

Border to Coast Pensions Partnership Ltd

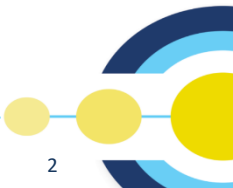
South Yorkshire

10th December 2020



Agenda

- Border to Coast Update
- Market Background
- Investment Update
 - Sterling Investment Grade Credit Fund
 - UK Listed Equity Fund
 - Overseas Developed Markets Equity Fund
 - Emerging Markets Equity Fund
 - Alternative Assets



Border to Coast Pensions Partnership Ltd

Border to Coast
- Update



Border to Coast Team

CEO: Rachel Elwell				
CIO: Daniel Booth	COO: Fiona Miller		CRO: Manda McConnell	CEO Team
Investment Team	Operations Team	Corporate Functions	Risk Team (2 nd Line)	CRM, HR, Policy/Comms
41 people	9 people	27 people	6 people	8 people

- Team of 95 in total (as at 30 November 2020)



Recent Hires – Investment Team

We have recruited a number of key individuals over the year to date:

12 Investment team hires, across Internal Equities (SPM), Internal Fixed Income (2 PM), Research (2 RM), External Funds (APM), Alternatives (4 PM) & Real Estate (Head & Programme Manager).

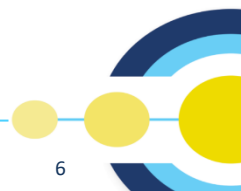
Key hires over the last quarter include:

- **Tim Sankey** – Head of Real Estate
 - Previous 17 years at Aberdeen Standard Investments managing UK Property
- **Peter Lunn** – Property Programme Manager
 - Wealth of financial experience and freelance project & programme management
- **James McLellan** – Senior Portfolio Manager, Internal team
 - 30 years in the industry, including at UBS Global and Insight Investment
- **Christian Dobson** – Portfolio Manager, Alternatives
 - Joins us from Nationwide Pension Fund, a £6.5bn DB scheme.



Capability Launch - Timetable

	Launched 2018/19	2020 Launches	Scheduled 2021	2022 and beyond
Internal Equities	UK Listed Equity Overseas Developed Emerging Markets	Emerging Market Hybrid		
External Equities	UK Listed Equity Alpha Global Equity Alpha		ESG Passive/Factor Regional Alpha Emerging Markets Alpha	
Alternatives	Private Equity Infrastructure Private Credit	Private Equity Series 1b Infrastructure Series 1b <i>(continued annually)</i>	Listed Alternatives Cashflow Management & Asset Allocation	Legacy Diversified Alternatives
Fixed Income		UK IG Credit Inflation Linked Bonds	Multi-Asset Credit	
Property			Global Property	UK Property



Border to Coast Pensions Partnership Ltd



Market Background

Market Background – Q3 2020

Markets continue to be volatile over 2020 – heavily impacted by Covid and politics - this is what Q3 looked like...

- Modest rise in equity markets during Q3, following Q2's significant increases – fiscal and monetary stimulus, increased economic activity, etc
- Significant increases in virus cases and reintroduction of lockdowns (local giving way to national)
- Labour markets facing pressure when support decreases; two-tier workforce developing (ability to work remotely)
- Inflationary pressures are contained but could build in future – loose monetary policy will remain – pension fund concern?
- Government bond yields are low or negative, credit spreads on corporate bonds have narrowed → c. \$16trn bonds with negative yields
- Real estate outlook unclear due to risk of payment defaults and changes in demand
- Equity valuations above long-term averages, but investor sentiment remains positive
- Emerging outperformed developed equity markets by 1.5% over Q3, a partial reversal of Q1 and Q2
 - US was the strongest developed market, UK the weakest
 - India and China were the strongest emerging markets; Thailand and Indonesia lagged
- Healthcare and Technology sectors outperforming; Energy and Financials have been much weaker
- *Quality* companies led while *Value* lagged - an established 2020 trend
- High-yielding companies underperformed due to dividend cuts
- US election posed significant political risk & uncertainty

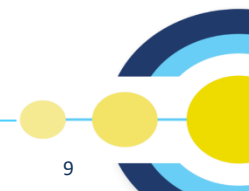
South Yorkshire

– Valuation & Commitments

Listed Investments	South Yorkshire Value (as at 30/09/2020)
	£
UK Listed Equity Fund	870.1m
Overseas Developed Markets Fund	2,602.9m
Emerging Markets Equity Fund	683.5m
Sterling Investment Grade Credit Fund	473.8m

Alternative Investments	South Yorkshire Commitment (Series 1a + 1b)	Committed by Border to Coast to Managers (*)
	£	£ (% of commitment)
Infrastructure	300m	144.6m (48%)
Private Equity	270m	228.8m (85%)
Private Credit	90m	42.2m (47%)

Source: Border to Coast. Past performance is not a reliable indicator of future performance and is not guaranteed.
 (*) As at 03/11/2020.



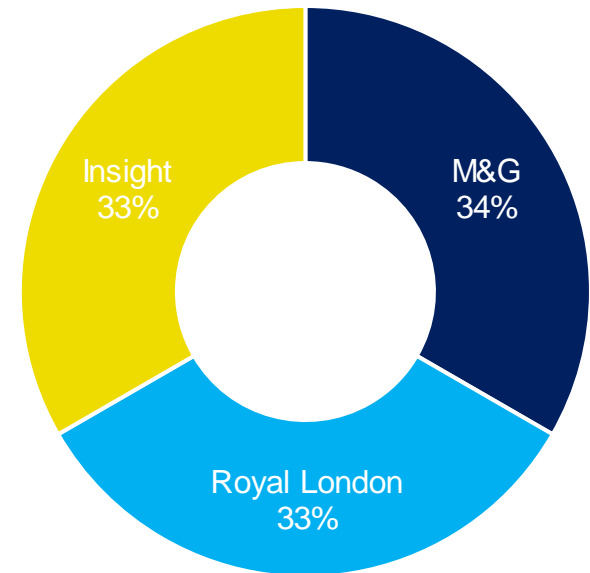
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Investment Grade Credit



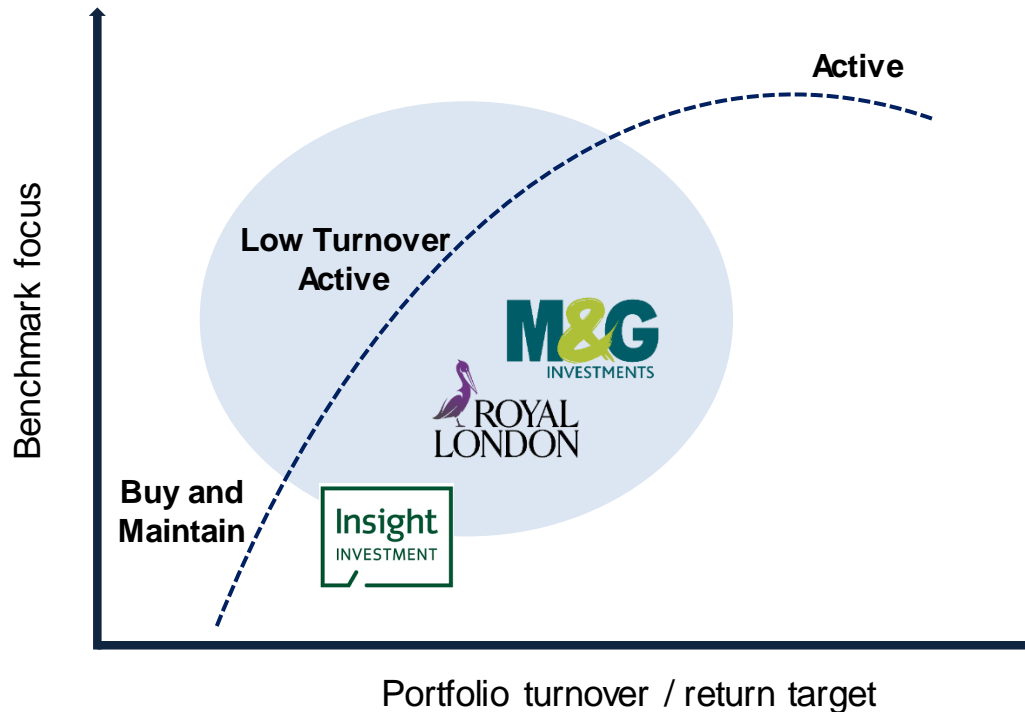
Investment Grade Credit - What Does The Fund Look Like?

- Three quality managers with strong track records
- Low correlation between strategies and sources of outperformance
- Good responsible investment scores
- Expected AUM: c.£2.5bn
- Benchmark: iBoxx GBP Non-Gilts Index
- Performance Target: Benchmark +60bps p.a. over rolling 5 year periods (net of fees)
- Manager fees: c. 9.7bps p.a.¹



¹ Based on invested capital of £2bn. Excludes Border to Coast costs.

Management Styles



All three mandates aim to capture the key elements highlighted as priorities in the fund design process:

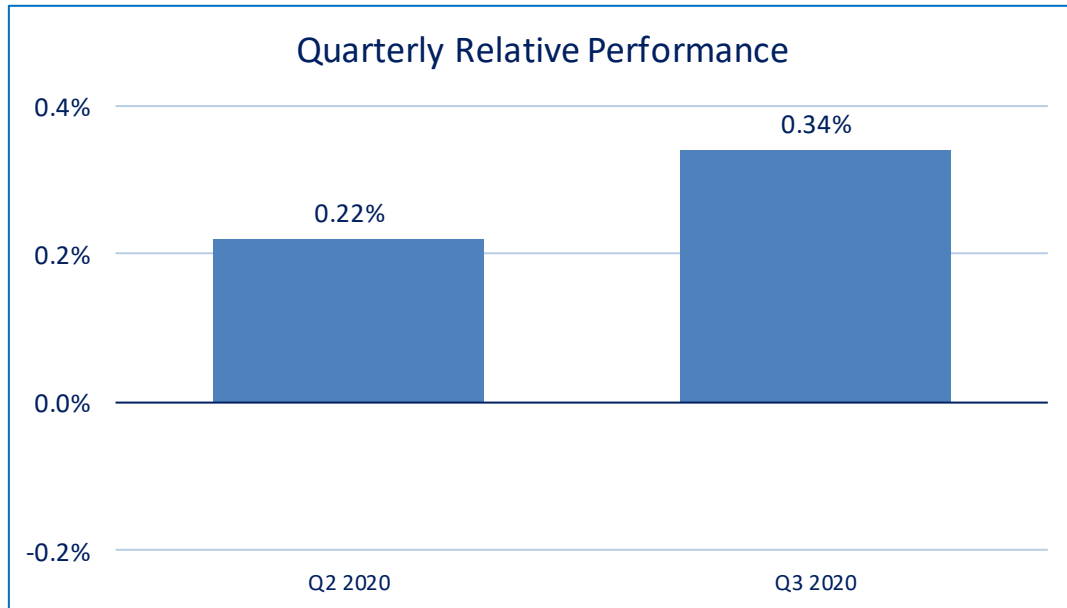
- Not overly benchmark constrained
- Low portfolio turnover
- Long-term approach to credit selection
- Conservative approach to risk management

Manager Summary



-
- Blends 'active' and 'buy & maintain' strategies
 - Long-term, quality-driven portfolio; broadly benchmark agnostic with minimal default/downgrade risk
 - Deep resources with strong skillset in global relative value; may benefit from non-sterling allocation
 - Key sector biases differ from RLAM or M&G
- Low turnover, active philosophy
 - Emphasis on bonds with additional security & mid-sized issues
 - Sterling specialists - advantageous given their attraction to niche areas
 - Relatively low correlation with index or other active managers.
- Value-based approach
 - Deep analyst resources – well positioned to identify non-justified price movements and hold names facing short-term headwinds
 - Benchmark-aware, but retain active risk and differentiated sector exposure

Sterling Investment Grade Credit Performance



Source: Northern Trust, Border to Coast

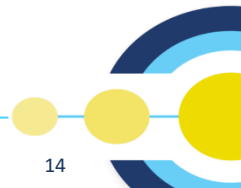
	QTD	1yr	ITD*
Fund	1.49	n/a	9.91
Benchmark	1.16	n/a	9.08
Relative	+0.34	n/a	+0.83

	Fund	Benchmark
Effective Duration	8.44	7.79
Yield to Maturity	2.21	1.78
Credit Rating	A	A

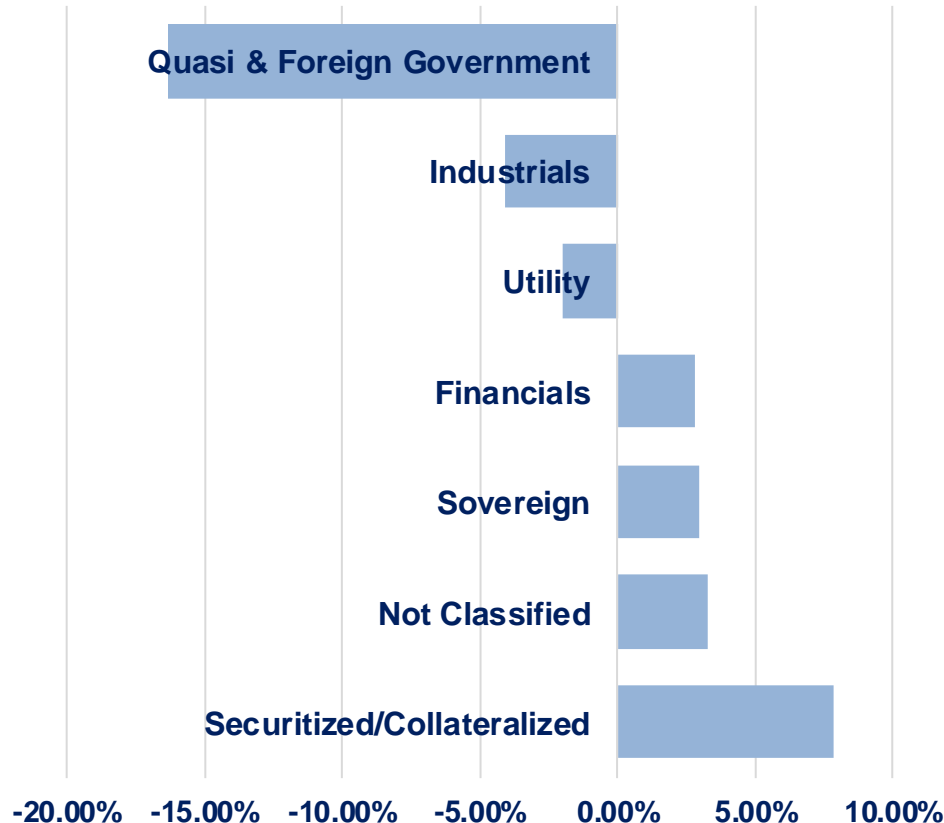
Source: Northern Trust, Border to Coast as at 30 Sept 2020
 Inception date: 18 March 2020
 Benchmark: iBoxx Sterling Non-Gilts Index
 Performance is net of fees
 *ITD return is per annum

Investment Objective:

To outperform the Benchmark by at least 0.6% p.a. over rolling 5 year periods

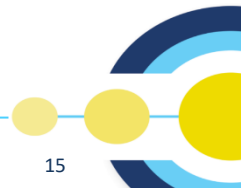


Investment Grade Credit Fund – Portfolio Positioning

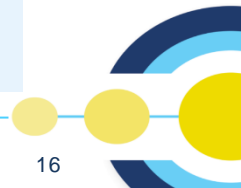
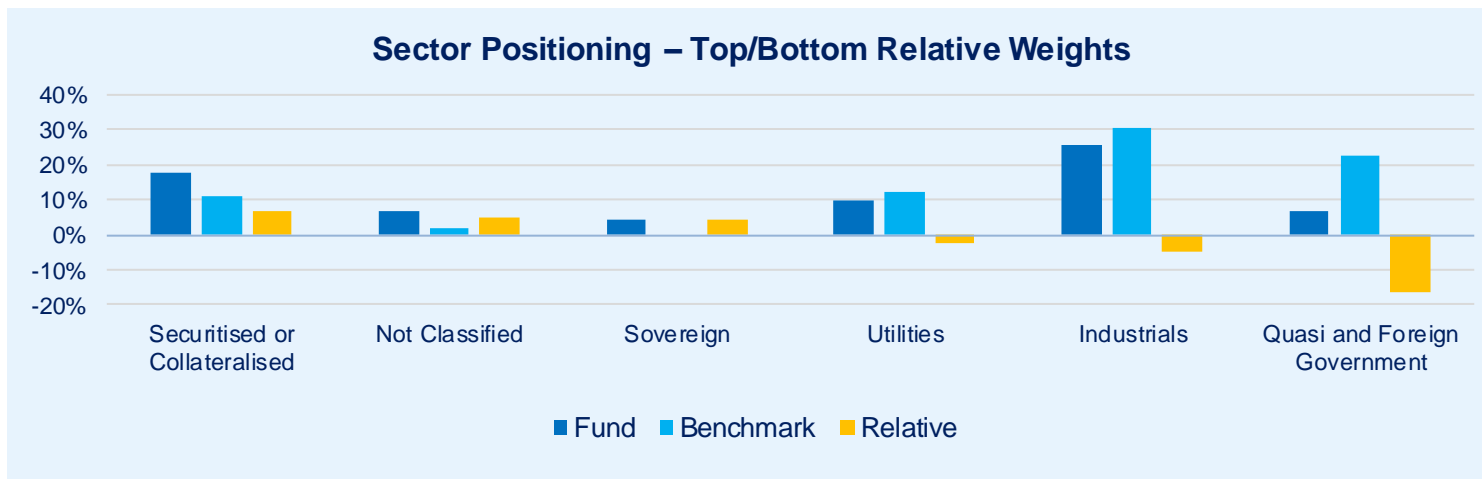
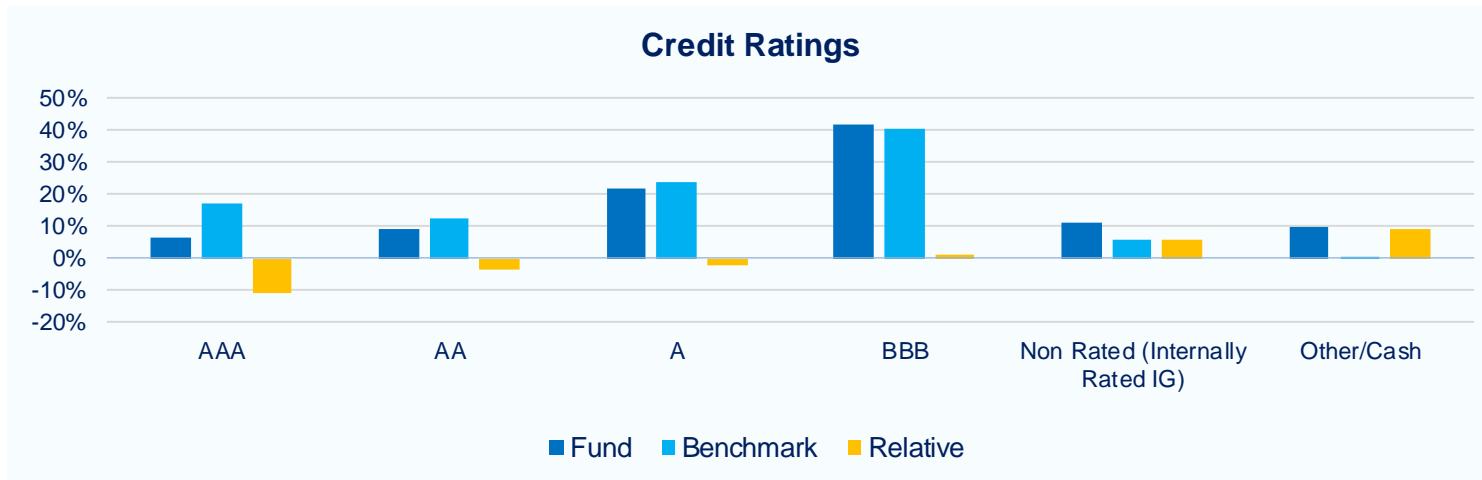


Top 5	Relative weight
UK Treasury 5% Mar 2025	+2.18
TfL 3.875% Jul 2042	+0.69
Westfield Stratford 1.642%	+0.62
UK Treasury 0.75% Jul 2023	+0.55
HSBC 5.375% Nov 2030	+0.52

Bottom 5	Relative weight
EIB 6% Dec 2028	-0.42
KFW 5.55% Jun 2021	-0.40
EIB 2.5% Oct 2022	-0.39
KFW 0.875% Mar 2022	-0.38
EIB 0.875% Dec 2023	-0.36



Positioning as at 30 September 2020



Border to Coast Pensions Partnership Ltd

UK Listed Equity Fund



Internal Equity Fund Management - Investment Philosophy

Risk Profile

Low active risk, mostly taken within sectors rather than between
Should maintain sufficient risk profile without overdiversification

Quality Factor

Quality, size, value, and momentum provide long term excess returns. Preference quality stocks with good balance sheets, with a margin of safety and downside protection

Governance

Management must be aligned to shareholders. Governance will be assessed as part of our incorporation of ESG factors in investment decision-making.

Sustainable

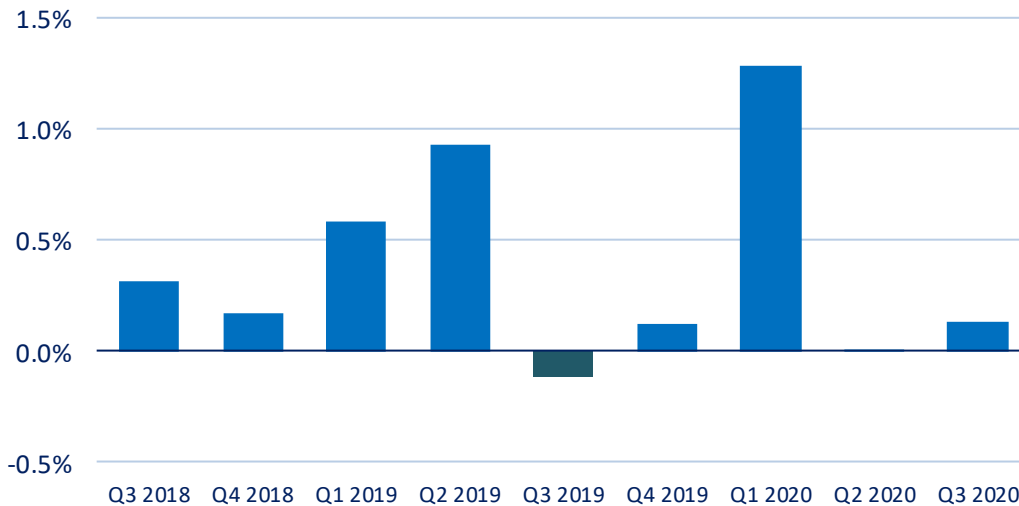
Target long-term cashflows to generate reliable returns, using a repeatable and systematic investment process, and incorporate responsible investment into the selection.

Valuation

Even if everything else fits, stocks must be good value and we should be able to capture upside potential, to use stock selection as a source of outperformance.

UK Listed Equity Fund Performance

Quarterly Relative Performance



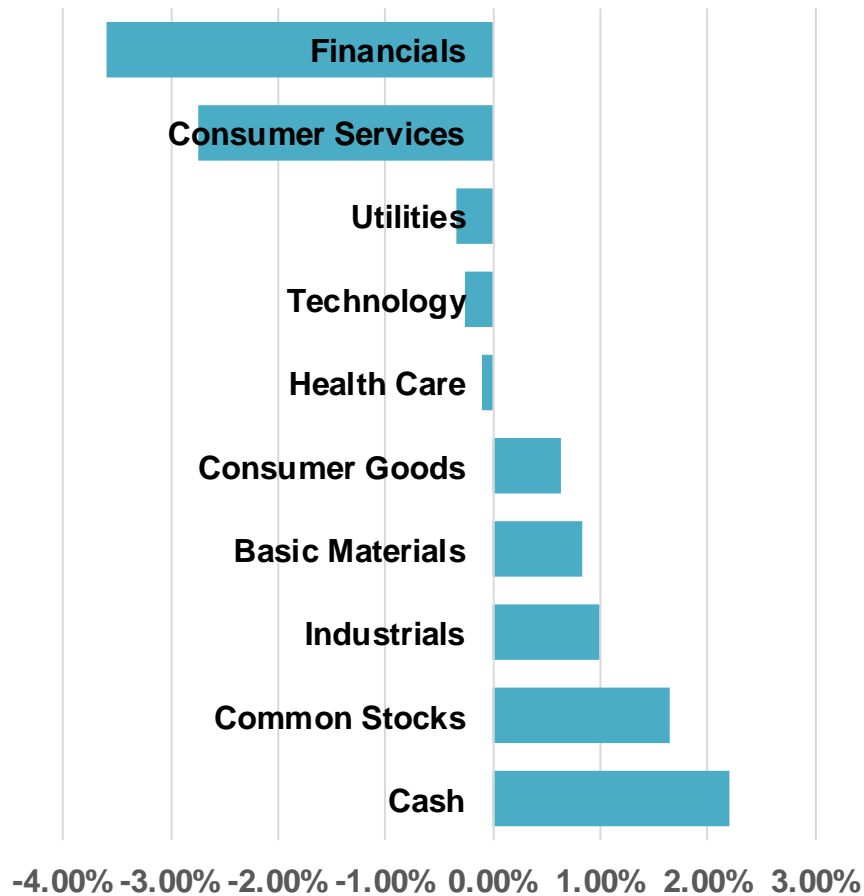
	QTD	1 Yr	ITD*
Fund	-2.78	-15.12	-5.74
Benchmark	-2.92	-16.59	-7.28
Relative	0.14	1.47	1.54

As at 30 September 2020
 Inception date: 26 July 2018
 Benchmark: FTSE All Share
 Performance is net of fees
 *ITD return is per annum

Investment Objective:

To outperform the Benchmark by at least 1% p.a. over rolling 3 year periods

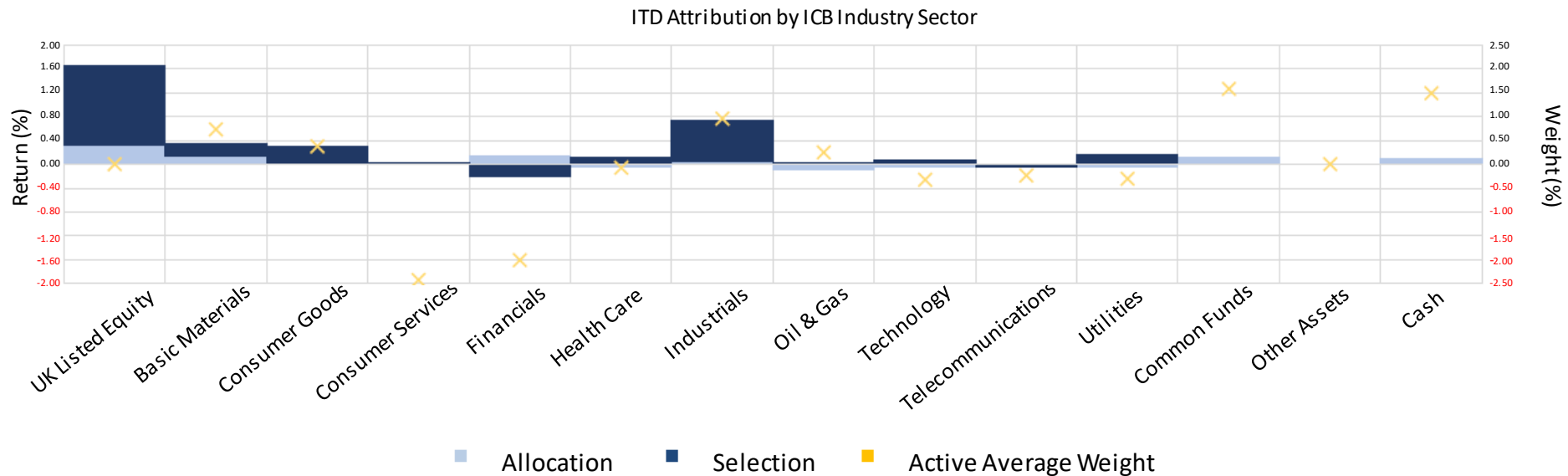
UK Listed Equity Fund Portfolio Positioning



Top 5	Relative weight %
Impax Environmental Markets	+0.98
Antofagasta	+0.96
Schroder UK Smaller Companies	+0.86
BHP	+0.85
Liontrust UK Smaller Companies	+0.82

Bottom 5	Relative weight %
SEGRO	-0.59
Ocado	-0.71
Scottish Mortgage Inv. Trust	-0.78
Flutter Entertainment	-0.79
Glencore	-0.92

UK Listed Equity Fund Performance Attribution

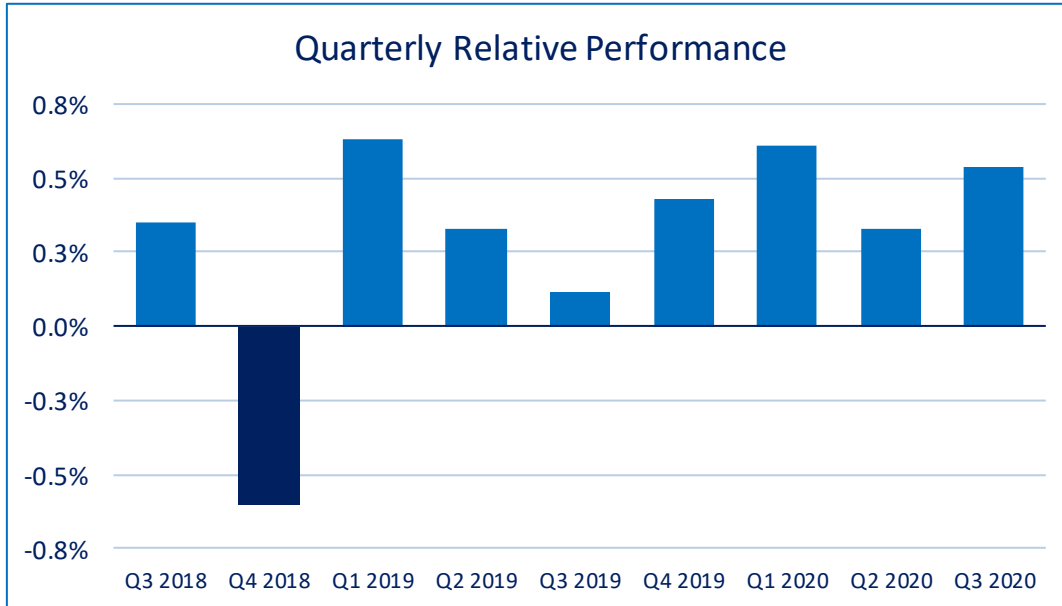


Border to Coast Pensions Partnership Ltd

Overseas Developed Markets
Equity Fund



Overseas Developed Equity – Performance



Source: Northern Trust, Border to Coast

	QTD	1 Yr.	ITD*
Fund	2.94	5.21	6.43
Benchmark	2.42	3.22	5.13
Relative	0.52	1.99	1.30

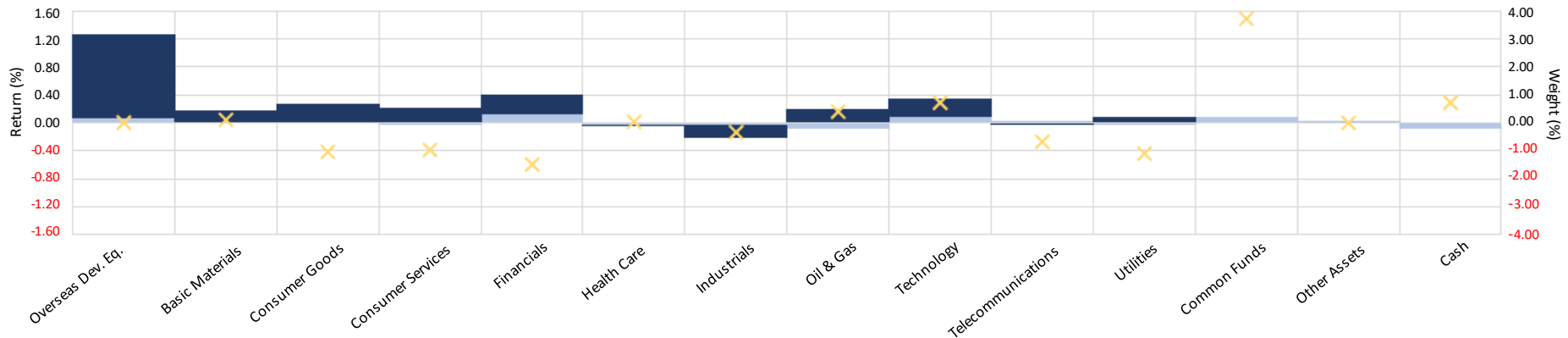
Source: Northern Trust, Border to Coast as at 30 Sept 2020
 Inception date: 9 July 2018
 Benchmark: S&P 500 (40%), FTSE Developed Europe ex-UK (30%), FTSE Developed Pacific ex-Japan (20%), FTSE Japan (10%)
 Performance is net of fees
 *ITD return is per annum

Investment Objective:

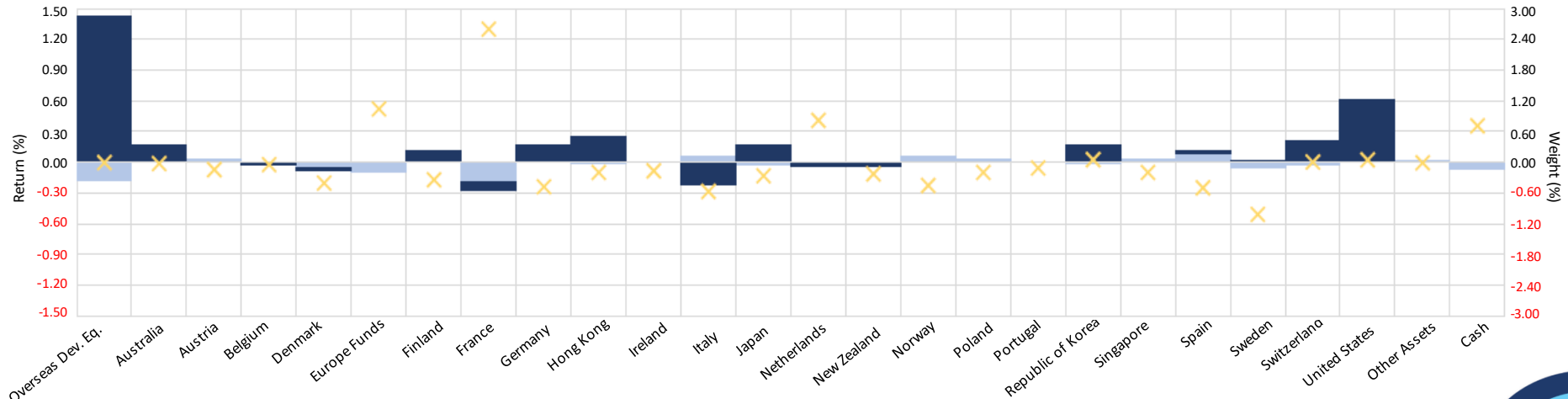
To outperform the Benchmark by at least 1% p.a. over rolling 3 year periods

Overseas Developed Equity Quarterly Performance Attribution

ITD Attribution by Industry



ITD Attribution by Country

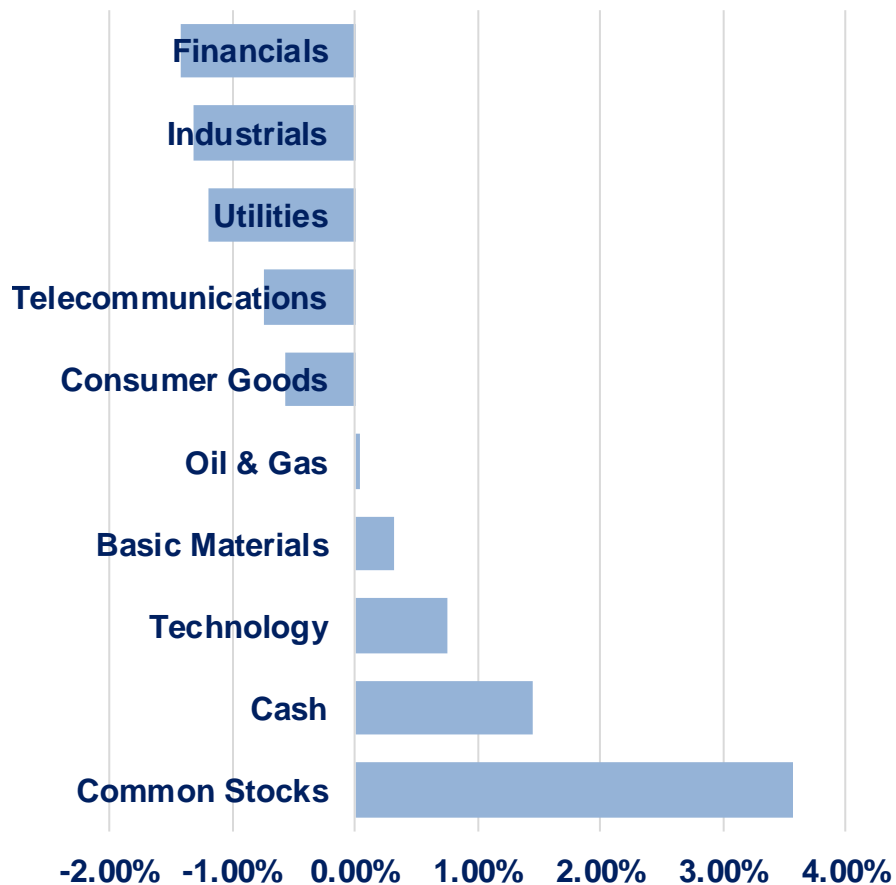


Allocation Selection Active Average Weight

Past performance is not a reliable indicator of future performance and is not guaranteed.

Source: Northern Trust, Border to Coast

Overseas Developed Equity Portfolio Positioning



Source: Northern Trust, Border to Coast

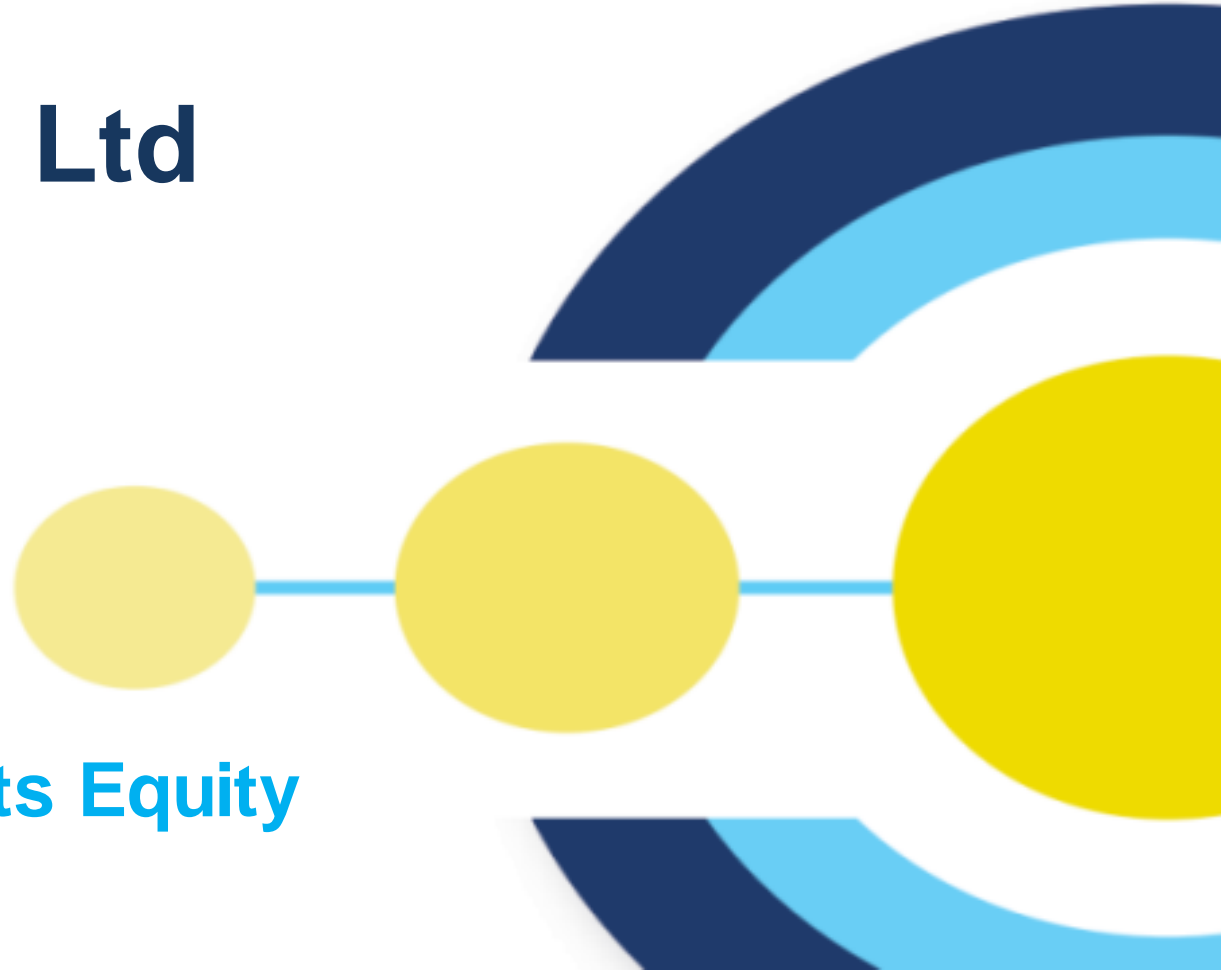
Top 5*	Relative weight
Vanguard US Mid Cap ETF	+3.04%
Alphabet A	+0.69%
Samsung Electronic	+0.53%
VISA	+0.47%
NVIDIA Corporation	+0.46%

Bottom 5*	Relative weight
Alphabet C	-0.62%
Mastercard	-0.43%
PayPal	-0.33%
Comcast	-0.30%
Enel SPA	-0.30%

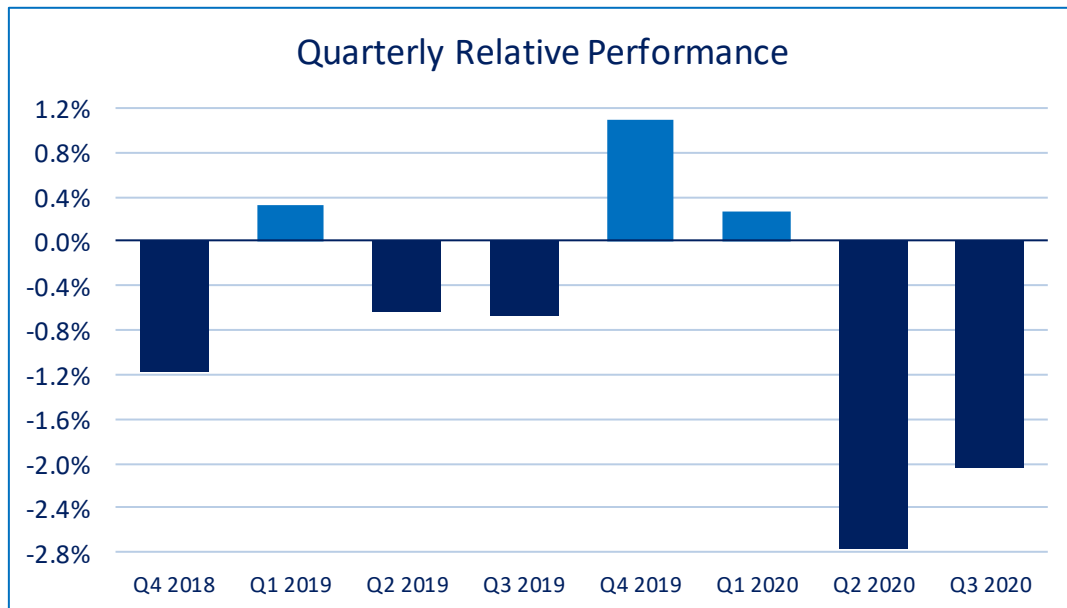
*Source: Northern Trust, Border to Coast

Border to Coast Pensions Partnership Ltd

Emerging Markets Equity
Fund



Emerging Markets Equity Performance



Source: Northern Trust, Border to Coast

Up to 31/12/2018, performance figures include a relative impact of -1.2% stemming from costs related to transitioning assets from legacy arrangements.

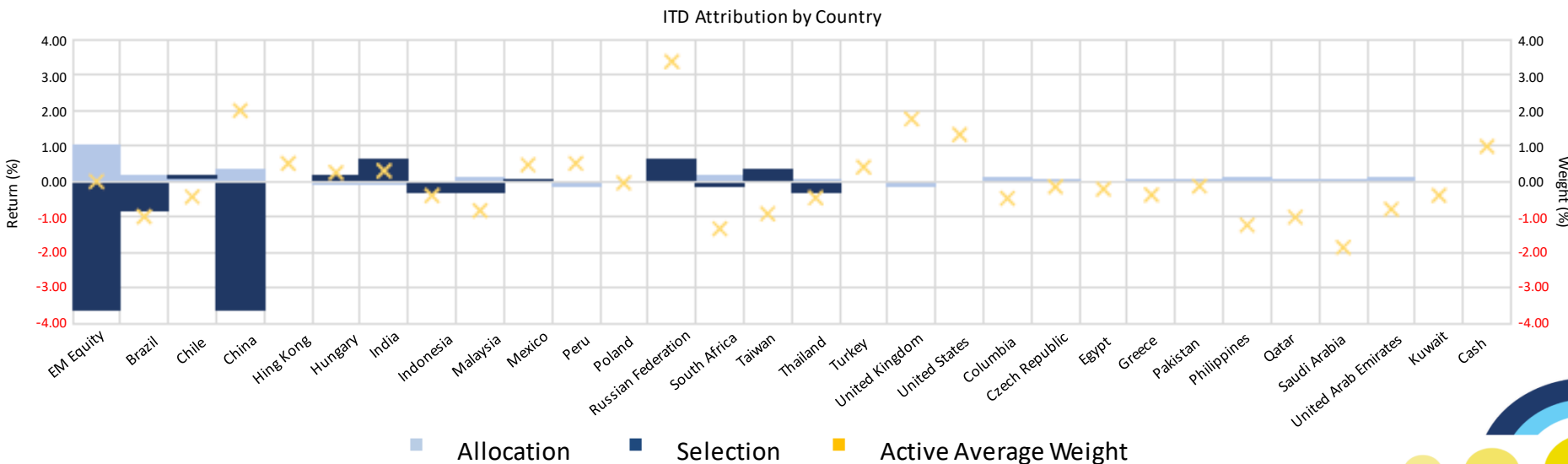
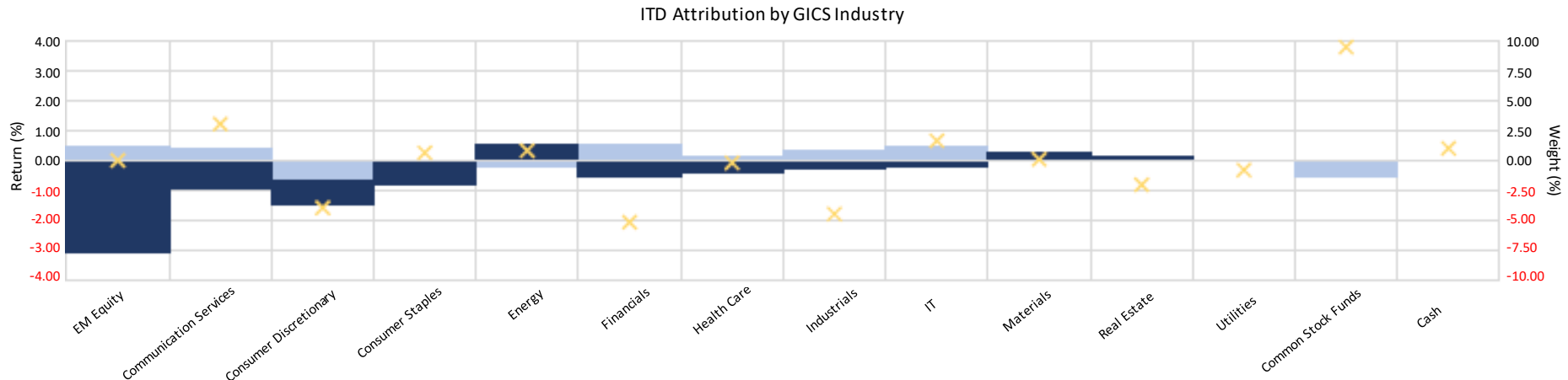
	QTD	1 Yr.	ITD*
Fund	1.91	0.37	5.43
Benchmark	4.00	3.52	8.33
Relative	-2.09	-3.15	-2.89

Source: Northern Trust, Border to Coast as at 30 Sept 2020
 Inception date: 22 October 2018
 Benchmark: S&P Emerging BMI
 Performance is net of fees
 *ITD return is per annum

Investment Objective:

To outperform the Benchmark by at least 1% p.a. over rolling 3 year periods

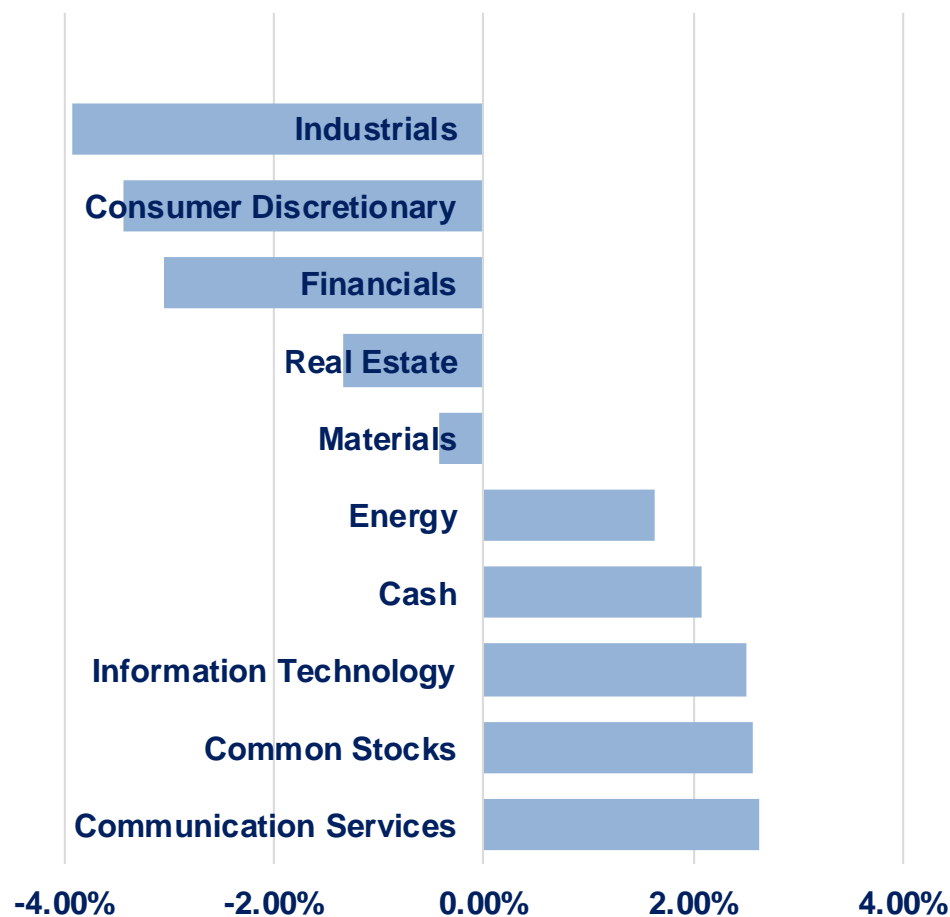
Emerging Markets Equity Performance Attribution



Past performance is not a reliable indicator of future performance and is not guaranteed.

Source: Northern Trust, Border to Coast

Emerging Markets Equity Portfolio Positioning



Source: Northern Trust, Border to Coast

Top 5*	Relative weight
Naspers	+1.91%
Taiwan Semiconductor	+1.72%
iShares South Africa ETF	+1.51%
Ping An Insurance	+1.40%
Sberbank of Russia	+1.10%

Bottom 5*	Relative weight
Tal Education	-0.43%
Xiaomi	-0.50%
Housing Development Finance	-0.60%
JD.com	-0.98%
Meituan Dianping	-1.86%

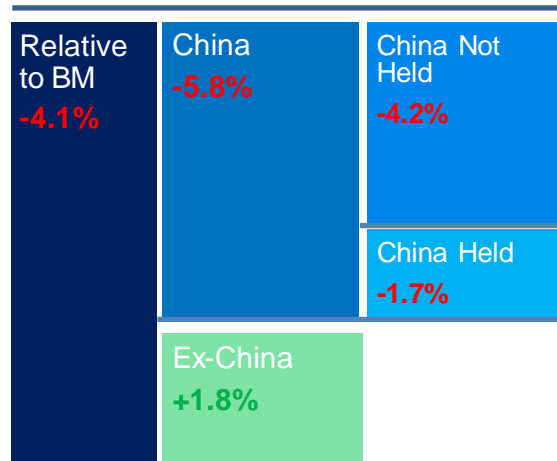
*Source: Northern Trust, Border to Coast

Emerging Markets Equity

China vs. Ex-China Performance

YTD 2020

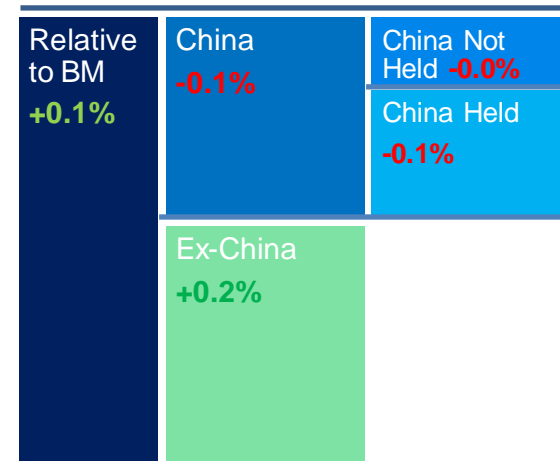
to 30/09/2020



Source: Northern Trust, Border to Coast

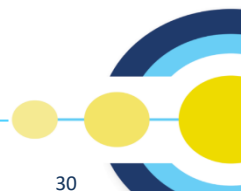
- Significant underperformance in China
- Outperformance in EM ex-China
- Weak stock selection in China – underweight highly valued e-commerce stocks; strong revenue growth, little sign of sustainable profits
- Significant changes to the benchmark – 1,100 Chinese stocks added in September 2019

2019



Source: Northern Trust, Border to Coast

- Demonstrates China impact has been a 2020 phenomenon



Border to Coast Pensions Partnership Ltd

Alternative Assets



Alternative Fund Range

Launched Alternative Asset Classes

	Private Equity <i>Investment in privately held companies</i>	Infrastructure <i>Real assets providing essential services</i>	Private Credit <i>Lending to privately held companies</i>
Series 1A	£500m	£675m	£580m
Series 1B	£485m	£760m	n/a
Target¹	10% p.a.	8% p.a.	6% p.a.

Border to Coast – Unregulated Collective Investment Scheme

Investments are held within an unregulated collective investment scheme which is not authorised or regulated by the Financial Conduct Authority.

¹ Measured over rolling three year periods net of costs.

Future forecasts are for illustration purposes only and are not a reliable indicator of future performance.

Alternatives – Areas of Focus

Private Equity

Investment in privately held companies

Operational Value Add

- Via business improvements

Buy & Build

- Scaling up businesses

Mid-Market Focus

- Greater opportunities

Co-Investments

- Lower fee structure

Asia

- Stronger economic growth

Sector Specialists

- Value creation & deal sourcing

Sector Themes

- E.g. Technology & Healthcare

Distressed

- Stage of business cycle & CV19

Infrastructure

Real assets providing essential services

Operational Value Add

- Focus on income

Sector Themes

- E.g. Energy transition, digital revolution

Greenfield

- Additional returns from development / extension

Emerging Markets

- Stronger economic growth and increasing infrastructure demand

Private Credit

Lending to privately held companies

Focus on Senior Debt

- Defensive approach at this stage of business cycle

Manager Track Record

- Experience of full economic cycle

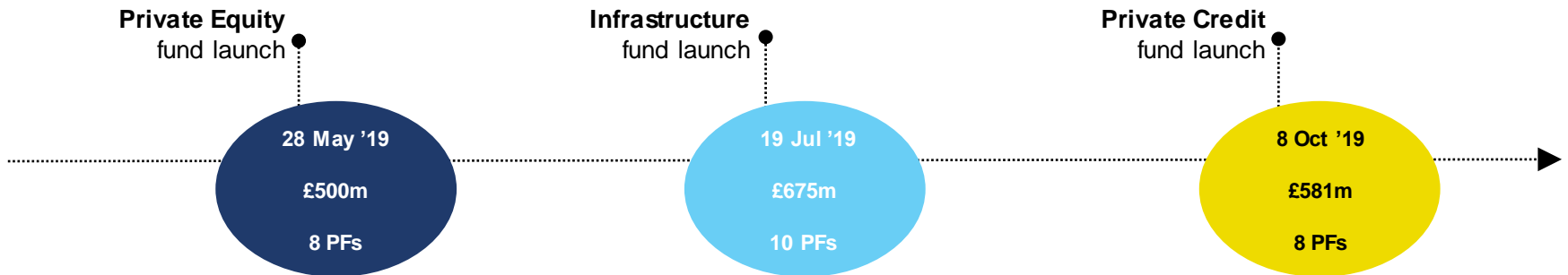
Stressed / Distressed

- Opportunities given stage of business cycle

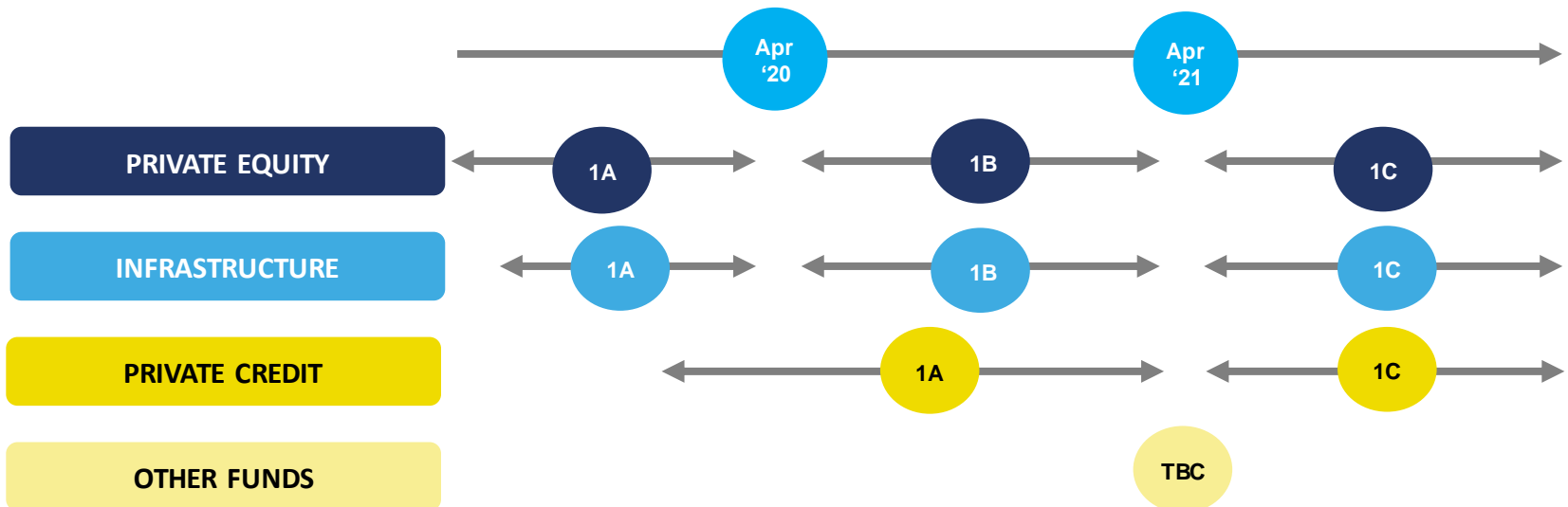
Focus on Real Assets

- Providing quality collateral – e.g. infrastructure assets

Alternatives – Launch Timeline



SERIES 1



Border to Coast Pensions Partnership Ltd

[Additional Information on our
Funds](#)



£14bn Active Equity Funds

	Internal			External	
	UK Listed Equity Fund	Overseas Developed Markets Equity Fund	Emerging Markets Equity Fund	UK Listed Equity Alpha Fund	Global Equity Alpha Fund
Approx. Size*	£3.9bn	£3.1bn	£0.7bn	£1.1bn	£5.0bn
Launch Date	July 2018	July 2018	October 2018	December 2018	September 2019
Benchmark	FTSE All Share	Regional Comp	S&P Emerging	FTSE All Share	MSCI All World
Target¹	BM +1% p.a.	BM +1% p.a.	BM +1% p.a.	BM +2% p.a.	BM +2% p.a.

Border to Coast – FCA Regulated ACS Structure

¹ Measured over rolling three year periods net of costs.

Future forecasts are for illustration purposes only and are not a reliable indicator of future performance.

* As at 30/09/2020

£4.5bn Fixed Income Funds

	Internal	External	
	Sterling Index Linked Bond	Investment Grade Credit	Multi-Asset Credit ²
Approx. Size*	£1.6bn	£2.9bn	£3bn
Launch Date	4Q 2020	1Q 2020	To Launch (Q2 2021)
Benchmark	FTSE AUK IL Gilts 15y	iBoxx GBP Non-Gilts	SONIA (Cash)
Target¹	BM +0.2% p.a.	BM +0.6% p.a.	BM +3 to 4% p.a.
Border to Coast – FCA Regulated ACS Structure			

*As at 30/09/2020

1 Measured over rolling five year periods net of costs.

2 Includes an internally managed EMD sleeve

Future forecasts are for Illustration purposes only and are not a reliable indicator of future performance.

Equity Funds

Performance to 30/09/2020

Internally Managed

Fund Name	QTD (%)			1 Year (%)			ITD (% p.a.)		
	Fund	Benchmark	Relative	Fund	Benchmark	Relative	Fund	Benchmark	Relative
UK Listed Equity Fund	-2.78	-2.92	0.14	-15.12	-16.59	1.47	-5.74	-7.28	1.54
Overseas Developed Equity Fund	2.94	2.42	0.52	5.21	3.22	1.99	6.43	5.13	1.30
Emerging Markets Equity Fund	1.91	4.00	-2.09	0.37	3.52	-3.15	5.43	8.33	-2.89

Externally Managed

Fund Name	QTD (%)			1 Year (%)			ITD (% p.a.)		
	Fund	Benchmark	Relative	Fund	Benchmark	Relative	Fund	Benchmark	Relative
UK Listed Equity Alpha Fund	0.47	-2.92	3.40	-12.85	-16.59	3.74	-1.13	-3.37	2.23
Global Equity Alpha Fund	0.96	3.35	-2.38	-	-	-	1.07	8.35	-7.28

Past performance is not a reliable indicator of future performance and is not guaranteed. Figures do not always sum due to rounding.

Source: Northern Trust, Border to Coast

Performance start dates: UK Listed Equity Fund, Overseas Developed Equity Fund – 26/07/2018; Emerging Markets Equity Fund – 22/10/2018

Fixed Income Funds - Performance to 30/09/2020

Externally Managed

Fund Name	QTD (%)			1 Year (%)			ITD (% p.a.)		
	Fund	Benchmark	Relative	Fund	Benchmark	Relative	Fund	Benchmark	Relative
Sterling Investment Grade Credit	1.49	1.16	0.33	--	--	--	9.91	9.08	0.83

Past performance is not a reliable indicator of future performance and is not guaranteed. Values do not always sum due to rounding.

Source: Northern Trust, Border to Coast

Performance start dates: Sterling Investment Grade Credit Fund – 18 March 2020.

UK Listed Equity Fund

Quarterly Performance Contributors

Fund	Portfolio weight (%)	Benchmark weight (%)	Contribution to performance (%)	Commentary
William Hill PLC (o/w)	0.63	0.15	0.29	US online sports betting market opportunity gathers pace and received cash bid from US JV partner Caesars Entertainment Inc.
Fresnillo (o/w)	0.66	0.12	0.23	Beneficiary of high gold and silver prices which continue to benefit from safe-haven status given economic uncertainty.
Antofagasta (o/w)	1.15	0.19	0.14	Benefited from higher copper prices - robust demand from China and virus-related supply restrictions at producers in the Americas.
Next PLC (o/w)	1.02	0.40	0.13	Improved profit guidance and lower net debt levels, as resilient trading through lockdown continues to exceed expectations.
Impax Environmental Markets PLC (o/w)	1.03	0.05	0.12	A leading ESG-focused fund, whose underlying holdings have seen sustained valuation increases.
Kingfisher PLC (u/w)	0.00	0.33	-0.09	DIY and home/garden improvements benefitted from lockdown, alongside property market boost from a stamp duty holiday.
3i Group PLC (u/w)	0.00	0.51	-0.10	Positive momentum in med-tech and personal care holdings alongside retail recovery - Action has seen strong online growth.
Flutter Entertainment (u/w)	0.00	0.79	-0.12	US sports betting gathers pace as states legalise online sports betting and US sports return; exposed to this trend via William Hill.
Scottish Mortgage Investment Trust (u/w)	0.00	0.78	-0.15	The trust has a global large-cap tech bias which benefited from lockdown; exposed to these trends via Allianz Technology Trust.
Ocado (u/w)	0.00	0.71	-0.19	UK online grocery demand increased significantly during lockdown and the switch to new supplier M&S seems to be received well.

Past performance is not a reliable indicator of future performance and is not guaranteed.

Source: Northern Trust, Border to Coast

UK Listed Equity Fund Largest Transactions

Purchases

AstraZeneca PLC (£14.0m)

strong revenue growth from portfolio of recently launched drugs, and broad late-stage pipeline.



GlaxoSmithKline PLC (£10.2m)

improving drug pipeline, strong market positions in vaccines, HIV, respiratory & consumer health-care, potential to improve margins.



Royal Dutch Shell 'B' (£13.0m)

added on weakness post dividend cut, write-down of fossil fuel assets and accelerating renewables expansion, given robust cash generation.



Sales

Antofagasta (£9.0m)

reduced overweight as shares outperformed due to robust Chinese copper demand and Covid-19 led supply restrictions.



ANTOFAGASTA PLC

Fresnillo PLC (£7.0m)

reduced overweight position as shares have continued to move higher, driven by safe-haven demand for gold/silver.



Overseas Developed Equity Quarterly Performance Contributors

Fund	Portfolio weight (%)	Benchmark weight (%)	Contribution to performance (%)	Commentary
NVIDIA Corporation (o/w)	0.93	0.48	0.13	Strong results and well received product launches for data centre and gaming processors.
Xinyi Solar (o/w)	0.24	0.00	0.10	Chinese policy supportive of industry growth prospects, leading to increased demand for solar products and positive trading update.
Baillie Gifford Shin Nippon (o/w)	0.37	0.00	0.06	Good underlying portfolio performance, and movement from a small discount to around a 4% premium to NAV.
Hyundai Motor (o/w)	0.33	0.17	0.06	Scale up of its electric vehicle (EV) business and launch of EV dedicated platform, combined with general recovery in auto sales.
JP Morgan Euro Smaller Comp. (o/w)	0.39	0.00	0.05	Rebound in smaller companies after significant under-performance in Q2; also benefited from rotating from quality into value stocks.
Daimler (u/w)	0.00	0.19	-0.04	The auto sector outperformed on the back of stimulus packages by various European countries which may result in increased demand.
AMD (u/w)	0.00	0.14	-0.04	Gains reflect expanding opportunity in accelerated computing solutions within the data centre market.
Vestas Wind Systems (u/w)	0.00	0.14	-0.05	Benefits from large orders in NA and governments encouraging green energy, particularly in EU following news of Green Deal
UPS (u/w)	0.00	0.17	-0.05	Surge in e-commerce fulfilment drove revenue growth whilst new CEO commits to re-focus on profitability metrics.
Citigroup (o/w)	0.32	0.13	-0.05	Discovery of control issues coincided with broad sector weakness, looming regulatory stress tests and the departure of the CEO.

Past performance is not a reliable indicator of future performance and is not guaranteed.

Source: Northern Trust, Border to Coast

Overseas Developed Equity Largest Transactions

Purchases

Vanguard US Mid-Cap ETF (£9.2m)

rotating money into smaller companies after a period of historically poor relative performance.



Samsung Electronics (£4.0m)

SAMSUNG

long term growth prospects remain positive supported by recent significant orders from Verizon and Qualcomm.

HK Exchanges (£2.9m)

long term growth prospects supported by positive catalysts such as secondary listings of Chinese companies.



Sales

WEC Energy Group (£6.2m)

full disposal after strong rel. performance as the Group's coal fired generation may face harsher regulations under Biden.



Apple Inc. (£5.5m)

taking profit at a historically high valuation; growing anti-trust concerns around the app store business.

China Mengniu (£4.9m)

full disposal of company as it moved out of the benchmark, investment case not strong enough to retain the holding.



Emerging Markets Equity

Quarterly Performance Contributors

Fund	Portfolio weight (%)	Benchmark weight (%)	Contribution to performance (%)	Commentary
Taiwan Semiconductor Manufacturing (o/w)	5.77	4.04	0.33	Increased demand for semi-conductor chips as the technology sector benefits from behavioural changes due to Covid-19
HCL Technologies (o/w)	1.17	0.17	0.27	One of India's leading business outsourcers with its e-commerce software business experiencing significant growth in earnings.
Alibaba Group (o/w)	8.61	7.68	0.24	Chinese e-commerce benefitted from increased domestic e-commerce and cloud computing businesses performing strongly.
Reliance Industries (o/w)	2.50	1.40	0.18	Substantial growth in Indian conglomerates telecoms and digital subsidiary, Jio which has attracted investors including Google.
Infosys (o/w)	1.31	0.72	0.15	Beneficiary of the Covid-19 crisis; concerns around accounting scandals, claims dismissed in court, have receded.
China Construction Bank (o/w)	1.73	0.91	0.22	General weakness in Banks due to impact of flatter yield curves on profit margins and risk of a sharp rise in non-performing loans.
China Overseas Land & Investment (o/w)	1.04	0.13	0.25	Property company, significant exposure to HK. Deteriorating earnings due to Covid-19 disruption and rising political tensions.
iShares Turkey ETF (o/w)	0.84	0.00	0.26	Depreciating currency, excessive monetary easing which may be inflationary, and escalating gas drilling tensions with Greece.
Largan Precision (o/w)	1.24	0.16	0.28	Delays in 5G roll-out delayed mobile upgrade cycle, plus order cancelled by Huawei due to adverse impact from US restrictions.
Meituan Dianping (u/w)	0.00	1.86	0.38	Chinese e-commerce food delivery platform has been a significant beneficiary of Covid-19 disruption.

Past performance is not a reliable indicator of future performance and is not guaranteed.

Source: Northern Trust, Border to Coast

Emerging Markets Equity Largest Transactions

Purchases

Norilsk Nickel (£4.3m)

Expected to be beneficiary of rising EV demand; environmental issues had negative impact but long term investment should reduce emissions.



Hon Hai (£3.1m)

Leading assembler of Apple smartphones, somewhat left behind in recent rally in technology shares; attractive valuation with signs of buoyant demand for Apple phones.



Guangdong Investments (£1.4m)

Chinese conglomerate whose main business is managing water resources which is a very stable, cash-generative business.



Sales

MediaTek (£4.8m)

Benefits from 5G advances, but reduced the holding following outperformance; Huawei restrictions adversely impacted competitor Qualcomm.

The logo for MediaTek, featuring the word 'MEDIATEK' in a bold, white, sans-serif font inside an orange, rounded rectangular shape.



Gerdau (£2.89m)

Exposure to the Brazilian steel producer was reduced as the stock has recovered back to its pre-Covid-19 highs.

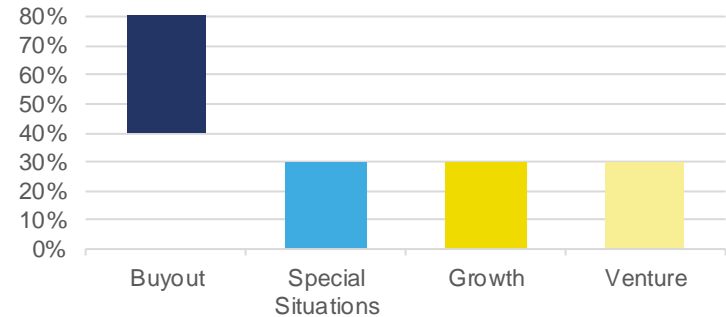
NetEase (£1.9m)

Exposure to this Chinese gaming company reduced following recent significant outperformance.

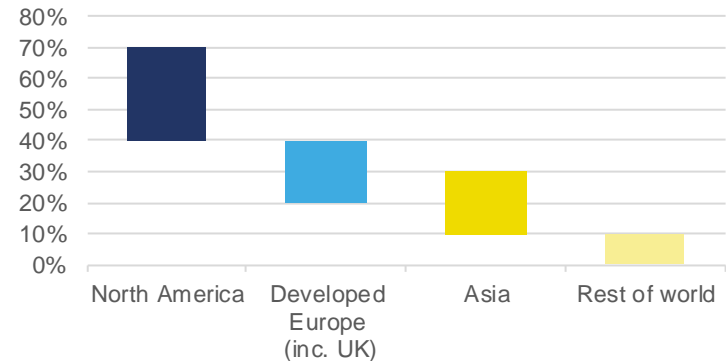


Private Equity: Asset Allocation

Strategy	Permitted Range ¹
Buyout	40 – 80%
Special Situations	0 – 30%
Growth	0 – 30%
Venture	0 – 30%



Geography	Permitted Range ¹
North America	40 – 70%
Developed Europe (inc. UK)	20 – 40%
Asia	10 – 30%
Rest of world	0 – 10%



Benchmark 10% p.a. (net)²

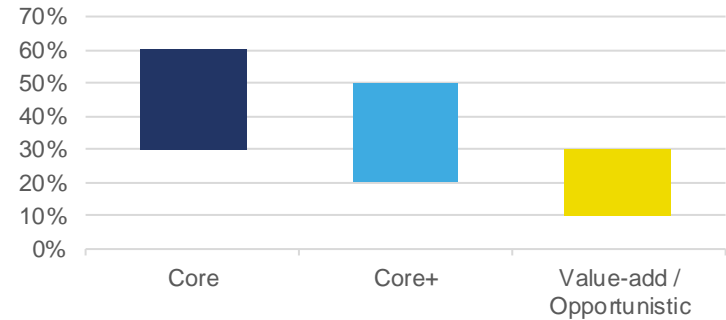
Series 1A Commitments £500m
Series 1B Commitments £485m

¹ Based on total commitments over a full Series (e.g. 1A, 1B, 1C)

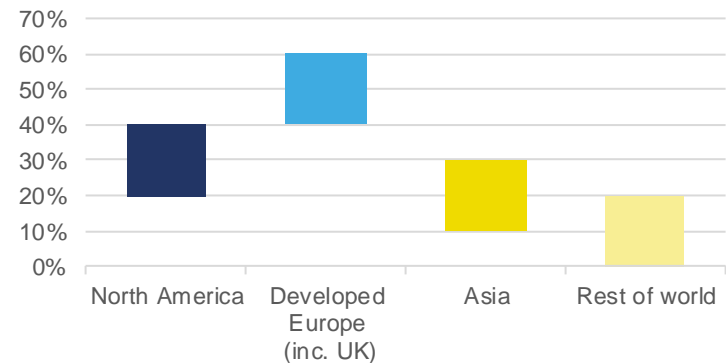
² Secondary benchmark – MSCI ACWI + 3% (PME+ basis)

Infrastructure: Asset Allocation

Strategy	Permitted range ¹
Core	30 – 60%
Core+	20 – 50%
Value-add / Opportunistic	10 – 30%



Geography	Permitted range ¹
North America	20 – 40%
Developed Europe (inc. UK)	40 – 60%
Asia	10 – 30%
Rest of world	0 – 20%



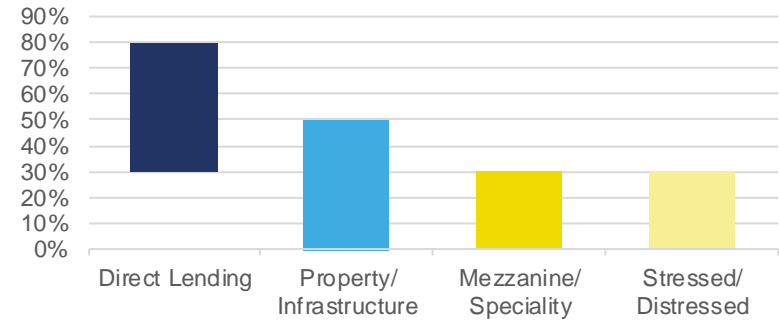
Benchmark	8% p.a. (net)
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Series 1A Commitments £675m
Series 1B Commitments £760m

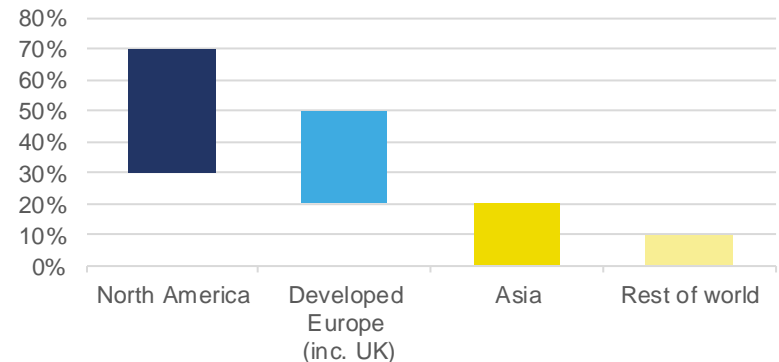
¹ Based on total commitments over a full Series (e.g. 1A, 1B, 1C)

Private Credit: Asset Allocation

Strategy	Permitted range ¹
Direct Lending	30 – 80%
Property/Infrastructure	0 – 50%
Mezzanine/Speciality	0 – 30%
Stressed/Distressed	0 – 30%



Geography	Permitted range ¹
North America	30 – 70%
Developed Europe (inc. UK)	20 – 50%
Asia	0 – 20%
Rest of world	0 – 10%



Benchmark 6% p.a. (net)

Commitments (1A/B) £581m

¹ Based on total commitments over a full Series (e.g. 1A, 1B, 1C)

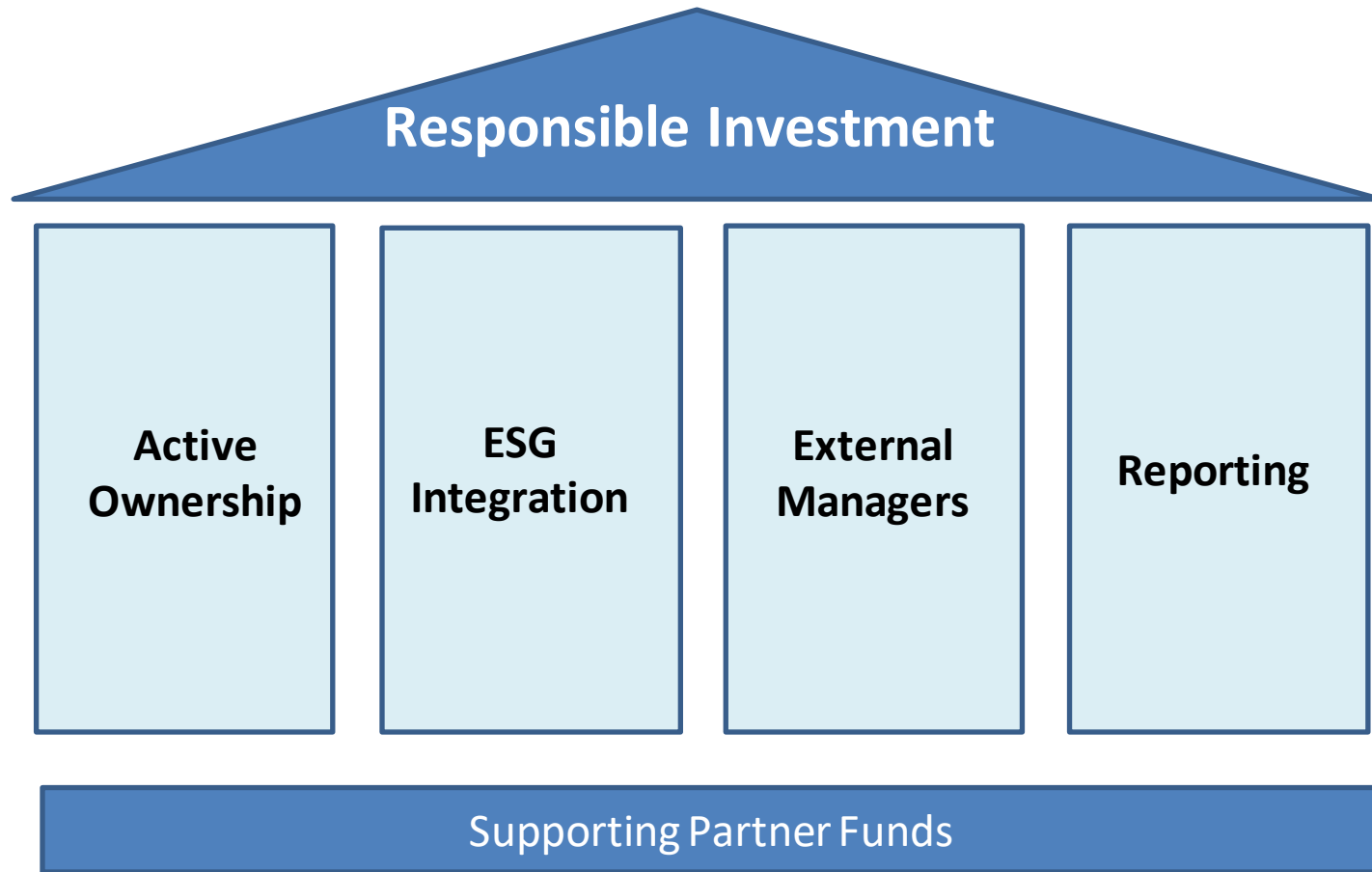
Border to Coast Pensions Partnership Ltd

Additional Information

**How we Manage Responsible
Investment**



How we manage Responsible Investing



Active ownership

- Collective RI and Voting Policies to leverage scale
- Voting internally and externally managed assets
- Voting and Engagement partner
- Co-file shareholder resolutions
- Collaborative engagement
- UN Principles for Responsible Investment



ESG integration

- Integrating ESG into investment process across all asset classes
- Quarterly screening and benchmarking
- ESG risks and opportunities considered at stock level
- Carbon footprinting equity and fixed income portfolios



Managing our external managers

- Manager days ahead of procurement launch
- RI included in selection and appointment process
- ESG and carbon screens
- Working with managers on standardising reporting
- Annual RI review meeting



Reporting

- RI activities published on our website
- Quarterly reporting – stewardship and voting
- Annual RI & Stewardship Report
- TCFD Report
- RI workshops and briefing papers for Partner Funds



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