

# FUND POSITION STATEMENT

## Summary of Fund Asset Allocation and Performance

### Pension Fund Committee

**By: Chairman Pension Fund Committee**  
Corporate Director of Finance

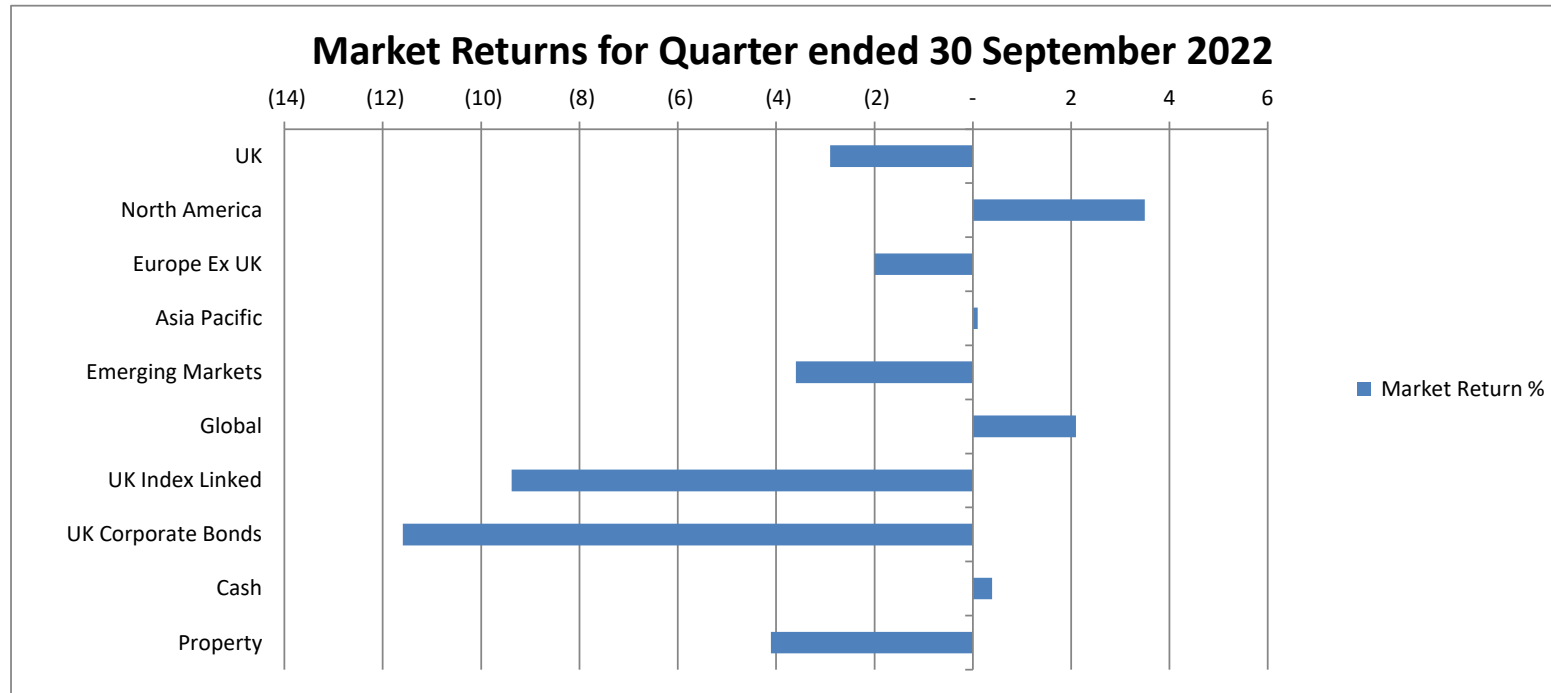


Kent Pension Fund

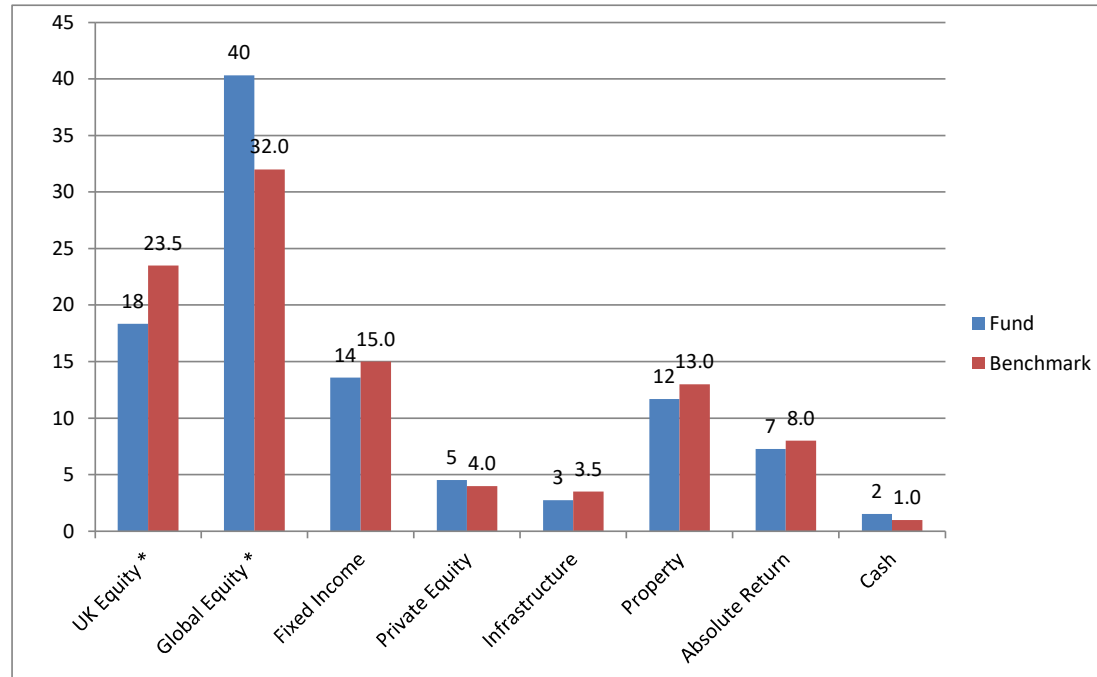
Q2 2022-23

Katherine Gray- Principal Accountant

## Market Returns for Quarter ended 30 September 2022



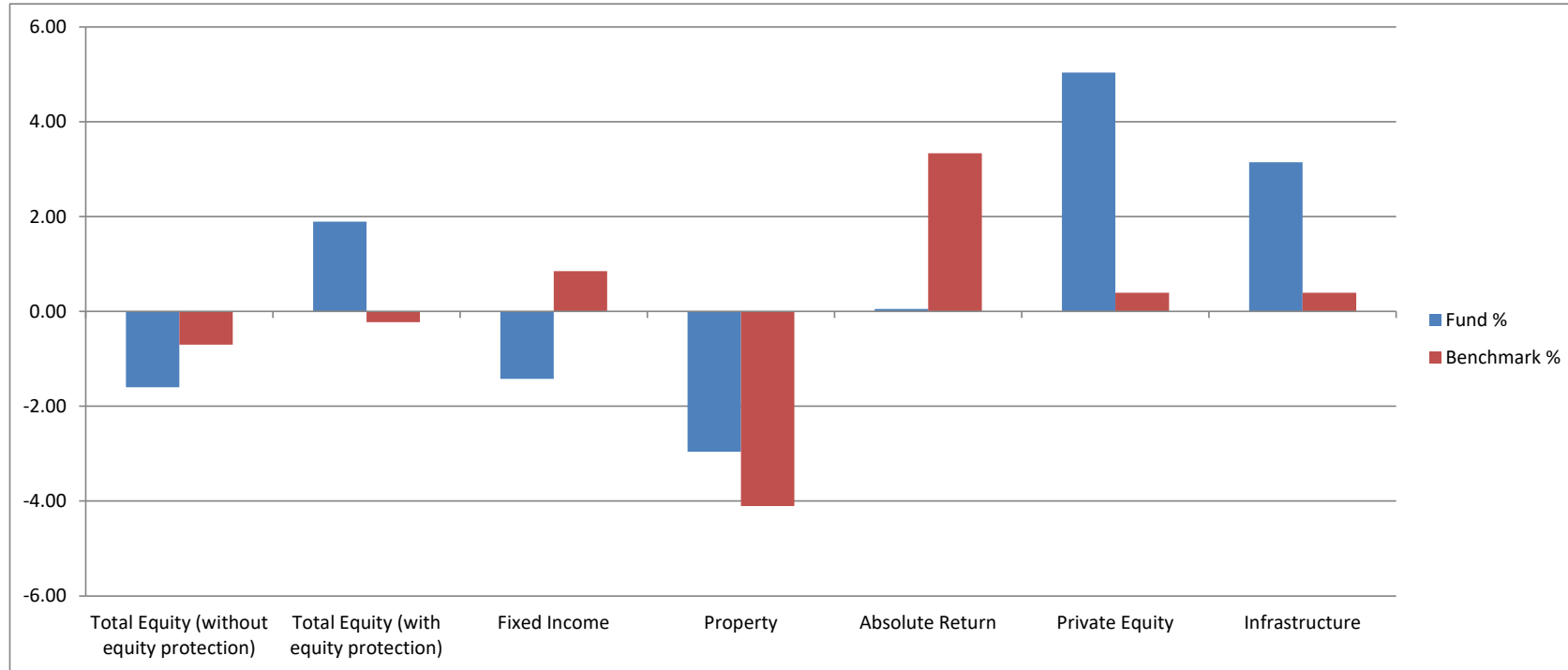
## Fund Asset Allocation vs Benchmark as at 30 September 2022



Asset Class	Fund		Benchmark	Over / (under) weight
	£m	%	%	%
UK Equity *	1,402	18.3	23.5	-5.2
Global Equity *	3,082	40.3	32	8.3
Fixed Income	1,037	13.6	15	-1.4
Private Equity	346	4.5	4	0.5
Infrastructure	209	2.7	3.5	-0.8
Property	893	11.7	13	-1.3
Absolute Return	557	7.3	8	-0.7
Cash	117	1.5	1	0.5
<b>Total</b>	<b>7,643</b>	<b>100</b>	<b>100</b>	

\* Synthetic equity exposure with Insight is included in UK and Global Equities

## Fund Asset Class Performance for Quarter ending 30 September 2022



Asset Class	Fund %	Benchmark %	Outperformance %
Total Equity (without equity protection)	-1.60	-0.70	-0.90
Total Equity (with equity protection)	1.89	-0.23	2.12
Fixed Income	-1.43	0.85	-2.27
Property	-2.96	-4.10	1.14
Absolute Return	0.05	3.33	-3.28
Private Equity	5.03	0.39	4.64
Infrastructure	3.15	0.39	2.75

## Market Value Summary by Fund Manager as at 30 September 2022

Fund Manager	Asset Class	Market Value as at 30 June 2022 (£m)	Market Value as at 30 September 2022 (£m)	Change in Market Value (£m)	% of Total Fund 30 September 2022
Insight	Equity Protection Program	1,057	1,194	137	15.6%
Schroders - LF ACCESS UK Equity Fund	UK Equity	1,095	1,042	-53	13.6%
Baillie Gifford - LF ACCESS Global Equity Core Fund	Global Equity	951	971	20	12.7%
DTZ	Direct Property	590	566	-24	7.4%
M&G - LF ACCESS Global Dividend Fund	Global Equity	489	475	-15	6.2%
Schroders GAV - LF ACCESS Global Active Value Fund	Global Equity	385	383	-2	5.0%
Pyrford	Absolute Return	373	365	-8	4.8%
Goldman Sachs	Fixed Interest	375	362	-13	4.7%
Sarasin	Global Equity	349	347	-2	4.5%
Harbourvest	Private Equity	262	282	20	3.7%
Schroders	Fixed Interest	238	237	0	3.1%
M&G Alpha Opportunities	Fixed Interest	230	231	1	3.0%
CQS	Fixed Interest	219	216	-3	2.8%
Partners	Infrastructure	192	209	17	2.7%
Ruffer - LF ACCESS Absolute Return Fund	Absolute Return	183	192	9	2.5%
Fidelity	Pooled Property	174	168	-5	2.2%
M&G Residential Property	Pooled Property	69	70	1	0.9%
Impax Environmental Markets	Global Equity	68	68	0	0.9%
YFM	Private Equity	57	64	6	0.8%
DTZ Pooled Funds	Pooled Property	52	48	-4	0.6%
Aegon (Kames)	Pooled Property	42	40	-3	0.5%
Woodford	UK Equity	7	5	-2	0.1%
Internally managed cash	Cash	117	107	-10	1.4%
<b>Total Kent Fund</b>		<b>7,575</b>	<b>7,643</b>	<b>68</b>	<b>100.0%</b>

**Total investments in ACCESS pooled funds**

**3,103**

**3,062**

**Percentage of the total Fund**

**41%**

**40%**

## Performance Returns as at 30 September 2022

	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
<b>Total Fund *</b>	0.85	-0.52	-2.60	0.95	5.90	4.76
<b>UK Equity</b>						
Schroders - LF ACCESS UK Equity Fund	-4.87	-3.86	-4.64	-2.54	1.17	0.43
Woodford	-26.73	-3.45	-35.84	-4.00	-31.89	0.80
<b>Global Equity</b>						
Baillie Gifford - LF ACCESS Global Equity Core Fund	2.13	-0.36	-36.60	-7.30	4.35	4.49
Sarasin	-0.51	1.37	-8.46	-4.17	7.06	7.22
Schroders - LF ACCESS Global Active Value Fund	-0.60	1.37	1.87	-4.17	7.48	7.22
Impax	0.18	1.37	-14.33	-4.17	9.47	7.22
M&G - LF ACCESS Global Dividend Fund	-2.98	1.37	-1.19	-4.17	8.31	7.22
<b>Fixed Interest</b>						
Goldman Sachs	-3.50	0.86	-14.42	3.50	-3.28	3.50
Schroders Fixed Interest	-0.20	0.20	-6.04	0.49	-1.58	0.46
CQS	-1.28	1.18	-10.18	4.49	--	--
M&G Alpha Opportunities	0.55	1.18	-4.16	4.49	--	--
<b>Property</b>						
DTZ	-3.60	-4.10	11.42	13.05	8.57	7.76
Fidelity	-3.10	-4.10	12.69	13.05	8.37	7.76
Aegon (Kames)	-0.39	-4.10	14.66	13.05	5.05	7.76
M&G Property	1.74	-4.10	6.55	13.05	2.57	7.76
<b>Private Equity</b>						
Harbourvest	4.14	0.39	32.97	0.69	30.95	0.28
YFM	9.13	0.39	26.25	0.69	25.66	0.28
<b>Infrastructure</b>						
Partners	3.15	0.39	12.17	0.69	-0.51	0.28
<b>Absolute Return</b>						
Pyrford	-2.22	3.33	-0.13	17.69	1.84	11.14
Ruffer - LF ACCESS Absolute Return Fund	4.69	3.33	5.36	17.69	9.80	11.14

\* The total fund return includes the impact of the equity protection program, a separate report detailing the performance of the program is provided as a separate report

## Fund Manager Benchmarks and Performance Targets

Asset Class / Manager	Performance Benchmark	Performance Target
<b>UK Equities:</b>		
Schroders - LF ACCESS UK Equity Fund	Customised	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
<b>Global Equities:</b>		
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
<b>Fixed Income:</b>		
Schroders Fixed Interest	ICE BofA Sterling 3 month Gov Bill Index	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
CQS	ICE BofA Sterling 3 month Gov Bill Index + 4%	
M&G Alpha Opportunities	ICE BofA Sterling 3 month Gov Bill Index + 4%	
<b>Property:</b>		
DTZ	IPD Pension Fund Index	≥ 3 year rolling average of benchmark returns
Fidelity	IPD UK PF Property Fund Index	
Aegon (Kames)	IPD UK PF Property Fund Index	
M&G Property	IPD UK PF Property Fund Index	
<b>Alternatives: (Cash / Other Assets)</b>		
Private Equity – YFM	SONIA	
Private Equity – HarbourVest	SONIA	
Infrastructure – Partners Group	SONIA	
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	SONIA	

## Fund Structure as at 30 September 2022

UK Equities	Global Equities	Fixed Interest	Property	Cash/Alternatives
Schroders +1.5% £1,042 m	Baillie Gifford +1.5% £971 m	Goldman Sachs +6.0% Abs. £362 m	DTZ Property £615 m	Internally managed Cash £107 m
Woodford  £5 m	M&G +3.0% £475 m	Schroders +4.0% £237 m	Fidelity Property £168 m	Partners Infrastructure £209 m
	Schroders +3.0% - +4% £383 m	CQS  £216 m	Aegon(Kames) Property £40 m	YFM Private Equity £64 m
	Impax +2.0% £68 m	M&G Alpha Opps  £231 m	M&G Property £70 m	HarbourVest Private Equity £282 m
	Sarasin +2.5% £347 m			Pyrford Abs. Return RPI + 5% £365 m
	Insight Equity Protection £1,194 m			Ruffer Abs. Return RPI £192 m
			Total Fund    £7.6 bn	ACCESS fund