31 May 2020

Pension Fund

Asset Allocation (as at 31/03/2020)

- Equities: 30.4%
- Credit: 19.9%
- Others: 19.4%
- Emerging market debt: 19.2%
- Currencies: 10.8%
- Cash: 0.3%

The composition of asset mix and asset allocation may change at any time and exclude cash unless otherwise stated.

Fund Aim

To deliver positive absolute returns over rolling 12 month periods in all market conditions, by investing mainly in a range of absolute return funds which employ different strategies. The fund can invest in regulated and unregulated funds. This may involve investing up to 100% in funds managed by HBOS Investment Fund Managers Limited. Derivatives may be used for investment purposes, but it is not intended that doing so will change the fund’s risk profile. There is no guarantee that the fund will deliver positive absolute returns over the specific, or any, time period.

Basic Fund Information

- Fund Launch Date: 24/11/2008
- Fund Size: £1.9m
- Sector: ABI Specialist
- ISIN: GB00B29VB159
- MEX ID: CMABRE
- SEDOL: B29VB15
- Manager Name: Sonja Lami
- Manager Since: 01/06/2017

Top Ten Holdings (as at 31/03/2020)

1. BNY MELLON ABSOLUTE RETURN EQUITY FUND: 30.4%
2. ABSOLUTE INSIGHT CREDIT FUND SHARE CLASS S: 19.9%
3. ABSOLUTE INSIGHT DYNAMIC OPPORTUNITIES FUND: 19.4%
4. ABSOLUTE INSIGHT EMERGING MARKET DEBT FD CLS S GBP SHS: 19.2%
5. ABSOLUTE INSIGHT CURRENCY FD CLS S GBP SHS: 10.8%
6. INSIGHT LIQUIDITY FUND (ZERO MANAGEMENT FEE): 0.3%

TOTAL: 100.0%
### Past Performance

![Graph showing Past Performance](image)

- **Clerical Medical Absolute Return Pension**
  - Past performance is not a guide to future performance. Investment value and income from it may fall as well as rise, as a result of market and currency movements. You may not get back the amount originally invested.

#### Discrete Performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Absolute Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/03/2019 - 30/04/2020</td>
<td>-5.6%</td>
</tr>
<tr>
<td>31/03/2018 - 31/03/2019</td>
<td>-4.8%</td>
</tr>
<tr>
<td>31/03/2017 - 31/03/2018</td>
<td>1.6%</td>
</tr>
<tr>
<td>31/03/2016 - 31/03/2017</td>
<td>0.2%</td>
</tr>
<tr>
<td>31/03/2015 - 31/03/2016</td>
<td>-2.4%</td>
</tr>
</tbody>
</table>

Information is shown as unavailable if prior to the launch of fund.

#### Cumulative Performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Absolute Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>30/04/2020 - 31/05/2020</td>
<td>1.8%</td>
</tr>
<tr>
<td>29/02/2020 - 31/05/2020</td>
<td>-3.6%</td>
</tr>
<tr>
<td>31/05/2019 - 31/05/2020</td>
<td>-3.1%</td>
</tr>
<tr>
<td>31/05/2017 - 31/05/2020</td>
<td>-7.1%</td>
</tr>
<tr>
<td>31/05/2015 - 31/05/2020</td>
<td>-8.4%</td>
</tr>
</tbody>
</table>

Source: FE fundinfo as at 31/05/2020

Performance figures are in £ Sterling on a single pricing basis, with income (where applicable) reinvested net of UK tax and net of total annual fund charges. These figures do not include any initial charge or other product charge(s) that may be applicable.

### Quarterly Fund Manager Review

The Absolute Insight Fund generated a negative return over the quarter, net of fees, with the Absolute Insight Currency Fund’s positive performance not enough to offset negative performance in the four remaining funds. The Absolute Insight Currency Fund generated a positive return over the first quarter. For the majority of the period, we held a defensive set of positions, including short positions in the Australian dollar and Mexican peso, which we felt would continue to be vulnerable in the risk-off environment due to their growth sensitive nature. We ran a long position in the Japanese yen, primarily versus the USD, which performed well. The BNY Mellon Absolute Return Equity Fund generated a negative return, but our tight hedges and rapid reduction of gross exposure in March helped contain the potential drawdown. By the time markets fell sharply, gross and net exposures were already at the low end of our historical ranges, as we believed investors had been complacent to building risks. The Absolute Insight Credit Fund was positioned long in January, with performance mainly supported by market allocation and security selection. Our exposure to European financials was a notable contributor early in the quarter. Our UK residential holdings continued to perform well as investors grew more optimistic following December’s Brexit agreement. As the quarter progressed, our positions took a hit. The Absolute Insight Emerging Market Debt Fund’s performance started the quarter positively but turned negative into March as the conditions worsened. We raised significant cash early March, but liquidity conditions became difficult. We decided to hold many positions that were trading at undervalued levels – we expect to see meaningful recovery in prices over the coming months. The Absolute Insight Dynamic Opportunities Fund generated a negative return over the quarter. Price action in the European dividend futures market was worse than during the GFC and was one of the larger detractors from performance. Losses were incurred in range-bound and breakout strategies where the extreme price action saw several trades move through the embedded protection buffers. Losses were partially offset by strong returns from a range of defensive relative value trades.

Sonja Lami 31/03/2020

The views, opinions and forecasts expressed in this document are those of the fund management house. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact, nor should reliance be placed on these views when making investment decisions.