

Brent Pension Fund

Pension Committee meeting

7th October 2026



Working **together** to deliver sustainable prosperity
for the communities that count on us all

www.londonciv.org.uk



| Agenda

1. Fit For Future: Progress in meeting the deadline
2. Working together with Brent
3. Governance and Engagement: Present State
4. Responsible Investment update
5. Local Investment update
6. Appendix

Fit For Future: Progress in meeting the deadline



Working **together** to deliver sustainable prosperity
for the communities that count on us all

Progress with meeting the Government deadline

1

Final statutory guidance completing the legislative process of the Pensions Bill 2026 for the LGPS issued on 29th June 2026 by MHCLG. Deadline for compliance with the Bill and transferring all assets into the Pool management is 30th September 2026.

2

Investment Management Agreement (IMA) and Service Level Description (SLD; to include Dispute resolution) documents agreed with Officers as a collective to ensure a uniform approach. 26 IMA's now signed (as at 22nd September 2026) i.e. circa 93% of circa £65bn under pool management. Majority of remaining IMAs expected by end of September.

3

- Alongside the IMA process, London CIV now supports all Partner Funds with their new Investment Strategy Statement (ISS) requirements, which were introduced under the LGPS Regulations 2026. Three Partner Funds in scope.
- SAA function has been up and running for almost a year; with two Partner Funds using the service.

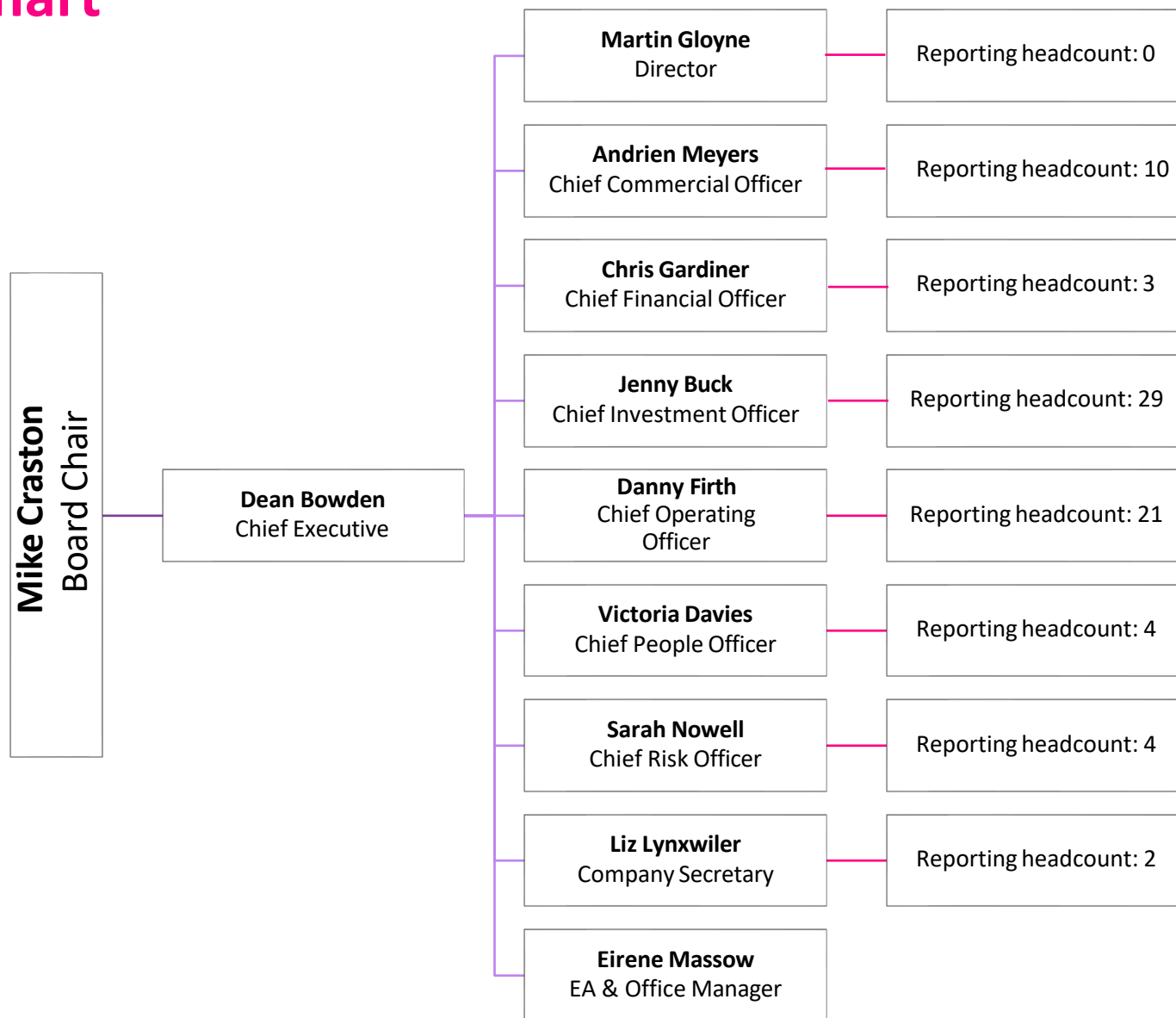
4

Reporting to the June-September 2026 period will be provided for all IMAs signed by 31 August 2026.



Organisation Chart

September 2026



Working together with Brent



Working **together** to deliver sustainable prosperity
for the communities that count on us all

Working together with Brent - Maintaining high levels of engagement and collaboration

1

Brent Pension Fund (BPF) signed the IMA on 11th June 2026.

2

- London CIV provided an Implementation Plan (27th August 2026)
- Per the agreed Implementation Plan, London CIV has engaged with BPF Officers to implement trades on their behalf

3

London CIV has reviewed the Fund's 2026 Investment Strategy Statement (ISS) and provided advice in accordance with Regs 2026 (24th September 2026).

4

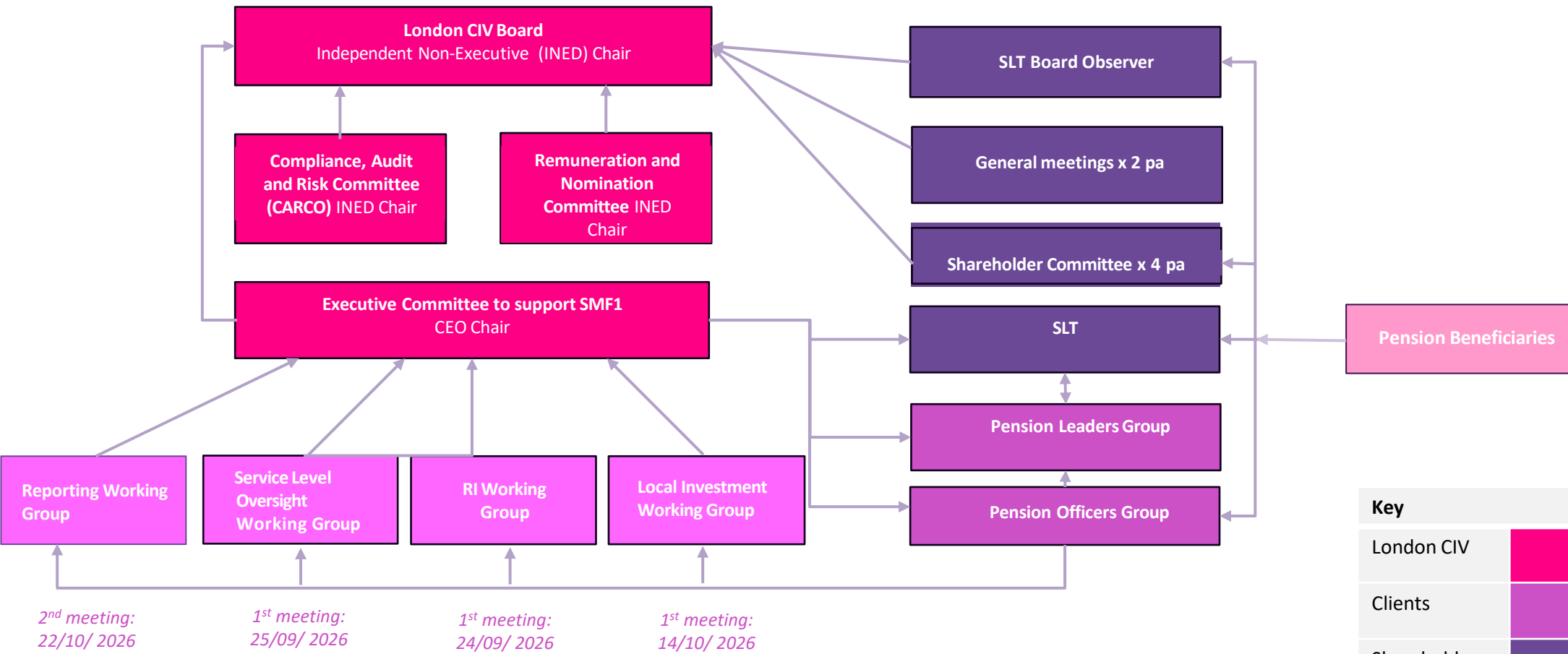
Reporting to the June-September 2026 period will be provided end of November 2026

Governance and Engagement: Present State



Working **together** to deliver sustainable prosperity
for the communities that count on us all

Partner Fund and Shareholder Touchpoints / Escalations



Governance and Engagement: Present State

- Pools to have appropriate governance model for an FCA regulated entity – LCIV Board and committees, and ExCo supporting SMF1.
- Shareholder engagement to be at appropriate level – 2 x GMs, 4 x Shareholder committees and Shareholder-representative non-executive directors (“NEDs”) and SLT Board Observer.
- Member input – Union representation as member of Shareholder Committee.
- SRO engagement and input essential – SLT, PLG, Pension Officer Group, and LCIV Working Groups (RI, Service Level Oversight, Reporting and Local), in addition to regular interactions.
- London CIV at all Pension Committee meetings.



Responsible Investment update



Working **together** to deliver sustainable prosperity
for the communities that count on us all



Responsible Investment update

- Administering authorities are responsible for setting their Responsible Investment Strategy.
- Guidance provides that RI strategies should not contain direction for divestment from individual countries, sectors and companies.
- Minister letter to SAB states that decisions on boycotts, divestment, and sanctions belong exclusively to UK foreign policy, not local authorities.
- In consultation with Partner Funds, the Exclusions Matrix was designed to meet the requirements of Government and Partner Funds.



Exclusions Matrix

Requirements

Guidance confirmed that Pools should work with Partner Funds to identify common approaches to RI. However, Government recognises that there are differing views and that Pools may provide a limited range of options.

LCIV exclusions Matrix

- Following the Government's recent announcement relating to defence and sanctions, several additional considerations have emerged which may have implications for aspects of the Matrix framework.
- We have sought further clarification from MHCLG to better understand any potential impact and have been advised that a response is expected within the coming weeks.
- The Working Group meeting will therefore provide an opportunity both to review the Matrix itself and to discuss the Government's announcement, any implications arising from it, and how best to progress the work in light of any further guidance received.
- Next steps, assuming approval, are to ascertain the demand for solutions to populate different cells of the Matrix.
- First product delivery likely to be a Pillar 3 version of the LCIV PEPPA and Core Global Equity Funds in Q1 2027.

	Pillar 1	Pillar 2	Pillar 3
Exclusions / Restrictions	Controversial weapons Includes incendiary weapons, cluster munitions, anti-personnel mines, biological and chemical weapons, blinding laser weapons and depleted uranium weapons (0% revenue exclusion)	Restrictions from Pillar 1	Restrictions from Pillar 2
	Non-conventional fossil fuel extraction 5% revenue exclusion	Controversial areas Includes adult entertainment, gambling, tobacco, and predatory lending (5% revenue exclusion threshold on each sector)	Weapons 5% revenue exclusion
		Companies breaching global norms and human rights standards	Companies officially listed by the UN as breaching human rights / international law in conflict zones



Local Investment update



Working **together** to deliver sustainable prosperity
for the communities that count on us all



| Local Requirements : What the Guidance Says

- Each administering authority (AA) is responsible for setting a target range to be invested locally. Allocation to include a target and range.
- Local means in or for the benefit of the region of the AA, or its pool.
- Local investment is not an asset class but may include investment in a range of assets classes including property, infrastructure, private equity and private debt. Investment in public investments are not likely to be considered local.
- Plans should be captured in an AAs ISS and:
 - Must take account of Local Growth Plans
 - May indicate that they will accept lower returns for local investments than for the rest of their portfolio
 - Should set out their preferences for the local area and region and sectors they wish the pool to target
- Local investments should have measurable beneficial impact and should be reported on annually.

Greatest Potential Sectors
Housing
Regeneration
Infrastructure
Clean Energy
Small and Medium Enterprise Finance
Natural Capital



Appendix



Our monitoring and oversight framework

- London CIV carries out regular monitoring and challenge of investment managers.
- Where concerns arise, London CIV can increase monitoring, challenge the manager more formally, require remedial action, or consider changes where appropriate.

Skill proposition: overall rating

Resourcing

Investment process

Responsible Investment & Engagement

Risk Management

Strategy execution

Business management

Value proposition: rating

Performance

Fees

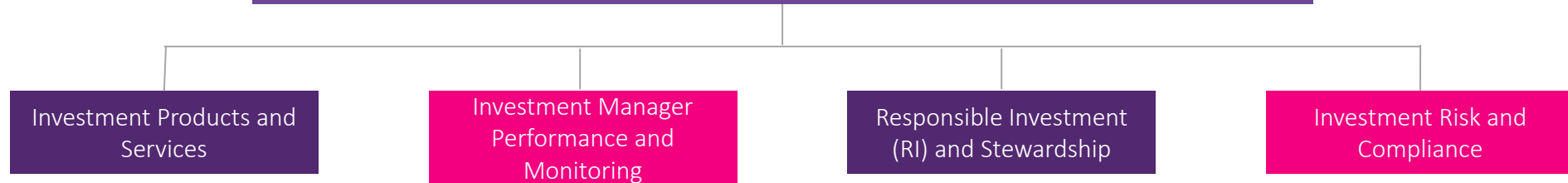


Executive Investment Committee (EIC)

Purpose

- Support the ExCo in the management of investment activity as part of the Company's operational arrangements
- Monitor the Public and Private markets fund performance
- Monitor external investment manager performance.
- Monitor the implementation and performance against the Board-approved climate and stewardship items
- Monitor relevant investment risks

Responsibilities



Quarterly Performance Report (QPR)

Please refer to the supplementary document 'LCIV QPR_Updated as at 020626'



Risk Disclosures (i)

Equity risk

Investing in equity securities may offer a higher rate of return than those investing in short term and longer-term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value as a result of changes in a company's financial position and overall market and economic.

Market risk

The market price of securities owned by a fund may go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, adverse changes to credit markets or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

Fixed Interest Securities

Fixed interest securities are particularly affected by trends in interest rates, inflation and market risk premium. If interest rates increase, capital values may fall and the amount of income paid may decrease and vice versa, such falls may be more pronounced in a low nominal interest rate environment. Inflation will erode the real value of capital. In addition, companies, particularly in emerging markets, may not be able to honour repayment on bonds they issue resulting in default. If perceived default risk or market risk increases, this may result in a larger risk premium.

Alternative assets

A Sub-fund may invest directly into alternative asset classes such as hedge funds and insurance-linked bonds or, through specific investment vehicles, into property, infrastructure, private (unlisted) companies and commodities. Returns from these investments are sensitive to various factors which may include interest and exchange rates, economic growth prospects and inflation, the occurrence of natural disasters, and the cost and availability of gearing (debt finance). Where a Sub-fund invests directly or indirectly in alternative asset classes there may be an increased risk of volatility in the price of that Sub-fund depending on the structure and investment policy of that Sub-fund.

Risk Disclosures (ii)

Inducements

In the provision of investment services to Partner Funds, London CIV may occasionally provide, accept or retain certain minor non-monetary benefits to or from third parties, including investment service providers who currently provide or may bid to provide investment services to London CIV. These may give rise to potential conflicts of interest where such minor non-monetary benefits could impair London CIV's obligations to act in the best interests of Partner Funds. Minor non-monetary benefits include business conferences offering hospitality, transport and accommodation, or day to day business meetings providing food and drinks.

To minimise the risk of conflicts, London CIV has adopted a Gifts and Entertainment Policy which is designed to ensure that any minor non-monetary benefits meet regulatory obligations, enhance the services provided and do not impair London CIV's ability to act in the best interests of Partner Funds. As such, the Gifts and Entertainment Policy set restrictions on the monetary values of minor non-monetary benefits to ensure that these are proportionate and reasonable.

London CIV may also host events such as conferences which may be sponsored by investment service providers. This sponsorship could create potential conflicts of interest, such as preferential treatment in the selection of investment managers or in the marketing of London CIV funds managed by conference sponsors. Arrangements have been put in place to ensure that such events are delivered for the sole benefit of Partner Funds and that no preferential treatment is given to any sponsor. Information about any such events and sponsorship is disclosed to Partner Funds during regular communications such as the London CIV's Monthly Business Updates and Newsletters.

Disclaimer

Other important information

London CIV Fourth Floor, 22 Lavington Steet, London, SE1 0NZ

Issued by London CIV Limited, which is authorised and regulated by the Financial Conduct Authority number 710618. London CIV is the trading name of London LGPS CIV Limited. This material is for limited distribution and is issued by London CIV and no other person should rely upon the information contained within it.

London LGPS CIV Limited offers the investment services of investment advice in relation to particular financial instruments, investment management of alternative investment funds, investment management of segregated client accounts, and ancillary services . Any other service provided is not regulated by the Financial Conduct Authority and therefore will not be subject to the protection and standards required for regulated services.

The information provided may include recommendations which are one-off communications limited to London CIV's products, services and strategies and are not intended to constitute, and should not be construed as a commitment, agreement, or duty by London CIV, to provide regular reviews of the client's portfolio or any other type of investment advice of ongoing nature as defined by MIFIDPRU 4.7. For ongoing investment advice, please consult your regular investment adviser.

This document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution would be unlawful under the laws governing the offer of units in the collective investment undertakings. Any distribution, by whatever means, of this document and related material to persons who are not eligible under the relevant laws governing the offer of units in collective investment undertakings is strictly prohibited. Any research or information in this document has been undertaken and may have been acted on by London CIV for its own purpose. The result of such research and information are being made available only incidentally. The data used may be derived from various sources, and assumed to be correct and reliable, but it has not been independently verified; its accuracy and completeness is not guaranteed, and no liability is assumed for any direct or consequential losses arising from its use.

No part of this material may be produced, reproduced, stored in retrieval system, published on any websites or transmitted in any form or by any means, electronic, mechanical, recording or otherwise, without the prior written consent of London CIV.

London LGPS CIV Limited is a private limited company, registered in England and Wales, registered number 9136445.



Thank-you



London
CIV

Working **together** to deliver sustainable prosperity
for the communities that count on us all

www.londonciv.org.uk