

FUND POSITION STATEMENT

Summary of Fund Asset Allocation and Performance

Superannuation Fund Committee

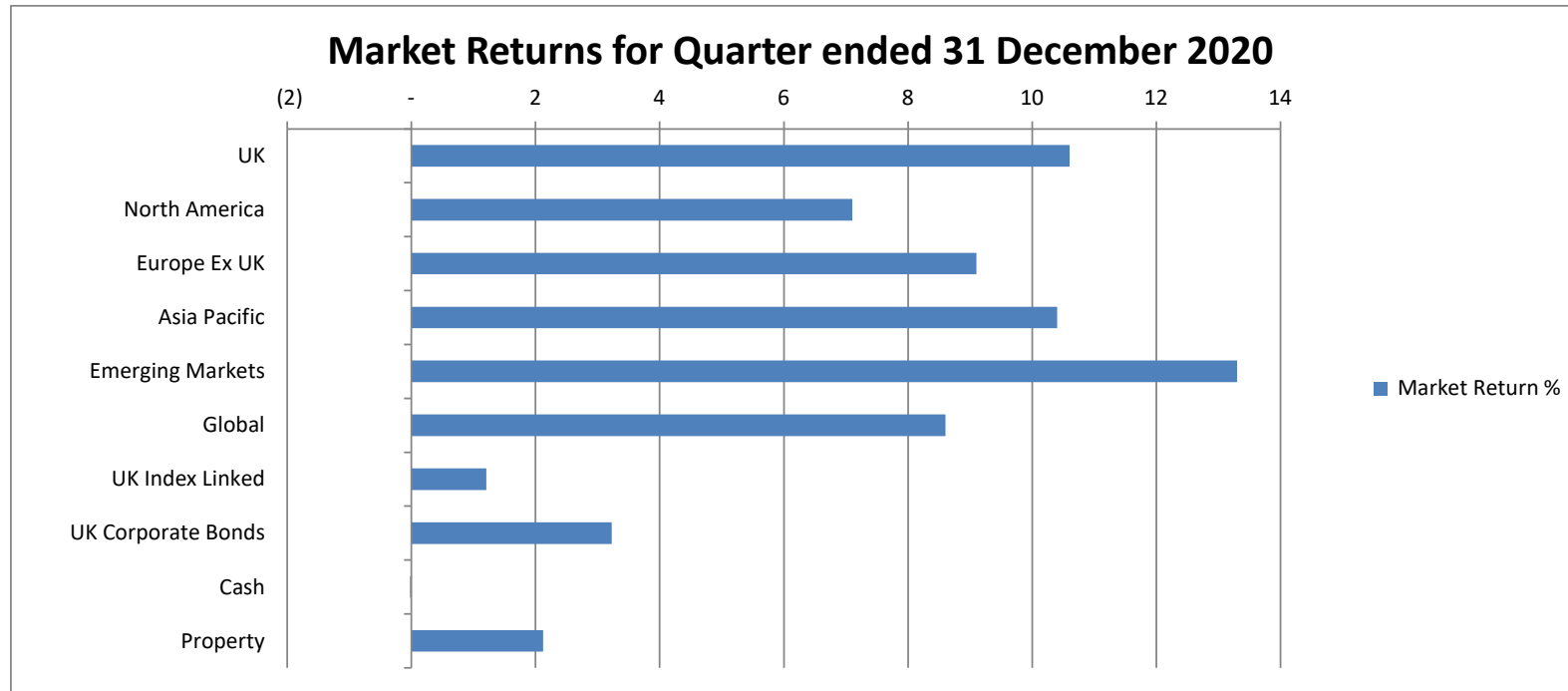
By: Chairman Superannuation Fund Committee
Corporate Director of Finance



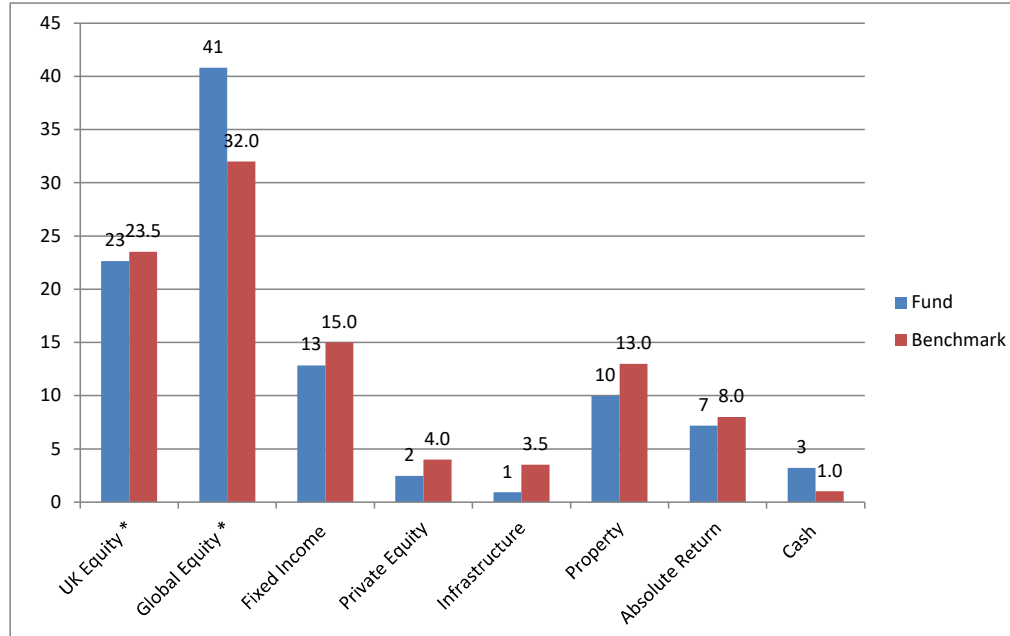
Kent County Council
Superannuation Fund Q3 2020-21

Alison Mings- Acting Business Partner -
Kent Pension Fund

Market Returns for Quarter ended 31 December 2020



Fund Asset Allocation vs Benchmark as at 31 December 2020



Asset Class	Fund		Benchmark	Over / (under) weight
	£m	%	%	%
UK Equity *	1,671	22.6	23.5	-0.9
Global Equity *	3,011	40.8	32	8.8
Fixed Income	948	12.8	15	-2.2
Private Equity	181	2.4	4	-1.6
Infrastructure	67	0.9	3.5	-2.6
Property	737	10.0	13	-3.0
Absolute Return	530	7.2	8	-0.8
Cash	237	3.2	1	2.2
Total	7,381	100	100	

* Our synthetic equity exposure with Insight is included in UK and Global Equities

Fund Asset Class Performance for Quarter ending 31 December 2020



Asset Class	Fund %	Benchmark %	Outperformance %
UK Equity	12.99	12.62	0.37
Global Equity	11.58	8.49	3.09
Fixed Income	3.30	0.69	2.61
Property	1.35	2.12	-0.77
Absolute Return	3.63	1.58	2.05
Private Equity	7.93	-0.02	7.95
Infrastructure	-1.32	-0.02	-1.30

Market Value Summary by Fund Manager as at 31 December 2020

Fund Manager	Asset Class	Market Value as at 30 September 2020 (£m)	Market Value as at 31 December 2020 (£m)	Change in Market Value (£m)	% of Total Fund 31 December 2020
Baillie Gifford - LF ACCESS Global Equity Core Fund	Global Equity	1,655	1,865	210	25.3%
Schroders - LF ACCESS UK Equity Fund	UK Equity	871	981	110	13.3%
Insight	Equity Protection Program	0	686	686	9.3%
DTZ	Direct Property	456	460	4	6.2%
Pyrford	Absolute Return	434	448	13	6.1%
M&G - LF ACCESS Global Dividend Fund	Global Equity	368	429	61	5.8%
Goldman Sachs	Fixed Interest	408	420	12	5.7%
UBS Global **	Global Equity	361	0	-361	0.0%
Sarasin	Global Equity	306	342	36	4.6%
UBS UK **	UK Equity	294	0	-294	0.0%
Schroders GAV - LF ACCESS Global Active Value Fund*	Global Equity	285	317	32	4.3%
Schroders	Fixed Interest	243	248	5	3.4%
M&G Alpha Opportunities	Fixed Interest	153	160	6	2.2%
CQS	Fixed Interest	147	155	8	2.1%
Harbourvest	Private Equity	113	138	25	1.9%
Fidelity	Pooled Property	128	130	1	1.8%
Ruffer - LF ACCESS Absolute Return Fund	Absolute Return	77	82	5	1.1%
Impax Environmental Markets	Global Equity	58	68	10	0.9%
Partners	Infrastructure	71	67	-3	0.9%
M&G Residential Property	Pooled Property	65	65	0	0.9%
Kames	Pooled Property	43	43	0	0.6%
YFM	Private Equity	38	42	4	0.6%
DTZ Pooled Funds	Pooled Property	39	39	0	0.5%
Woodford	UK Equity	19	12	-7	0.2%
UBS Emerging Markets **	Global Equity	16	0	-16	0.0%
Internally managed cash	Cash	179	181	2	2.5%
Total Kent Fund		6,542	7,381	550	100.0%

Total investments in ACCESS pooled funds

3,643

3,675

Percentage of the total Fund ***

56%

50%

* Schroders GAV transferred to the ACCESS platform during the quarter

** All passive equity mandates with UBS were liquidated during the quarter to fund the Equity Protection Program with Insight.

*** % of total pooled funds has declined due to sale of UBS passive equities

Performance Returns as at 31 December 2020

	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Total Fund	8.42	6.13	11.74	2.48	7.57	4.69
UK Equity						
Schroders - LF ACCESS UK Equity Fund	12.61	12.17	-6.75	-11.78	0.66	-1.84
Woodford	-2.32	12.62	-26.97	-9.82	-21.81	-0.91
Global Equity						
Baillie Gifford - LF ACCESS Global Equity Core Fund	12.72	9.25	57.98	9.26	26.04	7.36
Sarasin	11.84	8.46	16.20	12.67	12.78	9.68
Schroders - LF ACCESS Global Active Value Fund	11.93	8.46	1.15	12.67	2.75	9.68
Impax	18.12	8.46	26.33	12.67	13.46	9.68
M&G - LF ACCESS Global Dividend Fund	16.60	8.46	11.14	12.67	7.67	9.68
Fixed Interest						
Goldman Sachs	3.02	0.86	3.97	3.50	4.22	3.50
Schroders Fixed Interest	1.95	0.02	-1.67	0.62	0.47	0.83
CQS	5.41	1.00	--	--	--	--
M&G Alpha Opportunities	4.15	1.00	--	--	--	--
Property						
DTZ	1.64	2.12	-1.08	-0.82	3.11	2.84
Fidelity	3.00	2.10	-1.10	-1.05	3.30	2.32
Kames	0.88	2.10	-4.61	-1.05	1.89	2.32
M&G Property	0.03	2.10	0.37	-1.05	1.84	2.32
Private Equity						
Harbourvest	6.69	-0.02	20.39	0.07	19.18	0.37
YFM	11.45	-0.02	1.67	0.07	18.96	0.37
Infrastructure						
Partners	-1.32	-0.02	-4.87	0.07	2.06	0.37
Absolute Return						
Pyrford	3.09	1.58	2.69	6.20	2.33	7.03
Ruffer - LF ACCESS Absolute Return Fund	6.63	1.58	14.86	6.20	--	--

* All Investments with UBS were sold during the quarter, therefore no quarterly performance data available

Fund Manager Benchmarks and Performance Targets

Asset Class / Manager	Performance Benchmark	Performance Target
UK Equities:		
Schroders - LF ACCESS UK Equity Fund	Customised	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
Global Equities:		
Baillie Gifford - LF ACCESS Global Equity Core Fund	Customised	+1.5% pa over rolling 3 years
Sarasin	MSCI AC World Index NDR	+2.5% over rolling 3 - 5 years
M&G - LF ACCESS Global Dividend Fund	MSCI AC World Index GDR	+3% pa
Schroders - LF ACCESS Global Active Value Fund	MSCI AC World Index NDR	+3% - 4% pa over rolling 3 years
Impax	MSCI AC World Index NDR	+2% pa over rolling 3 years
Fixed Income:		
Schroders Fixed Interest	3 months Sterling Libor	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
CQS	Libor + 4%	
M&G Alpha Opportunities	Libor + 4%	
Property:		
DTZ	IPD Pension Fund Index	≥ 3 year rolling average of benchmark returns
Fidelity	IPD UK PF Property Fund Index	
Kames	IPD UK PF Property Fund Index	
M&G Property	IPD UK PF Property Fund Index	
Alternatives: (Cash / Other Assets)		
Private Equity – YFM	GBP 7 Day LIBID	
Private Equity – HarbourVest	GBP 7 Day LIBID	
Infrastructure – Partners Group	GBP 7 Day LIBID	
Absolute Return – Pyrford	Retail Price Index (RPI)	RPI + 5%
Ruffer - LF ACCESS Absolute Return Fund	Retail Price Index (RPI)	
Internally managed cash – KCC Treasury and Investments team	GBP 7 Day LIBID	

Fund Structure as at 31 December 2020

UK Equities	Global Equities	Fixed Interest	Property	Cash/Alternatives
Schroders +1.5% £981 m	Baillie Gifford +1.5% £1,865 m	Goldman Sachs +6.0% Abs. £420 m	DTZ Property £499 m	Internally managed Cash £181 m
Woodford £12 m	M&G +3.0% £429 m	Schroders +4.0% £248 m	Fidelity Property £130 m	Partners Infrastructure £67 m
	Schroders +3.0% - +4% £317 m	CQS £155 m	Kames Property £43 m	YFM Private Equity £42 m
	Impax +2.0% £68 m	M&G Alpha Opps £160 m	M&G Property £65 m	HarbourVest Private Equity £138 m
	Sarasin +2.5% £342 m			Pyrford Abs. Return RPI + 5% £448 m
	Insight Equity Protection £686 m			Ruffer Abs. Return RPI £82 m
			Total Fund £7.4 bn	ACCESS fund