

HYMANS ROBERTSON LLP

1 Asset allocation – Q3 2018

The following table sets out the Fund's asset allocation as at 30 September 2018 against the target allocation. The valuations have been provided by the Scheme's investment managers.

Manager	Mandate	Asset Allocation £	Asset Allocation %	Target Allocation %	Relative %
LCIV	Global Equities	208,263,359	13.8	13.0	0.8
BlackRock	Low Carbon	161,195,638	10.7	10.0	0.7
BlackRock	UK Equities	150,450,793	10.0	10.0	0.0
BlackRock	Global Equities	362,960,215	24.1	23.0	1.1
RBC	Global Emerging Market Equities	76,397,573	5.1	4.5	0.6
Total Equities		959,267,577	63.6	60.5	3.1
BMO	Fixed Income	230,089,000	15.3	17.0	-1.7
Columbia Threadneedle	Property	126,365,273	8.4		
Columbia Threadneedle	Low Carbon Property	26,687,960	1.8	10.0	0.2
Invesco	Multi Asset	66,352,077	4.4	5.0	-0.6
GMO	Multi Asset	98,605,019	6.5	7.5	-1.0
Total Fund		1,507,366,907	100.0	100.0	0.0

Note: Numbers may not sum due to rounding

HYMANS ROBERTSON LLP

2 Performance summary – Q3 2018

The following table sets out the performance of the Scheme's investment mandates as at 30 September 2018 against their respective benchmarks. Details of the performance benchmarks for each mandate are set out in Appendix 1.

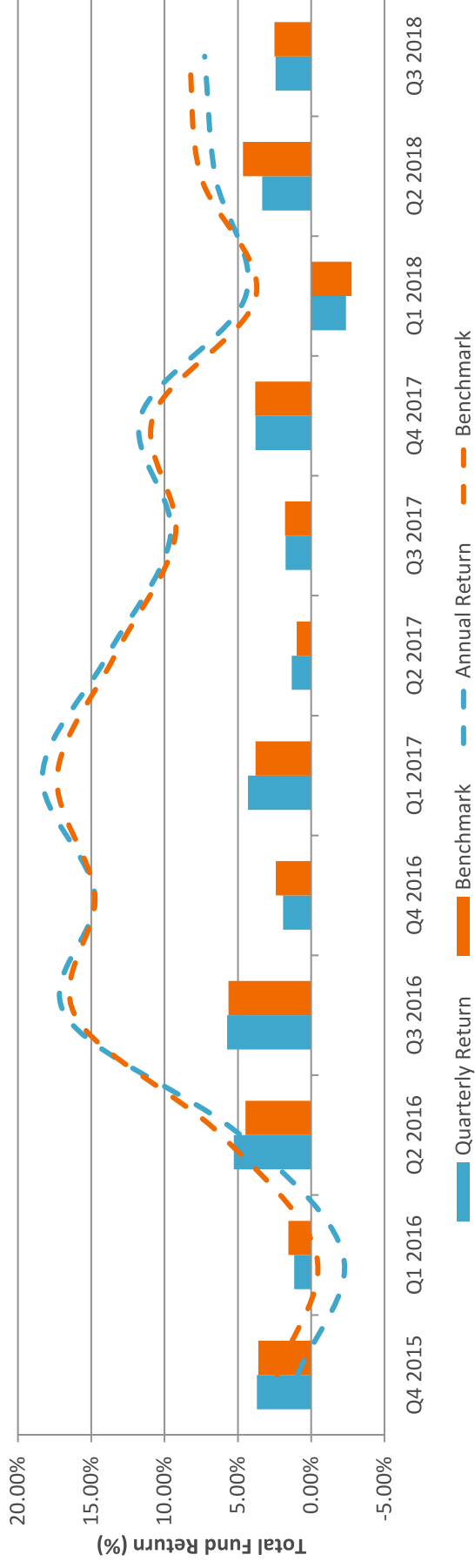
The table also shows the total Scheme performance against benchmark as calculated by Hymans Robertson. The performance and benchmark numbers have been provided by the Scheme's investment managers.

	LCIV LC Eq	BlackRock LC Eq	BlackRock UK Eq	BlackRock Global Eq	RBC EM Eq	BMO Fixed Income	Columbia Threadneedle Property	Columbia Threadneedle LCW	Invesco Multi Asset	GMO Multi Asset	Total Scheme
Q3 2018 (%)	Fund 5.3	6.1	-0.8	5.3	0.0	-1.1	1.4	1.0	-0.7	-0.1	2.4
	Benchmark 6.3	6.0	-0.8	5.2	0.1	-1.1	1.6	1.6	0.2	0.1	2.5
	Relative -1.0	0.1	0.0	0.1	-0.1	0.1	-0.2	-0.6	-0.9	-0.2	-0.1
12 Month (%)	Fund n/a	n/a	n/a	n/a	0.2	0.9	8.8	8.9	-1.0	-1.2	7.3
	Benchmark n/a	n/a	n/a	n/a	2.0	0.7	8.9	8.9	0.6	1.8	8.3
	Relative n/a	n/a	n/a	n/a	-1.8	0.2	-0.1	0.1	-1.6	-2.9	-1.0
3 Year (% p.a.)	Fund n/a	n/a	n/a	n/a	n/a	5.5	7.0	n/a	n/a	3.5	11.1
	Benchmark n/a	n/a	n/a	n/a	n/a	4.7	7.1	n/a	n/a	1.6	11.2
	Relative n/a	n/a	n/a	n/a	n/a	0.7	-0.1	n/a	n/a	1.9	0.0
Since Inception	Fund 3.4	4.6	0.7	5.6	18.1	6.4	8.8	7.7	1.7	2.7	
	Benchmark 4.7	4.3	0.6	5.5	20.7	6.0	7.7	9.0	0.5	1.3	
	Relative -1.3	0.2	0.0	0.1	-2.2	0.3	1.0	-1.2	1.2	1.4	
Since Inception Dates	June 2018	June 2018	June 2018	June 2018	December 2015	September 2003	March 2004	May 2016	December 2015	September 2012	

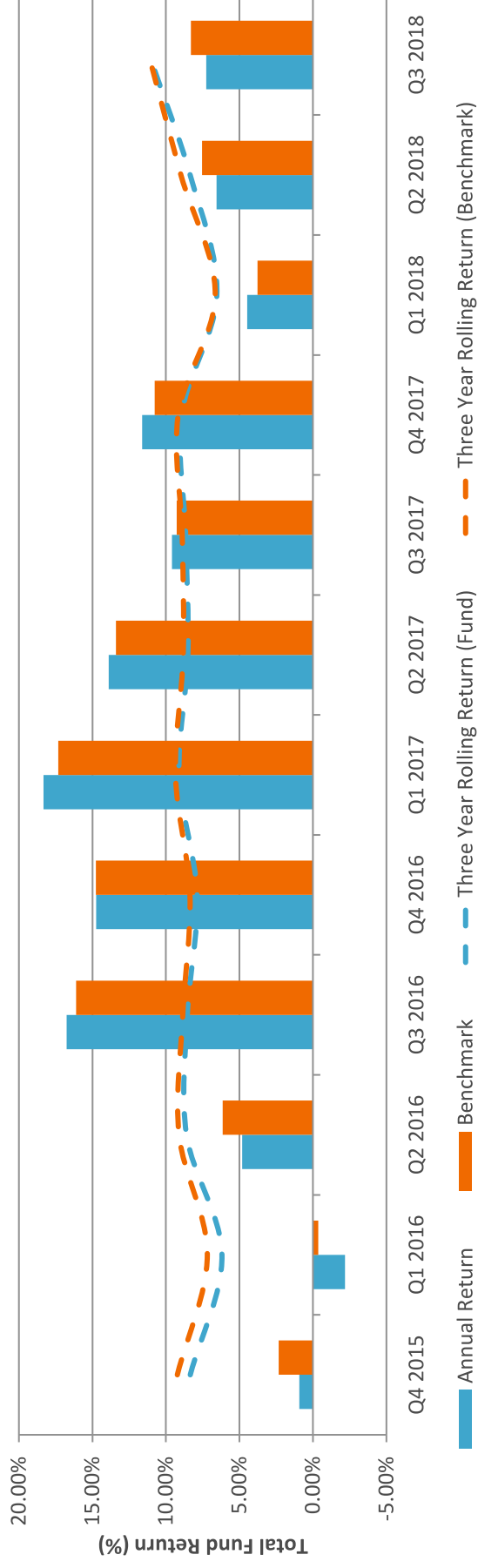
Note: Long term returns are calculated by rolling up historic quarterly returns and includes contribution of all current and historical mandates over the period. LCIV and BlackRock Since Inception returns are not annualised.

HYMANS ROBERTSON LLP

2.1 Performance summary – Quarterly returns and rolling one year performance



2.2 Performance summary – Annual returns and rolling three year performance



HYMANS ROBERTSON LLP

4 Performance Analysis

4.1 Estimated Performance Analysis Q3 2018

The table below represents the manager performance over the quarter and illustrates Stock Selection contributions from each of the Fund's managers and the impact from over/underweight positions relative to benchmark/target weighting (Asset Allocation).

Manager	Asset Class	Benchmark	Market Value £'000 30 Sep	Weight % 30 Sep	Target %	Fund Return %	Benchmark Return %	Asset Allocation	Stock Selection
LCIV	Global Equities	MSCI World Index Total Return	208,263	13.8%	13.0%	5.3	6.3	0.02	-0.14
BlackRock	Low Carbon	MSCI World Low Carbon Index	161,196	10.7%	10.0%	6.1	6.0	0.01	0.01
BlackRock	UK Equities (indexed)	FTSE All-Share	150,451	10.0%	10.0%	-0.8	-0.8	-0.01	0.00
BlackRock	Global Equities	MSCI World Net Total Return 95% hedged	362,960	24.1%	23.0%	5.3	5.2	0.01	0.03
RBC	Global Emerging Market Equities	MSCI Emerging Markets	76,398	5.1%	4.5%	0.0	0.1	-0.02	-0.01
Total Equities			959,268	63.6%	60.5%	2.5	2.5	0.01	-0.10
BMO	Bonds	Bonds Composite ^[1]	230,089	15.3%	17.0%	-1.1	-1.1	0.04	0.01
Threadneedle	Property	IPD UK Quarterly All Balanced Property Index	126,365	8.4%	7.5%	1.4	1.6	-0.01	-0.02
Threadneedle	Low Carbon Property	IPD UK Quarterly All Balanced Property Index	26,688	1.8%	2.5%	1.0	1.6	0.01	-0.01
Invesco	Targeted Return	£LIBOR 3M	66,352	4.4%	5.0%	-0.7	0.2	0.01	-0.04
GMO	Absolute Return	OECD CPI G7 (GBP)	98,605	6.5%	7.5%	-0.1	0.1	0.02	-0.01
Total Scheme			1,507,367	100.0%	100.0%	2.4	2.5	0.09	-0.17

[1] BMO benchmark is 37.5% FTA Govt All stocks; 37.5% ML £ Non-Gilt All Stocks Index; 25% FTA Govt IL >5yrs

Note: We do not have the details of the cash held in the trustee bank account. As a result, the effective asset allocation may differ from that shown in the table above.

HYMANS ROBERTSON LLP

4.2 Estimated Performance Analysis – 12 months to 30 September 2018

The table below represents the manager performance over the 12 months to 30 September 2018 and illustrates Stock Selection contributions from each of the Fund's managers and the impact from over/underweight positions relative to benchmark/target weighting (Asset Allocation).

Manager	Asset Class	Benchmark	Market Value £'000 30 Sep	Weight % 30 Sep	Target %	Fund Return %	Benchmark Return %	Asset Allocation	Stock Selection
LCIV	Global Equities	MSCI World Index Total Return	208,263	13.8%	13.0%	n/a	n/a	n/a	n/a
BlackRock	Low Carbon	MSCI World Low Carbon Index	161,196	10.7%	10.0%	n/a	n/a	n/a	n/a
BlackRock	UK Equities (indexed)	FTSE All-Share	150,451	10.0%	10.0%	n/a	n/a	n/a	n/a
BlackRock	Global Equities	MSCI World Net Total Return 95% hedged	362,960	24.1%	23.0%	n/a	n/a	n/a	n/a
RBC	Global Emerging Market Equities	MSCI Emerging Markets	76,398	5.1%	4.5%	0.2	2.0	-0.05	-0.10
Total Equities			959,268	63.6%	60.5%	8.5	10.1	-0.05	-0.10
BMO	Bonds	Bonds Composite ^[1]	230,089	15.3%	17.0%	0.9	0.7	0.06	0.02
Threadneedle	Property	IPD UK Quarterly All Balanced Property Index	126,365	8.4%	7.5%	8.8	8.9	-0.01	-0.01
Threadneedle	Low Carbon Property	IPD UK Quarterly All Balanced Property Index	26,688	1.8%	2.5%	8.9	8.9	0.00	0.00
Invesco	Targeted Return	£LIBOR 3M	66,352	4.4%	5.0%	-1.0	0.6	0.03	-0.07
GMO	Absolute Return	OECD CPI G7 (GBP)	98,605	6.5%	7.5%	-1.2	1.8	0.03	-0.20
Total Scheme			1,507,367	100.0%	100.0%	7.3	8.3	0.06	-0.36

[1] BMO benchmark is 37.5% FTA Govt All stocks; 37.5% ML £ Non-Gilt All Stocks Index; 25% FTA Govt IL >5yrs

Note:

We do not have the details of the cash held in the trustee bank account. As a result, the effective asset allocation may differ from that shown in the table above. Attribution analysis excludes the stock selection and asset allocation impact of mandates which have been fully redeemed.

HYMANS ROBERTSON LLP

4.3 Estimated Performance Analysis – 3 years to 30 September 2018

The table below represents the manager performance over the 3 years to 30 September 2018 and illustrates Stock Selection contributions from each of the Fund's managers and the impact from over/underweight positions relative to benchmark/target weighting (Asset Allocation).

Manager	Asset Class	Benchmark	Market Value £'000 30 Sep	Weight % 30 Sep	Target %	Fund Return %	Benchmark Return %	Asset Allocation	Stock Selection
LCIV	Global Equities	MSCI World Index Total Return	208,263	13.8%	13.0%	n/a	n/a	n/a	n/a
BlackRock	Low Carbon	MSCI World Low Carbon Index	161,196	10.7%	10.0%	n/a	n/a	n/a	n/a
BlackRock	UK Equities (indexed)	FTSE All-Share	150,451	10.0%	10.0%	n/a	n/a	n/a	n/a
BlackRock	Global Equities	MSCI World Net Total Return 95% hedged	362,960	24.1%	23.0%	n/a	n/a	n/a	n/a
RBC	Global Emerging Market Equities	MSCI Emerging Markets	76,398	5.1%	4.5%	n/a	n/a	n/a	n/a
Total Equities			959,268	63.6%	60.5%	9.8	10.6	0.00	0.00
BMO	Bonds	Bonds Composite ^[1]	230,089	15.3%	17.0%	5.5	4.7	0.01	0.39
Threadneedle	Property	IPD UK Quarterly All Balanced Property Index	126,365	8.4%	7.5%	7.0	7.1	0.08	0.00
Threadneedle	Low Carbon Property	IPD UK Quarterly All Balanced Property Index	26,688	1.8%	2.5%	n/a	n/a	n/a	n/a
Invesco	Targeted Return	£LIBOR 3M	66,352	4.4%	5.0%	n/a	n/a	n/a	n/a
GMO	Absolute Return	OECD CPI G7 (GBP)	98,605	6.5%	7.5%	3.5	1.6	0.21	0.49
Total Scheme			1,507,367	100.0%	100.0%	11.1	11.2	0.31	0.87

[1] BMO benchmark is 37.5% FTA Govt All stocks; 37.5% ML £ Non-Gilt All Stocks Index; 25% FTA Govt IL >5yrs

Note:

We do not have the details of the cash held in the trustee bank account. As a result, the effective asset allocation may differ from that shown in the table above. Attribution analysis excludes the stock selection and asset allocation impact of mandates which have been fully redeemed.

HYMANS ROBERTSON LLP

5 Risk Warnings

Please note the value of investments, and income from them, may fall as well as rise. This includes equities, government or corporate bonds, and property, whether held directly or in a pooled or collective investment vehicle. Further, investments in developing or emerging markets may be more volatile and less marketable than in mature markets.

Exchange rates may also affect the value of any investment. As a result, an investor may not get back the amount originally invested. Past performance is not necessarily a guide to future performance.

Private equity investments, whether held directly or in pooled fund arrangements carry a higher risk than publicly quoted securities; the nature of private equity pooling vehicles makes them particularly illiquid and investment in private equity should be considered to have a long time horizon.

Hymans Robertson LLP has relied upon third parties and may use internally generated estimates for the provision of data quoted, or used, in the preparation of this report. Whilst every effort has been made to ensure the accuracy of such estimates or data, we cannot accept responsibility for any loss arising from their use.

Prepared by:-

Andrew Johnston, Partner

Dave Gilmour, Investment Analyst

For and on behalf of Hymans Robertson LLP