

FUND POSITION STATEMENT

Summary of Fund Asset Allocation and Performance

Superannuation Fund Committee

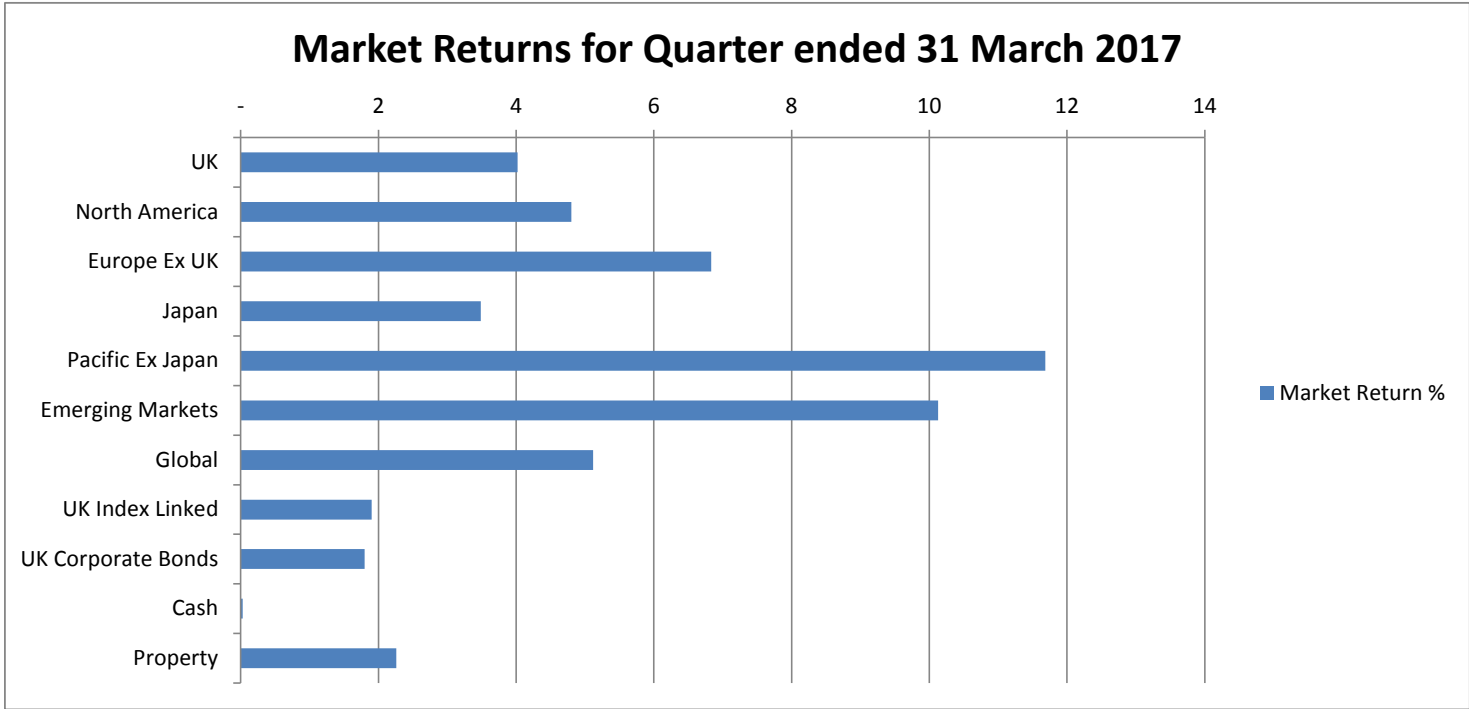
By: Chairman Superannuation Fund Committee
Corporate Director of Finance



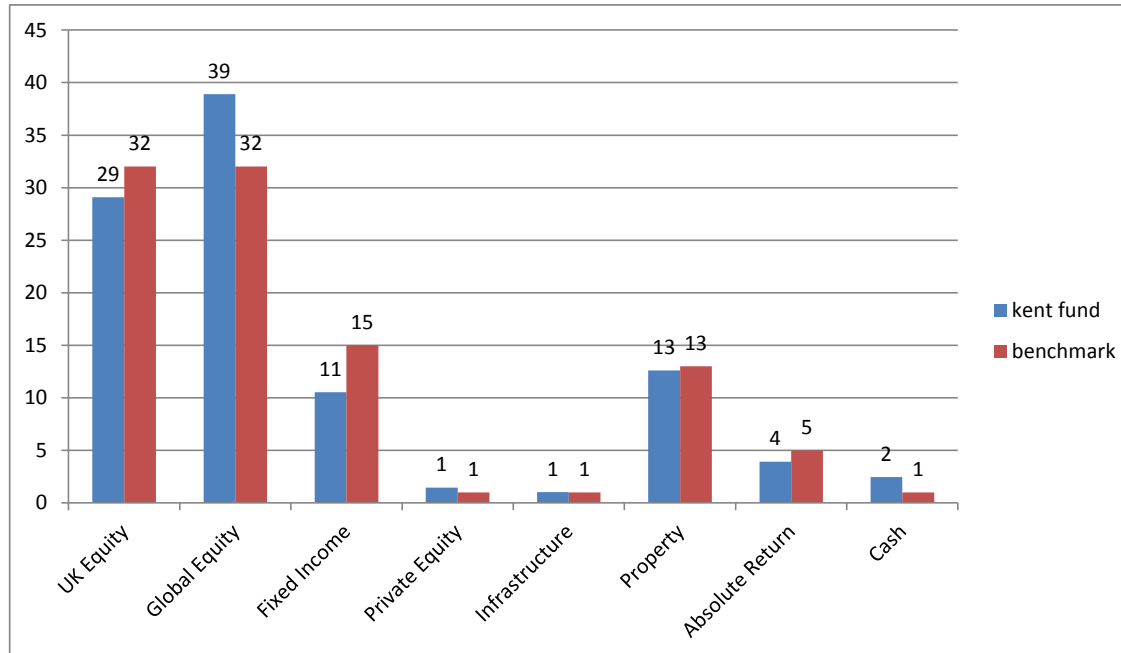
Kent County Council
Superannuation Fund Q4 2016-17

Nick Vickers - Business Partner

Market Returns for Quarter ended 31 March 2017

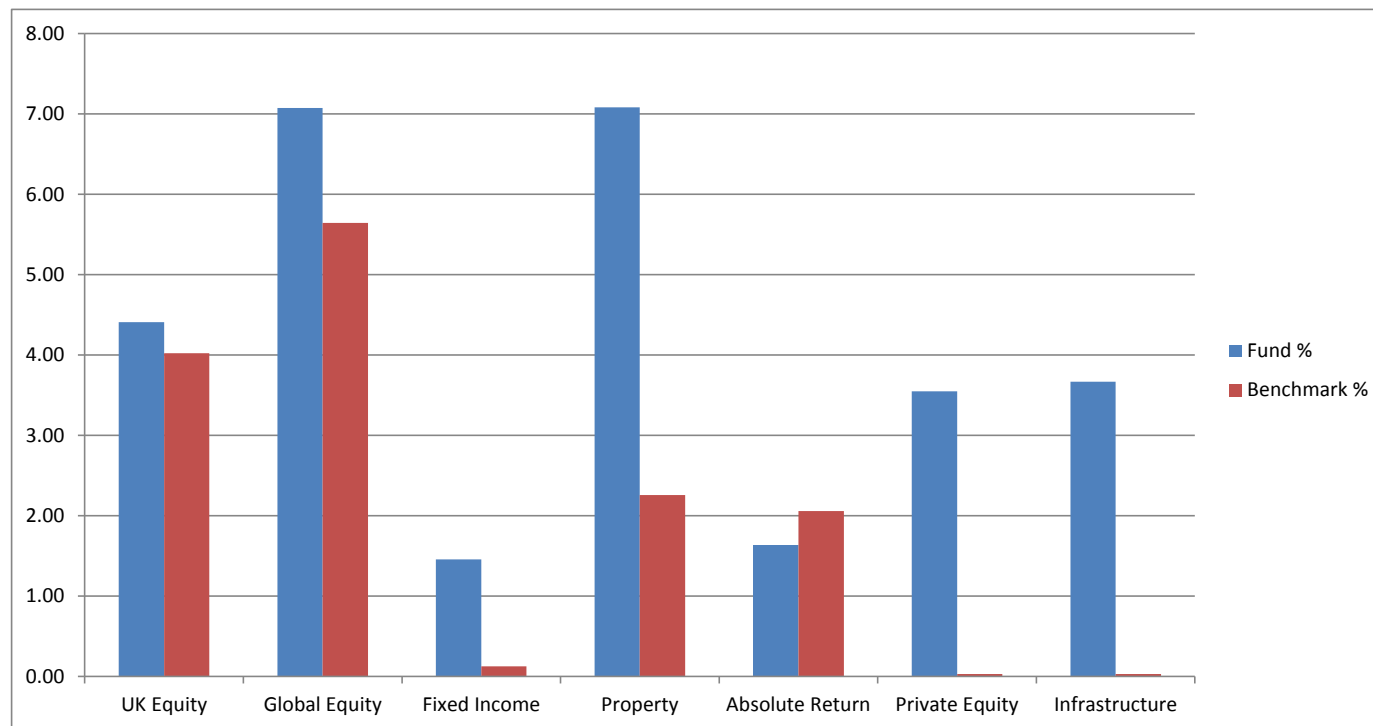


Fund Asset Allocation vs Benchmark as at 31 March 2017



Asset Class	Kent Fund		Benchmark
	£m	%	%
UK Equity	1,614	29	32
Global Equity	2,160	39	32
Fixed Income	586	11	15
Private Equity	81	1	1
Infrastructure	57	1	1
Property	699	13	13
Absolute Return	218	4	5
Cash	136	2	1
Total	5,551	100	100

Fund Asset Class Performance for Quarter ending 31 March 2017



Asset Class	Fund %	Benchmark %
UK Equity	4.41	4.02
Global Equity	7.07	5.64
Fixed Income	1.46	0.13
Property	7.08	2.26
Absolute Return	1.64	2.06
Private Equity	3.55	0.03
Infrastructure	3.67	0.03

Market Value Summary by Fund Manager as at 31 March 2017

Fund Mandate	Market Value as at 31 December 2016 (£)	Market Value as at 31 March 2017 (£)	Change in Market Value (£)	% of Total Fund 31 March 2017
Baillie Gifford	1,093,630,396	1,202,266,779	108,636,383	21.66%
Schroders UK Equity	811,868,318	886,350,219	74,481,901	15.97%
DTZ	440,601,143	468,827,379	28,226,236	8.45%
Goldman Sachs	346,381,955	355,145,919	8,763,964	6.40%
Woodford	304,204,460	316,606,778	12,402,318	5.70%
M&G	274,791,461	316,673,416	41,881,955	5.70%
State Street UK Equity	288,311,454	311,836,159	23,524,705	5.62%
Schroders GAV	244,136,371	280,715,711	36,579,340	5.06%
State Street Global Equity	245,762,606	278,229,771	32,467,165	5.01%
Schroders Fixed Interest	235,935,012	241,655,102	5,720,090	4.35%
Pyrford	213,330,028	218,497,515	5,167,487	3.94%
Sarasin	193,512,040	215,648,876	22,136,836	3.88%
Fidelity	108,603,186	109,576,588	973,402	1.97%
Harbourvest	62,448,911	65,469,384	3,020,473	1.18%
Kames	58,641,720	59,726,495	1,084,775	1.08%
Partners	56,810,281	57,191,229	380,948	1.03%
DTZ Pooled Funds	47,578,722	47,567,224	-11,498	0.86%
Impax	40,116,968	42,993,176	2,876,208	0.77%
Internally managed cash	33,902,687	47,336,959	13,434,272	0.85%
YFM	10,643,969	15,217,243	4,573,274	0.27%
M&G Property	13,136,167	13,433,174	297,007	0.24%
Total Kent Fund	5,124,347,855	5,550,965,096	426,617,241	100.00%

Performance Returns as at 31 March 2017
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	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Total Fund	5.27	3.43	21.14	18.12	10.88	9.85
Uk Equity						
Schroders UK Equity	4.00	3.94	21.08	21.48	7.77	7.54
State Street UK Equity	4.14	4.02	22.13	21.96	7.76	7.68
Woodford	4.70	4.02	12.68	21.96	--	--
Global Equity						
Baillie Gifford	8.33	6.09	31.77	30.82	16.65	13.98
Sarasin	6.86	5.64	31.00	32.23	12.57	15.65
Schroders GAV	4.75	5.64	34.74	32.22	14.09	15.88
State Street Global Equity	5.72	5.76	33.44	33.80	16.97	17.14
Impax	4.47	5.64	30.00	32.22	12.45	15.88
M&G	4.89	5.78	36.56	32.97	12.68	16.28
Fixed Interest						
Goldman Sachs	2.65	0.86	8.81	3.51	4.50	3.53
Schroders Fixed Interest	0.85	0.13	5.52	0.60	2.93	2.22
Property						
DTZ	8.99	2.26	11.31	3.83	14.07	11.12
Fidelity	1.73	1.98	2.60	3.70	12.69	10.20
Kames	2.88	1.98	5.44	3.70	--	--
M&G Property	0.32	1.98	6.39	3.70	--	--
Private Equity						
Harbourvest	2.75	0.03	24.90	0.21	23.08	0.31
YFM	7.08	0.03	20.03	0.21	3.30	0.31
Infrastructure						
Partners	3.67	0.03	16.66	0.21	17.30	0.31
Absolute Return						
Pyrford	1.64	2.06	8.62	8.27	5.83	6.90

Fund Manager Benchmarks and Performance Targets

Asset Class / Manager	Performance Benchmark	Performance Target
UK Equities:		
Schroders UK Equity	Customised	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
State Street UK Equity	FTSE All Share	Match
Global Equities:		
Baillie Gifford	Customised	+1.5% pa over rolling 3 years
Sarasin	MSCI AC World Index NDR	+2.5% over rolling 3 - 5 years
M&G	MSCI AC World Index GDR	+3% pa
Schroders GAV	MSCI AC World Index NDR	+3% - 4% pa over rolling 3 years
Impax	MSCI AC World Index NDR	+2% pa over rolling 3 years
State Street Global Equity	FTSE World ex UK	Match
Fixed Income:		
Schroders Fixed Interest	3 months Sterling Libor	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
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	
Infrastructure - Henderson	GBP 7 Day LIBID	
Absolute Return – Pyrford	Retail Price Index (RPI)	RPI + 5%
Internally managed cash – KCC Treasury and Investments team	GBP 7 Day LIBID	

Fund Structure as at 31 March 2017

UK Equities	Global Equities	Fixed Interest	Property	Cash/Alternatives
Schroders +1.5% £886 m	Baillie Gifford +1.5% £1,202 m	Goldman Sachs +6.0% Abs. £355 m	DTZ Property £516 m	Internally managed Cash £47 m
State Street 0.0% £312 m	M&G +3.0% £317 m	Schroders +4.0% £242 m	Fidelity Property £110 m	Partners Infrastructure £57 m
Woodford £317 m	Schroders +3.0% - +4% £281 m		Kames Property £60 m	YFM Private Equity £15 m
	State Street +0.0% £278 m		M&G Property £13 m	HarbourVest Private Equity £65 m
	Impax +2.0% £43 m			Pyrford Abs. Return RPI + 5% £218 m
	Sarasin +2.5% £216 m			
Total Fund £5.6 bn				