index-Linked Gilts Index returned 6.8%. The iBoxx All Stocks Non Gilt Index returned 9.3% outperforming equivalent gilts as credit spreads tightened slightly over the year.

The MSCI UK All Property Index returned 0.3% over the 3 months to 31 December 2019 and 2.1% over the 12 months to 31 December 2019. The UK property market has continued to cool with significant capital value depreciation in the retail sector.

3 months to 31 December 2019



12 months to 31 December 2019



2 Total Fund

2.1 Investment Performance to 31 December 2019

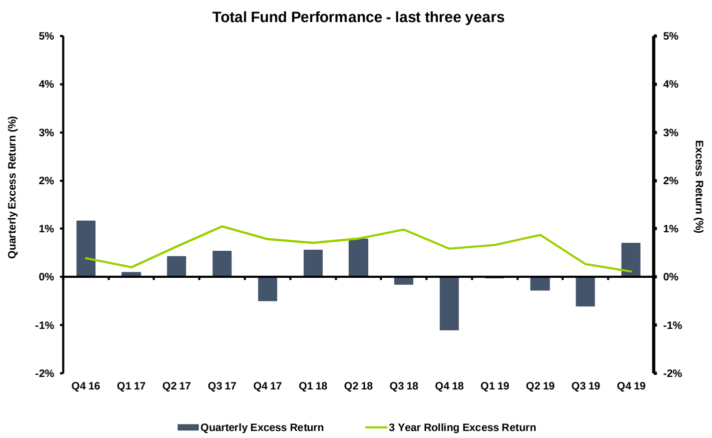
The following table provides a summary of the performance of the Fund's managers.

Manager	Asset Class	Last Quarter (%) Fund Gross	Last Quarter (%) Fund Net[1]	Last Quarter (%) B'mark	Last Year (%) Fund Gross	Last Year (%) Fund Net[1]	Last Year (%) B'mark	Last 3 Years (% p.a.)[1] Fund Gross	Last 3 Years (% p.a.)[1] Fund Net[1]	Last 3 Years (% p.a.)[1] B'mark	Since inception (% p.a.)[1] Fund Gross	Since inception (% p.a.)[1] Fund Net[1]	Since inception (% p.a.)[1] B'mark
LCIV[3]	UK Equity	-1.5	-1.6	-0.6	7.5	7.1	14.2	1.0	0.4	5.3	8.7	8.3	7.8
LGIM	Global Equity	7.2	7.1	7.2	25.5	25.4	25.5	11.0	10.9	11.0	11.6	11.5	11.6
LCIV	Global Equity	4.9	4.8	1.4	27.8	27.4	21.7	14.9	14.7	9.9	15.2	14.9	12.2
Longview	Global Equity	3.0	2.8	1.0	20.5	19.8	22.7	12.4	11.8	10.0	14.9	14.2	12.2
Insight[2]	Buy and Maintain	-0.3	-0.3	-0.3	10.4	10.3	6.8	n/a	n/a	n/a	6.4	6.3	5.3
LCIV	Multi Asset Credit	1.5	1.3	1.2	7.0	6.5	5.0	n/a	n/a	n/a	4.3	3.8	5.0
Hermes	Property	0.6	0.5	0.3	2.5	2.1	2.1	7.2	6.8	6.7	9.1	8.7	7.9
Aberdeen Standard	Property	1.6	1.5	-3.4	5.4	4.9	8.9	8.1	7.6	5.1	8.4	7.9	6.6
Pantheon	Global Infrastructure	-9.0	-9.2	2.2	n/a	n/a	n/a	n/a	n/a	n/a	-2.2	-2.8	8.0
Total		**3.2**	**3.1**	**2.4**	**16.8**	**16.5**	**16.7**	**8.1**	**7.7**	**7.6**	**n/a**	**n/a**	**n/a**

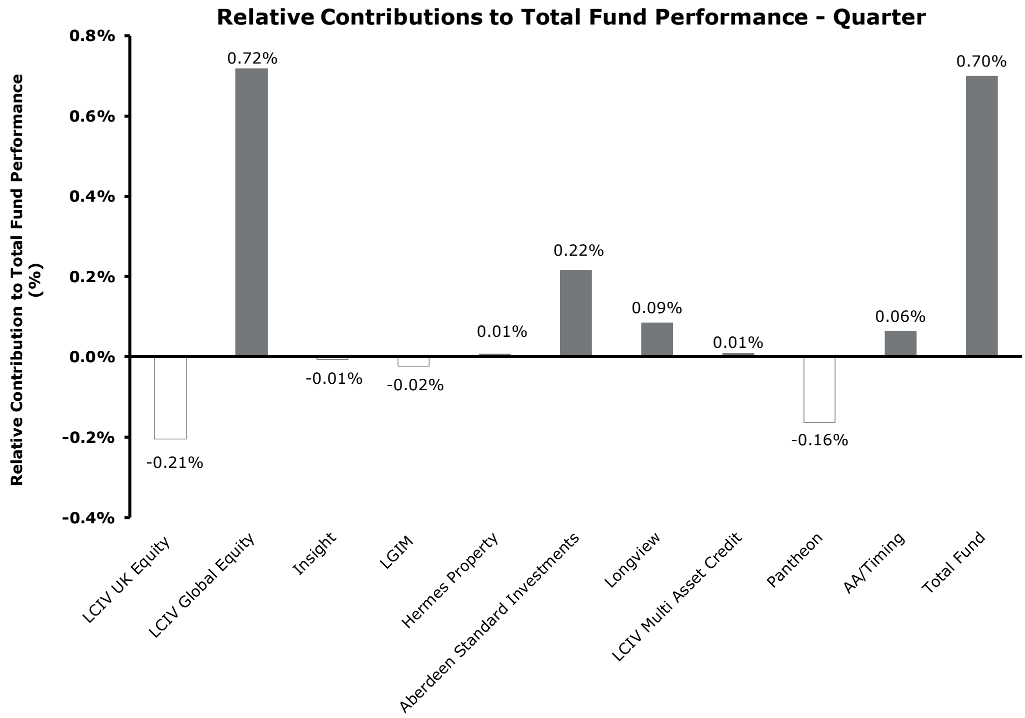
Source: Northern Trust
[1]Estimated by Deloitte when manager data is not available. See appendix 1 for more detail on manager fees and since inception dates
[2]Insight Buy and Maintain Fund was incepted on 9 April 2018. Since inception returns and benchmark returns reflect a combination of Insight Buy & Maintain Fund returns and benchmark returns from date of inception to 31 December 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]LCIV UK Equity Fund performance and benchmark figures are quoted to 30 November 2019, not 31 December 2019, as the assets were disinvested during December 2019.

The Fund returned 3.1% on a net of fees basis over the quarter to 31 December 2019, outperforming the strategic benchmark by 0.7%. The majority of funds provided positive absolute returns over the period, however the LCIV UK Equity Fund, the Insight Buy & Maintain Fund and the Pantheon Global Infrastructure Fund delivered negative returns, with both the UK Equity Fund and Pantheon underperforming their respective benchmarks over the quarter. The Fund has underperformed its benchmark by 0.2% over the year to 31 December 2019 on a net of fees basis, whilst over the longer three-year period the Fund has outperformed its benchmark by 0.1% 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.

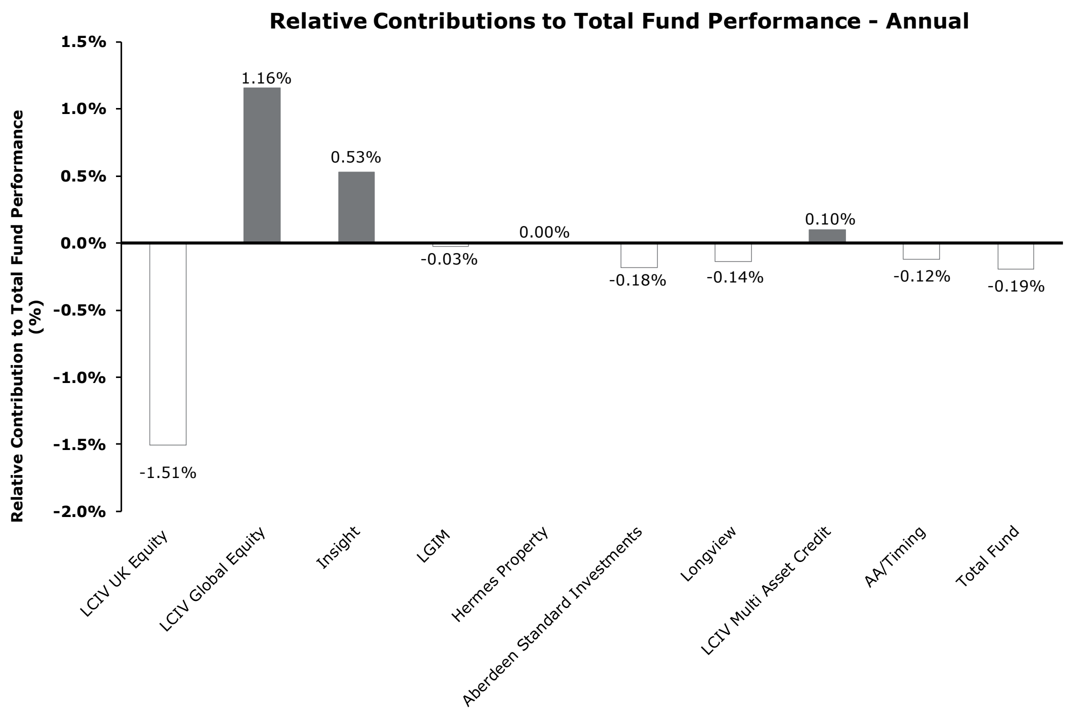


2.2 Attribution of Performance to 31 December 2019



Over the fourth quarter of 2019, the Fund outperformed its composite benchmark by 0.7% on a net of fees basis. Outperformance was primarily driven by the LCIV Global Alpha Growth Fund which outperformed its MSCI-based benchmark over the quarter, alongside strong positive Longview and Aberdeen Standard Investments Long Lease Property Fund performance relative to their respective MSCI and gilts-based benchmarks.

The Fund underperformed its benchmark by 0.2% on a net of fees basis over the year to 31 December 2019. As with the previous quarter, the largest detractor to performance was the LCIV UK Equity Fund, which underperformed its FTSE-based benchmark over the year until its disinvestment at the beginning of December 2019. The negative contribution from the "AA/Timing" bar reflects the impact of holding investments in Longview over the first two quarters of 2019, with the benchmark allocation not allowing for any allocation to Longview whilst the global equity fund underperformed its benchmark over this period.



2.3 Asset Allocation as at 31 December 2019

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

Manager	Asset Class	End Sep 2019 (£m)	End Dec 2019 (£m)	End Sep 2019 (%)	End Dec 2019 (%)	Benchmark Allocation (%)
LCIV	UK Equity	297.4	0.0	19.9	0.0	0.0
LGIM	Global Equity (Passive)	341.6	661.0	22.8	43.3	45.0
LCIV	Global Equity	308.0	318.6	20.6	20.9	20.0
Longview	Global Equity	69.6	71.6	4.6	4.7	0.0
	Total Equity	**1,016.6**	**1,051.2**	**67.9**	**68.9**	**65.0**
Insight	Buy and Maintain	232.4	231.5	15.5	15.2	13.5
LCIV	Multi Asset Credit	93.8	95.0	6.3	6.2	6.5
	Total Bonds	**326.2**	**326.5**	**21.8**	**21.4**	**20.0**
Hermes	Property	66.9	62.9	4.5	4.1	5.0
Aberdeen Standard	Property	66.4	67.5	4.4	4.4	5.0
	Total Property	**133.3**	**130.4**	**8.9**	**8.5**	**10.0**
Pantheon	Global Infrastructure	21.5	17.8	1.4	1.2	5.0
	Total Infrastructure Equity	**21.5**	**17.8**	**1.4**	**1.2**	**5.0**
Total		**1,497.7**	**1,525.8**	**100**	**100**	**100**

Source: Northern Trust
Figures may not sum due to rounding

Over the quarter to 31 December 2019, the market value of the Fund's assets increased by c. £28.1m as a result of positive Total Fund performance.

At quarter end, the Fund was overweight equities by 3.9% with the exposure increasing over the quarter as a result of strong positive performance from both LGIM and the LCIV Global Alpha Growth Fund. The Fund's overweight equity exposure is expected to reduce as Pantheon continues to draw down capital, funded from the remaining Longview allocation. The Fund was overweight 1.4% to bonds and underweight 1.5% to property as at 31 December 2019.

During the fourth quarter of 2019, Pantheon issued one capital call request for $1.8m and one distribution of $0.5m. Capital calls over the quarter were funded from the bank account held with Northern Trust. As at 15 November 2019, the date of the capital call request, the total unfunded commitment to Pantheon was c. $66.8m.

During December 2019, the disinvestment from the LCIV UK Equity Fund and subsequent transfer to the LGIM World Equity Index Fund – GBP Currency Hedged was completed with the benchmark allocation to the LGIM Fund also increased as a result.

2.4 Yield analysis as at 31 December 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 December 2019
LGIM	Global Equity (Passive)	0.24%
LCIV	Global Equity	0.60%**
Longview	Global Equity	2.10%
Insight	Buy and Maintain	2.18%
LCIV	Multi Asset Credit	5.39%**
Hermes Property	Property	3.30%
Aberdeen Standard Investments	Long Lease Property	4.20%
	Total	**1.28%**

**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 underlying managers (Baillie Gifford and CQS). Disinvested from LCIV UK Equity Fund in December 2019.*

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
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 December 2019, the London CIV had assets under management of £8,612m within the 14 sub-funds, a decrease of £211m over the quarter. The total assets under oversight, including passive investments held outside the CIV platform, increased by £0.5bn over the quarter to £20.0bn.

The LCIV Infrastructure Fund had its first close at the end of October, with six pool members committed and around £400m raised. The fund is expected to make 4 to 6 commitments per year, with its first a renewable energy fund.

The LCIV UK Equity Fund was also closed during the fourth quarter following the final two pool members moving assets out into global equities.

Personnel

Kevin Corrigan has been appointed as interim Chief Investment Officer following the resignation of Mark Thompson, as reported in the previous quarter. Kevin has joined from Resco Asset Management, where he held the position of Senior Investment Advisor and had previously been CIO at Sandaire Investment Office. The London CIV are continuing to search for a permanent CIO and Head of Responsible Investment.

Also during the quarter, Silvia Knott-Martin became a Client Relations Manager. Silvia previously held positions at Aon Hewitt, State Street and AXA in similar relationship manager roles.

On 9 January 2020, the London CIV announced Larissa Benbow will be leaving the firm with effect from 28 February. Larissa holds the role of Head of Fixed Income after joining the London CIV in June 2017. Larissa had previously planned to take extended leave, as such, with the recruitment of interim resources during 2019, Larissa's responsibilities will be picked up as follows:

- Azim Meghji, formerly Head of Credit at Santander Asset Management who joined the team in December 2019, will take responsibility for the relationships with fixed income managers. Azim will be supported by Pru Odedra;

- Rob Hall will assume responsibility for Infrastructure and Property with support from Pru Odedra;

- Mariya Gurylyova, with additional support from Andrea Wildsmith, a consultant who joined the team in 2019, will undertake London CIV's systems work; and

- Kevin Corrigan will assume responsibility for consultant relations.

LCIV Multi Asset Credit Fund
LCIV informed London Local Authorities ("LLA's") in July 2019 that CQS, the manager of the LCIV MAC Fund, had been placed "on watch". This followed LCIV concerns regarding CQS' strategy and high staff turnover, as well as recent underperformance.

In December 2019, LCIV met with CQS to advise that they are exploring options with other multi asset credit managers in the market. LCIV have commenced an external search with some initial managers which they plan to continue. LCIV are currently exploring the opportunity for another manager to hold a minority stake in the LCIV MAC Fund with the potential for the new manager to hold a larger stake in future. If or how any additional manager(s) will be used in relation to the LCIV MAC Fund will be determined by both the engagement and the outcome of the searches being undertaken by the LCIV, with a further update initially expected to be provided to investors in Q1 2020. As at the time of completing this report, there has been no update provided relating to this.

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. The departure of Larissa Benbow is significant given her role and involvement in the setup of numerous sub funds.

We will be meeting the LCIV to discuss Larissa's departure as well as their views on CQS and development of the MAC sub fund. Any change to the structure or manager(s) of the sub fund would require a thorough review from the Committee.

3.2 LGIM

Business
As at 30 June 2019, Legal & General Investment Management ("LGIM") had total assets under management ("AuM") of £1,135bn, an increase of £30bn since 31 December 2018.

Personnel
At quarter end, LGIM announced that Margaret Ammon would be joining in February 2020 as Chief Risk Officer and Camille Blackburn would be joining in January 2020 as Chief Compliance Officer, subject to regulatory approvals.

Margaret has over 20 years' experience in risk management, most recently as Chief Risk Officer for Asset Management at M&G Plc. Prior to this, Margaret held roles at Colonial First State Global Asset Management as CRO, Schroders as APAC Head of Risk for Schroders and CRO for Old Mutual.

Camille will join with responsibility for overseeing the global compliance framework and report to Margaret and joins from M&G Plc. Camille has previously held the position of Chief Compliance Officer at Aviva Investors and will replace Teresa Poy who is retiring from the role.

At the Index Team level, there were two new joiners, with Tobias Merfeld and Hatshepsut James taking the roles of ETF Investment Strategist and ETF Platform Manager respectively.

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

3.3 Baillie Gifford

Business

Baillie Gifford held c. £218.6bn in assets under management as at 31 December 2019, an increase of c. £12.5bn over the fourth quarter of 2019.

Personnel

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

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

3.4 Longview

Business

Longview's assets under management increased by c. £0.6bn to c. £24.1bn over the quarter to 31 December 2019, with negative net flows of £154m over the fourth quarter of 2019.

Personnel

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

During the fourth quarter of 2019, Paul Jones joined Longview as Head of IT. Prior to joining, Paul worked at Pantheon Ventures for 8 years as Chief Technology Officer. In his capacity, Paul had responsibility for all technology functions including: strategy and architecture, software development, cybersecurity, and infrastructure and cloud platform. Prior to Pantheon Ventures, Paul spent 7 years at Tokio Marine/Kiln Group in the Lloyds Reinsurance market as Head of Group Architecture and was responsible for all aspects of systems architecture and software delivery. During that period Paul was responsible for a large number of systems implementations.

Deloitte view – We have recently removed Longview's Global Equity strategy from our rated manager list following the departure of the co-founder and CIO Ramzi Rishani. As such, going forward, we will not be recommending the Longview Global Equity strategy to clients.

3.5 Insight

Business

Insight's total assets under management decreased from c. £714bn as at 30 September 2019 to c. £660bn as at 31 December 2019. This decrease in c. £54bn in assets under management appears to be attributable to a rise in gilt yield over the quarter to 31 December 2019, which in turn lead to a fall in their hedged liabilities of their LDI portfolios over the quarter with Insight including hedged liabilities in its assets under management calculations.

Over the fourth quarter of 2019, the Insight Buy and Maintain Fund's assets under management increased by c. £2bn to stand at c. £2.7bn as at 31 December 2019.

Personnel

Insight made no changes to their Buy and Maintain fund team over the fourth quarter of 2019.

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

3.6 CQS – Multi Asset Credit

Business

As at 31 December 2019, CQS held assets under management of c. $19.2bn which reflects an increase of c. $1.3bn over the quarter. The Credit Multi Asset Fund's assets under management increased by c. $1.1bn over the fourth quarter of 2019, managing c. $8.1bn on behalf of its clients as at 31 December 2019.

Personnel

There were no specific team/personnel changes to the Credit Multi Asset Fund team over the quarter to 31 December 2019.

Deloitte View - We plan to hold a meeting with CQS during the first quarter of 2020 to discuss the LCIV's reasons for placing the manager "on watch" and to consider CQS' views with regards to LCIV exploring the opportunity for another manager to hold a minority stake in the LCIV MAC Fund.

3.7 Hermes

Business

As at 31 December 2019, Hermes held total assets under management of c. £37.1bn, reflecting an increase of c. £1.3bn over the quarter. Within the HPUT, total assets under management remained at c. £1.5bn over the quarter to 25 December 2019, with figures not available as at 31 December 2019.

Personnel

As mentioned in the investment report covering the quarter to 30 September 2019, Chris Matthew, Fund Director of the Hermes Property Unit Trust, left the firm on 31 October 2019 following a period of leave due to ill health within his family.

Chris had been Fund Director of the HPUT for over 15 years and additionally worked as an Executive Director for the wider Hermes group, providing a significant contribution to the success and growth of the business. Hermes states that the search for Chris' replacement is well under way.

As mentioned last quarter, Russell Black, who was previously appointed as Interim Fund Manager during the second quarter of 2019, has been appointed as Fund Manager. Additionally, Ian Cody was permanently appointed as Asset Manager for HPUT following a successful period as interim manager.

Chris Darroch, Executive Director at Hermes, continues to act as Interim Fund Director until a new Fund Director has been appointed. Chris joined Hermes in December 2009, he is a senior member of Hermes' real estate team and is the Fund Director for BT Pension Scheme's UK real estate investment portfolio. Chris will continue to report to Chris Taylor, head of Private Markets, during his time in the role.

Deloitte view – We are monitoring the personnel changes, including the appointment of a new Fund Manager.

3.8 Aberdeen Standard Investments – Long Lease Property

Business

The Long Lease Property Fund's assets under management increased by c. £0.1bn over the fourth quarter of 2019 to c. £2.6bn as at 31 December 2019. The Fund had a queue of investor commitments of c. £245m as at 31 December 2019 with the uncertainty surrounding Brexit making it difficult for ASI to find attractive opportunities to invest in.

Personnel

On 2 October 2019, ASI announced that Martin Gilbert, Chairman of ASI, has decided to step down. Martin will retire from most of his board roles at the next AGM in May 2020 but will remain as Chairman of ASI until September 2020 to ensure a smooth transition period. Martin first joined Aberdeen Asset Management over 30 years ago and currently holds the positions of Chairman at Aberdeen Standard Investments and Vice Chairman of the Standard Life Aberdeen group. Martin will continue to focus on the strengthening of current client relationships and establishing new ones. He will continue to work closely with ASI's leadership team to ensure that his responsibilities are smoothly passed over and that the service remains the same.

ASI has made the decision to combine their Real Estate and Private Markets business areas in a bid to leverage research capabilities and deliver a greater range of Private Market solutions to clients. Peter McKellar has been appointed as Executive Chairman and Global Head of Private Markets, and Neil Slater has taken on the role of Global Head of Real Estate and Deputy Head of Private markets from David Paine.

There were no senior management changes to the team managing the Long Lease Property Fund over the fourth quarter of 2019.

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

3.9 Pantheon

Business

Pantheon's total assets under management stood at c. $47bn as at 30 September 2019, remaining the same level as at 30 June 2019. Following the final close in March 2019, the Global Infrastructure III Fund has $2.2bn in assets committed.

As at 1 January 2020, the Global Infrastructure III Fund has completed 23 deals, with $1,081m in closed or committed deals. This represents a 49% commitment level.

Personnel
There were no specific team/personnel changes to the Global Infrastructure III Fund team over the quarter.

Andrea Echberg, a Partner in Pantheon's London office, has been appointed Co-Head of the Infrastructure & Real Assets Investment Committee. Andrea was previously a member of the committee, and has been with the firm 7 years

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

4 London CIV

4.1 Investment Performance to 31 December 2019

At the end of the fourth quarter of 2019, the assets under management within the 14 sub-funds of the London CIV was £8,612m. The total assets under oversight (which includes passive investment held outside of the CIV platform) increased by c. £0.5bn to c. £20bn over the quarter. 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 30 Sep 2019 (£m)	Total AuM as at 31 Dec 2018 (£m)	Number of LCIV clients	Inception Date
LCIV UK Equity	UK Equity	Majedie	415	-	0	18/05/17
LCIV Global Equity Alpha	Global Equity	Allianz Global Investors	-	-	-	02/12/15
LCIV Global Alpha Growth	Global Equity	Baillie Gifford	2,705	2,782	13	11/04/16
LCIV Global Equity	Global Equity	Newton	660	668	3	22/05/17
LCIV Global Equity	Global Equity	Longview Partners	847	871	5	17/07/17
LCIV Equity Income	Global Equity	Epoch Investment Partners	262	260	2	08/11/17
LCIV Emerging Market Equity	Global Equity	Henderson Global Investors	352	346	6	11/01/18
LCIV Sustainable Equity Fund	Global Equity	RBC Global Asset Management (UK)	434	448	3	18/04/18
LCIV Global Total Return	Diversified growth fund	Pyrford	323	325	5	17/06/16
LCIV Diversified Growth	Diversified growth fund	Baillie Gifford	685	726	8	15/02/16
LCIV Absolute Return	Diversified growth fund	Ruffer	868	898	10	21/06/16
LCIV Real Return	Diversified growth fund	Newton	152	134	2	16/12/16
LCIV MAC	Fixed Income	CQS	846	858	12	31/05/18
LCIV Global Bond	Fixed Income	PIMCO	274	295	3	30/11/18
LCIV Infrastructure Fund	Infrastructure	Stepstone	-	399*	6	31/10/2019
Total			**8,823**	**8,612**		

Source: London CIV
Figures may not sum due to rounding
**Represents committed assets not yet drawn down.*

London CIV successfully launched the LCIV Infrastructure Fund over the fourth quarter of 2019, managed by Stepstone with initial commitments of £399m seeded by six London Borough Pension Funds. The LCIV Infrastructure Fund's first investment of $75m was made into the Macquarie GIG Renewable Energy Fund 2 ("MGREF2"), at the beginning of 2020. The MGREF2 has a 100% renewable energy focus with a large allocation to onshore wind, offshore wind and solar PV assets.

5 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.

5.1 Passive Global Equity – Investment Performance to 31 December 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
LGIM - Gross of fees	7.2	25.5	11.0	11.6
Net of fees[1]	7.1	25.4	10.9	11.5
FTSE World (GBP Hedged) Index	7.2	25.5	11.0	11.6
Relative (net of fees)	-0.1	-0.1	-0.1	-0.1

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.

Over the quarter to 31 December 2019, the fund marginally underperformed its FTSE-based benchmark. The fund also marginally underperformed its benchmark over the year and three-year periods to 31 December 2019.

6 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.

6.1 Global Equity – Investment performance to 31 December 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Baillie Gifford – Gross of fees	4.9	27.8	14.9	15.2
Net of fees[1]	4.8	27.4	14.6	14.9
MSCI AC World Index	1.4	21.7	9.9	12.2
Relative (net of fees)	3.4	5.7	4.7	2.7

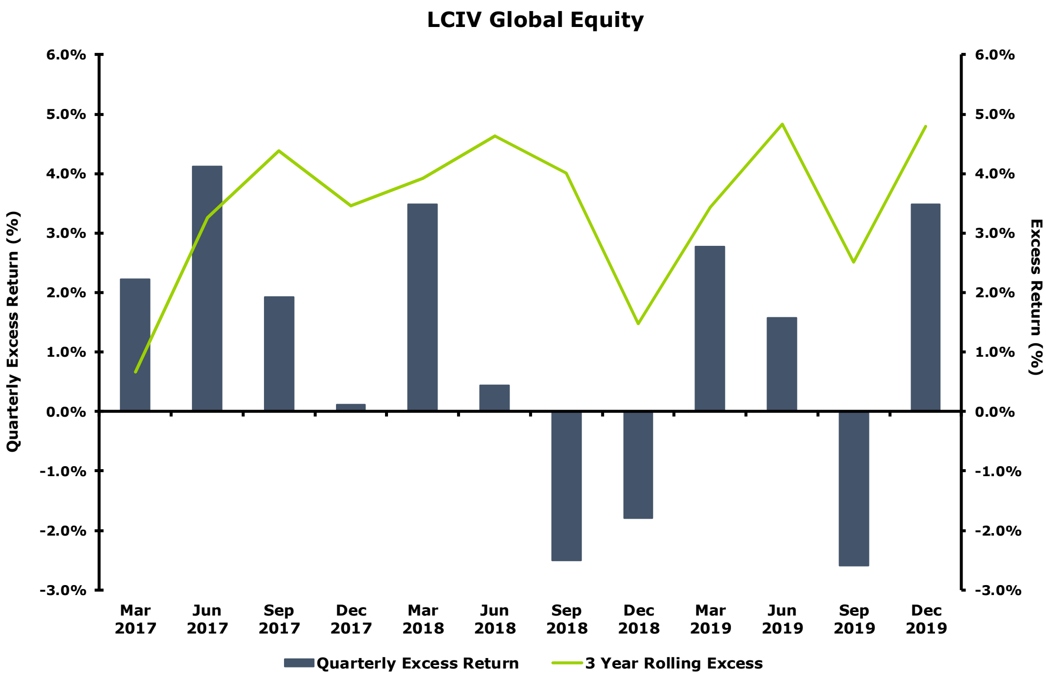
Source: Northern Trust
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Inception date taken as 18 March 2014

The LCIV Global Alpha Growth Fund, managed by Baillie Gifford, outperformed the MSCI AC World Index benchmark by 3.4% on a net of fees basis over the quarter to 31 December 2019, returning 4.8% in absolute terms on a net of fees basis. Over the 12-month and annualised three-year periods to 31 December 2019, the fund outperformed its benchmark by 5.7% and 4.7% p.a. respectively on a net of fees basis, delivering absolute returns of 27.4% and 14.6% p.a. on a net of fees basis respectively.

Over a quarter where global equity markets delivered particularly strong positive returns, the LCIV Global Alpha Growth Fund's returns surpassed that of the wider market as a result of Baillie Gifford's exposure to healthcare biotechnology stocks, amongst other exposures across less-traditional areas of the market.

The fund's c. 49% allocation to the US market was of particularly merit this quarter, with US markets lifted by the agreement of an interim US-China trade deal.

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 4.7% p.a. over the three year period to 31 December 2019.



6.2 Performance Analysis

The top 10 holdings in the portfolio account for c. 25.6% of the fund and are detailed below.

Top 10 holdings as at 31 December 2019	Proportion of Baillie Gifford Fund
Alibaba	3.2%
Amazon	3.0%
Prudential	2.9%
Moody's	2.6%
Alphabet	2.5%
Mastercard	2.5%
Anthem	2.4%
Naspers	2.3%
AIA	2.2%
Microsoft	2.0%
Total	**25.6%**

Source: London CIV
Figures may not sum due to rounding

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

Top 5 contributors as at 31 December 2019	Contribution (%)
Alibaba	+0.37
Alnylam Pharmaceuticals	+0.35
Seattle Genetics	+0.33
Anthem	+0.26
Ryanair	+0.23

Alnylam Pharmaceuticals and Seattle Genetics were among the top contributors to positive performance over the quarter, highlighting the impact of Baillie Gifford's healthcare biotechnology holdings. The fund's largest holding, Alibaba, provided the largest positive contribution with Naspers, the eighth largest holding providing the largest detraction to performance over the quarter to 31 December 2019.

Top 5 detractors as at 31 December 2019	Contribution (%)
Naspers	-0.32
Apache	-0.25
Amazon	-0.18
Prosus	-0.18
Grubhub	-0.17

7 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.

7.1 Active Global Equity – Investment Performance to 31 December 2019

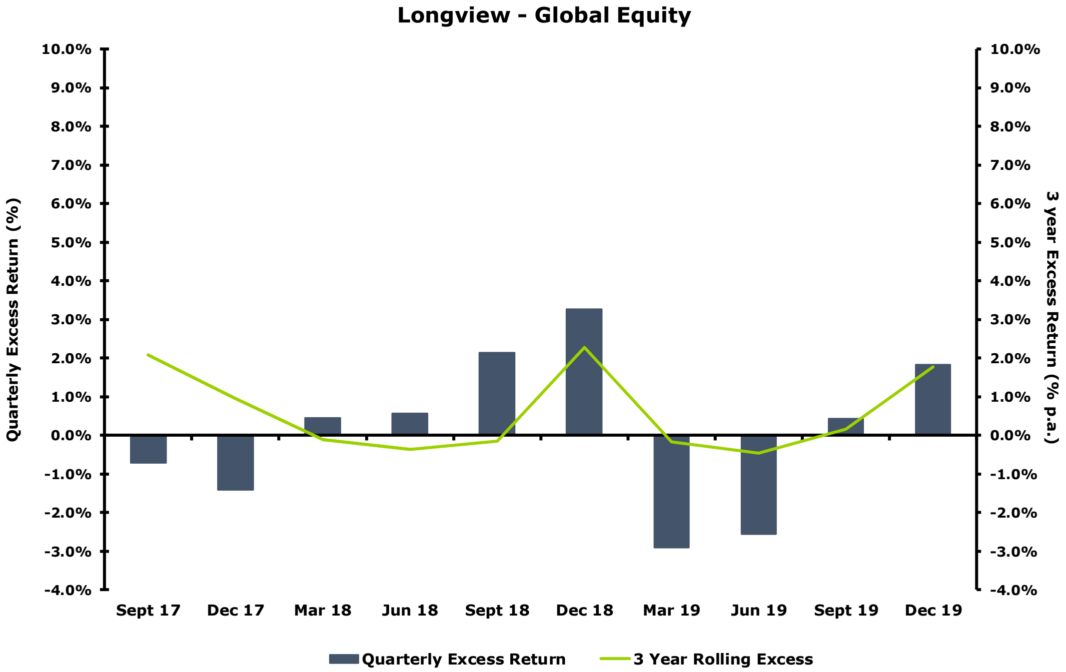
	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Longview - Gross of fees	3.0	20.5	12.4	14.9
Net of fees[1]	2.8	19.8	11.8	14.2
MSCI World Index	1.0	22.7	10.0	12.2
Relative (on a net basis)	1.8	-2.9	1.8	2.0

Source: Longview (longer term returns provided by Northern Trust)
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Inception date 15 January 2015

Longview returned 2.8% on a net of fees basis over the fourth quarter of 2019, outperforming its MSCI-based benchmark by 1.8%. Over the longer one-year and three-year periods to 31 December 2019, the fund has underperformed its benchmark by 2.9% and outperformed its benchmark by 1.8% p.a. respectively on a net of fees basis.

The Global Equity Fund's overweight exposure to the healthcare sector helped drive positive returns, with underweight exposures to real estate and utilities also boosting performance relative to the MSCI-based benchmark due to the sensitivity of the two sectors to changes in interest rates.

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.



7.2 Performance Analysis

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

Top 5 contributors as at 31 December 2019	Contribution
State Street	+1.02
UnitedHealth	+0.87
HCA Healthcare	+0.63
Charter Communications	+0.48
Parker Hannifin	+0.28

State Street delivered the largest contribution to performance, benefitting from low initial earnings expectations leading to a rise in price earnings ratio. Healthcare stocks, UnitedHealth and HCA Healthcare, profited from reduced political concerns over the quarter, with HCA Healthcare providing the largest detraction to performance over the third quarter of 2019.

The largest detraction to performance, on an individual stock level, came from Compass who announced a cost cutting exercise was to be undertaken in 2020 which promoted negative responses by the market.

Top 5 detractors as at 31 December 2019	Contribution
Compass	-0.83
Oracle	-0.46
Asahi Group	-0.30
Henkel	-0.20
US Foods	-0.13

8 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.

8.1 Buy and Maintain Fund - Investment Performance to 31 December 2019

	Last Quarter (%)	Last Year (%)	Since Inception (% p.a.)
Insight Non Gilts - Gross of fees	-0.3	10.4	6.4
Net of fees[1]	-0.3	10.3	6.3
iBoxx £ Non-Gilt 1-15 Yrs Index	-0.3	6.8	5.3
Relative (on a net basis)	0.0	3.5	1.0

Source: Northern Trust
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Inception date taken as 12 April 2018

The Insight Buy and Maintain Fund tracked its temporary iBoxx non-gilt benchmark on a net of fees basis over the quarter to 31 December 2019, providing a negative absolute return of -0.3%. Over the year to 31 December 2019, the Buy and Maintain Fund has outperformed its benchmark by 3.5%, returning 10.3% on a net of fees basis over the period.

8.2 Performance Analysis

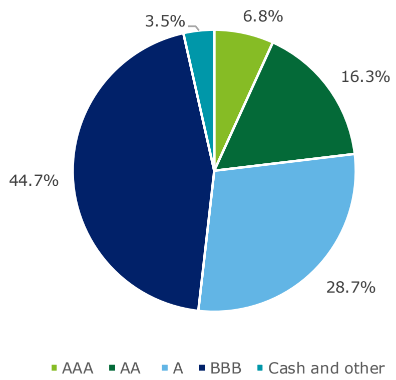
The table below summarises the Buy and Maintain portfolio's key characteristics as at 31 December 2019.

	30 September 2019	31 December 2019
Yield (%)	2.2	2.2
No. of issuers	168	175
Modified duration (years)	8.3	8.5
Spread duration (years)	8.2	7.9
Government spread (bps)	160	132
Swaps spread (bps)	151	121
Largest issuer (%)	1.2	4.3
10 largest issuers (%)	10.7	13.9

Source: Insight

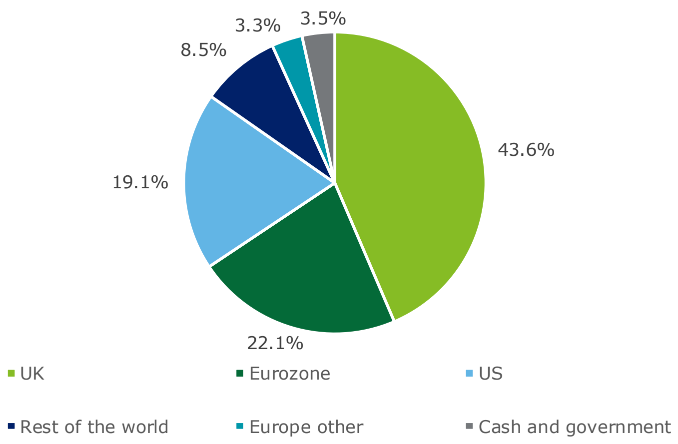
The largest issuer allocation and total 10 largest issuer allocations have increased over the quarter as a result of Insight's newly acquired 4.3% holding in the UK Treasury.

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

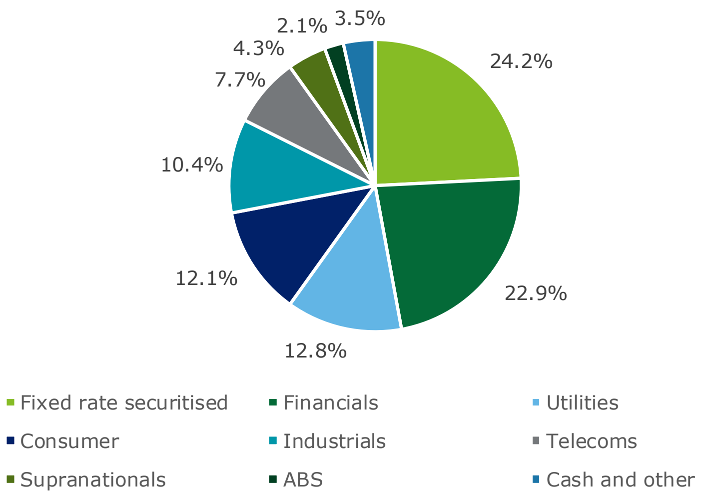


As at 31 December 2019, the fund's investment grade holdings made up c. 96.5% of the portfolio, with the fund predominantly invested in BBB and A rated bonds.

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



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



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

Issuer name	Rating*	Holding (%)
UK Treasury	AA	4.3
International Bank for Reconstruction & Development	AAA	1.3
Royal London	BBB	1.2
M&G	BBB	1.1
CPUK Finance	BBB	1.0
London & Quadrant Housing Trust	A	1.0
General Electric	BBB	1.0
Volkswagen	BBB	1.0
Tesco Property	BBB	1.0
EDF	A/BBB	1.0

**Ratings provided by Insight*

9 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.

9.1 Multi Asset Credit – Investment Performance to 31 December 2019

	Last Quarter (%)	Last Year (%)	Since Inception (% p.a.)
CQS – MAC – Gross of fees	1.5	7.2	4.5
Net of fees[1]	1.3	6.5	3.8
3 Month Libor + 4%	1.2	5.0	5.0
Relative (on a net basis)	0.1	1.5	-1.2

Source: Northern Trust
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Inception date taken as 30 October 2018

Over the fourth quarter of 2019, the LCIV Credit Multi Asset Fund, managed by CQS, outperformed its benchmark by 0.1% on a net of fees basis. The Credit Multi Asset Fund delivered net of fees returns of 6.5% over the year to 31 December 2019, outperforming its benchmark by 1.5%.

The fund decreased its nominal exposure to loans by 3% to 45% over the quarter. Despite this, loans provided the largest contribution to performance within the fund's portfolio alongside high yield and ABS with high yield markets experiencing strong growth across European and US holdings.

9.2 Portfolio Analysis

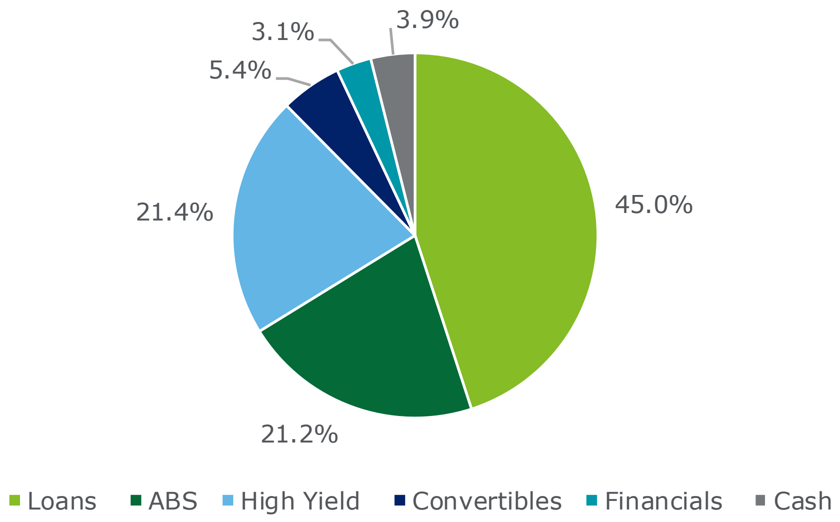
The table below summarises the Multi Asset Credit portfolio's key characteristics as at 31 December 2019.

	30 Sep 2019	31 Dec 2019
Weighted Average Bond Rating	B+	B+
Long Bond Equivalent Exposure with Public Rating (%)	84.9	85.0
Investment with Public Rating (%)	82.9	84.2
Yield to Maturity (%)	5.7	5.4
Spread Duration	4.1	3.9
Interest Rate Duration	1.7	1.6

Source: CQS

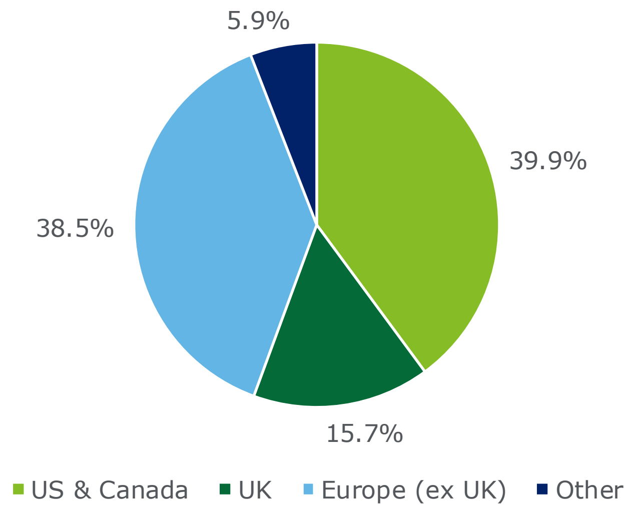
9.3 Asset Allocation

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



9.4 Country Allocation

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



10 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.

10.1 Property – Investment Performance to 31 December 2019

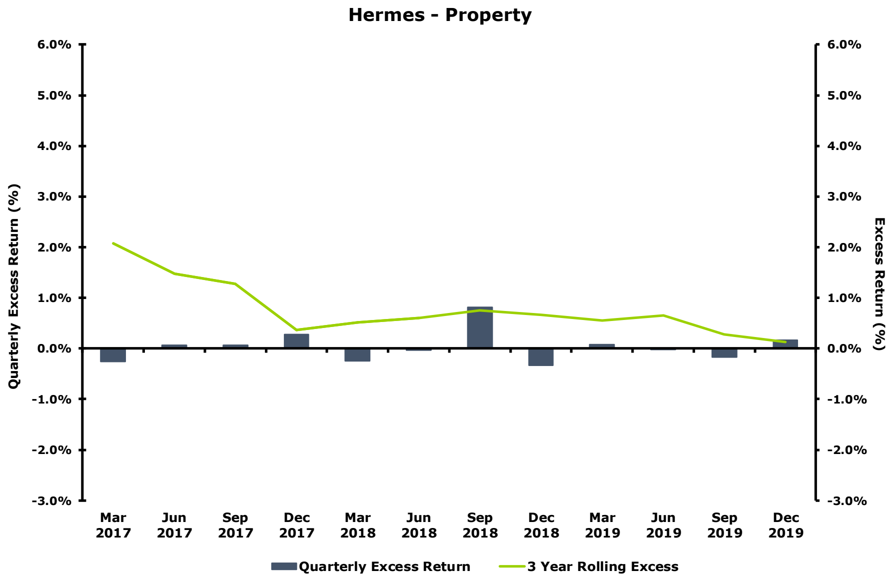
	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Hermes - Gross of fees	0.6	2.5	7.2	9.1
Net of fees[1]	0.5	2.1	6.8	8.7
Benchmark	0.3	2.1	6.7	7.9
Relative (on a net basis)	0.2	0.0	0.1	0.8

Source: Hermes
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Inception date is taken as 26 October 2010

Hermes returned 0.5% on a net of fees basis over the quarter to 31 December 2019, outperforming its IPD-based benchmark by 0.2%. The strategy tracked its benchmark over the year to 31 December 2019 on a net of fees basis and marginally outperformed its benchmark by 0.1% p.a. over the longer three-year period to 31 December 2019 on a net of fees basis.

The Trust's west end office assets provided the largest contribution to performance over the quarter to 31 December 2019 with offices in the rest of the UK also contributing positively to performance. The Trust's industrial sector assets continued to provide a positive contribution to performance, albeit not as large as the Trust's office sector allocation.

Retail warehouses, unit shops and shopping centres were the largest detractors to performance over the fourth quarter of 2019, with poor investor sentiment and weak occupier demand in the retail sector continuing to have an effect on valuations.



10.2 Activity

During December 2019, HPUT sold The George, Eton for £2.7m. This reflects a net initial yield of 4.5% and a significant premium of 27% over the end-September 2019 valuation. The property was part of a sale and leaseback portfolio acquired in 2011.

Also during December 2019, the strategy sold its position in Recency House, London. The property sold for £36.0m, representing a 20% premium in comparison to the end-September 2019 valuation. The Trust acquired the freehold property for £16m in October 2012.

Lettings and other activities were also completed on numerous assets over the fourth quarter of 2019:

- Erdington Industrial Park, Birmingham: During the fourth quarter of 2019, the Manager completed the letting of two vacant units (combined 35,000 sq. ft.) in the park. The new lettings with Leacy MG Ltd are on a 10-year term with break at 5 year and will contribute a total amount of c. £182,000 p.a. after incentives to the Trust rental income.

- Centrus Industrial Estate, Hertford: Over the quarter, the Manager completed a 10-year lease renewal with an existing tenant in the estate. The lease term includes a break at year 5 and accounts for a total rental income of c. £71,600 p.a. The estate remains fully let following this renewal.

- Guinness Road Trading Estate, Manchester: During the quarter, the tenant, Redhall Jex Ltd who had entered administration and occupied a 21,000 sq. ft. unit in the estate terminated the lease. The Manager agreed terms with a new tenant to take over the unit for a 5 year lease at c. £106,000 p.a. with review in September 2020.

- Nexus Park, Newbury: In November 2019, the Manager agreed terms with Haiken Ltd for a 10 year lease term at c. £122,700 p.a. to take over the 12,700 sq. ft. vacant unit in the park. The lease includes a 12 month rent free incentive and break at year 5.

- Horndon Industrial Park, West Horndon: During the quarter, a number of lease renewals and lettings terms were agreed in the industrial park accounting for a total rental income of c. £300,000 p.a. after incentives. The recently completed refurbishment works led to a significant reduction of the vacancy rate in the estate.

- Staycity Greenwich, Block E, Greenwich : Over the quarter, the 5 year rent review with the tenant operator Staycity was agreed at c. £576,338 p.a. which provides a 10% increase to the rental income.

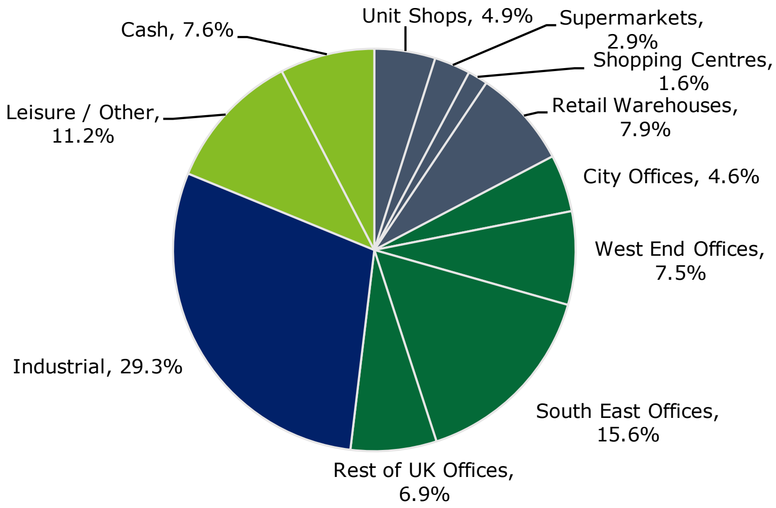
- Horizon Building, Hurley, Maidenhead: During November and December 2019, the Manager documented the rent reviews with the tenants Pfizer and Leo Laboratories which will secure a 5% uplift in the annual rental income for a total of c. £1m p.a.

- Maybird Shopping Park, Stratford Upon Avon: A reversionary lease was completed with B&Q for a new 10 year letting at c. £512,000 p.a. after tenant incentives. The Manager will contribute to the refurbishment works which B&Q will undertake to upgrade the unit. In the same period terms have been agreed with Poundland and Superdrug to take over 15,000 sq. ft vacant space in the park, subject to planning.

- St John Street, Farringdon: Over the quarter, the Manager undertook a project of refurbishment of the office floors and ground floor retail premises of its grade II listed investment building. The Trust will fund the capital works up to £3.6 million and the project is expected to complete in late 2020. The refurbishment will improve a tired and inefficient asset to provide larger floorplates, high quality grade A offices and maximise value.

10.3 Portfolio Summary as at 31 December 2019

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



The table below shows the top 10 directly held assets in the fund as at 31 December 2019, representing c. 34.2% of the fund.

Asset	Sub-sector	Value (£m)
Maybird Shopping Park, Stratford-upon-Avon	Retail Warehouses	74.8
8/10 Great George Street, London SW1	Offices	64.7
Broken Wharf House, London	Leisure/Other	59.1
Polar Park, Bath Road, Heathrow	Industrials	54.9
Horndon Industrial Park, West Horndon CM13	Industrials	50.8
27 Soho Square, London W1	Offices	47.7
Sainsbury's, Beaconsfield	Supermarkets	42.9
Round Foundry & Marshalls Mill, Leeds	Offices	40.5
Camden Works, London	Offices	38.7
Hythe House, Hammersmith	Offices	36.3
Total		**510.2**

Source: Hermes

11 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.

11.1 Long Lease Property – Investment Performance to 31 December 2019

	Last Quarter (%)	Last Year (%)	Last 3 Years (% p.a.)	Since Inception (% p.a.)
Aberdeen Standard - Gross of fees	1.6	5.4	8.1	8.4
Net of fees[1]	1.5	4.9	7.6	7.9
Benchmark	-3.4	8.9	5.1	6.6
Relative (on a net basis)	4.9	-4.0	2.5	1.3

Source: Aberdeen Standard Investments
[1]Estimated by Deloitte. See appendix 1 for more detail on manager fees
Since inception: 14 June 2013

Over the quarter to 31 December 2019, the ASI Long Lease Property Fund delivered 1.5% on a net of fees basis, outperforming its FT British Government All Stocks Index benchmark by 4.9%.

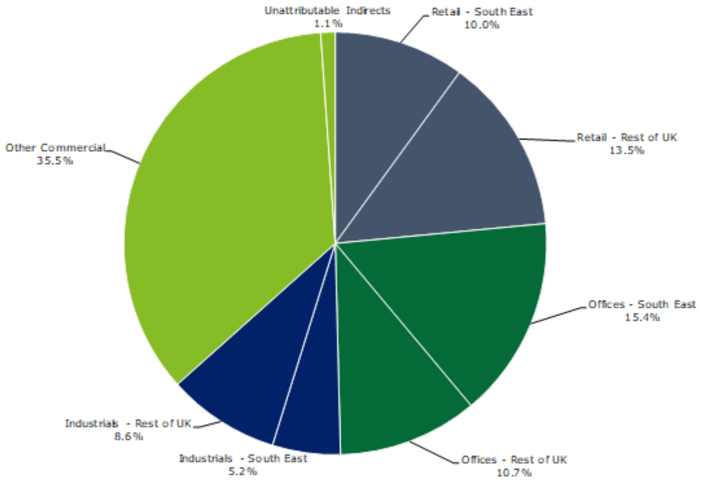
Investors have continued to remain cautious over the fourth quarter of 2019 with transaction activity muted prior to the December UK general election results. Returns continue to be driven by income as capital growth remained negative, and the IPD UK property benchmark returned a total return of only 0.3%. Where capital value across the wider real estate market fell by c. 1.0% over the quarter, the ASI Long Lease Property Fund experienced capital growth of 0.6%. Negative capital growth continues to be driven by the retail sector.

The Fund’s outperformance over the quarter continues to be attributable to the stronger tenant quality within ASI’s portfolio, in addition to the continued demand for long inflation-linked leases with investors cautious of assets with short term leases given the uncertain outlook for the UK. The Fund also continued to benefit from its underweight exposure to retail generally, and positive capital growth in the select retail assets that the Fund does hold, alongside the lack of any high street, shopping centre or retail warehouse exposure.

The supermarket sector, which makes up the largest proportion of the Fund’s retail exposure saw modest positive returns of 0.3% over the quarter. For example, the Sainsbury’s store in Tadley, Hampshire, increased in value by 2.7%.

11.2 Portfolio Holdings

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



Over the quarter to 31 December 2019, the Fund's allocation to the office sector decreased by 0.5% to 26.1%. The allocation to the retail decreased by 0.4% over the quarter to 23.5%, whilst the allocation to other commercial increased by 0.7% to 35.5% over the quarter.

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

Tenant	% Net Income
Tesco	7.8
Whitbread	5.9
Sainsbury's	4.8
Marston's	4.6
Asda	4.0
Salford University	3.8
QVC	3.7
Save the Children	3.7
Lloyds Bank	3.6
Poundland	3.5
Total	**45.2 ***

*Total may not equal sum of values due to rounding

As at 31 December 2019, the top 10 tenants contributed 45.2% of the total net income of the Fund. Of which 16.6% of the net income came from the supermarket sector, with Tesco, Sainsbury's and Asda continuing to make up a significant proportion of the Fund at quarter end.

The unexpired lease term decreased from 25.7 years as at 30 September 2019 to 25.4 years as at 31 December 2019. The proportion of income with fixed, CPI or RPI rental increases decreased to 90.1% over the quarter.

11.3 Sales and Purchases

Over the quarter, ASI exchanged contracts to fund a pre-let development of a new 225-bedroom hotel in the heart of Bristol. The pre-let has been agreed with Dalata Hotel Group Plc, with a 35-year term and five-yearly RPI linked reviews (capped at 3.5% max and 0.5% minimum) trading under their Clayton four-star brand. The total consideration is around £46m, with a resulting net initial yield of 4.25%. ASI also completed the 25-year lease of a new car-storage facility at the Port of Immingham to Kia Motors, following completion of the development. This was a pre-let funding, agreed earlier in the year for £24.5m and reflected a net initial yield of 5.4% with rents reviewed every five years in line with RPI and capped at 9%.

The unexpired lease term decreased slightly from 25.7 years as at 30 September 2019 to 25.4 years as at 31 December 2019, remaining more than double the unexpired lease term of the market as a whole. The proportion of income with fixed, CPI or RPI rental increases reduced to 90.1% over the quarter following one asset having its last index-linked review. The progression of the UK Statistics Authority's announcement to reform RPI to bring it into line with CPIH is being monitored as, should this take place, this would reduce the Fund's long term rental income growth.

12 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.

12.1 Global Infrastructure - Investment Performance to 31 December 2019

Capital Calls and Distributions
Westminster committed $91.5m to Pantheon in February 2019.

- Over the quarter, Pantheon issued one capital call and one distribution:
    - A net capital call of $1.8m for payment by 15 November 2019, representing c. 2.0% of Westminster's total commitment. This was comprised of a $2.3m capital call and a $0.5m distribution.
    - $0.5m distribution to be paid to the Fund by 16 December 2019, representing c. 0.6% of Westminster's total commitment.
- Following quarter end, Pantheon issued one capital call:
    - $0.9m for payment by 6 March 2020, representing c. 1.0% of Westminster's total commitment.

The remaining unfunded commitment as at the end of February was c. $65.9m, with the Fund's total contribution at c. $25.7m and the Fund's $91.5m commitment c. 28% drawn.

Pantheon expects to draw a further c. 31% and c. 27% of clients' committed funds across 2020 and 2021 respectively which would take the commitment drawn to c. 83% as at the end of 2021.

Activity
PGIF III closed one deal over the quarter - Project Nitrogen, a $68m secondary investment in a global diversified infrastructure portfolio. A $67m deal reported in the second quarter of 2019, renamed Project Zayo, is currently in the process of legal closing.

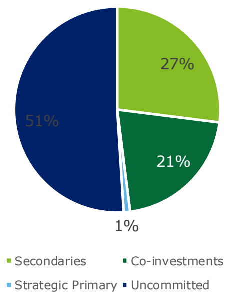
Following quarter end, PGIF has reached legal closing with two further projects:

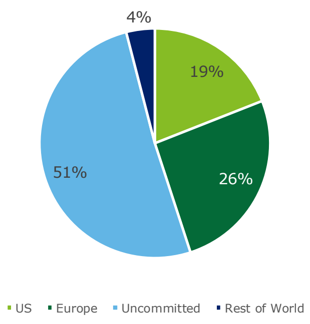
- Project Violin – a $66m co-investment in a European telecommunications project.
- Project Megabyte – a $8m follow on to the secondary investment completed in December 2018 in a North American digital infrastructure project.

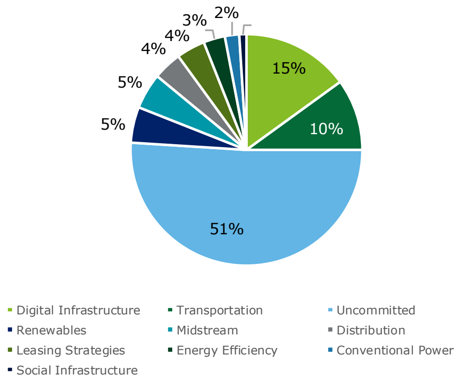
Pipeline
Pantheon currently has an investment pipeline of infrastructure opportunities, with potential near-term deals representing c. $3.8bn of potential investments across secondary deals and co-investments. This pipeline represents opportunities shared between all Pantheon products with a demand for infrastructure. There is no guarantee that each of these opportunities will be completed.

12.2 Asset Allocation

The charts below show the current diversification by strategy, geography and sector in PGIF III as at 31 December 2019.







The target geographic diversification is 30-50% North America, 40-60% Europe and 3-15% Asia and others. The PGIF III 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.

12.3 Investments Held

The table below shows a list of the investments held by PGIF III as at January 2020.

Project Name	Geography	Sector	Type	Deal Size ($m)	Commitment Date
Roger	Europe	Energy Infrastructure	Secondary	28	12/2017
TRAC Domestic	North America	Transportation	Co-investment	12	01/2018
Naturgy	Europe	Energy Infrastructure	Co-investment	32	05/2018
Luton Airport	Europe	Transportation	Co-investment	23	06/2018
Ribera	Europe	Energy Infrastructure	Co-investment	33	07/2018
Invenergy	North America	Energy Infrastructure	Co-investment	31	08/2018
VTG	Europe	Light Rail	Co-investment	41	09/2018
Inti	Europe	Energy Infrastructure	Secondary	23	12/2018
Megabyte	North America	Telecom	Secondary	54	12/2018
Hivory	Europe	Telecom	Co-investment	34	12/2018
Fairway	Global	Energy Infrastructure	Secondary	58	12/2019
Proxiserve	Europe	Energy Infrastructure	Co-investment	33	04/2019
Springbank	North America	Transportation	Secondary	60	05/2019
ORYX Midstream	North America	Energy Infrastructure	Co-investment	66	05/2019
Gemini	Europe	Transportation	Secondary	62	07/2019
Kookaburra	Europe	Diversified Infrastructure	Secondary	57	07/2019
Sullivan	Global	Diversified Infrastructure	Secondary	120	07/2019
Nitrogen	Europe	Telecommunications	Secondary	68	12/2019
Zayo	North America	Telecommunications	Co-investment	67	In closing
Mclaren	Global	Diversified Infrastructure	Secondary	71	In closing
Violin	Europe	Telecommunications	Co-investment	66	In closing
Megabyte (follow-on)	North America	Digital Infrastructure	Secondary	8	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
Majedie	UK Equity	22.5	FTSE All-Share Index	+2.0 p.a. (net of fees)	**31/05/06**
LGIM	Global Equity	22.5	FTSE World GBP Hedged	Passive	**01/11/12**
Baillie Gifford	Global Equity	20.0	MSCI AC World Index	+2.0 p.a. (net of fees)	**18/03/14**
Longview	Global Equity	0.0	MSCI World (GBP) Index	To outperform the benchmark over a market cycle	**15/01/15**
Insight	Buy and Maintain	13.5	Insight Custom Benchmark	n/a	**12/04/18**
CQS	Multi Asset Credit	6.5	3 Month Libor	+ 4% p.a. (net of fees)	**30/10/18**
Hermes	Property	5.0	IPD UK PPFI Balanced PUT Index	+0.5 p.a. (net of fees)	**26/10/10**
Aberdeen Standard Investments	Property	5.0	FTSE Gilts All Stocks Index +2% p.a.	+0.5 p.a. (net of fees)	**14/06/13**
Pantheon	Global Infrastructure	5.0	3 month Libor	+ 8% p.a. (net of fees)	**15/04/19**
	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. MiFID II Costs and Charges disclosures are performed annually and will be provided during the first quarterly report of each year. A summary over the year to 31 March 2019 can be found below:

CLIENT NAME: Westminster City Council Pension Fund

Reporting Period: 1st April 2018- 31st March 2019

Value of Scheme as at 31st March 2019: £1,408,903,289.12

Aggregation of all Costs and Charges incurred during the reporting period:

Cost Category	Amount (£)	% of investment
Investment services and/or ancillary services	113,045	0.01
Third Party payments received by the Investment Firm	-	-
Investment product costs	4,758,000	0.36
Total costs and charges	**4,871,045**	**0.37**

Totals may not sum due to rounding.

Cumulative effect of costs and charges on return

The illustration below uses Reduction in Yield (RIY) methodology to show impact of the total costs you have incurred on the return of your investment. The amounts shown are the cumulative costs of investment services and products.

	Amount (£)	Percentage (%)
Cumulative effect of costs and charges on return	5,172,370	0.39

Annual performance figures sourced from Northern Trust. LCIV UK Equity Fund and LCIV Global Equity Fund performance figures estimated using London CIV quarterly reports.

Description of the illustration.

The following is an example of the cumulative effect of costs over time:

An investment portfolio with a beginning value of £1,331m, gaining an annual return of 10%, and subject to a fee of 0.4% per annum (calculated and paid monthly), would grow to £3,331m after 10 years.

In comparison, an investment portfolio with a beginning value of £1,331m, gaining an annual return of 10% but not subject to any fees would grow to £3,453m after 10 years.

The annualised returns over a 10-year period would be 10.0% (gross of fees) and 9.6% (net of fees).

Therefore the cumulative impact of costs (fees) on investment return (reduction in yield) would be 0.40% per annum.