



Leicestershire Local Pension Board LGPS Central Limited

25 June 2025



Agenda

Leicestershire Local Pension Board



- 1 • *Welcome and introductions*
- 2 • *LGPS Central highlights*
- 3 • *LGPS Central investment approach*
- 4 • *Fit for the Future*
- 5 • *Closing comments*

LGPS Central Highlights

Our achievements



£45bn

Assets under our stewardship
(at 31 January 2025)

£12bn

Internally managed public market
assets

£108m

Gross savings generated to
(at 31 December 2024)

£360.7m

Projected gross savings
by 2033/34



28 Funds

Including two newly launched credit
vintages

1st Quartile

Flagship Global Equity fund
performance since inception (at
31 January 2025)

£6bn

In private market commitments
by Partner Funds

90

Colleagues



100%

Responsible Investment
Integrated Status

40%

Colleagues with a non-white
ethnic background

775

Companies engaged with on
ESG matters in 23/24

2050

Net Zero commitment on
assets under our stewardship



**UK Stewardship
Code**

Signatory

25%

Of private market deployed
investment is in the UK

£5.2bn

Pooled Assets invested
in the UK

£30m

Invested in
Local NHS Facilities

LGPS Central Highlights

Our approach



LGPS Central Pool

Governance and Stakeholder Engagement



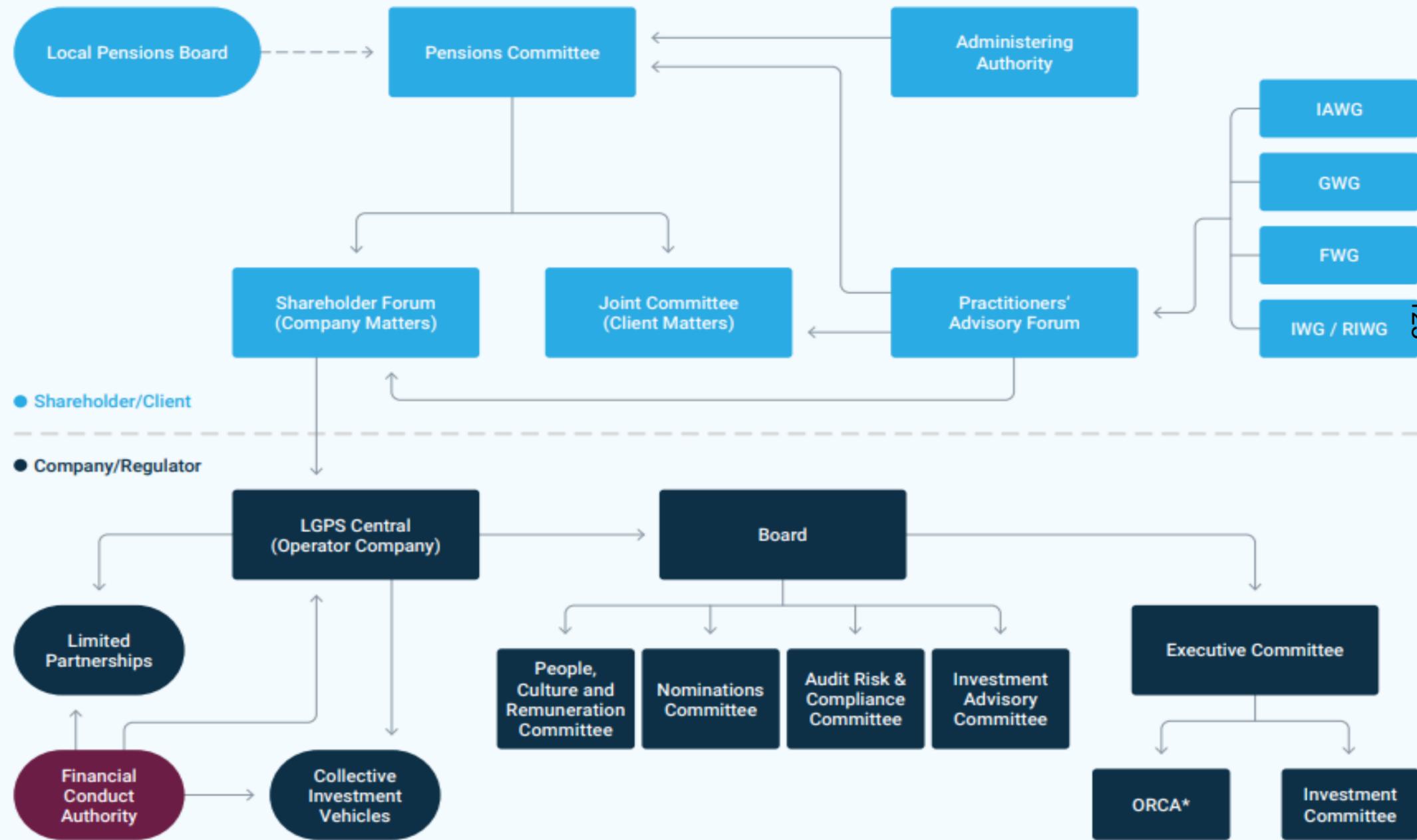
Frequent and regular dialogue and engagement takes place between the Board and LGPSC's clients and Shareholder representatives through Company and Partner Fund forums covering specific aspects of the Company's development and progress.

Company General Meetings

The Company's most recent annual general meeting was held on 24 September 2024. The key business discussed at that meeting included the non-executive director succession plan, Board continuity and the annual governance report to Shareholders. There were also routine updates from the Chair of the Board and the chair of each underlying sub-committee. Shareholders had an opportunity to question the Board and vote on resolutions, including the re-election of directors and the adoption of the Company's annual report and financial statements.

A general meeting was then held on 25 February 2025.

Figure 1: Governance Structure of the LGPS Central Pool



* ORCA is the Operations, Risk, Compliance and Administration Committee.



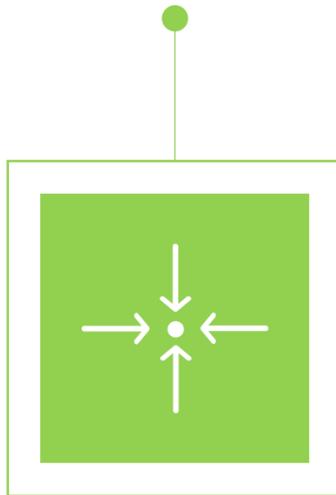
Investment Approach

LGPS Central Approach

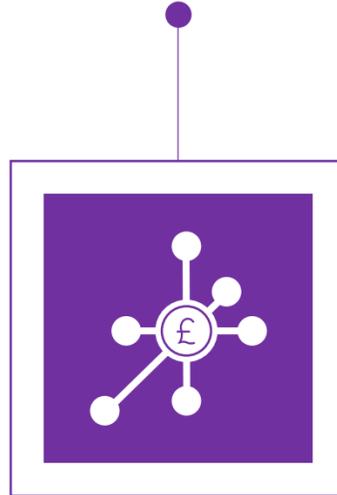
Investment beliefs are the core convictions that shape how LGPS Central approaches investing



Alignment of Interests



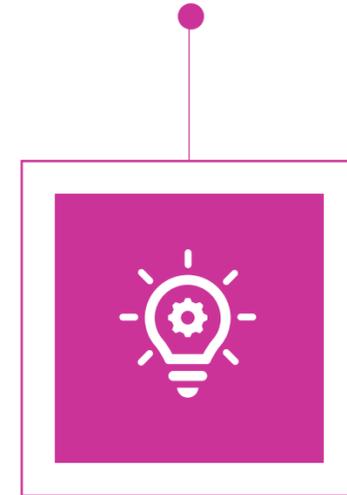
Diversification



Responsible Investment



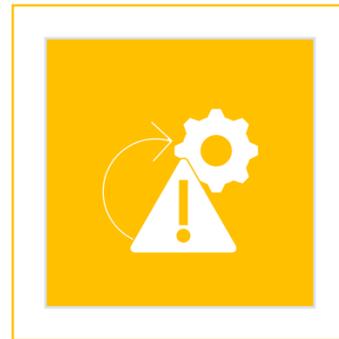
Innovation and Adaptability



Long Term Focus



Risk Management

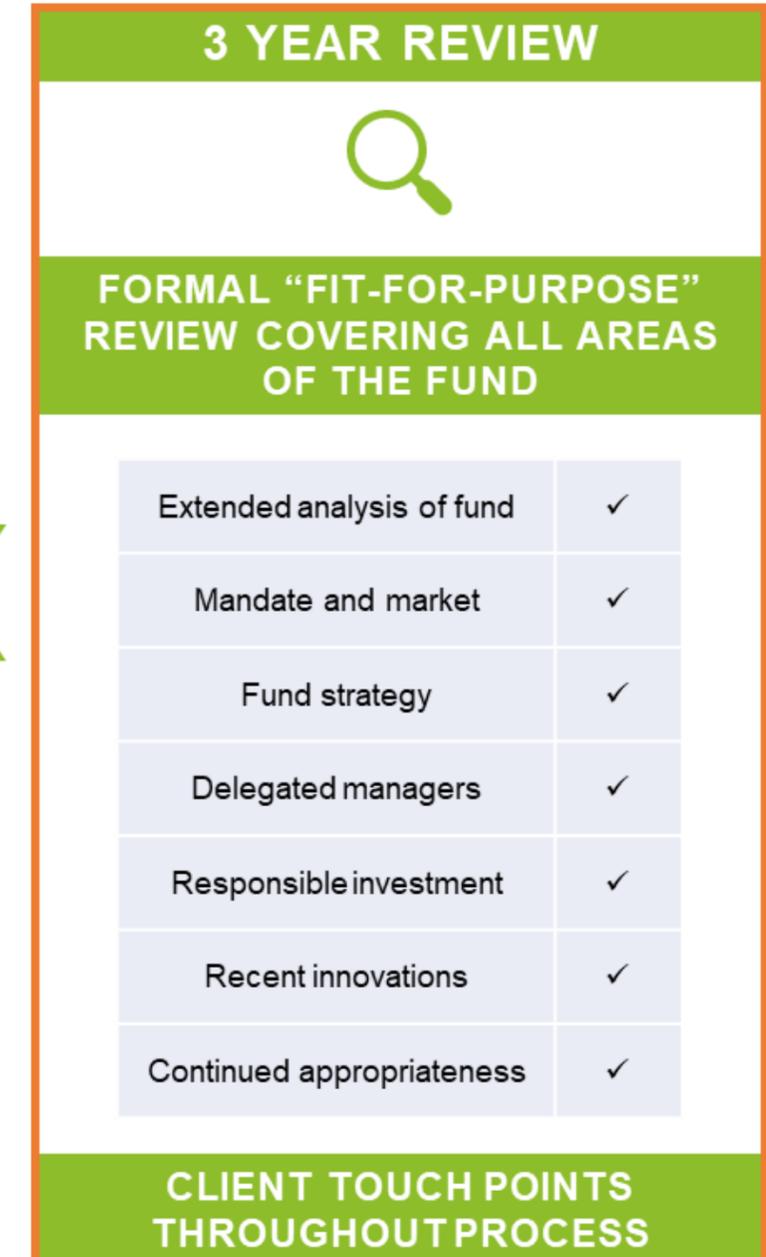
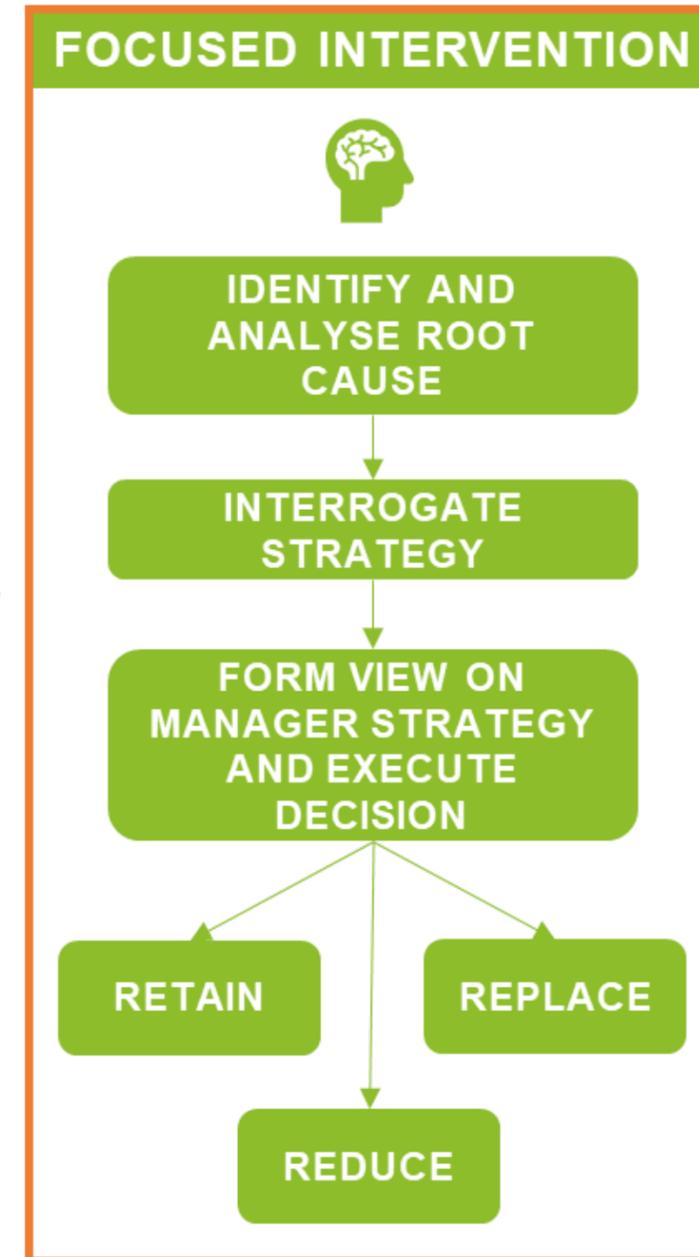
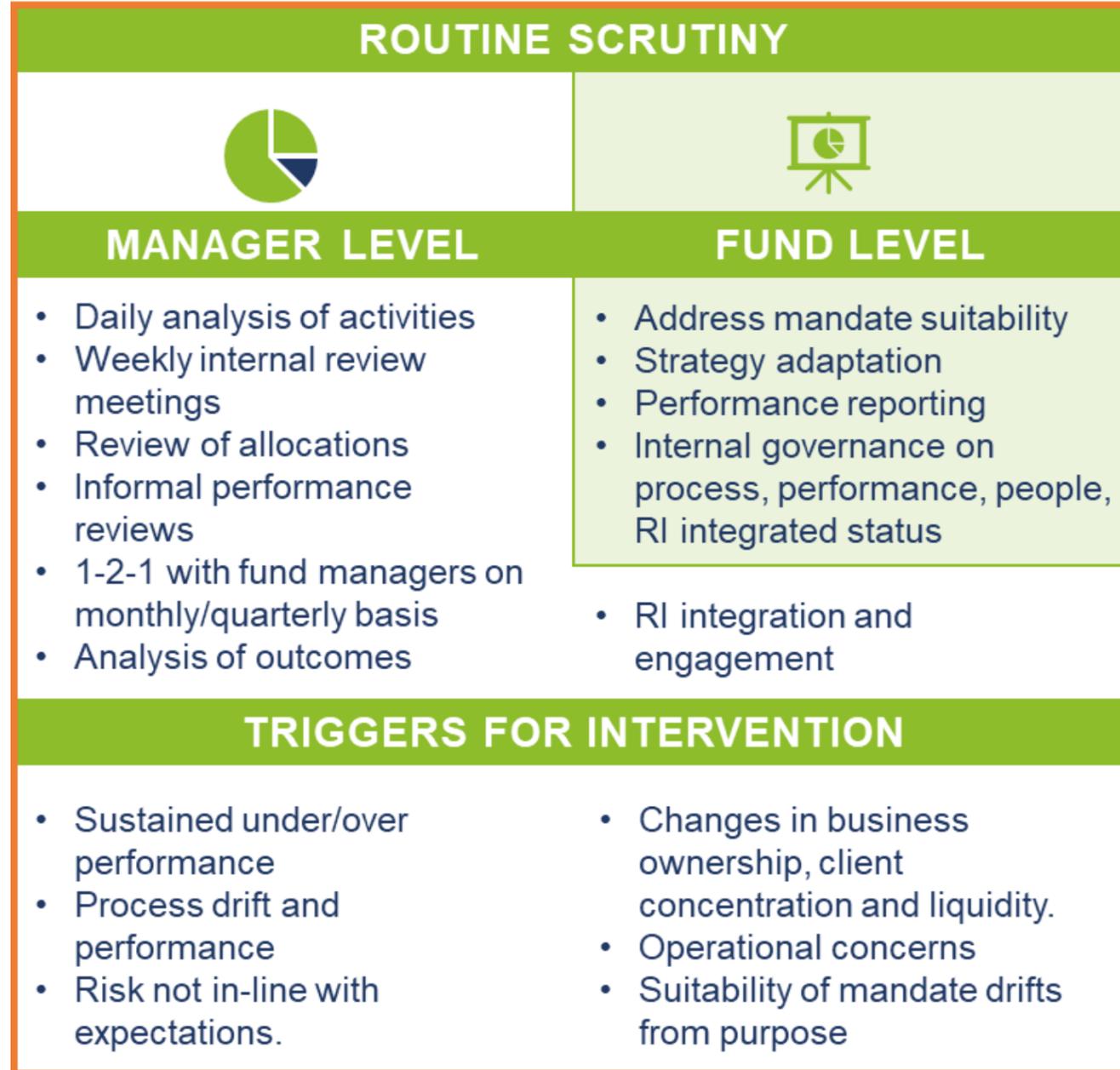


Value of Active and Passive



LGPS Central Approach

Manager monitoring



128

Leicestershire County Council Pension Fund



Investments with LGPS Central

Fund Name and Benchmark	Valuation 31/03/2025 (£m)	Date of First Investment	Performance (% p.a.)							
			Since First Investment		5 Years		3 Years		1 Year	
			Fund	B'mark	Fund	B'mark	Fund	B'mark	Fund	B'mark
LGPS Central Limited Global Equity Active Multi Manager Fund	783	February 2019	11.97	11.27	16.56	14.76	8.79	8.14	3.92	5.46
LGPS Central Limited All World Equity Climate Multi Factor Fund	843	December 2020	9.41	9.20	13.96	13.76	7.50	7.32	3.90	3.73
LGPS Central Global Active Investment Grade Corporate Bond Multi Manager Fund	167	April 2020	0.46	-0.05	1.36	0.86	0.50	0.15	4.89	3.82
LGPS Central Global Multi Asset Credit Multi Manager Fund	426	April 2021	1.16	3.32	-	-	2.75	4.32	5.80	4.97
Under Pool Management	Valuation as at 31 March 2025 (£m)	-	-	-	-	-	-	-	-	-
LGPS Central LGIM Passive Funds Oversight and Stewardship Services	1,123	-	-	-	-	-	-	-	-	-
Total Public Markets Under Pool Management	3,342	-	-	-	-	-	-	-	-	-

Total
Proportion
Pooled:
c. 58%

Source: LGPS Central, figures subject to rounding

Leicestershire County Council Pension Fund



Investments with LGPS Central

Private Markets	Closing Value 31/12/2024 (£m)	Leicestershire Commitment (£m)	Total PF Commitments (£m)	Drawn	IRR	B'mark	Target
Direct Property	67	120	130	61%	4.9%	MSCI +0.5%	
LGPS Central PE Primary Partnership 2018 LP	9	10	150	90%	11.4%	12.2%	16.2%
LGPS Central Core/Core Plus Infrastructure Partnership LP	143	235	1,104	68%	6.3%	5.8%	9.3%
LGPS Central Value Add/Opportunistic Infrastructure Partnership LP	2	30	266	26%	3.8%	5.8%	10.8%
Private Credit I	36	60	305	69%	8.7%	12% - 14%	
Private Credit II	163	240	1,165	76%	9.8%	6% -8%	
Private Credit IV	65	117	587	66%	1.2%	4.5% - 6%	
LGPS Central PE Primary Partnership 2021 LP	10	30	365	31%	14.0%	13.6%	17.6%
LGPS Central PE Primary Partnership 2023 LP	6	80	315	7.8%	Not meaningful		
LGPS Central Private Credit Direct Lending Partnership 2024 LP	-	180	460	-	-	-	-
LGPS Central Private Credit Real Asset Partnership 2024 LP	-	100	198	-	-	-	-
Total Private Markets	501	1,202	5,045	-	-	-	-

Total Proportion Pooled: c. 58%

130

Source: LGPS Central, figures subject to rounding



Fit for the Future

LGPS Central Plan

Fit for the Future

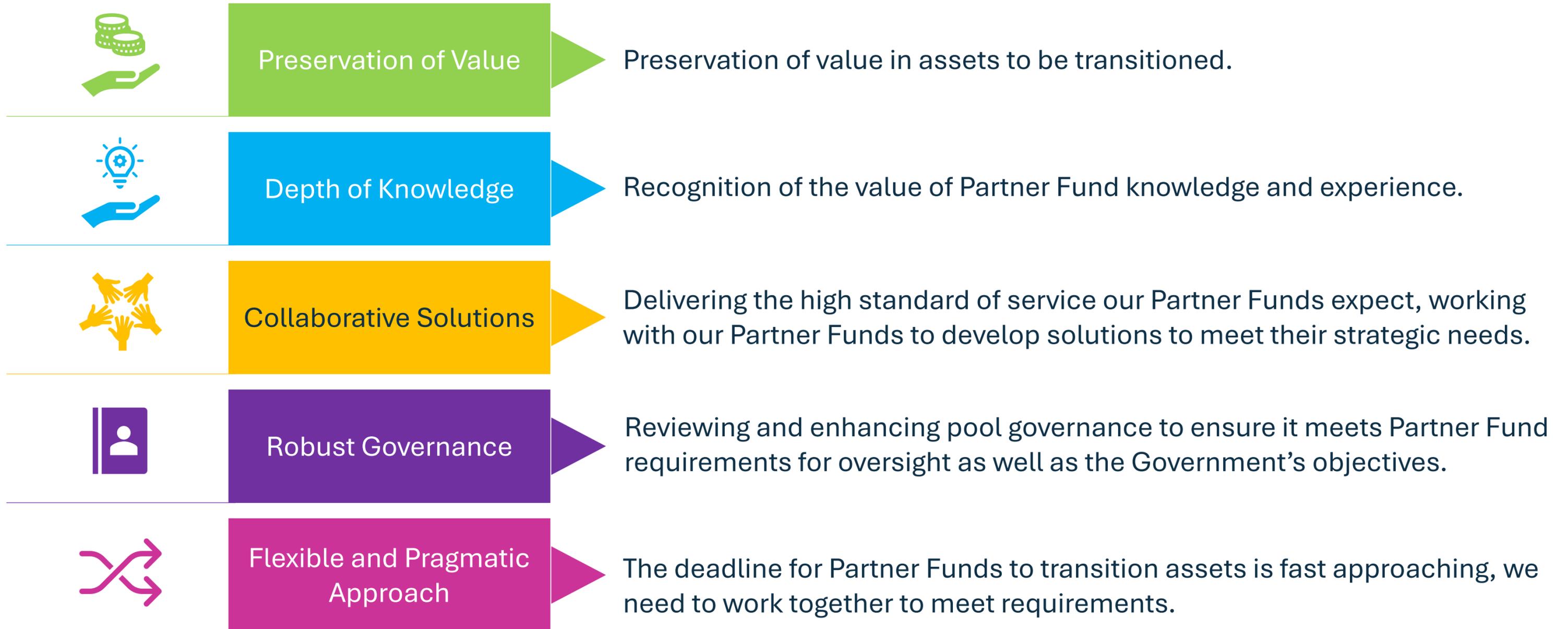
Government Requirements



- 1 Administering Authorities would remain responsible for setting a high-level investment strategy for their fund but would be required to use the pool as the principal source of advice on their investment strategy
- 2 Authorities would be required to fully delegate the implementation of their investment strategy to the pool
- 3 Pools would be required to be established as investment management companies authorised and regulated by the FCA, with FCA permission to provide advice and with the expertise and capacity to implement investment strategies
- 4 Administering Authorities would be required to transfer all assets, including legacy assets, to the management of the pool
- 5 Pools would be required to develop the capability to carry out due diligence on local investments and to manage such investments

Working with our Partner Funds

Implementation of the LGPS Central Fit for the Future Plan



Appendices



About LGPS Central

LGPS Central at a Glance



CORE SERVICES:

- Investment Management
- Asset Pooling
- Advisory Services
- Responsible Investment Advisory, Analytics and Reporting

OUR STORY:

- Founded in 2017 by eight Partner Funds - AUM £62bn
- ~70% of partner fund assets pooled so far
- 27 investment funds across seven asset classes
- FCA regulated
- Over £6bn committed in Private Markets

TEAM:

- A team of 90 experienced professionals including investment specialists covering all asset classes, with a strong focus on responsible investment, supported by professionals in legal, finance, risk management, technology, procurement, programmes, people and culture, and client services
- 43% from non-white ethnic backgrounds
- 50% of Board members are female

UK Investment



£10.8bn
of assets
invested in the UK



£825m (28.6%)
of private market
investment
is in the UK



£2.3bn
of committed
funds are
available to make
further investments



**Direct UK
Property Fund**
initially attracting
£130 million in
commitments to date

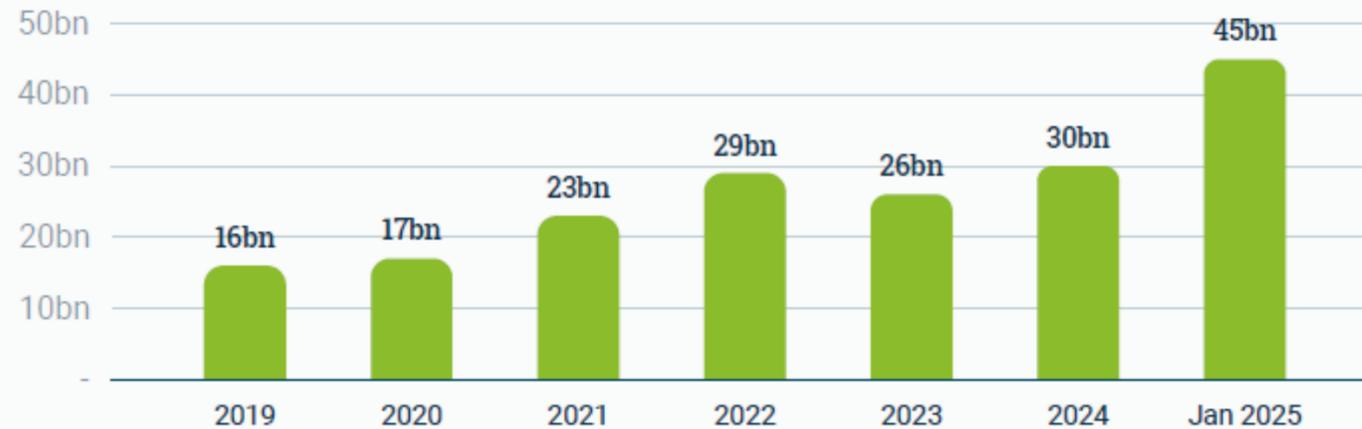


**Residential UK
Property Fund**
focused on assets
in the social,
affordable and
private rented sector
initially attracting
commitments of
£115 million to date

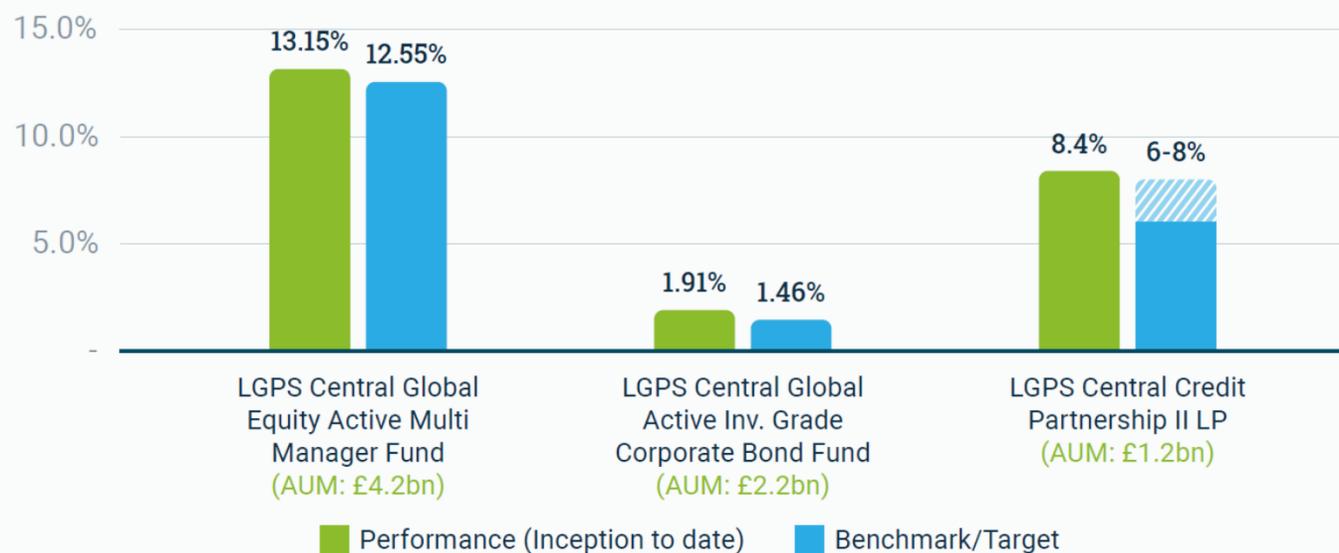


£30m
invested in local
NHS facilities

Assets Under Stewardship



Performance Highlights



Cost Efficiency and Value



£108m gross cost savings achieved since inception



£361m gross cost savings forecast by 2033/34



Over £12bn of internally managed public market assets

Responsible Investment & Stewardship



Voted at 3,432 meetings comprising of 41,754 resolutions



5-star UN PRI scores in five out of six categories



Signatories of the **UK Stewardship Code** since 2021



All Partner Funds producing **TCFD-compliant Climate Reports**

Governance

Stakeholder Engagement



Shareholder Forum

The Shareholder Forum comprises a representative of each of the Administering Authorities and its primary role is to oversee the operation and performance of the Company and to ensure that the ownership rights and interests of the Administering Authorities are represented. It is a forum for discussing shareholder matters, including reserved matters under the Shareholders' Agreement.

Joint Committee

The Joint Committee is a public forum for the Administering Authorities to perform oversight of client matters and is made up of one elected member per authority. The Joint Committee meets twice a year, and its role is to support and provide assistance, guidance and recommendations to the individual Administering Authorities in connection with Company-related investment issues.

The Company provides updates to the Joint Committee on investment performance, manager oversight, responsible investment and engagement, and its key operational performance indicators.

PAF (Practitioners Advisory Forum)

PAF comprises officers of the Administering Authorities, and its over-riding objectives are to collectively ensure that the pool meets the statutory requirements for investment pooling and to agree a programme of products that meet the needs of all Partner Funds. The Company provides PAF with updates on key strategic and business items. Discussions during the year have included an update on key elements of the Company's business plan, people strategy, operational resilience, programme of assurance and controls reporting.

Governance

Stakeholder Engagement



Investment Working Group (IWG)

The IWG comprises representatives from each of the eight Partner Funds. The Company provides monthly updates relating to investment fund development and performance. The IWG is the principal mechanism through which collective Partner Fund views are sought on the development and evolution of the Company's investment funds. Discussions have included the development of new funds and progress updates on fund implementation, due diligence and manager selection protocols, RI&S Stewardship updates, market outlook, fund factsheets and other reporting.

Responsible Investment Working Group (RIWG)

The RIWG includes representatives from some of the eight Partner Funds and the Company's RI&S team and meets regularly throughout the year. The Company provides updates and worked with the group on topics such as climate change, the use of plastics, voting and engagement issues, consultations and climate risk reporting.

Other Working Groups

IAWG (Internal Audit Working Group)

GWG (Governance Working Group)

FWG (Finance Working Group)

LGPS Central Limited

Contacts



Richard Law-Deeks
Chief Executive
Officer

E: Richard.Law-Deeks@lgpscentral.co.uk



Trevor Castledine
Chief Commercial
Officer

E: Trevor.Castledine@lgpscentral.co.uk



Jayne Atkinson
Chief Investment
Officer

E: Jayne.Atkinson@lgpscentral.co.uk

DISCLAIMERS

This document has been produced by LGPS Central Limited and is intended solely for information purposes. Any opinions, forecasts or estimates herein constitute a judgement, as at the date of this report, that is subject to change without notice. It does not constitute an offer or an invitation by or on behalf of LGPS Central Limited to any person to buy or sell any security. Any reference to past performance is not a guide to the future.

The information and analysis contained in this publication have been compiled or arrived at from sources believed to be reliable, but LGPS Central Limited does not make any representation as to their accuracy or completeness and does not accept any liability from loss arising from the use thereof. The opinions and conclusions expressed in this document are solely those of the author.

This document may not be produced, either in whole or part, without the written permission of LGPS Central Limited.

Share Class and Benchmark performance displayed in GBP.

Performance is shown on a Net Asset Value (NAV) basis, with gross income reinvested where applicable.

All information is prepared as of 11 June 2025.

This document is intended for **PROFESSIONAL CLIENTS** only.

LGPS Central Limited is authorised and regulated by the Financial Conduct Authority, Registered In England, Registered Office: i9 Railway Drive, Wolverhampton, WV1 1YD



“One central team, working in **partnership** to invest with **purpose** and deliver **superior** returns”



This page is intentionally left blank