

The background of the page is a close-up, slightly blurred image of a financial chart. The chart features a grid with horizontal and vertical lines. A prominent red line, likely representing a stock price or index, trends upwards from the bottom left towards the top right. The vertical axis on the right side of the chart has numerical labels: 380, 400, 420, 440, and 460. The overall color palette is muted, with the red of the chart line providing a focal point against the light, textured background.

**CLWYD PENSION FUND
INVESTMENT STRATEGY AND
MANAGER SUMMARY
PERIOD ENDING 31 MARCH 2018**

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1 IMPACT ON CLWYD PENSION FUND INVESTMENT STRATEGY

This report is produced by JLT Employee Benefits ("JLT") to assess the performance and risks of the investment managers of the Clwyd Pension Fund (the "Fund"), and of the Fund as a whole. The report does not comment on the Fund's Liability Driven Investment ("LDI") portfolio, as information in respect of this allocation is produced separately by Mercer.

OVERALL

Over the 3 months to 31 March 2018, the Fund's total market value decreased by £41.0m to £1,777,286,415.

Over the quarter, total Fund assets returned -1.9%, behind its target by 1.4%, mainly attributable to underperformance within the Tactical Allocation Portfolio and Real Assets Portfolio. Total Fund (ex LDI) returned -1.4%, compared with its target of 0.3%.

In-House assets returned 0.7% followed by Total Credit assets which returned 0.4%. The Managed Account Platform was flat over the period. Total Equities and Best Ideas delivered returns of -3.3% and -4.1%, respectively.

In relative terms, total Fund assets fell short of their target, significantly affected by the Best Ideas portfolio which underperformed its target by 4.9%, detracting 0.5% from total relative performance.

Equities returned -3.3%, broadly in line with its composite target of -3.2%.

Total Credit performed in line with its target, returning 0.4%. The assets made a negligible contribution to overall relative performance.

Managed Futures and Hedge Funds underperformed its target by 0.8% over the quarter, and detracted 0.1% from total relative performance.

In-House assets returned 0.7% over the quarter, behind its target by 0.6% and detracted 0.2% from total relative performance.

Insight's LDI portfolio fell by 3.7% over the quarter, largely driven by the poor equity market performance which offset the fall in yields. Overall, the overweight allocation to the LDI portfolio detracted 0.1% from relative performance.

EQUITIES

In a reversal of recent performance, global equity markets fell over the quarter as negative returns (in Sterling terms) were observed in all developed regions. This had the effect of dampening returns over the year to end March.

2018 started positively as surging growth indicators such as China's better than expected GDP figures drove equities into rallies that investors had grown accustomed to in 2017. However, equity markets reversed sharply at the end of January as fears that the monetary conditions would tighten faster in the US than previously anticipated triggered a huge sell-off in markets. In March, further fears of an imminent trade war the market as took place, as Trump's administration decided to impose tariffs on steel and aluminium imports, as well as tariffs on Chinese imports.

In Developed markets, Japan declined by 2.6%, followed by US which returned -4.2%. Asia Pacific (ex Japan) and Europe both returned -4.4%. UK lagged and delivered the lowest return of the Developed markets, returning -6.9%.

Over the last 12 months, all developed regions saw positive returns, led by Japan which posted gains of 7.5%, whilst UK equities generated the lowest return over the same period returning 1.2%.

Emerging Markets and Frontier Markets returned -2.2% and 1.4% respectively over the quarter, but both markets saw double-digit returns of 11.8% and 13.7%, respectively over the twelve months.

Total Equity assets returned -3.3%, slightly behind its composite target of -3.2%. Wellington Emerging Markets (Core) was flat over the quarter and outperformed its target by 1.9%. All the other funds declined; Investec Global Strategic Equity returned -4.1% against its target of -3.9% whilst Wellington Emerging Markets (Local) delivered returns of -3.1%, underperforming its target by 1.4%. BlackRock ACS World Multifactor declined by 4.5%, however, the fund outperformed its target by 0.2%.

Wellington Emerging Markets (Core) was the only equity fund that achieved its 3 year target objective.

Global equity exposures to Financials, Consumer Staples and Consumer Discretionary sectors were the main contributors to returns, due to strong stock selection. Within Consumer Discretionary, performance was largely driven by online retail giant, Amazon, following strong results in both North America and overseas markets, as well as continued progress in its effort to monetise its large user data base through advertising.

In Emerging Markets, exposures to China and Taiwan contributed to the majority of gain due to positive stock selection, although this was offset to some extent by asset allocation in Argentina and Malaysia. Manager stock selection added the most within Information Technology and Financials sectors, but this was partially offset by detractors within Consumer Discretionary and Consumer Staples.

CREDIT

Global credit markets were mixed in the first quarter of 2018; US short term yields rose in the first half of the quarter in anticipation of aggressive monetary policy tightening. However, concerns about a trade war later in the quarter pushed yields down. Longer-term yields declined in the in major developed markets.

Over the quarter, the US Federal Reserve increased interest rates by 25bps, noting a strengthening of the US economic outlook in recent months. The ECB kept interest rates unchanged, but adjusted its forward guidance, signalling a gradual exit from quantitative easing. In the UK, the Bank of England voted to maintain the interest rate at 0.5% at the March 2018 meeting.

Credit spreads widened modestly on the back of equity market volatility. In particular US High Yield and Emerging Market Debt credit spreads increased by 11bps and 16bps, respectively.

Over the quarter, Long Dated Fixed Interest Gilts, Long Dated Index-Linked Gilts and Long Dated UK Corporate Bonds produced returns of 1.5%, 0.1% and -1.0% respectively. Emerging Market Debt and Global High Yield posted returns of 1.5% and -3.8%, respectively. Global bonds declined by 1.6% over the quarter.

Total Credit, which includes an allocation to Private Credit, returned 0.4% over the quarter, in line with its target and made a neutral contribution to total relative return.

Within US High Yield, the best performing sectors were Aerospace, Diversified Media and Food & Drug retailers whilst the worst sectors were Banking, Cable & Satellite and Restaurants. Four companies defaulted in March, therefore increasing the default rate to 2.2% at the end of the quarter from 1.0% at the end of January. Meanwhile, European High Yield performance was impacted by weakening risk sentiment and rising interest rates.

In Emerging market Debt, the largest gains came from Venezuela and Lebanon whilst the lowest returns came from Argentina, Ecuador, Peru and Uruguay. The portfolio's largest underweights are Hungary and Thailand, as the former's Central Bank has committed to maintain the current base rates and loose monetary conditions whilst the underweight in Thailand reflects the fact that the country's bonds provide some of the lowest yields in emerging markets.

HEDGE FUNDS

Hedge funds posted narrow gains in US Dollar terms, as strong performance in January partially offset the impact of market volatility which was caused by increasing trade and tariff tensions later in the quarter. However, the appreciation of Sterling over the period led to a decline in Hedge Funds of -3.4% over the quarter, as all strategies generated negative returns.

Over the 12 months to 31 March 2018, all strategies declined with the exception of Emerging Markets which returned 1.0%. Investors reduced exposure to equity market beta in favour of M&A-focused Event-Driven exposures and fixed income-based Relative Value Arbitrage strategies over the period.

ManFRM's Managed Futures & Hedge Funds strategy posted positive return of 0.2%, underperforming its target by 0.8% and detracting 0.1% from total relative performance.

ManFRM Hedge Funds (Legacy) portfolio which consists of Duet (S.A.R.E.), Liongate and Pioneer (until August 2016) assets generated a negative return of -4.2%.

TACTICAL ALLOCATION PORTFOLIO

DIVERSIFIED GROWTH

Total Diversified Growth assets fell by 3.2% over the quarter, underperforming the target by 4.4%. Overall, this detracted -0.5% from total relative performance.

Pyrford returned -2.0% compared to a target of 1.2%. Both the fund's equity and bond holdings detracted from performance; UK equity holdings were the largest detractors as regulatory and political concerns proved to be a headwind for the tobacco and utilities sectors whilst UK bond holdings also hurt performance as government bond yields continued to edge up, despite retreating towards the end of the period. Overseas bond holdings also detracted; however, this was largely offset by the fund's currency hedging strategy.

Investec generated a return of -3.8% compared to a target of 1.2%. The negative performance was driven by the fund's 'Growth' strategies; however 'Defensive' and 'Uncorrelated' strategies also detracted from performance. Within the fund's 'Growth' strategies, a long exposure to Japanese equities detracted as equity markets fell over the quarter. Additionally, the relative value Europe vs. US equity volatility position also detracted as US volatility rose more than that in Europe. Sterling appreciation hurt the fund's currency hedging strategies within the 'Defensive' strategies. A strengthening Yen benefitted the long Japanese Yen vs. Swiss Franc position within the 'Uncorrelated' strategies. However, these gains were not enough to offset the negative performance from the fund's long Swedish Krona, the US vs. Germany bonds relative value position and long infrastructure exposure.

BEST IDEAS PORTFOLIO

The Best Ideas Portfolio declined by 4.1%, behind its target by 4.9%. Overall, this detracted -0.5% from total Fund relative performance. Over the last 12 months, the Best Ideas Portfolio has delivered a return of 2.9% and underperformed its target of UK CPI +3.0% p.a. by 2.6%.

Over the quarter, negative returns were generated by all funds within the Best Ideas Portfolio, with the exception of the Investec Emerging Markets Local Currency Debt Fund which returned 1.3% (in Sterling terms), outperforming its target by 0.5%. Emerging market debt assets were among the best performing risk assets over the quarter, with unhedged local currency bonds producing solid positive returns in US dollars. The returns in Sterling were softer than returns in US dollars, due to the appreciation of Sterling over the period.

North American Equities and BlackRock Emerging Market Equities returned -1.9% and -2.9%, respectively, and underperformed their targets. BlackRock European Equities (Hedged) declined by 4.1% and detracted 0.1% from total relative performance. LGIM Infrastructure Equities (-5.6%) and BlackRock US Opportunities (-6.3%) underperformed their targets by 6.5% and 7.3%, respectively.

LGIM Global Real Estate Equities returned -8.0% whilst the largest decline was produced by Investec Global Natural Resources Fund, which fell -8.8% as commodities dropped in line with a broader fall in equity markets.

During the quarter, a full redemption from the F&C UK Equity Linked Gilts Fund took place, and proceeds totalling £11,082,169 were split equally between BlackRock US Opportunities and BlackRock Emerging Market Equities.

A new position was established in BlackRock Japanese Equity at the end of March with an investment of £20m. The funds were raised through disinvestments from BlackRock Emerging Market Equities (£10m), Investec Global Natural Resources (£5m) and LGIM North American Equities (£5m).

IN-HOUSE ASSETS

Total In-House assets returned 0.7%, behind its composite target by 0.6%. Overall this detracted 0.2% from total relative performance. The two sub-sections of the In-House assets; the Real Assets Portfolio and the Private Markets Portfolio returned -0.2% and 1.6% respectively.

Opportunistic assets remained the strongest sector of the portfolio, returning 7.5% and outperforming its target by 6.2%. This added 0.1% to relative performance.

Timber/Agriculture rose by 3.3% and outperformed its target by 2.0%.

Private Equity and Property assets, which are both overweight the strategic allocation, returned 0.6% and 0.7%, respectively.

Infrastructure assets declined by 4.7% and underperformed its target by 6.0%. This detracted 0.4% from relative performance.

2 STRATEGIC ASSET ALLOCATION

31 MARCH 2018

Allocation by underlying asset class

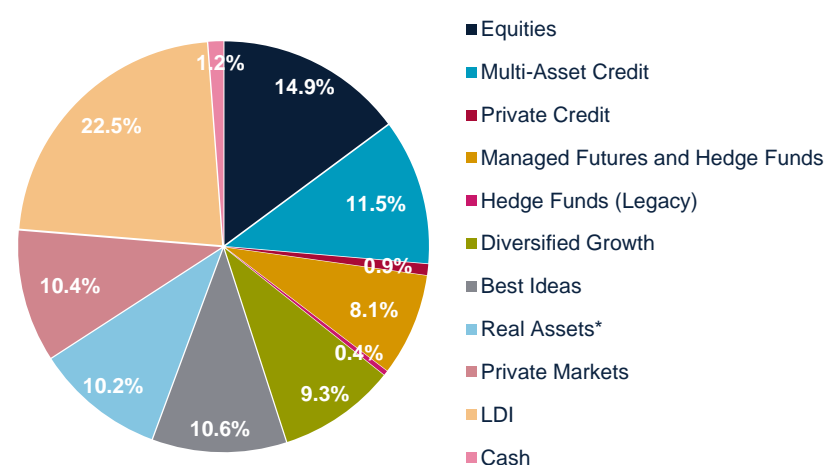
Asset Class	Market Value £	Weight %	Strategic Allocation %	Relative %	Strategic Range %
Global Equities	141,813,937	8.0	8.0	0.0	5.0 – 10.0
Emerging Market Equities	122,181,461	6.9	6.0	+0.9	5.0 – 7.5
Multi-Asset Credit	204,372,258	11.5	12.0	-0.5	10.0 – 15.0
Private Credit [^]	15,378,451	0.9	3.0	-2.1	2.0 – 5.0
Managed Futures and Hedge Funds	144,577,548	8.1	9.0	-0.9	7.0 – 11.0
Hedge Funds (Legacy)*	6,364,165	0.4	0.0	+0.4	–
Diversified Growth	165,470,667	9.3	10.0	-0.7	8.0 – 12.0
Best Ideas	188,718,746	10.6	11.0	-0.4	9.0 – 13.0
Property	114,218,899	6.4	4.0	+2.4	2.0 – 6.0
Infrastructure / Timber / Agriculture	67,310,261	3.8	8.0	-4.2	5.0 – 10.0
Private Equity / Opportunistic	185,683,767	10.4	10.0	+0.4	8.0 – 12.0
LDI & Synthetic Equities	400,005,244	22.5	19.0	+3.5	10.0 – 30.0
Cash	21,191,012	1.2	0.0	+1.2	0.0 – 5.0
TOTAL CLWYD PENSION FUND	1,777,286,415	100.0	100.0	0.0	

Notes: * Hedge Funds (Legacy) include the S.A.R.E (Duet) and Liongate portfolios. ^ The Private Credit allocation is not yet fully funded. Totals may not sum due to rounding.

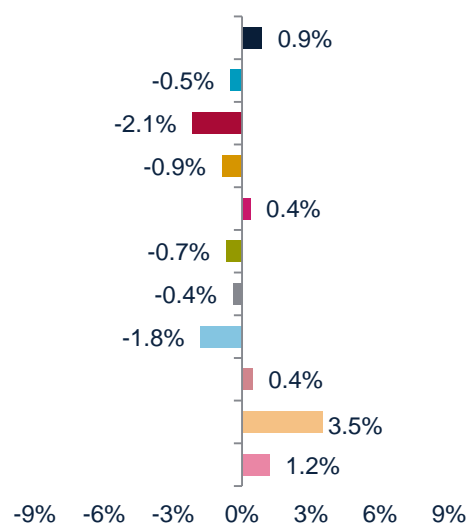
Points to note

- Asset allocation reflects the strategy to be implemented as part of the 2016 Investment Strategy Review; as such a number of asset classes will be underweight for an interim period until the portfolio is fully constructed.
- Total allocation to LDI decreased by 0.3% over the quarter and is 3.5% overweight relative to its strategic allocation.

Strategic Asset Allocation as at 31 March 2018



Deviation from Strategic Allocation



Note: Totals may not sum due to rounding.

* In-House Property, Infrastructure and Timber/Agriculture portfolios.

3 VALUATION AND ASSET ALLOCATION AS AT 31 MARCH 2018

Manager	Fund	Market Value £	Weight %	Strategic Allocation %	Strategic Range %
Investec	Global Strategic Equity	74,585,937	4.2	4.0	5.0 – 10.0
BlackRock	World Multifactor Equity Tracker	67,228,000	3.8	4.0	
Wellington	Emerging Markets (Core)#	58,873,791	3.3	3.0	5.0 – 7.5
Wellington	Emerging Markets (Local)#	63,307,670	3.6	3.0	
Total Equity		263,995,399	14.9	14.0	
Stone Harbor	LIBOR Multi-Strategy	132,224,173	7.4	12.0	10.0 – 15.0
Stone Harbor	Multi-Asset Credit	72,148,085	4.1		
Multi-Asset Credit Portfolio		204,372,258	11.5	12.0	10.0 – 15.0
Permira	Credit Solutions III	15,378,451	0.9	3.0	2.0 – 5.0
Private Credit Portfolio		15,378,451	0.9	3.0	2.0 – 5.0⁽¹⁾
Total Credit		219,750,709	12.4	15.0	10.0 – 20.0
ManFRM	Managed Futures & Hedge Funds	144,577,548	8.1	9.0	7.0 – 11.0
ManFRM	Hedge Funds (Legacy)*	6,364,165	0.4	0.0	–
Managed Account Platform		150,941,713	8.5	9.0	7.0 – 11.0
Pyrford	Global Total Return	80,751,069	4.5	5.0	8.0 – 12.0
Investec	Diversified Growth	84,719,598	4.8	5.0	
Diversified Growth Portfolio		165,470,667	9.3	10.0	8.0 – 12.0
LGIM	North American Equities (Hedged)	24,954,343	1.4	11.0	9.0 – 13.0
BlackRock	US Opportunities	22,750,108	1.3		
BlackRock	European Equities (Hedged)	19,408,074	1.1		
BlackRock	Japanese Equities	20,000,000	1.1		
BlackRock	Emerging Markets Equities	41,587,500	2.3		
Investec	Global Natural Resources	13,737,211	0.8		
LGIM	Infrastructure Equities MFG (Hedged)	13,831,848	0.8		
LGIM	Global Real Estate Equities	13,352,282	0.8		
Investec	Emerging Markets Local Debt	19,097,378	1.1		
Best Ideas Portfolio		188,718,746	10.6		
Tactical Allocation Portfolio		354,189,412	19.9	21.0	15.0 – 25.0
In-House	Property	114,218,899	6.4	4.0	2.0 – 6.0
In-House	Infrastructure	41,597,089	2.3	8.0	5.0 – 10.0
In-House	Timber / Agriculture	25,713,172	1.4		
Real Assets Portfolio		181,529,160	10.2	12.0	10.0 – 15.0
In-House	Private Equity	155,431,448	8.7	10.0	8.0 – 12.0
In-House	Opportunistic	30,252,319	1.7		
Private Markets Portfolio		185,683,767	10.4	10.0	8.0 – 12.0
Total In-House Assets		367,212,927	20.7	22.0	
Insight	LDI Portfolio	400,005,244	22.5	19.0	10.0 – 30.0
Total Liability Hedging		400,005,244	22.5	19.0	10.0 – 30.0
Trustees	Cash	21,191,012	1.2	-	0.0 – 5.0
TOTAL CLWYD PENSION FUND		1,777,286,415	100.0	100.0	

Notes: * ManFRM Hedge Funds (Legacy) valuation includes S.A.R.E (Duet) and Liongate portfolio and is provided by ManFRM.

Wellington Emerging Markets Core and Local valuations have been converted from US Dollar to Sterling using the WM/Reuters closing price exchange rates for the respective dates. 1 The Private Credit allocation is not yet fully funded.

4 PERFORMANCE SUMMARY

PERIODS ENDING 31 MARCH 2018

Manager	Fund	3 months %		12 months %		3 years % p.a.		3 Yr Performance vs Objective
		Fund	Target	Fund	Target	Fund	Target	
● Investec	Global Strategic Equity	-4.1	-3.9	7.8	8.0	10.5	14.3	Target not met
n/a	BlackRock ACS World Multifactor Equity	-4.5	-4.7	n/a	n/a	n/a	n/a	n/a
● Wellington	Emerging Markets (Core) [#]	0.0	-1.9	13.6	12.9	13.0	12.4	Target met
● Wellington	Emerging Markets (Local) [#]	-3.1	-1.7	16.1	14.0	13.3	13.5	Target not met
Total Equity		-3.3	-3.2	11.2	8.2	11.1	12.3	
● Stone Harbor	LIBOR Multi-Strategy	0.3	0.4	2.5	1.3	2.3	1.4	Target met
n/a	Stone Harbor Multi-Asset Credit	0.1	0.4	3.4	1.3	n/a	n/a	n/a
Multi-Asset Credit Portfolio		0.2	0.4	2.9	1.3	2.6	1.4	
n/a	Permira Credit Solutions III	2.2	1.5	n/a	n/a	n/a	n/a	n/a
Private Credit Portfolio		2.2	1.5	n/a	n/a	n/a	n/a	
Total Credit		0.4	0.4	n/a	n/a	n/a	n/a	
n/a	ManFRM Managed Futures & Hedge Funds	0.2	1.0	5.0	3.8	n/a	n/a	n/a
n/a	ManFRM Hedge Funds (Legacy) [*]	-4.2	1.0	-33.9	3.8	-11.7	4.8	n/a
Managed Account Platform		0.0	1.0	2.5	3.8	n/a	n/a	
● Pyrford	Global Total Return	-2.0	1.2	-2.4	8.0	2.4	7.5	Target not met
● Investec	Diversified Growth	-3.8	1.2	2.8	7.2	1.3	6.6	Target not met
Total Diversified Growth		-3.2	1.2	-0.1	7.6	1.9	7.0	
Best Ideas Portfolio		-4.1	0.8	2.9	5.5	n/a	n/a	
Tactical Allocation Portfolio		-3.7	0.8	1.5	5.5	n/a	n/a	
● In-House	Property	0.7	1.9	6.5	10.8	8.0	8.7	Target not met
● In-House	Infrastructure	-4.7	1.3	-2.8	5.3	14.8	5.5	Target met
● In-House	Timber / Agriculture	3.3	1.3	-3.8	5.3	4.3	5.5	Target not met
Real Assets		-0.2	1.5	3.0	7.1	n/a	n/a	
● In-House	Private Equity	0.6	1.3	10.4	5.3	14.5	5.5	Target met
● In-House	Opportunistic	7.5	1.3	15.1	5.3	-3.4	5.4	Target not met
Private Markets Portfolio		1.6	1.3	11.1	5.3	n/a	n/a	
Total In-House Assets		0.7	1.3	7.0	6.3	10.3	6.2	
n/a	Insight LDI Portfolio	-3.7	-3.7	1.6	1.6	14.3	14.3	n/a
Total (ex LDI)		-1.4	0.3	5.1	5.6	6.2	6.2	
TOTAL CLWYD PENSION FUND		-1.9	-0.5	4.3	4.8	8.1	7.5	
Strategic Target (CPI +4.1%)		1.6		6.2		6.2		
Actuarial Target (CPI +2.0%)		1.0		4.1		4.1		

Notes: 'n/a' against the objective is for funds that have been in place for less than three years.

* ManFRM Hedge Funds (Legacy) currently includes the Duet (S.A.R.E) and Liongate portfolios.

[#] Wellington Emerging Markets Core and Wellington Emerging Markets Local data has been converted from US Dollar to Sterling using the WM/Reuters closing price exchange rates for the respective dates.

Strategic and Actuarial targets derived from the latest JLT Market Forecast Group assumptions (Q4 2017 forecasts based on conditions at 30 September 2017). Current long term 10 year CPI assumption is 2.1% p.a.

● Fund has met or exceeded its performance target ● Fund has underperformed its performance target

5 STRATEGIC ASSET CLASSES

PERFORMANCE TO 31 MAR 2018

Strategy	3 months %	12 months %	3 years % p.a.
Total Equities	-3.3	11.2	11.1
Composite Objective	-3.2	8.2	12.3
Composite Benchmark	-3.5	6.3	10.2
Multi-Asset Credit Portfolio	0.2	2.9	2.6
Objective	0.4	1.3	1.4
Benchmark	0.1	0.3	0.4
Managed Account Platform	0.0	2.5	n/a
Objective	1.0	3.8	n/a
Benchmark	1.0	3.8	n/a
Total Hedge Funds (Legacy)	-4.2	-33.9	-11.7
Composite Objective	1.0	3.8	4.8
Composite Benchmark	1.0	3.8	4.8
Total Diversified Growth	-3.2	-0.1	1.9
Composite Objective	1.2	7.6	7.0
Composite Benchmark	1.2	7.6	7.0
Best Ideas Portfolio	-4.1	2.9	n/a
Objective	0.8	5.5	n/a
Benchmark	0.8	5.5	n/a
Total In-House Assets	0.7	7.0	10.3
Composite Objective	1.3	6.3	6.2
Composite Benchmark	1.3	6.3	6.2
Total LDI Portfolio	-3.7	1.6	14.3
Composite Objective	-3.7	1.6	14.3
Composite Benchmark	-3.7	1.6	14.3
Total (ex LDI)	-1.4	5.1	6.2
Composite Objective	0.3	5.6	6.2
Composite Benchmark	0.2	5.1	5.6
Total Clwyd Pension Fund	-1.9	4.3	8.1
Composite Objective	-0.5	4.8	7.5
Composite Benchmark	-0.6	4.4	7.1

Source: Performance is calculated by JLT Employee Benefits based on data provided by the managers and is only shown for complete periods of investment.

Note: Objective performance includes the funds' outperformance targets above the relevant underlying benchmarks, as shown in the Appendix. Benchmark performance is based on the underlying benchmarks without the explicit outperformance targets for the relevant funds within the Equity and Multi-Asset Credit portfolios.

6 SUMMARY OF MANDATES

Manager	Fund	Strategic Asset Class	Performance Objective (Net of Fees)	Strategic Allocation
Investec	Global Strategic Equity	Global Developed Equities	MSCI AC World NDR Index +2.5% p.a.	4.0%
BlackRock	World Multifactor Equity Tracker	Global Developed Equities	MSCI World Index	4.0%
Wellington	Emerging Market (Core)	Emerging Markets Equities	MSCI Emerging Markets Index +1.0% p.a.	3.0%
Wellington	Emerging Market (Local)	Emerging Markets Equities	MSCI Emerging Markets Index +2.0% p.a.	3.0%
Total Equity			Composite Weighted Index	14.0%
Stone Harbor	LIBOR Multi-Strategy	Multi-Asset Credit	1 Month LIBOR Index +1.0% p.a. ⁽¹⁾	12.0%
Stone Harbor	Multi-Asset Credit	Multi-Asset Credit	1 Month LIBOR Index +1.0% p.a.	
Permira	Credit Solutions III	Private Credit	Absolute Return 6.0% p.a.	3.0%
Total Credit Portfolio			Composite Weighted Index	15.0%⁽⁴⁾
ManFRM	Managed Futures & Hedge Funds	Managed Account Platform	3 Month LIBOR Index +3.5% p.a.	9.0% ⁽³⁾
Managed Account Platform			3 Month LIBOR Index +3.5% p.a.	9.0%
Pyrford	Global Total Return	Diversified Growth	UK Retail Price Index +4.5% p.a. ⁽²⁾	5.0%
Investec	Diversified Growth	Diversified Growth	UK Consumer Price Index +4.6% p.a.	5.0%
Best Ideas	Best Ideas	Best Ideas Portfolio	UK Consumer Price Index +3.0% p.a.	11.0%
Tactical Allocation Portfolio			UK Consumer Price Index +3.0% p.a.	21.0%
In-House	Private Equity	Private Markets	3 Month LIBOR Index +5.0% p.a.	8.0%
In-House	Opportunistic	Private Markets	3 Month LIBOR Index +5.0% p.a.	2.0%
In-House	Property	Property	IPD UK Monthly Property Index ⁽⁵⁾	4.0%
In-House	Infrastructure	Infrastructure	3 Month LIBOR Index +5.0% p.a.	6.0%
In-House	Timber / Agriculture	Infrastructure	3 Month LIBOR Index +5.0% p.a.	2.0%
Total In-House			Composite Weighted Index	22.0%
Insight	LDI Portfolio	LDI & Synthetic Equities	Composite Liabilities & Synthetic Equity	19.0%
Total Liability Hedging			Composite Liabilities & Synthetic Equity	19.0%

Notes: 1 FTSE A Gilts All Stocks Index until 31 March 2014. 2 UK Retail Price Index +4.4% p.a. until 31 March 2015. 3 Strategic Allocation represents the composite benchmark for the Managed Account Platform. 4 Committed but uninvested element of the Private Credit strategic allocation is represented by 1 Month LIBOR Index +1.0% p.a. 5. The IPD Quarterly Property Index has been used to calculate the performance between 31 December 2017 and 31 March 2018.

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CONTACT

KIERAN HARKIN

Director

+44 (0)161 957 8016

kieran_harkin@jltgroup.com

NICK BUCKLAND

Senior Consultant

+44 (0)207 528 4188

nick_buckland@jltgroup.com

ANTHONY WRAY

Consultant

+44 (0)161 253 1121

anthony_wray@jltgroup.com

NATALIE ZANI

Associate Consultant

+44 (0)161 253 1124

natalie_zani@jltgroup.com

KANE SMITH

Associate Consultant

+44 (0)161 957 8087

kane_smith@jltgroup.com

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