London LGPS CIV Limited

Annual Report and Financial Statements

For the reporting year ended 31 March 2026

Registered company number 09136445

Authorised and regulated by the Financial Conduct Authority No. 710618

LCIV: Who We Are

Our Purpose

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

Our Values

Collaboration

We work together to build and sustain strong partnerships both internally and externally

Responsibility

We are committed to deliver on our promises, meet the needs of our stakeholders and go the extra mile

Diversity

We respect and celebrate our differences and create an inclusive environment where everyone feels welcome

Integrity

We act with honesty, ethics, and respect in everything we do

London CIV was established as a collective venture to pool LGPS pension assets. London CIV is one of six LGPS investment pools in England and Wales, and supports more than a third of local authority pension funds nationwide.

We support our Partner Funds across three core areas: Investment Advice; Investment and Asset Management; and Administration and Pension Support Services. Each of these is delivered through a combination of specialist capabilities and services described throughout this report.

Our purpose reflects not just our commitment to our Partner Funds, but also the broader benefits that can be achieved through pooling. This includes enhancement of our Partner Funds' communities, through local investment, impact investment into areas such as housing and nature, and reducing the overall cost to Partner Funds through strong performance and efficiency.

In practice, this means investment at scale, improving value for money, providing access to high-quality opportunities, and strengthening governance through a collective approach.

During the financial year, our shareholders were the 32 London Local Authorities and the City of London (our "Partner Funds"), making us the pool with the largest number of Partner Funds. On 1 April 2026, Buckinghamshire Council also joined London CIV taking us to 33 shareholders.

Our Business Model

LCIV acts as portfolio manager for certain funds and delegates portfolio management for others within defined frameworks. Across all funds, we utilise a range of UK authorised and unauthorised structures appropriate to the relevant asset class and investment strategy, and consistent with regulatory and fiduciary requirements.

We work closely with our Partner Funds, recognising distinct roles and responsibilities while maintaining a coordinated approach. Our operating model combines internal expertise with outsourced services and delegated investment managers, providing flexibility while ensuring consistent implementation of investment decisions at scale.

In response to Fit for the Future, the model continues to evolve to ensure the business remains well positioned to meet Partner Fund requirements, supported by a structured approach to development:

- **Aggregation**: building scale through strategic partnerships to reduce costs.
- **Simplification**: leveraging external expertise to broaden services in a cost-efficient manner.
- **Migration**: progressively building in-house capabilities to enhance control and deliver further efficiencies.

Our approach supports a cost-aware operating model, with a disciplined focus on reliable delivery and appropriate use of resources.

Our Progress: The Year at a Glance

LCIV: Key Figures

£38.5bn
+13%
Total value of London CIV assets: pooled and deemed pooled

£21.1bn
+9%
Total value of assets managed by London CIV

£17.4bn
+17%
Total value of passive assets deemed pooled

£2.7m
+125%
Additional gross annualised fee savings negotiated in year on LCIV public market funds

London's LGPS landscape

769,542
No. of London LGPS members as at 31 March 2026

£52.7bn
Total asset value of London's LGPS at 31 March 2025

Strategic Report

In this section

Chair's Statement
Mike Craston

"When I reflect on the last year, I am struck by how quickly and fundamentally the LGPS landscape has changed. For LCIV, it has been another year defined by collaboration, purposeful evolution and growth of the business and strengthening our leadership, all to ensure we remain resilient and fit for the future."

The LGPS landscape continues to evolve towards more integrated pools, underpinned by stronger governance and clearer accountability. The passing of the Pension Schemes Act in April 2026 has established a broader framework to support efficiency, consolidation and improved long-term outcomes for savers.

Together, these developments represent a significant step forward for the LGPS, creating a more coordinated and regulated system with a clear focus on scale, delivery and long-term sustainability. Against this backdrop, LCIV's role in supporting Partner Funds to deliver sustainable prosperity for the communities we serve is more important than ever.

This report highlights a number of examples where collaboration has strengthened the business. A clear demonstration of this was the speed with which our Partner Funds strengthened our regulatory capital through the subscription of B shares. It is this collective commitment that also enabled Buckinghamshire Pension Fund to join the pool, with the strong backing of existing Partner Funds.

Board Priorities

The Board's priorities during the year were focused on supporting management in the delivery of the Company's strategy, particularly in the context of the Government's Fit for the Future LGPS reforms. This included maintaining close oversight of the evolving operating model, ensuring that the business is appropriately structured, resourced and governed to meet new expectations.

The Board provided challenge and guidance across key areas including financial resilience, capital adequacy, service delivery and the development of new capabilities, including our Strategic Asset Allocation (SAA) service delivered through a dedicated team, and LGPS PASS our modular advisory and support service for Partner Funds. This included the continued evolution of our investment product range, including enhancements to public market offerings and the ongoing alignment of funds to Partner Fund requirements.

During the year, we maintained a strong focus on the performance of our investment products. We provided robust challenge where outcomes were not meeting expectations and oversaw a programme of actions to strengthen manager selection, portfolio construction and monitoring processes. In undertaking these activities, we remained focused on ensuring that progress was achieved in a measured and pragmatic way, balancing the pace of change with the need to maintain stability and deliver consistent outcomes for Partner Funds.

The Board also maintained a focus on workforce engagement and morale, recognising the importance of supporting people through a period of sustained change. Regular updates from management provided visibility of staff sentiment, resourcing levels and well-being considerations, including the impact of organisational growth and external factors such as increased scrutiny and stakeholder attention. The Board encouraged a proactive and transparent approach, including clear internal communication and appropriate support mechanisms, to ensure that the culture of the organisation remained strong and that employees felt supported and able to perform at their best.

Board Composition

The effectiveness of any organisation depends on having the right people in place, and this extends to the composition of the Board. As reported at the January 2026 General Meeting, the two shareholder-nominated Non-Executive Director roles remained vacant.

During the year, the Board worked with London Councils to identify suitable candidates, and I am pleased to report that Cllr Dominic Twomey joined the Board in April 2026. However, London Councils advised that a further nomination to fill the remaining shareholder nominated director would not be made ahead of the May 2026 elections.

The Board was mindful of the importance of maintaining a strong shareholder voice in its discussions. Accordingly, it was agreed to appoint Cllr Rishi Madlani, as a Board Advisor until 31 December 2026.

Chair’s Statement continued

Board and Senior Leadership Diversity

At Board level, gender diversity among our Non Executive Directors is balanced at 50:50 (excluding Shareholder-nominated NED roles).

The LCIV Board Diversity Policy recognises ethnicity as a key dimension of diversity and requires it to be considered in Board composition. We have previously articulated an aspiration to meet the Parker Review objective of at least one ethnically diverse Board member by, or as soon as practicable after, 2021. While this objective was achieved in 2021 it has not been met since the 2024 resignation of Cllr Ravindra Govindia from the Board.

The Board remains committed to the benefits that a diverse workforce brings across an organisation. The Board approved Diversity Policy sets targets in respect of senior staff and currently we exceed those targets:

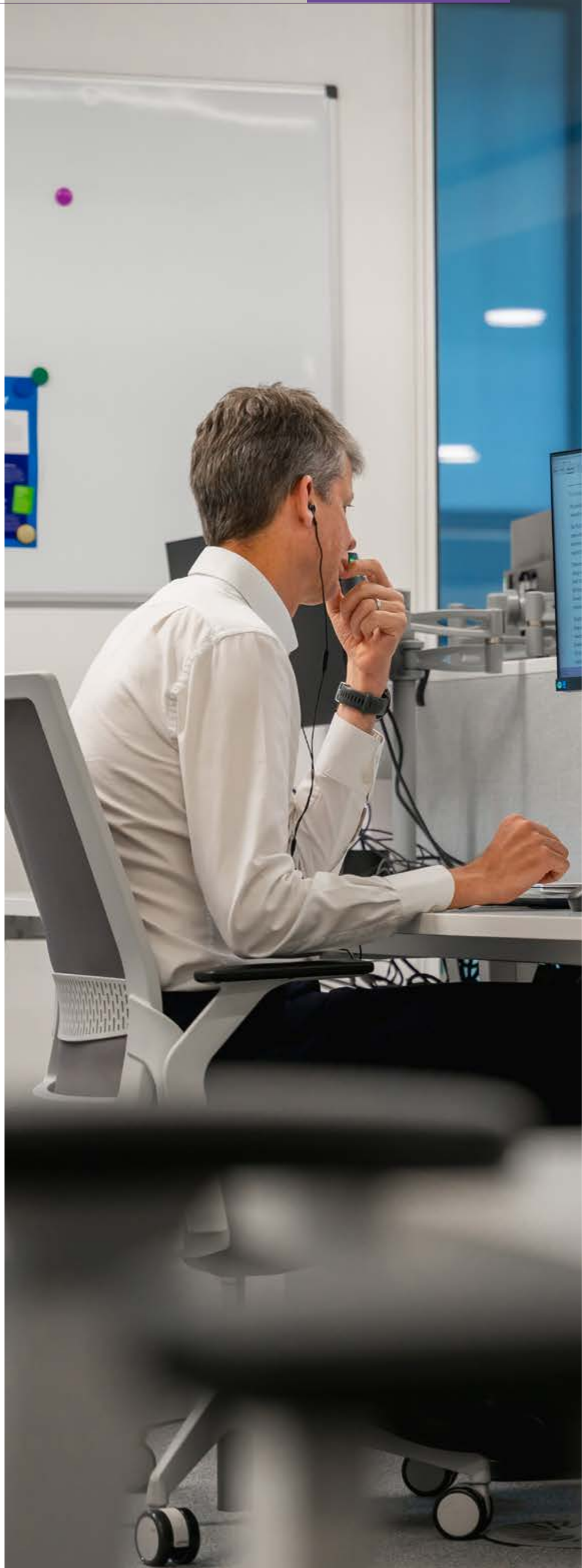
- 48% held by women vs 40% target
- 24% held by individuals from a minority ethnic group vs 15% target

Concluding Remarks

Reflecting on the year, I am struck by the pace and significance of change across the LGPS landscape and the role LCIV has played within it. This has been a period characterised by strong collaboration, and the purposeful development of the business. As the operating environment evolves, our shared commitment to working together – across our LGPS community and with our wider stakeholders – has been a defining feature of our progress.

Looking ahead, the priorities are clear. The focus will be on delivery: embedding new arrangements, supporting Partner Funds through asset transitions, and continuing to build the capability required to operate effectively within an increasingly integrated pooling model. While the challenges ahead are significant, they are matched by the opportunity to strengthen outcomes for Partner Funds and the communities we serve. The Board remains confident that, through continued collaboration and a clear sense of purpose, LCIV is well positioned to deliver on these responsibilities.

Mike Craston, Board Chair
London CIV



Chief Executive Officer's Statement
Dean Bowden

"This was a year of structural change, and Unsurprisingly, Fit for the Future was the dominant theme throughout 2025/26, shaping priorities, placing sustained demands on capacity and requiring continued engagement across all LGPS pools, our Partner Funds, Government and our regulators."

Year in Review

The Government's pooling agenda moved decisively from policy direction to a set of defined reforms. Strategic plans were approved, draft regulations published, and delivery timelines clarified. Our priority remained to work with our Partner Funds to ensure that this transition is delivered in a practical, proportionate manner that maintains local accountability. The strong support and active engagement of our Partner Funds have been central to effective delivery, and I am grateful for the commitment they have shown throughout the year.

The year also reinforced confidence in our business model. In September, Buckinghamshire Pension Fund approached LCIV to join our LGPS community. In the context of a rapidly evolving policy framework, this represented a significant vote of confidence in our model, governance and direction, and was met with unanimous support from existing Partner Funds.

Total assets committed to the pool or deemed pooled were £38.5bn as at 31 March 2026 illustrating our Partner Funds' commitment to LCIV.

We continued to enhance our investment product range, for example transitioning towards a multi-manager approach for a number of our public equity funds, and launching work on our flagship equity offering, the LCIV Core Global Equity Fund. We also developed and successfully piloted our Strategic Asset Allocation (SAA) service.

We remain proud of our achievements for our Partner Funds and shareholders.

Supporting our Partner Funds

Our focus during the year was on strengthening the foundations of the pool to support effective delivery and continuing to develop our investment product range, alongside expanding our advisory services (including SAA and LGPS PASS) and strengthening our responsible investment capabilities.

Our Partner Funds have increasingly looked to the pool for broader support. In response, we expanded the services available to Funds through the launch of LGPS PASS, providing access to specialist support that is grounded in LGPS governance and tailored to local needs.

LGPS PASS is designed to help Partner Funds enhance delivery through their existing resources, while preserving local decision-making. Further details of the service are set out later in this report.

Alongside this, we designed and launched our SAA offering and built a dedicated team to deliver it, supported by the appointment of Mercer as our strategic advice partner.

Partner Funds rightly retain responsibility for investment strategy, including SAA and responsible investment policy. Our role is to support those decisions through robust advisory services and effective implementation of investment products. During the year, we worked closely with Partner Funds to clarify how this relationship will operate under the Fit for the Future framework, providing greater clarity on roles, responsibilities and accountability across the pooling model.

In parallel, 2025 saw significant progress in preparing for asset transitions and the operational changes required by the new pooling arrangements. This required detailed preparatory work across contractual, operational and investment structures, supported by close engagement with custodians, managers and other service providers. Our approach has been phased and pragmatic, focused on minimising disruption, and managing risk for our Partner Funds.

Supporting Fit for Future

Fit for Future has also required continued investment within the organisation. Over the course of the year, we strengthened the team, bringing in additional expertise across investment implementation, operations, governance and Fund Partner services. This investment in people is essential. A more integrated pooling model requires sufficient scale, capability and resilience within the Pool, and building that capability has been a major focus during 2025.

Partner Funds hold a wide range of views and priorities in relation to Responsible Investment (RI). Under Fit for Future, our role is to ensure that our Partners' RI policies can be implemented efficiently and effectively. During the year, we worked closely with Partner Funds to develop a Responsible Investment Matrix, providing clearer options and greater confidence around delivery. This work reflects a broader theme of the year: moving from principles to practical implementation.

CEO's Statement continued

None of the progress made during the year would have been possible without the continued support, engagement and collaboration of Partner Funds. A clear example of this was the seamless provision of additional regulatory capital to support the Pool as it scaled and prepared for the next phase of pooling. This collective response reflected both the maturity of the partnership and a shared commitment to ensuring we remain well positioned to deliver under the Fit for the Future framework.

Supporting our people

In last year's report and accounts, I highlighted the importance of attracting, retaining, and rewarding our workforce. The ExCo continued to focus on making LCIV an employer of choice.

There is a full report from our Chief People Officer later in this report, however it is important to highlight some notable achievements during the year, including updating our inclusive family-friendly leave and pay policies, and modernising our performance management framework in support of quality performance discussions.

During the year we strengthened depth of capability across the organisation, increasing permanent headcount by 33%, supported by careful management of overall costs. This included the addition of a new Head of Investment Strategy & Strategic Asset Allocation (Dagmar Dvorak), Head of Public Markets following Rob Treich's retirement (James Beaumont), and a new Chief Operating Officer ahead of Martin Gloyne's retirement (Danny Firth).

Our people ensure we maintain breadth of capability within the business, adding diverse experience and perspectives, and sharpening our collective sense of purpose.

Summary

In the coming year, our focus will be on further embedding the changes arising from Fit for the Future into our business-as-usual activities, with particular emphasis on delivery: supporting asset transitions, embedding new service arrangements, strengthening our advisory capability, and maintaining close, constructive dialogue with Partner Funds and policymakers. While the reforms present real challenges, they also provide an opportunity to strengthen the LGPS through clearer roles, greater scale and more consistent implementation.

Throughout this period of change, our priorities remain clear. We are here to support Partner Funds, to deliver value for scheme members, and to ensure that pooling works in practice as well as in principle. By continuing to work together as one LGPS community, we will remain well positioned and resilient, ready to deliver sustainable prosperity for the communities that count on us all.

Dean Bowden, Chief Executive Officer
London CIV

Key Outcomes
at 31 March 2026

2025 – 2026 Themes	Progress at during the year

Relevant Products and Services	• Full roll out of LGPS PASS to four Partner Funds
	• Addressing performance remained a key area of focus and several actions were taken during the year, including:
	  • Adopted a multi manager approach to expand the scope of opportunities and improve performance consistency for the LCIV Emerging Market Equity Fund, and initiated a similar structural change for the LCIV Global Alpha Growth Fund and the LCIV Global Alpha Growth Paris Aligned Fund
	  • Closed LCIV Renewable Infrastructure Fund and LCIV Diversified Growth Fund due to performance
	• Delivered double digit returns across public market range in 2025, with equity funds returning an average of 15% in the year
	• Commenced work to launch LCIV's flagship, multi manager equity offering: the LCIV Core Global Equity Fund
	• Developed and piloted our SAA service

Increased Stakeholder Collaboration	• Over 200 meetings held in the year to ensure Partner Funds remained fully engaged with our activities, including asset transitions and our expanded service offering • Reviewed our engagement model in the light of the LGPS pooling "minimum standards" to remain in line with stakeholder expectations • Agreed asset transition plans with all Partner Funds well in advance of the 31 March 2026 deadline • Increased policy and advocacy work with Government, regulators and relevant bodies
Financially Sustainable Pooling Model	• Strengthened our regulatory capital position with the issuance of an additional £2.2m of B shares to shareholders • Through savings negotiated with third party manager and at no cost to beneficiaries, we increased our retained management fees allowing LCIV to fund implementation of the Fit for Future initiatives without seeking additional financial support from shareholders
Upgraded Service Offering	• Launched the LGPS Pension Advisory and Support Service (PASS), offering our Partner Funds a suite of cost saving services • Developed the of SAA advisory service and successfully completed a pilot
New and Enhanced Solutions	• Collaborated with Partner Funds to develop the RI Matrix framework, to offer our partners sufficient RI considerations choice in respect of our public products • Joined the London Mayor's London Climate Finance Task Force, designed to attract green investment and accelerate decarbonisation • Started work on Local Investment Framework • Continued implementation of LCIV's Net Zero Action Plan • Revised the focus of LCIV's stewardship engagement activities to aid in delivering the strategic needs of Partner Funds
Fit for Future Implementation	• Obtained Government agreement on the Fit for Future implementation plan to meet the minimum standards • Fit for the Future program delivered the minimum standards in line with the 31 March 2026 deadline • Obtained shareholder approval to introduce Buckinghamshire Council as a new shareholder and Partner Fund • Collaborated with Partner Funds to develop the Investment Management Agreement and accompanying service level descriptions to enable all assets not currently in our funds to be pooled and managed by LCIV • Implemented Investment Advice services and completed a successful pilot
People and Culture	• Continued to develop and implement a cost effective and sustainable workforce model, creating 14 new roles, and agreeing permanent headcount increase of 33% • Enhanced our employee value proposition with the introduction of income protection insurance and salary sacrifice for employee workplace pension contributions and updating our inclusive family-friendly leave and pay policies • Modernised our performance management framework, moving away from the traditional 1-5 numerical scale to a descriptors model that better supports quality performance and feedback discussions between employees and their line managers • Strengthened our internal communications programme to include: employee feedback surveys, Employee Voice Forum, and topic-specific employee briefing sessions • Held our first all staff offsite where the core theme was navigating through change

Our Strategic Purpose: 2026/27 Themes

At our January 2026 Shareholder General Meeting, we confirmed that our strategic purpose remains unchanged: ***Working together to deliver sustainable prosperity for the communities that count on us all.*** However, we refined our strategic themes to ensure we continued to meet the evolving LGPS environment.

Our Board-agreed themes for the next financial year are: ***Remaining* Fit for Future; *Delivering for our Partner Funds; Elevating People and Culture; and Driving Operational Excellence.***

Everything we do is in support of our purpose and aligns with our values: ***Responsibility, Collaboration, Diversity, and Integrity.***

Delivering for our Partner Funds

Collaboration is fundamental to our success.

This is not a stock phrase for us: it is a key corporate value. We will seek opportunities to:

- Enhance the performance of our investment products to deliver improved, sustainable returns for our Partner Funds
- Support our Partner Funds in implementing their Responsible Investment policies
- Develop a local investment proposition
- Develop and deliver services to support our Partner Funds' operational and fiduciary responsibilities

Remaining Fit for Future

Being fit for the future extends beyond the Government's LGPS requirements.

Our management team is responsible for monitoring emerging trends and ensure the business is prepared to:

- Meet the ongoing "minimum standards" of Fit for the Future
- Has robust and fit for purpose governance and internal controls frameworks in place
- Develop appropriate products and services to meet Partner Fund requirements
- Successfully, safely, and fully transition the assets of our Partner Funds

Elevating People and Culture

Maintaining our strong, positive, and outcomes focused culture at LCIV requires vigilance.

We value diversity and ensure our approach to our people and culture continues to:

- Develop and implement a cost effective and sustainable workforce model
- Develop, motivate, and attract the right people with the right capabilities

Driving Operational Excellence

Underpinning our business is our consistent delivery of operational quality.

Our operational integrity is crucial and is designed to:

- Manage operational risk to safeguard resilience, maintain a positive relationship with our regulator, and remain operationally compliant
- Deliver our operations in line with the agreed budget, and ensure our capital and liquidity remain within agreed levels
- Implement Partner Fund support such as portfolio quarterly reporting, performance monitoring and analysis, and cash management capabilities
- Enhance systems and data to oversee all asset classes
- Strive to be a Net Zero company across our operational and supply chain emissions

Our Investment Services
Jenny Buck, Chief Investment Officer

Introduction

The past 12 months have been eventful from a macroeconomic perspective. Financial markets navigated heightened geopolitical risk, shifting expectations for inflation, growth and interest rates, and increased volatility following policy uncertainty in the United States and the escalation of conflict in the Middle East.

During the year, oil prices proved particularly volatile, starting the period at approximately US$61 per barrel, falling to a low of around US$58 in December, before rising sharply to end the year at approximately US$101. These geopolitical and macroeconomic developments contributed to periods of market instability, with investor sentiment at times driven by shifting expectations around the US president's changeable policy direction and political decision-making.

At a headline level, the MSCI All Country World Index rose over the period. Beneath this, however, returns were highly dispersed across regions, sectors, countries and investment styles. While such dispersion would typically be supportive of active management, the stop-start momentum evident during the year proved challenging for growth and quality-focused strategies. This dynamic was reflected in portfolio outcomes, with growth-oriented managers facing headwinds, while our Absolute Return strategy delivered a more resilient performance.

In credit markets, investor focus remained on elevated levels of public debt, the outlook for inflation and the expected path of interest rates. Credit spreads remained relatively tight, and our managers continued to prioritise higher-quality credit exposures. While this approach at times meant foregoing higher yields available in segments with weaker covenant protection, it was consistent with our long-term risk management objectives.

Currency movements were another important determinant of portfolio performance, particularly the strength of the US dollar, leading to some investors questioning their USD exposures. The majority of our public market positions are currency-hedged, but this is not the case for our private market funds. However, the private market portfolios typically have l exposure to euro-denominated assets, providing a degree of natural diversification against the USD exposure.

As we entered 2026, two themes came to the fore. A pullback in artificial-intelligence-related equities led to increased volatility in public markets. This was followed by isolated instances of stress in parts of the private credit loans market, prompting questions about the potential for broader impact. At the time of writing, we do not consider these issues to be systemic, though we remain cautious.

Against this backdrop, we continue to manage portfolios with a high degree of discipline, paying close attention to the pace of deployment, underwriting standards and entry valuations. This disciplined approach is designed to provide Partner Funds with a stable and dependable foundation from which to navigate ongoing market uncertainty.

Our Investment Service

Our vision is to create an investment platform of funds and services that meet the requirements of our Partner Funds now and in the future. In support of this focus, key highlights include:

- Evolved our investment approach towards a multi-manager approach on equity products. Our new Global Core Equity Fund, due to launch in May 2026, will be multi-manager
- Invested £2.5bn into Private Markets
- Collaborated with Partner Funds to develop the RI Matrix framework, to offer our partners sufficient RI considerations choice in respect to our public products
- Strengthened the skills and experience in our team, including the appointment of James Beaumont as the new Head of Public Markets, Dagmar Dvorak as the Head of Investment Strategy & Strategic Asset Allocation, and expanding the wider team in line with our headcount plans
- Created a new SAA team
- Closed two funds which were no longer in demand.

The dominant project has been preparing my area to meet the requirements of the Fit for Future, which has involved the team stepping up to do more alongside a modest increase in headcount. The work and progress reported here reflects their hard work.

Fit for Future (FFF)

Moving from a business that provides investment products to one that advises clients and carries out discretionary portfolio management is significant. It has required all our teams to work collegiately and positively together. From an investment perspective the key initiatives are outlined below.

Strategic Asset Allocation (SAA)

During the year, we designed and launched the SAA offering and built a team to deliver it to our Partner Funds. This team provides both SAA and discretionary portfolio management. Dagmar Dvorak was appointed as the desk head, with a team of six due to be in place by the end of 2026.

To support this in-house expertise, we conducted a full procurement exercise which resulted in the appointment of Mercer as our strategic SAA partner. The partnership has worked well and during the year, we delivered our first piece of advice to a Partner Fund. We were delighted with the positive feedback received. A spirit of collaboration between the pool and our partners was evident by our Partner Funds allowing our team to sit in on their SAA discussions with the current consultant, despite LCIV not being appointed to provide advice for the March 2025 triennial valuation cycle. This insight has been invaluable in getting to understand the portfolios that we are expected to manage.

Oversight

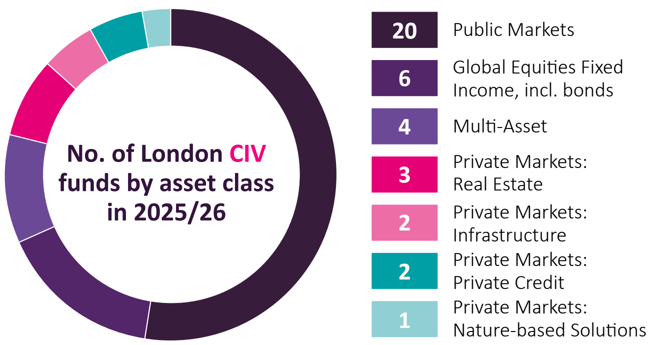
At year end, there were 65 public and 250 private market non LCIV funds requiring a robust oversight process. The Investment Team designed and implemented a target operating model to support this, including the collation of available data, the determination of investment positions and the allocation of team responsibilities.

As part of this programme, we procured a private markets fund management system, BlackRock's eFront platform. eFront is a key tool for the oversight of our private markets holdings, providing the Investment Team access to a customisable and integrated platform for portfolio management and monitoring. It delivers a single, consolidated view of portfolio data across funds and Partner Fund portfolios, significantly reducing manual processes and reliance on spreadsheets

System and Process Enhancements

- **Discretionary portfolio management system** - The design and implementation of a large-scale initiative required close collaboration with custodians, Partner Funds and data professionals. The system should enable the SAA team to receive opening day positions, and book trades in an efficient and controlled manner.
- **Adding a new Partner Fund**- Whilst this was not on our 'to-do list' at the start of the year, we were pleased to have been chosen by Buckinghamshire Council as its new pool. The on-boarding and asset transition work with Buckinghamshire involved working with the Brunel pool to ensure the safe transfer of assets to LCIV.

Our Current Product Suite



£21.1bn
Total Active Funds

£17.8bn
Total Passive Funds (Deemed Pooled)

£38.5bn
Total Pooled

Our Investment Services continued

Public Markets

At 31 March 2026 we had a portfolio of 18 funds representing £17.6bn. The public markets portfolio includes one passive fund. A further £17.4bn of passive assets sits with outsourced investment managers; LGIM and Blackrock.

Our investment beliefs (see page 13) provide the high-level framework which directs our investment practices. This is supported by our Responsible Investment framework which includes a Climate Policy and a Stewardship Policy.

Under the Fit for Future proposals, the Ministry of Housing, Communities & Local Government ("MHCLG") has determined that investment asset allocation should be limited to nine buckets. Of those nine, product development is underway for our private equity and local investment offerings, to safely deliver these solutions as soon as possible.

Private Markets

With respect to UK investment, we have 8 private market funds. Private market exposure to the UK exceeded £1bn as at 31 March 2026. The detail behind these numbers is shown below.

- LCIV Real Estate Long Income Fund: 100% invested in UK real estate including hotels, student accommodation, retail units and academic buildings. The fund's NAV was £154.5m and fund commitments were £213m as at 31 March 2026.
- LCIV UK Housing Fund: 100% invested in the UK through fund structures, in residential real estate across affordable homes, co-living, student accommodation and private rental. The fund's NAV total £261.7m as at 31 December 2025.
- LCIV Renewable Infrastructure Fund: 32% invested in the UK (as of Q4 2025). It has exposure to wind and solar generation as well as battery storage, grid infrastructure and other clean energy initiatives. As at 31 December 2025, the fund's NAV was £677m and it had £395m of undrawn commitments at 31 March 2026.
- LCIV Infrastructure Fund: 27% invested in the UK and approximately 51% of investments are in the renewable energy sector with the remainder in social infrastructure, transport and utilities.
- LCIV Private Debt Fund I: 13% invested in the UK (as of 31 Dec 2025). As at 31 March 2026, the fund had £158m of undrawn commitments and latest NAV (31Dec 2025) was £553m.
- LCIV Private Debt Fund II: As at 31 December 2025, the fund's NAV was £175m and 30% invested in the UK. As at 31 March 2026 it had £497m of undrawn commitments.
- The London Fund: invests in the UK across real estate and infrastructure with a secondary objective to invest in projects with sustainable outcomes that address social needs in Greater London including job creation, area regeneration and a positive environmental impact. As at 31 December 2025, the fund's NAV was £140m and at 31 March 2026 it had £120m of undrawn commitments. The London Fund is a collaboration between LPPI and London CIV.
- LCIV Nature Based Solutions Fund: 12% invested in the UK (as of 31 Dec 2025). As at 31 March 2026, the fund had £212m of undrawn commitments and it latest NAV (31December 2025) was £190m.

Strategic Product Initiatives

As noted above, our vision is to ensure that we have the products and services to meet the needs of our Partner Funds. This year, our activity was focused around four key themes:

- improving the performance of our public equity range;
- deepening our understanding of private equity, particularly UK growth opportunities;
- developing our approach to local investment; and
- formulating an exclusion framework for public market funds to provide choice for Partner Funds (the "RI Matrix").

Historically, our equity products have operated on a single-manager basis, which has increased sensitivity to periods of underperformance.

In addition, the current macroeconomic environment has presented challenges, particularly for growth- and quality-orientated strategies.

In response, we have adopted a multi-manager approach. This has already been implemented for our Emerging Markets Fund, with further work underway to enhance our global growth strategies and establish a new Global Core Equity Fund. The aim is to deliver more consistent performance outcomes whilst managing downside risk, without materially diluting potential outperformance through diversification. Early results have shown some improvement in the Emerging Markets fund, although we recognise that further progress is required.

We have also continued to address the gap in our product offering in private equity. Work is underway to launch two new products: a diversified private equity fund and a UK early-stage growth fund.

Over the year, we have developed a pipeline of potential private market opportunities. In the UK, we have worked closely with the Office for Investment and the British Business Bank, building strategic relationships and enhancing our understanding of areas of strength across our Partner Funds and the UK and. A key focus has been identifying managers with technical capability, commercial insight and market reputation to access high-quality investment opportunities. We expect to bring these products to market in the coming year.

Our Investment Services continued

The Fit for the Future reforms require Partner Funds to consider local investment allocations. Across the LGPS, there remains an ongoing dialogue on how "local" should be defined in practice. During the year, we established a Partner Fund Working Group to support the development of our approach, and we will continue to work closely with Partner Funds as this evolves through 2026. In parallel, we have developed a pipeline of potential opportunities, including:

- affordable housing;
- SME lending within Greater London;
- regeneration and development projects;
- residential retrofit initiatives to improve energy efficiency;
- infrastructure to support public transport electrification; and
- integrated urban development solutions through international partnerships.

We are encouraged by the potential impact of these initiatives for both Partner Funds and the communities they support. Our focus remains on ensuring that delivery is disciplined, scalable and capable of achieving sustainable outcomes.

Partner Funds have invested significant time in the development of the RI Matrix. While aligning the diverse requirements of funds has been challenging, progress has been supported by a constructive and collaborative approach. We are grateful for the engagement and flexibility shown by Partner Funds throughout this process and consider the framework to be largely complete, subject to some final confirmations.

Our Investment Beliefs

1. Long term investors earn better returns net of costs.

2. Careful calibration of risk against objectives, together with robust risk management, leads to better risk-adjusted returns.

3. Responsible Investment improves outcomes, mitigates risks, and creates opportunities through:

a) Good corporate governance
b) Active stewardship and collective engagement
c) Effective management of climate change risk
d) Promoting diversity and inclusion

4. Providing value for money is critical and it is essential to manage fees and costs.

5. Collaboration, clear objectives, robust research, and evidence-based decision-making adds value.

6. Targeting opportunities across the public and private asset markets is aligned to the needs of Partner Funds.

Our Fund Range and Assets Under Management

London CIV Products	AUM £m	Investment Manager	Investors
PUBLIC MARKETS			
Equities			
LCIV Global Alpha Growth Fund	1,435	Baillie Gifford	5
LCIV Global Alpha Growth Paris Aligned Fund	2,001	Baillie Gifford	11
LCIV Global Equity Fund	645	Newton	3
LCIV Global Equity Quality Fund	664	MSIM	3
LCIV Global Equity Focus Fund	1,026	Longview	6
LCIV Emerging Market Equity Fund	739	JP Morgan	8
LCIV Sustainable Equity Fund	1,371	RBC	8
LCIV Sustainable Equity Exclusion Fund	1,034	RBC	5
LCIV Passive Equity Progressive Paris-Aligned "PEPPA" Fund	1,353	State Street	3
LCIV Global Equity Value Fund	455	Wellington	3
Multi-Asset			
LCIV Global Total Return Fund*	-	Pyrford	1
LCIV Diversified Growth Fund	2	Baillie Gifford	3
LCIV Absolute Return Fund	1,039	Ruffer	10
LCIV Real Return Fund*	-	Newton	1
Bonds and Fixed Income			
LCIV Global Bond Fund	1,126	Pimco	10
LCIV MAC Fund	2,493	CQS + Pimco	18
LCIV Alternative Credit Fund	759	CQS	4
LCIV Short Duration Buy and Maintain Fund	252	Insight	2
LCIV Long Duration Buy and Maintain Fund	829	Insight	7
LCIV Buy and Maintain All Maturities	539	Insight	1
PUBLIC MARKETS TOTAL	**£17.8bn**		

	Com'td £m	Drawn £m	Manager	Investors
PRIVATE MARKETS				
Infrastructure				
LCIV Infrastructure Fund	510	418	London CIV	7
LCIV Renewable Infrastructure Fund	1,109	714	London CIV	16
Private Debt				
LCIV Private Debt Fund	625	467	London CIV	8
LCIV Private Debt II Fund	660	163	London CIV	11
Real Estate				
LCIV Real Estate Long Income Fund	213	213	Aviva	3
LCIV UK Housing Fund	530	297	London CIV	9
The London Fund	250	130	LPPI	4
Nature-based Solutions				
LCIV Nature Based Solutions Fund	409	197	London CIV	7
PRIVATE MARKETS TOTAL	**£3.8bn**			

PASSIVE FUNDS (DEEMED POOLED)	
Blackrock + Legal and General Investment Management (LGIM)	£17.4bn
PASSIVE FUNDS (DEEMED POOLED) TOTAL	**£17.4bn**

Total pooled assets	**£38.5bn**

Due to rounding totals may not all be consistent
AUM excludes assets managed by CBRE, which are held outside the fund structure and provided as a service
**Closed to new investors*

Investing in London: Delivering Affordable Homes

Barnet

Fund: LCIV UK Housing Fund
Investment: L&G Affordable Housing Fund
Location: Barnet, Greater London

Activity:
We are supporting the delivery of Colindale Gardens, a large-scale affordable housing development in Barnet, Greater London. The scheme includes a forward commitment to 311 social rent homes, contributing to the supply of affordable housing in a high demand London borough. The development is located within a five-minute walk of Colindale station on the Northern line, providing strong connectivity to central London and key employment centres. During the reporting period, 106 homes were delivered, with further homes scheduled for completion in later phases

Impact:
Enabling affordable homes in London provides access to well located housing near public transport links, supports the delivery of high-quality, energy efficient homes, and increases supply in areas of significant housing demand. This demonstrates how we are supporting our Partner Funds in delivering new affordable housing in London while maintaining exposure to long term, income generating residential assets.

Features:
- 311 social rent homes delivered as part of a wider regeneration scheme
- 106 homes completed during the period, with further delivery ongoing
- Strong public transport connections
- Affordable rent levels set at approximately 39% of open market rents
- Mix of one, two and three-bedroom homes
- Eligibility linked to a local authority waiting list of c.5,000 households
- Large communal courtyard spaces, supporting community use
- Modern standards, including EPC B ratings, EV charging and cycle storage

Bexley

Fund: LCIV UK Housing Fund
Investment: Octopus Affordable Housing Fund
Location: Bexley, Greater London

Activity:
We have invested in Slade Green Road, an affordable housing development in Erith, within the London Borough of Bexley. The scheme comprises 28 homes, including a mix of apartments and houses, contributing to the supply of affordable housing in outer London. It includes a combination of shared ownership and affordable rent tenures, supporting a range of local housing needs. The development is located near Slade Green station on the Thameslink, providing strong connectivity to central London and surrounding employment areas

Impact:
This investment supports small scale, mixed tenure housing delivery in outer London. It broadens housing options, increases supply in well connected locations and delivers energy efficient homes with lower running costs. It also demonstrates how Partner Funds can access diversified, income generating residential assets alongside larger schemes and regeneration projects .

Features:
- 28 homes delivered, including 14 apartments and 14 houses
- Mix of shared ownership and affordable rent tenures
- Located in Bexley, Greater London, with access to Thameslink services
- Acquired with provisions to upgrade certain units to achieve EPC A ratings
- All apartments designed with gas-free systems and solar generation
- Managed by Southern Housing Group

Investing in London: Delivering Affordable Homes continued

Southwark

Fund: LCIV UK Housing Fund
Investment: L&G Affordable Housing Fund
Location: Southwark, Greater London

Activity:
We are investing in the development of Ilderton Road, an affordable housing scheme in Southwark. The scheme comprises 58 affordable homes, contributing to the supply of housing in a borough with significant demand and a large waiting list. The development forms part of the wider Bermondsey regeneration area, supporting the transformation of underused industrial land into residential neighbourhoods, with the broader area expected to deliver approximately 3,500 homes. Rents have been set at around 35% of local market levels, supporting affordability for residents in a high-cost London borough.

Impact:
This illustrates how we assist in the placement of affordable housing within inner London, providing access to homes in areas of high housing need, reduced reliance on temporary accommodation, and delivery within major urban regeneration programmes. This shows how we enable Partner Funds to support the development of affordable housing in high-demand boroughs, while maintaining exposure to long-term, income-generating residential assets.

Features:
- 58 affordable homes delivered in Southwark, Greater London
- Contributing to a wider pipeline of c.3,500 homes
- Delivered via a forward commitment structure
- Mix of one, two and three-bedroom homes
- Rents set at approximately 35% of market levels
- Strong local demand, reflected in a waiting list of over 12,000 households
- High standards, including EPC B ratings and air source heat pumps

Tower Hamlets

Fund: LCIV UK Housing Fund
Investment: CBRE UK Affordable Housing Fund
Location: Tower Hamlets, Greater London

Activity:
We are contributing to the delivery of affordable housing at Wood Wharf in Tower Hamlets, at the heart of Canary Wharf. The scheme comprises 294 units forward funded by CBRE, contributing to housing supply in an area characterised by very high demand for affordable housing. The development is part of the wider Canary Wharf estate expansion, a large-scale, mixed-use regeneration programme delivering residential, commercial and community infrastructure within a highly connected part of London. Completion of the scheme is expected in 2026.

Impact:
The delivery of affordable housing in central London provides access to homes in areas of high economic activity and employment, supports the integration of affordable housing within major regeneration schemes, and promotes the development of high-quality, well-connected urban homes. This demonstrates how we can support housing in some of London's most supply constrained markets while maintaining exposure to long-term, income generating residential assets.

Features:
- 294 affordable homes delivered within Canary Wharf, Tower Hamlets
- Located within a major mixed-use regeneration area
- Strong connectivity via DLR, Elizabeth line and Jubilee line
- Built in partnership with Canary Wharf Group
- Designed to modern standards, including EPC B ratings
- Low-carbon heating through a combined heat and power (CHP) system
- Integrated into a vibrant, high-density urban environment

Our Responsible Investment and Engagement

Jacqueline Jackson, Chief Sustainability Officer

We seek sustainable financial returns while using our influence as a long-term investor on behalf of our Partner Funds to encourage better environmental, social and governance (ESG) practices. Active ownership, engagement and voting are essential tools to manage material risks and opportunities, and to protect and enhance long-term value for our Partner Funds and their beneficiaries.

What ESG means to us

We regard consideration of (ESG) risks and opportunities as an integral part of our investment responsibilities and our role as long-term stewards of our Partner Funds' investments and assets. By embedding ESG into our investment approach, we aim to support sustainable long-term performance and contribute to a world in which both our investments and beneficiaries can thrive.

Building on our established responsible investment framework, our approach continues to focus on three core pillars:

1. Integration

Embedding responsible investment into investment decision and design

2. Engagement

Collaboration with companies, investment managers, peers and participants

3. Disclosure

Transparent reporting in line with best practice

Climate and Net Zero

Climate change is one of the most pressing challenges facing our planet and the financial system. Climate change risk is a financial risk. Physical impacts and the transition to a lower carbon economy can drive economic disruption, alter asset values, and change the cost of doing business.

The financial year was a contradictory one for climate. Evidence continued to mount, and disruption from heatwaves, heavy rainfall and other extreme weather events remained visible.

At the same time, some state, financial and corporate actors scaled back climate-related commitments and participation in collaborative initiatives. In early 2026, the escalation of conflict in the Middle East again raised questions about energy security in Asia and Europe.

We believe this strengthens the case for acting clearly and decisively to manage climate-related risks. This remains a critical concern for our Partner Funds.

Key highlights from our climate activity in 2025 included:

- 35% reduction in the carbon footprint of our ACS funds relative to the 2020 baseline*.
- Addressing operational emissions through investment in verified carbon removal projects delivered with our offset partner, Ecologi.
- Integration of decarbonisation, alignment and engagement targets into new and modified listed funds.
- Formal approval of the Climate Action Plan by our Board.
- Further strengthening of our Climate Model and improvements in climate reporting.

Nature and Biodiversity

In 2025, we conducted an in-depth assessment of nature-related risks and opportunities, culminating in the publication of our first TNFD report.

Nature underpins economic activity and long-term investment value. Environmental degradation and biodiversity loss can give rise to material risks through supply chains, pricing, regulation and physical impacts.

Understanding and managing these risks is part of our responsibility to manage material financial risk over the long term. Our assessment followed the TNFD LEAP methodology and identified priority themes including water risk, deforestation, flood risk and environmental controversies.

* Our climate model was updated in 2025. According to both the original and updated climate models, we achieved our target of reducing our emissions intensity to below 38tCO2e, which represents a 35% reduction compared to the baseline emissions intensity under the original model. Note that in line with best practice, baseline emissions were also recalculated and were found to be approximately 20% lower than the original estimate. We have opted to retain the absolute value of the original target. For more details, please refer to our annual TCFD report.

Our Responsible Investment and Engagement continued

Achieving carbon-neutral operational emissions

Operational emissions from offices, business travel, employee commuting, waste and selected supply-chain activities were addressed through investment in 2 nature-based carbon removal projects delivered in partnership with Ecologi. These projects support verified carbon removal while delivering wider environmental and social benefits.

Supporting mangrove restoration in Pakistan

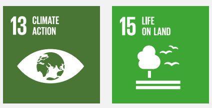
The Delta Blue Carbon Project restores and conserves mangrove forests in Pakistan's Indus Delta, a globally significant Key Biodiversity Area. It protects critical habitats for terrestrial and marine species, strengthens coastal resilience and creates a major natural carbon sink, removing an estimated 127mm tCO2e over the project's lifetime.

SDGs supported

Producing biochar from waste biomass in Surrey

Brodie Biomass Ltd is a UK-based sustainable farming enterprise that converts locally sourced timber offcuts and coppiced wood into high-quality biochar using advanced pyrolysis technology. The process follows a zero-waste model, transforming wood residues that might otherwise be burned or left to decompose into a stable, carbon-rich product with multiple agricultural uses. Through biochar production, the project supports long-term carbon removal while also contributing to improved soil health and agricultural productivity.

SDGs supported



Our Responsible Investment and Engagement continued

Stewardship

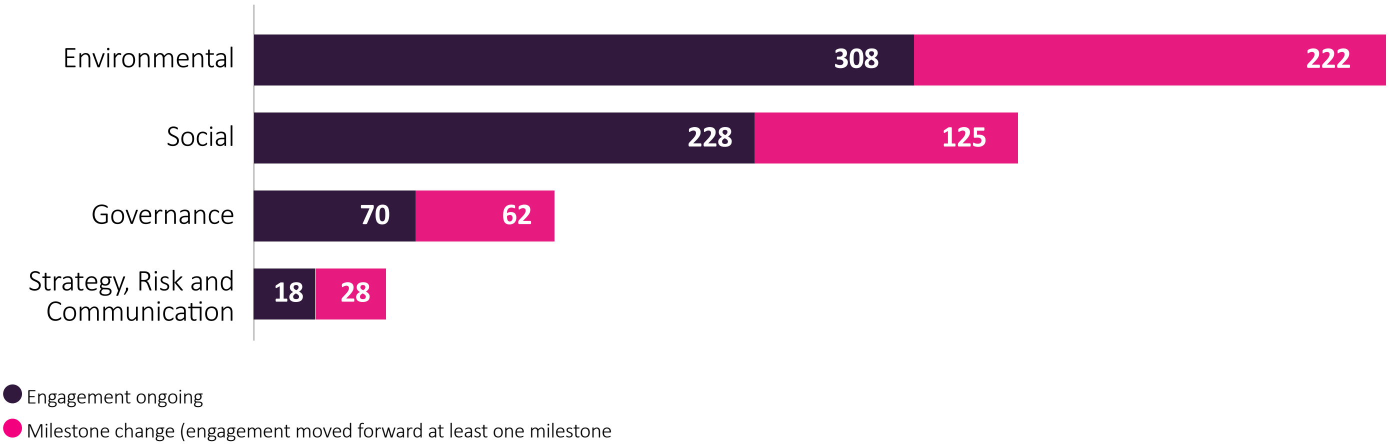
Stewardship is central to our responsible investment approach. During 2025, we strengthened our framework through clearer prioritisation and a more targeted engagement programme.

Our stewardship priorities are organised around 3 core themes:

- Human rights and wider societal impact
- Climate change
- Nature and biodiversity

We selected approximately 30 companies for focused engagement and worked closely with investment managers and EOS at Federated Hermes to align on objectives and milestones.

Engagement Progress 2025



Voting

Voting remains a core stewardship tool. In 2025, investment managers and EOS voted on 23,312 proposals, representing 98.9% voting execution. Votes against management numbered 2,113, with director elections and non-salary remuneration accounting for the highest levels of dissent.

Our Responsible Investment and Engagement continued

Case Studies

We act as a responsible steward of our Partner Funds' capital, recognising that effective management of ESG factors is integral to delivering sustainable long-term investment outcomes.

Our approach combines disciplined investment decision-making with active stewardship, including ongoing engagement with investee companies and the exercise of voting rights where appropriate. Engagement enables us to build a deeper understanding of the risks and opportunities facing investee companies and to encourage improved practices where this is in the best interests of our clients and their beneficiaries. In this way, stewardship, engagement and investment decision-making operate together to deliver both financial value and broader sustainable outcomes. Below are examples of our integrated approach, aims to support the long-term resilience and performance of our portfolios while aligning with the responsible investment priorities of our Partner Funds.

UK Solar Infrastructure

- Invested in NextEnergy Capital's NextPower UK strategy, which is building utility-scale solar and battery storage assets across the UK.
- The strategy targets construction-stage projects, supporting the addition of new renewable capacity to the UK grid while positioning the portfolio to benefit from value creation as assets move into operation.
- Capital was deployed into construction-stage solar projects as part of a broader pipeline aligned with the UK's net zero ambitions and long-term infrastructure development.
- As at the end of 2025, the portfolio comprised 20 UK assets across operational, construction and pre-construction phases, with total capacity approaching 1GW.
- This investment provides Partner Funds with exposure to UK-based renewable infrastructure, supporting energy security and decarbonisation while maintaining a diversified approach to real assets investment.

UK Renewable Energy Development

- We maintained our investment in Copenhagen Infrastructure Partners' flagship strategy, which includes a majority stake in Elgin Energy, a UK-based renewable energy developer. The business has developed over 1GW of ready-to-build solar projects and secured planning consent for more than 3GW, alongside a wider development pipeline exceeding 15GW.
- The investment supports the scaling of Elgin from a pure developer into a more integrated platform, with capabilities across development, construction and operation.
- This includes a growing pipeline of UK-based projects expected to be brought forward for construction over time, contributing to future renewable capacity.
- This investment provides Partner Funds with exposure to a UK-based development platform, supporting early-stage value creation while maintaining a diversified approach to renewable infrastructure investment.

London Data Centre Infrastructure

- Co-investment into Global Technical Realty, a European data centre platform alongside institutional partners. The platform focuses on the development, construction and operation of hyperscale and colocation data centres. London represents a strategically important location within the portfolio, reflecting its position as a leading European data centre hub with strong underlying demand.
- The strategy combines operational assets with development projects, enabling participation in both current income generation and future growth as new capacity is delivered.
- This investment provides Partner Funds with exposure to essential digital infrastructure, supporting the UK economy while maintaining a diversified approach to infrastructure investment.

Human Rights Engagement with a US Technology Company

- Engagement focused on allegations relating to the use of cloud services in connection with civilian surveillance in conflict-affected regions. Following engagement, the company terminated the relevant service and strengthened due diligence and internal controls.

Our Client Services
Andrien Meyers, Chief Commercial Officer

Working together to meet evolving LGPS requirements

The regulatory and reporting environment facing LGPS funds has evolved significantly in recent years. Scrutiny has intensified, expectations around Responsible Investment (RI), climate risk and stewardship have increased, and disclosure requirements have expanded. At the same time, many administering authorities face constraints in accessing appropriately skilled specialist resource, alongside increasing cost pressures.

Alongside these developments, the structure of pooling has matured. While Partner Funds retain responsibility for their Investment Strategy Statements (ISS), Strategic Asset Allocation (SAA) and RI policies, LGPS pools are now the primary source of regulated investment and RI advice and are responsible for implementing decisions efficiently, consistently and at scale.

LGPS PASS was launched in direct response to these developments.

LGPS PASS

A set of optional, modular advisory services provided by us to support Partner Funds where additional expertise, analytical capacity or assurance is needed.

The services have been developed to:

- Support compliance with evolving LGPS regulation and guidance
- Improve the quality and consistency of investment and RI reporting
- Reduce duplication by sharing insight and analysis
- Enhance oversight and assurance while supporting local officers

LGPS PASS does not replace local decision-making. All statutory responsibilities remain with the Partner Fund.

Why it matters

By centralising specialist support at pool level, LGPS PASS helps Funds do more with existing resources, while retaining full local control and accountability.

The service is designed to support our Partner Funds:

- Meet rising governance and regulatory expectations
- Strengthen fiduciary oversight with clearer evidence
- Access specialist support efficiently through the Pool
- Make better-informed, well-documented decisions

Core service areas

Policy advice and formulation

Support is available for the review, refresh and development of investment-related policies, including RI policies. This focuses on alignment with LGPS regulation and statutory guidance, while reflecting each Fund's priorities. Outputs are designed to be clear, practical and suitable for Committee review and scrutiny.

Responsible Investment (RI):

Support in this area is designed to strengthen assurance and improve clarity in response to increasing scrutiny. This includes advice on RI and stewardship policy development, annual reporting, and targeted data analysis where deeper insight is required.

Reporting:

Targeted training and briefings are available for Officers and Committee Members, particularly following elections or changes in membership. This is aimed at building confidence and consistency across governance teams, with a focus on practical interpretation of regulatory developments and market changes.

Cash management and liquidity support:

As LGPS funds mature and cashflow dynamics evolve, liquidity management has become an increasingly important aspect of governance. LGPS PASS provides analytical and advisory support to help Funds understand and manage cashflow within a pooled framework. This includes cashflow modelling, liquidity planning and stress testing, as well as supporting alignment between liquidity needs, SAA and private markets pacing.

Training and regulatory updates:

Targeted training and briefings are available for Officers and Committee Members, particularly following elections or changes in membership. This is aimed at building confidence and consistency across governance teams, with a focus on practical interpretation of regulatory developments and market changes.

"LGPS PASS has been a highly effective addition to the strategic management of the Pension Fund. It has strengthened operational resilience, allowed us to implement Fit for Future *and reduced reliance on costly interims. As a result, we have improved service delivery to stakeholders while achieving significant value for money."*

Anisa Darr, Executive Director of Resources (s151 officer), Barnet Council

Our People
Victoria Davies, Chief People Officer

Our people have spent the year navigating and delivering against the Fit for the Future transformation programme. The progress achieved has been both significant and motivating.

Following the Government's direction on pooling, colleagues have continued to support delivery of the reforms throughout the year. This has been a period of substantial organisational activity, with strong focus and commitment demonstrated across the business in meeting the required minimum standards.

We remain committed to attracting and retaining individuals motivated by our purpose: to support sustainable outcomes for the communities served by our Partner Funds. This is reflected in stable workforce trends and continued success in attracting experienced investment and operational talent.

Our values

Collaboration
We work together to build and sustain strong partnerships both internally and externally

Responsibility
We are committed to deliver on our promises, meet the needs of our stakeholders and to go the extra mile

Integrity
We act with honesty, ethics, and respect in everything we do

Diversity
We respect and celebrate our differences and create an inclusive environment where everyone feels welcome

Our Leadership Team

Our leadership team has continued to strengthen during this past year.

In anticipation of our Chief Operations Officer, Martin Gloyne, retiring in late 2026, we appointed Danny Firth as his successor. Danny's experience across pensions, investment management and operational transformation positions him strongly to support the next phase of our organisational development.

Following the retirement of Rob Treich, we welcomed a new Head of Public Markets, James Beaumont. James has brought with him a strong track record of performance and team leadership, which we've already seen develop and influence Public Market product ranges aligned to our Fit for the Future journey.

Growth in People Capability

We have taken a deliberate approach to recruiting individuals with the investment management skills and experience required to support the long-term success of the organisation.

Investment capability has been enhanced through the appointment of additional Portfolio Managers and Investment Analysts, supporting the delivery of investment performance and the development of services for Partner Funds, including Strategic Asset Allocation and advisory support.

In parallel, we have broadened our capabilities in business and investment change, bringing in individuals with change management expertise while continuing to develop existing colleagues.

Throughout our recruitment processes, we assess alignment with our cultural values through competency-based assessment, focusing on practical examples of how candidates demonstrate those values. For leadership roles, this is complemented by an emphasis on the ability to lead and develop others alongside strong technical expertise. Together, this approach supports long-term resilience and succession planning.

We continue to take a measured approach to workforce growth, balancing investment in permanent roles with flexibility through the use of interim resource for time-limited activities

Workforce capacity is monitored on a full-time equivalent (FTE) basis to provide a consistent view of operational capability. The year-end position reflects the timing of recruitment rather than a structural change in resourcing. As at 31 March 2026, total headcount was 67.5 FTE.

Our Employee Benefits

Our employee benefits offering has continued to evolve, with the aim of remaining competitive in the market. Improvements during the year included:

- the introduction of group income protection insurance;
- enabling employee pension contributions via salary sacrifice;
- enhancements to our family-friendly leave and pay policies; and
- further development of our learning and development programme, including targeted support for leaders and improved onboarding processes.

Our Employee Engagement

We had our first all-staff strategy and engagement day. Following the theme of Navigating through Change, we spent an afternoon bringing staff together to plan for the Fit for the Future transformational change programme. Aspects of the day included welcoming a Partner

Our People continued

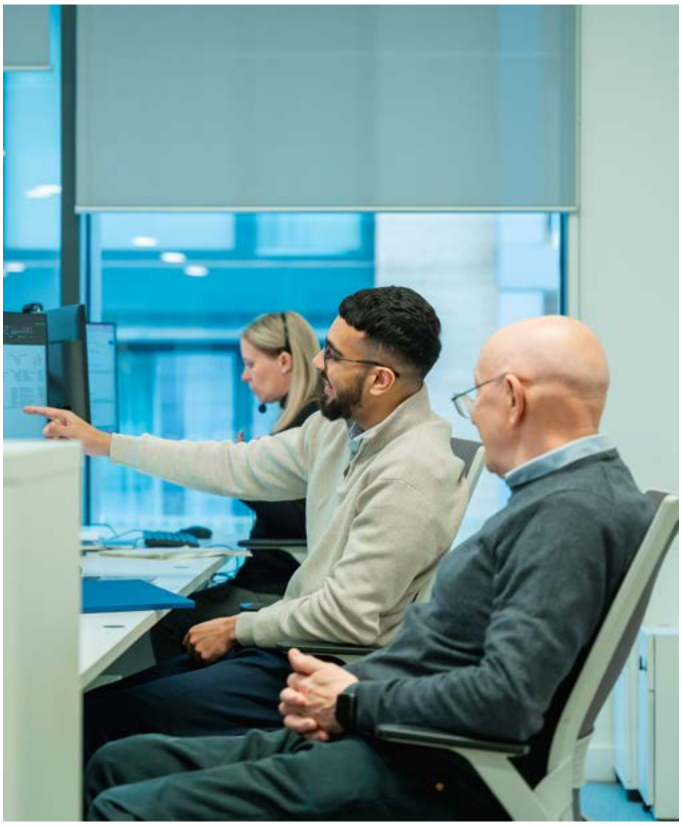
Fund representative from Greenwich to discuss a day in the life of a client; exploring our CEO and CIO's vision for the future of London CIV; discussing the reality of what business change looks and feels like; and celebrating employee achievements.

Employee feedback was overwhelmingly positive and we intend to continue this type of event on an annual basis.

Driving a Performance Culture

As part of our ongoing development of performance management, we refreshed our annual performance assessment approach. This included moving away from numerical ratings in favour of a framework based on modern and clear performance descriptors, which better reflects individual contribution, and resonated better with our people.

Like many other organisations we continue to set annual performance objectives and conduct annual performance reviews with our employees. In addition, real-time feedback is provided throughout the year, between line managers and employees.



Diversity

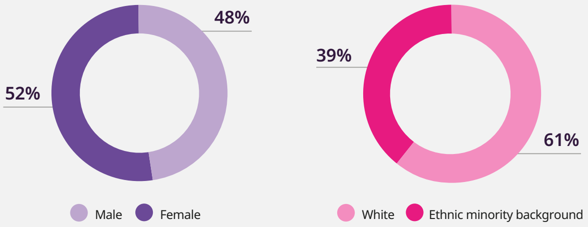
We continue to value and appreciate diversity, which is interwoven throughout our Company Values, people strategy and processes.

We embrace diversity initiatives through several ways:

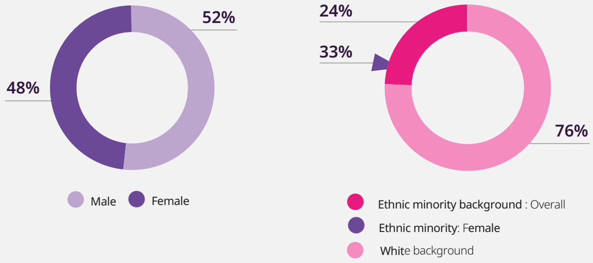
- **Our targets:** Senior Leaders target is 40% of role holders to be female (achieved) and at least 15% to be of ethnic minorities (achieved).
- **Embracing diversity in the day to day:** 50% of new permanent hires this year were female and 21% of ethnic minority.

61 Employees

as of 31 March 2026



Senior leadership



Our Principal Risks and Mitigation
Sarah Nowell, Chief Risk Officer

Our focus remains on ensuring that risks are managed to keep our shareholders and Partner Funds safe during this period of change.

This section outlines the principal risks and uncertainties that could impact our operations, financial performance, and overall business strategy. By identifying and assessing risks at both a macro and an enterprise level, we strengthen decision making and organisational resilience.

Our Enterprise Risk Management Framework systematically identifies, assesses and addresses risks across the Company, covering both Business-as-Usual activity and change programmes.

The Board is ultimately responsible for ensuring that risk management is effective and for setting the Company's risk tolerance in line with its strategic objectives. The Board delegates oversight to its Compliance, Audit and Risk Committee ("CARCO") which is, in turn, supported by the Executive Risk and Compliance Committee.

Fit for Future

Our priority during the year has been to balance the required pace of change with continuing to deliver existing products and services. A [RO25.1] pragmatic and measured approach to the design and implementation of new and modified funds and services has therefore been critical in managing our risk profile and providing assurance to stakeholders, including the FCA, that new requirements are implemented without causing material detriment to Partner Funds.

Key Components of the framework:

1. **Risk Tolerance:** The Board approves the Company's risk tolerance levels on an annual basis to guide decision making and shape the controls framework. It is aligned to the Medium-Term Financial Strategy and integrated within operational controls and culture.
2. **Risk Identification:** We systematically identify potential risks across all areas of our business, including: Strategic, People, Operational, Technology, Financial Stability and Regulatory risks.
3. **Risk Assessment:** Each identified risk is evaluated based on its likelihood and potential impact. to support risk prioritisation and effective resource allocation.
4. **Risk Mitigation:** We implement ways to mitigate identified risks through preventive measures, or contingency plans.
5. **Risk Monitoring and Reporting:** We have established reporting mechanisms to ensure that risk information is communicated to risk governance forums regularly to support effective oversight and decision making.

Key Risks and Mitigations

Definition	Risk Tolerance	Assessment
Strategic		
Failure to deliver the business strategy. This may be due to poor execution, decision making, governance or a failure to deliver due to poor investor engagement, inadequate offering, or external industry dynamics.	MEDIUM	As set out in the CEO's report, a key part of our strategy this year was the implementation of the Fit for the Future strategy. This implementation necessitated a careful, risk-aware approach to ensure we met governmental expectations within time and budgetary constraints and did this in a manner which maintained the collaborative approach we aim for with our Partner Funds. A robustly governed 'Fit for the Future' program structure with regular updates provided to the LCIV Board as well as to government and regulatory stakeholders helped ensure we stayed on track for implementation whilst remaining within our risk tolerance. This risk-aware, collaborative approach will continue as we work with our Partner Funds to continue this implementation into the next financial year.
Investment and Product Risk		
Risk of failure to conduct effective investment oversight, to deliver on investment objectives or to develop and maintain products that meet the objectives, characteristics, and best interests of clients.	LOW	Continuous improvement in the quality and consistency of our investment and product range remains a focus, as described in the CEO's Statement and Investment section of this report. We have had some areas where investment performance has not met expectations which caused us to be outside our risk tolerance throughout the period. As mentioned elsewhere, we have taken actions to address this, including the adoption of a multi-manager approach for a number of funds and continuing to identify alternative manager prospects for others. In addition, the LCIV Diversified Growth Fund commenced fund closure due to underperformance. Increasing challenge and visibility of product delivery challenges has also been a focus. We have also established a quarterly investment risk and mandate compliance forum, chaired by the Chief Risk Officer, to formally review compliance with investment restrictions and increase the visibility of the output of this meeting to the executive and Board- level investment committees. This complements existing oversight processes and strengthens our ability to ensure that funds continue to meet their objectives.
Legal and Compliance Risk		
The risk that the Company does not comply with the applicable regulatory framework or does not adhere to applicable laws.	LOW	The Company continues to promote its compliance and risk culture led by the CEO and CRO, and underpinned by our purpose and values. We remain within our risk tolerance in these areas. Regular and open engagement with the FCA has supported our implementation activities and provided confidence in our approach. We do, however, recognise that taking on new business activities raises both our regulatory and legal risks. Mitigating these risks within the Board's risk appetite has remained a priority. We have also utilised external legal counsel to confirm our interpretation of regulation or to help deliver new contractual frameworks, service-level arrangements and investment management structures The annual due diligence by the independent Depository of our processes and controls related to the management of the funds found no material issues and reconfirmed LCIV as operating at the Depository's lowest risk rating.

Our Principal Risks and Mitigation continued

Definition	Risk Tolerance	Assessment
Firmwide Operations including Outsourcing and IT		
The risk of loss as a result of inadequate internal processes, poor internal controls or contingency plans or poor operational oversight (internal and 3rd party).	MEDIUM	Our Risk Management and Compliance frameworks continue to develop in line with business growth and are subject to the challenge of our independent NEDs via the CARCO. Nonetheless, Operational Risk is heightened through the design and implementation of a material number of new processes as part of Fit for the Future which brought us close to breaching our risk tolerance towards the end of the financial year. We seek to mitigate this through enhancing our own controls, the engagement of expert outsourcing partners, and additional hiring of suitably skilled staff (see below). The risk appetite for each new service is assessed before it is launched, and the effectiveness of controls reviewed on an ongoing basis. Our approach has been phased and pragmatic, designed to minimise disruption and ensure that new funds and services are delivered in a controlled and compliant manner while continuing to meet the needs of our shareholders and Partner Funds. Due diligence was completed on the outsourced services procured through Northern Trust (our largest outsource service provider), including fund accounting, global custody, transfer agency, performance services, and portfolio compliance monitoring. The review also evaluates Northern Trust's corporate governance, risk management, operational resilience, information security, cyber resilience, and net-zero carbon commitment. From the monitoring, LCIV has concluded that there are no significant risks affecting Northern Trust's ability to provide these services in the next 12 months. Northern Trust has demonstrated the ability to operate Funds according to the Fund Legal Documents, including the Prospectus, Trust Deed, and Limited Partnership Agreement (LPA). In the year, we revalidated our CyberEssentials certification with the audit process for CyberEssentials+ completing in April 2025. The 2026 Penetration testing round identified no critical vulnerabilities.
People Risk		
The ability to attract and retain talent and the ability to maintain appropriate employment practices alongside a suitable remuneration framework.	MEDIUM	Addressing the demands of Business as Usual alongside the new skills required for Fit for the Future has been a key priority. Due to the accelerated development of new business activities connected with the Fit For the Future implementation, our pace of hiring while remaining within budget, resulting in periods where we moved outside of our risk tolerance. While we believe a strong tone from the top at the Company is already established, maintaining a healthy and inclusive culture remains essential, particularly during a period of growth. Initiatives such as our all employee strategy and engagement day have supported this objective, alongside a suite of activities we have implemented to maintain a cohesive culture. In addition, steps were taken to drive a performance-led culture, keeping our key business objectives, including delivering to our Partner Fund expectations, in keen focus. People risk will continue to be a focus area into the next financial year.
Financial Strength, Capital and Liquidity		
The risk that the Company does not have sufficient regulatory capital reserves or does not achieve sufficient income to remain a going concern or is unable to meet payment obligations in a timely manner.	VERY LOW	Under the oversight and challenge of the CARCO, we completed our first detailed Internal Capital Adequacy Risk Assessment and Solvent Wind Down Plan. These regulatory exercises require detailed analysis of our ability to withstand operational and market stress scenarios. Following actions agreed with Shareholders during the year, including capital strengthening and cost efficiencies, our capital and liquidity position remains robust. In addition, in recognition of our expanded business activities, we continue to monitor the adequacy of our insurance coverage, to help protect our balance sheet against higher impact events. We are comfortable that our overall capital and liquidity reserves remain within tolerance to ensure regulatory requirements are met whilst maintaining overall financial strength.

Our Financial Review
Christopher Gardiner, Chief Financial Officer

Financial Highlights

We remain focused on delivering value for money for investors and our Partner Funds.

I am pleased to report that the Company has delivered a strong financial performance during the year, alongside continued progress against its strategic objectives. With the support of Partner Funds, delivery of our Fit for the Future plans has remained a central priority, and good progress has been made against the Government's objectives. This has supported business growth and the development of new capabilities, including the delivery of our Strategic Asset Allocation Advice service. Positive net inflows, fund performance and increased investment management fees have delivered revenue growth of 17% on the prior year to £12.9m (2025: £11.0m).

A further highlight was the £2.2m share capital investment from Partner Funds, strengthening our balance sheet and enhancing our regulatory capital position. The speed of this funding, and the level of participation, demonstrated strong support for our growth plans.

I am also happy to report that, over the past 12 months, the successful renegotiation of third party investment manager fees across our public market fund range has delivered gross annualised fee savings of £2.7m. LCIV retaining a proportion of these fee savings has helped to create a sustainable funding model for the business and support the ongoing investment in the business.

Key financial indicators for the year to March 2026 include:

- Revenues £12.9m (2025: £11.0m)
- Operating Profit of £0.1m (2025: £0.1m)
- Net Partner Fund investments of £0.9bn (2025: £2.0bn) achieved in the year
- AUM in our managed ACS funds increased by 9%, rising from £19.3bn to £21.1bn
- Improved regulatory capital requirement surplus of 156% (2025: 133%)

Income statement

	Mar-26 £m	Mar-25 £m
Fixed Fees	3.1	3.1
Management Fees	8.0	6.4
Other income	1.8	1.5
Total Turnover	**12.9**	**11.0**
Other income	0.1	0.2
Total Operating income	**13.0**	**11.2**
Expenses		
Staff costs	8.2	7.1
Non staff costs	4.7	4.0
Total Admin Expenses	**12.9**	**11.1**
Operating Profit	**0.1**	**0.1**

Operating Income

Management fees increased during the year, reflecting growth in AUM driven by favourable market movements and net client inflows of £0.9bn (2025: £2.0bn). Increased fund management fees also reflect improvements in our fees negotiated with third party managers.

Operating Income also includes new additional revenues for Investment Advice and Pension Advisory Support Services (PASS) of £0.1m (2025: £0.0m).

Passive fees earned of £0.8m (2025: £0.6m) are based on Pension Fund assets held predominantly with LGIM and Blackrock. The passive assets are treated as deemed pooled by MHCLG.

Operating Expenses

Our operating expenses includes growth in staff costs of £8.2m (2025: £7.1m), reflecting additional headcount to support the delivery of Fit for the Future and expanded services to Partner Funds.

Non-staff costs of £4.7m (2025: £4.0m) include expenses relating to office facilities, external professional fees, technology costs and general business expenses. Increases in non-staff costs over the prior year were driven by additional investment in our systems, recruitment costs, additional office space and inflationary increases in business running costs.

Our Financial Review continued

Capital and Revenue Funding Review

The Company's ability to support the pooling requirements of our Partner Funds needs to be underpinned by a robust capital and revenue funding framework.

Additional regulatory capital has been provided from the allotment of the remaining authorised B shares (total value of £2.2m). The subscription process completed at the end of June 2025.

Ongoing funding of capital will be from retained earnings, generated from increases in fees associated with additional AUM from pooling, the delivery of Strategic Asset Allocation Advice and other PASS services.

Assets Under Management

AUM as at March 2026 was £21.1bn (March 2025: £19.3bn) and a further £17.4bn (March 2025 £14.9bn) was invested in passive funds managed by LGIM and Blackrock and deemed pooled.

- Public market assets managed by the Company increased by 4% over the year, rising from £17.1bn to £17.8bn. This movement reflects net client outflows of £0.5bn, offset by favorable market movements of £1.2bn over the period. The outflow from our active funds was primarily due to client reallocations to passive funds.
- Commitments to private markets assets managed by London CIV increased by 14% (£532m) in the year, leading to total commitments of £4.3bn.
- Additional Indirect Real Estate Pooling AUM (IREP) of £0.6bn (2025: £0.0bn) has been recognised as IREP assets managed by CBRE.
- The overall level of assets deemed pooled (including passive investments managed by LGIM and Blackrock) increased from £34.2bn to £38.5bn.

Asset Under Management	Actual Mar-26 £bn	Actual Mar-25 £bn
AIFM AUM ACS Funds	17.8	17.1
AIFM AUM Private Markets	2.7	2.2
Total AIFM AUM	**20.5**	**19.3**
IREP AUM	0.6	-
Total AIFM AUM	**21.1**	**19.3**
Passive Funds	17.4	14.9
Total AUM	**38.5**	**34.2**

Client flows	Actual Mar-26 £bn	Actual Mar-25 £bn
Gross Inflows (incl commitments)	2.1	2.3
Client outflows	(1.2)	(0.3)
Net client flows	0.9	2.0

Regulatory Capital and Liquidity Requirements

We are an established Financial Conduct Authority ("FCA") regulated asset manager, authorised as a collective portfolio management company. As such we are subject to the requirements of the Alternative Investment Fund Managers Directive ("AIFMD") capital requirements. Additionally, as we move to fall under the scope of the Investment Firms Prudential Regime ("IFPR"), the Markets in Financial Instruments Directive ("MiFID") also applies.

The Shareholder Agreement requires that a regulatory capital statement is put to shareholders for approval in writing at least annually and this is done as part of the AGM business. The next FCA return in July 2026 is for the June 2026 position, informed by the audited 31 March financial statements.

The tables below summarise the capital and liquidity positions under AIMD and MiFID and confirm that we met our regulatory obligations. For AIFMD and MiFID, the capital adequacy requirement is the same. The capital adequacy or "Own Funds Requirement" based on the audited financial statements as at 31 March 2026 is as follows:

AIFMD Own Funds Requirement – March 2026 based on audited financial statements	£m
Own Funds	10,681
Own Funds Requirement	6,844
Surplus	3,837
% Surplus over Requirement	**156%**

The liquidity requirements under AIFMD and MiFID are presented in the table below.

AiFMD Liquidity Requirement – March 2026	£m
Liquid Assets	10,992
Liquid Assets Requirement	6,734
Liquid Assets Surplus	**4,258**

MiFID Liquidity Requirement – March 2026	£m
Core Liquid Assets	10,544
Liquid Asset Threshold Requirement	1,008
Liquid Assets Surplus	**9,536**

We are required to prepare an Internal Capital Adequacy and Risk Assessment ("ICARA") at least annually. The purpose of the ICARA is to demonstrate how we have assessed our regulatory obligations, including potential harms for our Partner Funds. The ICARA also assesses and quantifies appropriate levels of capital and liquidity required to address the potential harms identified during business as usual, in stressed conditions and in the execution of an orderly wind-down. Through the ICARA we have not identified that any additional capital is required to support its ongoing operations.

Our Financial Review continued

Going Concern

Each year we carry out a detailed financial analysis which considers the ability of the Company to meet its current and future liabilities. In preparing the going concern analysis, Directors have considered the:

- Current financial position of the Company
- Three-year medium-term financial strategy ("MTFS") approved by shareholders in January 2026
- Capital adequacy position of the company under AIFMD and MiFID regulations
- Financial impacts of a stressed market on the MTFS and resulting capital and liquidity positions
- Going concern assessments for London CIV's ACS and private market funds

The Directors have determined that the Company has the financial resources to operate as a going concern for the foreseeable future.

Increased investment by Partner Funds

- Assets managed increase by **9%**
- Total assets pooled and deemed pooled rose by **13%**
- Commitments to private markets funds in the year increased by **14%**

Approval of Strategic Report

The Strategic Report is a statutory requirement to inform and assist our shareholders in assessing how the directors have performed their duty under section 172(1) of the Companies Act. The report provides our shareholders with an analysis of our performance during the financial year, to provide insight into our business model, strategies, objectives and principal risks, and to provide context for the financial statements.

The Directors consider that the report meets the statutory purpose and objectives of the strategic report.

On behalf of the Board:

D. Bowden

Dean Bowden, Chief Executive Officer
London CIV
25 June 2026

Governance

In this section

Our Governance Framework
Liz Lynxwiler, Company Secretary

This section consolidates governance reporting, providing context that explains our governance arrangements and activities through the year. As a result, you will find reporting in this section that may be found elsewhere in other companies' reports, including the section 172(1) statement.

Governance Overview

Company Background

London LGPS CIV Limited ("London CIV") is an FCA authorised and regulated company limited by shares. Our 32 Partner Funds are also our shareholders. We were established as a collective venture in 2015 for the specific purpose of pooling the LGPS pension assets of the London Local Authorities.

In addition to our Articles of Association, there is a Shareholder Agreement in place which outlines the matters reserved to shareholders. These matters include items such as the approval of the budget, objectives, and the business plan.

Shareholder Relations

Positive engagement with our shareholders is central to our success. There are a number of formal and informal touchpoints throughout the year, including:

- **General Meetings (2 per year):** all shareholders invited; exercising of shareholder rights.
- **Shareholder Committee (4 per year):** sub-set of shareholders; consults on items such as our strategy, business plan, corporate performance, and shareholder reserved matters.
- **Sustainability Working Group (4 per year):** sub-set of shareholders invited; consults on responsible investment and sustainable strategies.

Governance Overview

The Board is collectively responsible for our long-term success within a framework of prudent and effective controls. The Board's non-executive directors bring a level of independent challenge to the CEO and the management team. To support the Board in its oversight and leadership, there is an established committee framework (details below).

The CEO is responsible for the day-to-day management of the London CIV. The CEO is supported in this by an Executive Committee which includes other senior managers.

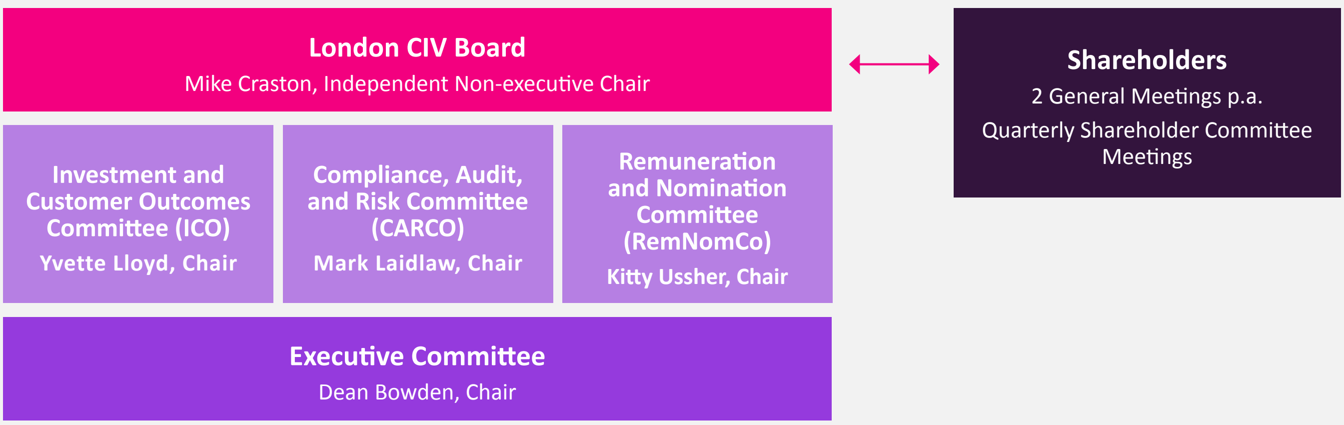
Under the FCA's Senior Management & Certification Regime ("SMCR") certain individuals hold responsibility as Senior Management Function Holders ("SMFs"). The current SMFs are the Board Chair, the CEO, the Chief Operating Officer ("COO") and the Chief Risk Officer ("CRO"), covering compliance and risk.

The Board Governance Committees are ICO, CARCO, and RemNomCo. Details on the activities of these governance bodies can be found in this section.

Fit for Future

Our current governance model meets the requirements and expectations of an FCA regulated business. The consultation outcome did not prescribe a specific governance model for pools. However, we are reviewing our current position to ensure that we continue to have sufficient shareholder voice at the Board, as well as any appropriate escalation routes for Partner Funds.

Our High-Level Governance Framework



Our Governance Bodies

The Board

Collectively responsible for the long-term sustainable success of the Company, the Board's role is to provide leadership of LCIV within a framework of prudent and effective controls which enables risks to be assessed and managed effectively. You can read about how the Board discharged its duties in the s172 Statement.

The Board has 4 non-executive and 2 executive directors. During the reporting period, the 2 shareholder-nominated NEDs roles remained vacant. The biographies of the Board can be found in this section. Damon Cook attended each meeting as the Treasurer Observer.

Principal Areas of Board Focus

In addition to regular updates on corporate and financial performance, stakeholder engagement and feedback, and governance matters, key agenda topics in the year included:

- Oversight of the Fit for the Future (FFF) programme, including implementation and onboarding of Buckinghamshire Council Annual budget, business plan and objectives set in the context of the medium-term financial plan
- Consideration of investment performance and product strategy
- Consideration of operational delivery and procurement decisions, including appointment of key service providers
- Approval of the ICARA and Assessment of Value reports
- Reviewing strategic challenges and risks to delivering the strategy and specific proposals
- Responsible Investment and Stewardship reporting
- Year-end financial report and annual review

The Board held an internally conducted Board evaluation was performed. The evaluation assisted the Board in identifying enhancements to its operations, management information, and areas of focus. The Board and Committee terms of reference and management information were refreshed as a result of the evaluation. In line with corporate governance best practice, the Board undertakes an externally facilitated evaluation every 3 years.

All directors must meet FCA fitness to serve requirements and are specifically approved by the FCA where required by the SMCR regime.

Our Governance Bodies continued

The Committees

Compliance, Audit and Risk Committee (CARCO)

Mark Laidlaw, Chair

CARCO is responsible for the risk and control framework, overseeing compliance obligations, for the integrity of financial statements and reporting, and for external auditor engagement.

Principal areas of focus

- Reviewing London CIV's Annual Report and Financial Statements
- Reviewing the ongoing compliance monitoring programme, including challenging management on outstanding actions
- Overseeing business resilience, cyber security and the information systems programme
- Approving the financial statements for the Authorised Collective Scheme and EUUT
- Considering external auditor reporting, including the assessment of going concern
- Evaluating the internal control environment
- Conducting the annual review of the Risk Management Framework, including overseeing management's implementation
- Monitoring the appropriateness of the ICARA and Wind Down Plan
- Overseeing conflicts of interest and whistleblowing arrangements

CARCO Members: Mark Laidlaw, Dean Bowden, Kitty Ussher

CARCO Attendees: Chief Risk Officer, Chief Financial Officer

Remuneration and Nominations Committee (RemNomCo)

Kitty Ussher, Chair

RemNomCo is responsible for overseeing LCIV's overall remuneration framework, managing nomination matters (including Board appointments), and overseeing succession planning for both the Board and senior leadership. Responsibility for Executive Committee remuneration is delegated to the Senior Staff Pay Panel, a sub-committee of RemNomCo.

Principal areas of focus

- Conducting the annual review of the Remuneration Policy, including considering performance-related pay and longer-term reward strategy developments
- Reviewing and approving employee benefits and family-friendly policies, with a focus on supporting staff retention and engagement
- Assessing and challenging the pay award for the 2025 performance year
- Reviewing and challenging succession planning for senior leadership and key roles, including talent development, organisational resilience and key person risk management
- Conducting the Board Chair appraisal
- Overseeing senior remuneration decisions through the Senior Staff Pay Panel, including executive remuneration and recruitment considerations

RemNomCo Members: Kitty Ussher, Mike Craston, Mark Laidlaw, Yvette Lloyd and Rishi Madlani (co-opted member as Chair of Shareholder Committee)

RemNomCo Attendees: CEO, Chief People Officer

Investment and Customer Outcomes Committee (ICO)

Yvette Lloyd, Chair

ICO is responsible for overseeing investment activity and risk appetite, monitoring progress against our Responsible Investment Strategy and stewardship priorities, including climate-related activity and progress towards Net Zero. ICO noted with satisfaction its continued approval as an asset owner signatory to the UK Stewardship Code.

Principal areas of focus

- Reviewing material risks relating to service and product launches under the Service and Product Framework
- Overseeing the implementation of Strategic Asset Allocation advice
- Reviewing fund performance, assessing investment manager selection metrics and overseeing investment risk across funds
- Reviewing the Assessment of Value Report
- Overseeing responsible investment, climate, TCFD, TCFN and stewardship matters across products and services
- Monitoring stewardship and engagement activity, including the three priority stewardship themes

ICO Members: Yvette Lloyd, Dean Bowden, Mark Laidlaw

ICO Attendees: Chief Investment Officer, Chief Operations Officer

Shareholder Committee (SHCo)

Cllr Rishi Madlani, Chair

SHCo plays an important role in identifying emerging issues and realistic solutions which will ensure that we can continue to meet the needs of the London LGPS.

SHCo is consulted on: London CIV's strategy, budget and business plan (MTFS); emerging issues and shareholder priorities; financial and corporate performance; Responsible Investment, and Reporting & Transparency.

SHCo Members: 12 members from London Local Authorities (8 London Local Authority Pension Investment Committee Chairs or equivalent and 4 Treasurers), a Trade Union Member and the London CIV Board Chair.

SHCo Attendees: LCIV CEO, COO, CFO, Company Secretary.

Our Board of Directors

Mike Craston
Independent Non-Executive Director
Appointed September 2021

Mike is the Board Chair and is a member of the RemNomCo. Mike is non-executive Chair of Railpen and Vanguard UK. Prior to this, he held a number of roles at Legal and General, Aegon Asset Management, Scottish Equitable, Schroders and as a non-executive director at Aviva Investors Holdings and AVIVA plc.

Dean Bowden
Chief Executive Officer
Appointed December 2022

Dean joined LCIV as Chief Executive in 2022. Dean is a member of the Board, CARCO and ICO. He has over 28 years' experience in the investment sector in senior leadership roles, including as CEO, CIO and CCO roles in asset management and investment management businesses, including the FTSE 250 Quilter Investors, for which he led the initial design and build. Dean also has significant experience in responsible investment having led Quilter Groups responsible investment and responsible business areas. Dean has recently been made a member of the Climate Finance Task Force, established by the Deputy Mayor of London for Environment and Energy.

Martin Gloyne
Chief Operating Officer
Appointed November 2024

Martin has over 30 years' experience within FCA authorised investment management firms largely working within the pensions industry and supporting multiple client and product types. This includes previous experience at COO level and consultancy roles. Martin has significant experience in business risk management, control frameworks and associated management reporting and in managing key service suppliers, including fund administrators, depositaries and IT infrastructure.

Prior to joining LCIV, Martin was COO of Quilter Investors Limited where he had responsibility for the day to day administration of the Quilter Investors funds. During his career, he spent a number of years at Aviva Investors in senior roles continuously adapting the operating model to support the changing business and corporate needs.

Martin also spent several years as an Operations Consultant helping a range of investment managers solve their operational challenges.

Mark Laidlaw
Non-Executive Director
Appointed 10 January 2022

Mark is the CARCO Chair and a member of ICO and RemNomCo. Mark has over 30 years' experience in financial services primarily within life, pensions and asset management and is a qualified actuary. Mark held a number of roles including as Chief Financial Officer (CFO) and Chief Risk Officer (CRO) at AEGON UK. He is currently is a Non-Executive Director of Omnilife, Kilter Finance and Scottish Friendly; Non-Executive Chair Policy Services Limited; Non-Executive Chair of the Investment Oversight Committee for VTL (a DB/DC Master Trust) and a Trustee of the LV Pension Scheme.

Our Board of Directors continued

Yvette Lloyd
Non-Executive Director
Appointed January 2022

Yvette is the ICO Chair and a member of RemNomCo. Yvette has over 25 years' experience in asset management and investments in senior leadership and non-executive positions at asset managers, banks, insurance companies and pension schemes. She brings expertise in equity, fixed income, multi-asset, and real estate asset classes in both public and private markets vehicles, for both retail and institutional investors globally including the implementation of sustainability factors in client driven strategies as Head of Responsible Investment and digital assets as Head of Product Structuring Solutions.

Yvette has served as a Member Nominated Director and Trustee of a large UK pension scheme and an as advisor to the Income Generation and Investment Committee of the Royal College of Nursing Foundation. Yvette is currently Head of Product Structuring Solutions for BNY Investments EMEA and a Trustee of Mellon Europe Pension (Nominees) Limited, a DC and DC pension scheme.

Kitty Ussher
Non-Executive Director
Appointed September 2020

Kitty is the RemNomCo Chair and a member of CARCO. Kitty is an economist, former Lambeth Councillor and MP who served as Economic Secretary to the Treasury (City Minister) during the financial crisis of 2007-08. In parliament she was a member of the Public Accounts Committee, the 2006 Companies Act and several Finance Bill committees. She has also served on the Financial Services Consumer Panel of the FCA and as a Non-Executive Director at Revolut NewCo UK Ltd. Kitty is currently Group Head of Policy Development at Barclays and a member of The Times shadow monetary policy committee.

Damon Cook
Board Observer

Damon is not a member of the Board but attends every meeting as the Treasurer Observer. He is the Royal Borough of Greenwich's statutory Chief Finance Officer (s151) and Director of Resources.

His wider responsibilities include digital, customer services, financial governance, procurement, welfare advice and benefits.

Cllr Rishi Madlani
Shareholder Committee Chair

Rishi served as Chair of the Shareholder Committee and in March 2026 was appointed by the Board to server as a Board Advisor on shareholder matters. He also chaired the London Borough of Camden's Pension Committee and is an elected Councillor in Camden representing the Bloomsbury ward. Beyond his political roles, he has spent more than 20 years in financial services in a range of product, strategy and leadership roles, with a particular focus on sustainability and responsible investment, including a focus on climate, environmental and social issues. In his voluntary work, he contributes to organisations across the education and sustainability sectors.

Our Stakeholders
Section 172 Statement

The Companies Act 2006 (the "Act") requires the Annual Report to provide information that enables our stakeholders to assess how the London CIV Board of Directors (the "Board") have performed their duties under section 172 of the Act.

The Act provides that the Board must act in a way that they consider in good faith would be most likely to promote the success of the Company for the benefit of shareholders as a whole. In doing so, the Board must have regard to, amongst other things, the factors set out below:

- the likely consequences of any decision in the long term;
- the interests of colleagues;
- the need to foster our business relationships;
- the impact of our operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- the need to act fairly for all our members.

Our high engagement business model is designed to ensure the Board takes into account its key stakeholders when developing our strategy. The Board's safeguarding of stakeholder interests takes two approaches: direct interactions, and oversight of management's efforts. The Board understands the value of stakeholder engagement beyond statutory obligations. The examples provided in this s172 statement therefore illustrate a broad view of how we pay regard to some of our key stakeholders during the year.

The Board acknowledges that decisions are not made in isolation and are often made against a backdrop of competing interests. One of the Board's roles is to navigate the complexities of the various stakeholder priorities and perspectives. The Board uses our purpose statement- *working together to deliver sustainable prosperity for the communities that count on us all*- as a touchstone for decision-making to ensure consistent outcomes.

During the year, the Board's decisions were taken with a clear focus on long-term sustainability, operational resilience and the delivery of outcomes for Partner Funds within a changing LGPS policy and regulatory environment. Where decisions required formal approval, Board papers and discussions were used to consider the impacts on relevant stakeholders and, where appropriate, to balance short-term delivery needs against longer-term resilience and value. The Board also used its committee structure to support robust challenge and oversight, particularly on risk, capital adequacy, governance and disclosures.

The Board is supported in the discharging of its duties by the Governance and Secretariat function. For the year ending 31 March 2026, the Board considers that, as individuals and a collective, it acted in accordance with s172.

<table>
<tr><td>Shareholders</td><td>Our approach
Our Partner Funds, as shareholders and clients, are central to our success. Board engagement is primarily through the two annual general meetings, and the quarterly Shareholder Committee meetings. Beyond this, the Board delegates shareholder engagement to the CEO and wider LCIV workforce, who then provide shareholder feedback to the Board. This indirect engagement provides insights that inform the Board's discussions and decision making.

Our focus this year: Financial resilience, reporting and governance
• Approved the Company's Annual Report and Financial Statements and related year-end approvals, including the going concern assessment and the regulatory capital statement. These decisions supported transparent reporting, regulatory compliance and prudent financial stewardship for the benefit of members.
• Approved the Medium-Term Financial Strategy and annual budget, taking a prudent approach to assumptions and prioritising long-term sustainability while supporting delivery of Fit for the Future commitments.
• Approved the appointment of the Shareholder Committee Chair as a Board Advisor to provide shareholder representation in the absence of shareholder-nominated non-executive directors.
• Delegated limited authorities (for example, to finalise specific reporting and meeting documents) to ensure timely completion of statutory and regulatory requirements whilst maintaining appropriate Board oversight.</td></tr>
</table>

Our Stakeholders continued

Clients	**Our approach** Our approach is grounded in a clear commitment to supporting Partner Funds as our clients. We work alongside our Partners to understand their objectives and evolving requirements, providing investment solutions, advice and implementation capabilities that are practical, responsive and aligned to their long-term goals. In doing so, we seek to combine the benefits of scale with a strong client-focused service model, ensuring that Partner Funds are supported in delivering outcomes for their members while maintaining local accountability. **Our focus this year: Service delivery, supplier relationships and client outcomes** • Approved the appointment of key service providers following a competitive process. This supported continuity, quality and value in core operational services which underpin delivery to Partner Funds. • Approved updates to the Conflicts of Interest framework to reflect the Company's evolving service model while maintaining consistent standards. This supported integrity, fairness and customer protection across services, aligned to FCA expectations for governance and conduct. • Supported the continued development of arrangements needed for Fit for the Future implementation, with an emphasis on phased delivery, minimising disruption and managing operational risk for Partner Funds.
Wider Community (including ESG considerations, LGPS beneficiaries and the taxpayer)	**Our approach** Beyond supporting our Partner Funds, we aim to deliver value for LGPS beneficiaries, the UK taxpayer and the wider communities in which we operate. Our engagement includes direct involvement with LGPS stakeholders (e.g. civil society partners), participation in sector-wide discussions on community-related financial pressures, and collaboration with Partner Funds through the SWG. We also take a proactive approach to corporate stewardship, using our voting rights and investment influence to promote socially and environmentally responsible practices across the companies we invest in. **Our focus this year** • Approved the publication of climate and nature-related disclosures (including delegation for finalisation where appropriate). These disclosures support transparency, inform stewardship activity and reflect the Company's role within the LGPS as a long-term investor. • Approved steps relating to the Company's corporate emissions approach and oversight of responsible investment collaboration, with regard to reputational considerations and the wider public interest context in which LCIV operates. • Ensured management remained focused on the renegotiation of third party manager fees across our public markets portfolio, generating annualised savings of £2.7m. Retaining a proportion of these savings has reinforced a sustainable funding model for the Company.
People	**Our approach** We foster a working culture where engagement between senior leadership, people managers and employees is supportive. We have an open-plan office environment, hybrid working model, and monthly all-staff Town Hall sessions providing regular opportunities for open communication and feedback. The Employee Voice forum, which includes a representative from every team, remains a valued channel for employees to share their views and influence decisions. **Our focus this year: People and organisational capability** • Considered and approved updates to the Company's remuneration arrangements where required, supporting the attraction, retention and engagement of talent needed to deliver an increasingly integrated pooling model. • Maintained focus on organisational capability and resilience, recognising that sustainable delivery for Partner Funds depends on a suitably resourced and supported workforce.
Regulators	**Our approach** Our engagement with policymakers and regulators remains a core part of how we anticipate and respond to changes in the LGPS landscape. We have maintained regular, constructive dialogue with the FCA, to ensure our obligations and permissions remain appropriate and up to date. **Our focus this year: Capital adequacy, ICARA and wind-down planning** • Approved the Company's ICARA assessment and solvent wind-down planning. This strengthened the Company's resilience and its ability to manage potential harms, supporting continuity of service to Partner Funds and reinforcing confidence in the Company's control environment. • Considered how capital and liquidity planning supported delivery expectations in a changing operating model, with a focus on maintaining a stable platform for Partner Funds and protecting the Company's long-term viability.

Our Directors' Report
Dean Bowden

The directors present their annual report and the audited financial statements for London LGPS CIV Limited (the "Company") for the year ended 31 March 2026.

Principal activities

London CIV manages the Local Government Pension Scheme ("LGPS") assets of the London Local Authorities (including the City of London). As their investment partner the Company provides a portfolio of products and services. A detailed explanation of the Company's principal activities and business model can be found throughout the report.

Strategic Report

The Company is required by the Companies Act 2006 to include a Strategic Report in its Annual Report. The information that fulfils this requirement, which considers past performance, risks and uncertainties and future developments, can be found in the CEO report, the financial review, and the Risk Section. Please refer to our Section 172 Statement for examples of how the Board of directors (the "Directors") took into account the Company's stakeholders when making decisions.

Going concern

The Directors have reviewed the financial results for the year ending 31 March 2026, and the annual budget for the year to 31 March 2027 which covers income and expenses, regulatory capital and the cashflow requirements of the business. The Directors are of the opinion that the Company has sufficient financial resources to meet its ongoing obligations as they fall due over the next 12 months from the date of signing the financial statements. Accordingly, the Directors believe it is reasonable for the Company to continue to adopt the going concern basis in preparing the financial statements for a period of at least 12 months from the date of signing the financial statements.

Pension scheme

The Company participates as an Admitted Body in the City of London Corporation Pension Fund ("the Fund") which operates a defined benefit scheme. The funding of the scheme by the Company is determined by the Actuary to the Fund. The Company is obliged to account for its participation in the Fund under FRS 102. As at 31 March 2026, the Actuary has reported an FRS 102 pension surplus of £2.3m (31 March 2025: £2.2m). The scheme surplus is not recognised as an asset in the financial statements since the Company does not have a right to a refund or, in light of their funding commitments, to reduce future contributions.

The Company closed its defined benefit scheme to new entrants with effect from the 1 June 2020. The Company continues to offer pension provision for eligible employees through defined contribution arrangements.

Subsidiary Companies

The Company's subsidiaries during the year were: LCIV Nominee (1) Limited; LCIV Nominee (2) Limited; London LGPS CIV GP Limited; The London Fund GP LLP; and The London Fund LP. The principal activities are described in note 10. The subsidiary companies were dormant during the period under review. The directors do not anticipate that the subsidiary companies will trade in the foreseeable future.

Directors

The Directors who served during the year were:

- Michael Craston (Board Chair)
- Dean Bowden
- Martin Gloyne
- Mark Laidlaw
- Yvette Lloyd
- Kitty Ussher

Director indemnity provision

The Company has made qualifying third-party indemnity provisions for the benefit of its directors, which remain in force at the date of this report.

Board Attendance

The list below shows the attendance at board meetings by Directors during the year. There were 5 formal Board meetings and 1 strategy session held during the course of the financial year ending 31 March 2026.

Director	Meetings
Michael Craston (Chair)	6/6
Dean Bowden	6/6
Martin Gloyne	5/6
Mark Laidlaw	6/6
Yvette Lloyd	6/6
Kitty Ussher	6/6

Our Directors' Report continued

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", Section 1A, and applicable law).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

At the time when this Directors' Report was approved, each Director has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditor

Grant Thornton UK LLP were appointed as auditor to the Company and funds managed by the Company for the financial year ending 31 March 2026, for a maximum period of five years.

This report was approved by the Board and signed on its behalf by:

Dean Bowden, Chief Executive Officer
London CIV

25 June 2026

Financial Statements

In this section

Independent Auditor's Report
to the Members of London LGPS CIV Limited

Opinion

We have audited the financial statements of London LGPS CIV Limited (the 'company') for the year ended 31 March 2026, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as geopolitical instability, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report continued

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 40 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors, management and the compliance officer. We determined that the most significant laws and regulations were:
  - United Kingdom Accounting Standards, including FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, as the applicable financial reporting framework.
  - The Companies Act 2006, governing the preparation, presentation and statutory content of the financial statements.
  - The Financial Services and Markets Act 2000 (FSMA), as applied to the Company as an FCA-authorised and regulated investment management firm.
  - Relevant tax legislation, including UK corporation tax requirements.
  - Pensions legislation relevant to the Company's participation in the Local Government Pension Scheme (LGPS).
- We enquired of the directors and management including compliance to obtain an understanding of how the Company is complying with those legal and regulatory frameworks and whether there were any instances of non-compliance with laws and regulations and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the minutes of the Company's board meetings, inspection of the risk events log, inspection of legal and regulatory correspondence and reports to the regulator, the FCA.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:
  - evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
  - testing journal entries, including manual journal entries processed at the year-end for financial statements preparation; and
  - challenging the assumptions and judgements made by management in its significant accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
  - knowledge of the industry in which the Company operates; and
  - understanding of the legal and regulatory frameworks applicable to the Company.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the Company's operations, including the nature of its investments, sources of income, and of its objective to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
  - the Company's control environment to mitigate risks of fraud or non-compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Flatley FCA (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
25 June 2026

Statement of Comprehensive Income
for the year ended 31 March 2026

Registered Number: 09136445

	Note	2026 £'000	2025 £'000
Turnover	4	12,890	10,987
Administrative expenses		(12,881)	(11,057)
Other operating income	7	116	189
Operating profit		**125**	**119**
Interest receivable and similar income		264	141
Profit before taxation		**389**	**260**
Tax on profit	8	(115)	(67)
Profit for the financial year		274	193
Other comprehensive expenses for the financial year:			
Actuarial loss on defined benefit pension scheme	15	(32)	–
Deferred tax relating to items of other comprehensive income		8	(1)
Other comprehensive expense for the financial year		**(24)**	**(1)**
Total comprehensive income for the financial year		**250**	**192**

The notes on pages 49 to 55 form integral part of these financial statements.

Balance Sheet
as at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible assets	9	124	74
Investments	10	–	–
		124	**74**
Current assets			
Debtors: amount falling due within one year	11	3,177	2,384
Cash at bank and in hand	12	15,868	102,996
		19,045	**105,380**
Creditors: amounts falling due within one year	13	(8,313)	(97,081)
Net current assets		10,732	8,299
Debtors: amounts falling due after more than one year	11	81	66
Total assets less current liabilities		**10,937**	**8,439**
Deferred taxation	14	(6)	(8)
Net assets		**10,931**	**8,431**
Capital and reserves			
Share capital	16	7,200	4,950
Profit and loss account		3,731	3,481
Total shareholders' funds		**10,931**	**8,431**

The financial statements on pages 45-48 were approved by the board of directors and were authorised for issue on 25 June 2026.

They were signed on its behalf by:

Dean Bowden, Director
25 June 2026

The notes on pages 49-55 form integral part of these financial statements.

Statement of Changes in Equity
for the year ended 31 March 2026

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance as at 1 April 2024	4,950	3,289	8,239
Comprehensive income for the financial year			
Profit for the financial year	–	193	193
Other comprehensive expense for the financial year	–	(1)	(1)
Total comprehensive income for the financial year	–	192	192
Balance as at 31 March 2025 and 1 April 2025	4,950	3,481	8,431
Comprehensive income for the financial year			
Profit for the financial year	–	274	274
Actual loss on defined benefit pension scheme	–	(32)	(32)
Deferred tax relating to items of other comprehensive income	–	8	8
Other comprehensive income for the financial year	–	(24)	(24)
Total comprehensive income for the financial year	–	250	250
Contribution and distribution by owners			
Additional shares issued in the year	2,250	–	2,250
Total transactions with owners recognised directly in equity	**2,250**	**–**	**2,250**
Balance as at 31 March 2026	**7,200**	**3,731**	**10,931**

Statement of Cashflows
for the year ended 31 March 2026

	Note	**2026 £'000**	2025 £'000
Cash flows from operating activities			
Operating profit		125	119
Adjustments for:			
Depreciation of tangible assets		51	45
(Increase) / decrease in trade and other debtors		(793)	1,269
(Decrease) in trade creditors	13	(88,874)	(15,438)
Cash generated from operations		**(89,491)**	**(14,005)**
Income taxes paid		(35)	(380)
Interest received		264	141
Net cash generated from operating activities		**(89,262)**	**(14,244)**
Cash flow from investing activities			
Purchase of tangible asset		(101)	(55)
Increase in rent deposit		(15)	–
Net cash used in investing activities		**(116)**	**(55)**
Cash flow from financing activities			
Issue of share capital		2,250	–
Net cash used in financing activities		**2,250**	**–**
Net (decrease) in cash and cash equivalents		(87,128)	(14,299)
Cash and cash equivalents at the beginning of the year		102,996	117,295
Cash and cash equivalents at the end of the year	12	**15,868**	**102,996**

The notes on pages 49 to 55 form an integral part of these financial statements.

Notes to the Financial Statements
for the year ended 31 March 2026

1. General information

London LGPS CIV Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is 4th Floor, 22 Lavington Street, London, SE1 0NZ and Registered Number: 09136445. Authorised and regulated by the Financial Conduct Authority No. 710618.

The principal activity of the Company is the provision of FCA regulated investment management and advisory services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The figures presented in these financial statements are stated in thousands of pounds sterling (£'000).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Going concern

As disclosed in the Directors' Report, the Company continues to adopt the going concern basis in preparing its financial statements. The directors believe it is reasonable for the Company to continue to adopt the going concern basis in preparing the financial statements for a period of at least 12 months from the date of signing the financial statements.

2.3 Exemption from preparing consolidated financial statements

The Company is not required to prepare consolidated financial statements by virtue of the exemption under section 402/405 of the Companies Act 2006.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The service charge and development funding charge are billed to each shareholder annually and recognised over the year to which they relate.

Asset management fees are ad valorem fees calculated daily and invoiced in arrears. Advisory fees are recognised over the period in which the related services are provided. Turnover also includes the reimbursement of certain fund related expenses which are also included in administrative expenses.

2.5 Equity instruments

Equity instruments issued by the Company are recorded at a level representing the value of proceeds received. Share capital represents the nominal value of shares that have been issued.

2.6 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives using the straight-line method.

The estimated useful lives range as follows:

Leasehold improvements – 3 years

Fixtures and fittings – 3 years

Computer equipment – 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Investments

Investments in subsidiaries are stated at cost, less provision for any impairment. Dividends, impairment losses and reversals of impairment losses are recognised in the Statement of Comprehensive Income in 'Net gains/(losses) on investments'.

Dividends from investments which would be classified as financial liabilities by the investee are classified as interest and recognised in the Statement of Comprehensive Income in 'Interest income'.

Notes to the Financial Statements continued

2. Accounting policies (continued)

2.8 Impairment of investments

Impairment losses on investment in subsidiaries are measured as the difference between cost and the current estimated recoverable amount. When the recoverable amount is less than the cost, an impairment is recognised within the Statement of Comprehensive Income in 'Net gains/(losses) on investments' and is reflected against the carrying amount of the impaired asset on the Balance Sheet.

2.9 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short- term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income as and when they are incurred. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

2.13 Leased assets: the Company as lessor

Where assets leased to a third party give rights approximating to ownership (finance lease), the lessor recognises as a receivable an amount equal to the net investment in the lease i.e. the minimum lease payments receivable under the lease discounted at the interest rate implicit in the lease. This receivable is reduced as the lessee makes capital payments over the term of the lease.

A finance lease gives rise to two types of income: profit or loss equivalent to the profit or loss resulting from outright sale of the asset being leased, at normal selling prices, reflecting any applicable discounts, and finance income over the lease term.

2.14 Pensions

Defined benefit pension plan

The Company participates in a defined benefit plan operated by the City of London Corporation. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration.

The amounts recognised in respect of the defined benefit plan is the estimated present value of the Company's share of the estimated defined benefit obligation at the Balance Sheet date less the Company's share of the fair value of plan assets at the Balance Sheet date out of which the obligations are to be met. If the present value of the defined benefit obligation at the Balance Sheet date is less than the fair value of plan assets at that date, the plan has a surplus. Under FRS 102, London CIV is not able to recognise a plan surplus as it is not recoverable. The surplus is evaluated in line with restrictions which are known as a ceiling test, on the basis that a Minimum Funding Requirement is generally accepted to exist for the LGPS.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to estimate the defined benefit obligation.

The fair value of plan assets and liabilities are measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of an appropriate valuation technique.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

2. Accounting policies (continued)

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

2.15 Interest income

Interest income is recognised in the Statement of Comprehensive Income when it is received, as interest is received monthly from the bank.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried on the Balance Sheet.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.18 Cash at bank and in hand

Where subscription monies are received from investors pending investment into funds managed by the Company, the monies are held on a bank account that forms part of the Company's cash balances until the monies have been invested and are not subject to segregation in a separate client money bank account. Investors in funds managed by the Company have agreed that client money rules are not applicable.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements and assumptions in two areas. Firstly, regarding the valuation of defined benefit post-employment obligation and the pension reimbursement asset that affect the financial statements and related disclosures. The Company believes that the estimates utilised in preparing the financial statements are reasonable, relevant and reliable.

Secondly in relation to the VAT creditor balance due to the ACS in relation to amounts recovered from the proposed PESM (Partial Exemption Special Method) under discussion with HMRC. On the strength of previous recoveries, the Company believes that it is reasonable to maintain this balance until the PESM is formerly accepted by HMRC.

The Directors do not believe any other accounting judgements or estimates have been applied to this set of financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Notes to the Financial Statements continued

4. Turnover

	2026 £'000	2025 £'000
Management Fees	8,020	6,413
Service charge and development funding charge	3,120	3,120
Other fee income	826	748
Advisory fees	109	–
Reimbursement of certain private market fund expenses	815	706
	12,890	10,987

Advisory fees relate to outsourced pension officer and investment advice services provided to Partner Funds. Reimbursement of private market funds expenses relates to the recovery of fees and expenses charged to investors in those funds.

5. Auditor's remuneration

	2026 £'000	2025 £'000
Audit fees payable to the Company's auditors for the audit of the Company's annual financial statements	47	47

	2026 £'000	2025 £'000
Fees payable to the auditor in respect of other audit-related services	13	13

Other audit related services relate to the provision of a client assets report to the Financial Conduct Authority.

6. Directors' and employees

Staff costs including Directors' remuneration during the year as follows:

	2026 £'000	2025 £'000
Wages and salaries	6,446	5,899
Social security costs	919	709
Other pension costs	839	517
	8,204	7,125

As noted previously, the Company operates a defined benefit pension for the benefit of certain employees. The assets of the scheme are administered by the City of London Pension fund. Employer contributions are recognised as an expense during the year, these amounted to £68k (2025: £113k). The number of active members in the scheme was 6 (2025:7).

The Company also provides a Defined Contribution Scheme provided by Nest Pensions, the accounting treatment is to expense the employer's contributions to the scheme which amounted to £771k for the year (2025: £404k).

The average monthly number of employees, including executive directors, during the year was 60 full time equivalent (2025: 51).

Remuneration in respect of directors was as follows:

	2026 £'000	2025 £'000
Emolument	765	691
Social security costs	110	83
Other pension costs	–	19
	875	793

The average number of executive directors during the year was 2 (2025:2), and the average number of non-executive directors was 4 (2025:5).

The amounts set out above include remuneration in respect of the highest paid director:

	2026 £'000	2025 £'000
Emoluments	418	351
Social security costs	62	47
	480	398

7. Other operating income

	2026 £'000	2025 £'000
Other operating income	116	189
	116	189

Other operating income includes £116k (2025: £189k) from annual sponsorship for the London CIV conference.

8. Tax on profit

	2026 £'000	2025 £'000
Corporation tax		
Current tax on profit for the financial year	110	66
Adjustment in respect of previous periods	–	4
Total current tax	110	70
Deferred tax		
Origination and reversal of timing differences	(5)	1
Effect of changes in tax rates	–	(4)
Adjustment in respect of previous periods	10	–
Total deferred tax	5	(3)
Total tax charge for the financial year	115	67

Notes to the Financial Statements continued

8. Tax on profit (continued)

Factors affecting tax charge for the year

Subsidiary undertakings

The following were subsidiary undertakings of the Company: The tax assessed for the year is the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are explained below:

	2026 £'000	2025 £'000
Profit before taxation	357	260
Profit before taxation multiplied by standard rate of corporation tax in the uk of 25% (2025:25%)	90	65
Effects of:		
Expenses not deductible	15	2
Adjustment from previous periods	10	–
Total tax charge for the financial year	115	67

9. Tangible assets

	Leasehold improvements £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
At 1 Apr 2024	45	13	256	314
Additions	–	17	38	55
Disposal	–	–	(132)	(132)
At 1 April 2025	45	30	162	237
Additions	–	–	101	101
Disposal	–	–	(45)	(45)
At 31 March 2026	45	30	218	293
Accumulated depreciation				
At 1 April 2024	45	12	193	250
Charge for the year	–	6	39	45
Disposal	–	–	(132)	(132)
At 1 April 2025	45	18	100	163
Charge for the year	–	6	45	51
Disposal	–	–	(45)	(45)
At 31 March 2026	45	24	100	169
Net book value				
At 31 March 2026	–	6	118	124
At 31 March 2025	–	12	62	74

10. Investments

Investment held in subsidiary company at £21 (2025: £21).

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
LCIV Nominee (1) Limited**	22 Lavington Street, 4th Floor, London SE1 0NZ	Dormant	Ordinary	100%
LCIV Nominee (2) Limited**	22 Lavington Street, 4th Floor, London SE1 0NZ	Dormant	Ordinary	100%
London LGPS CIV GP Limited**	22 Lavington Street, 4th Floor, London SE1 0NZ	Dormant	Ordinary	100%
The London Fund GP LLP*	22 Lavington Street, 4th Floor, London SE1 0NZ	General Partner for The London Fund LP	Ordinary	100%
The London Fund LP*	Brodies LLP, Capital Square 58 Morrison Street Edinburgh, EH3 8BP	–	–	–

* Indirect dormant subsidiary.

** These subsidiaries of the Company were entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

11. Debtors

	2026 £'000	2025 £'000
Due within one year		
Trade debtors	785	491
Other debtors	681	436
Prepayments	299	228
Accrued income	1,412	1,229
	3,177	2,384

Accrued income of £1,412k (2025: £1,229) relates to revenue earned but not yet invoiced, with the increase driven by additional assets under management.

Provisions of £138k (2025: 107k) and £54k (2025:£48k) have been recognised against trade debtors and accrued income respectively and are included within the related balances on the balance sheet.

	2026 £'000	2025 £'000
Due more than one year		
Rent deposit	81	66
	81	66

The increase in rent deposit during the year relates to additional office space taken.

Notes to the Financial Statements continued

12. Cash at bank and in hand

	2026 £'000	2025 £'000
Cash at bank and in hand	15,868	102,996

Cash at bank and in hand includes subscription monies totalling £5,660k (2025: £95,105k) received from investors pending investment into London CIV managed funds.

13. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Trade creditors	337	247
Corporation tax	141	67
Other taxation and social security	537	290
Other creditors	6,610	95,936
Accruals and deferred income	688	541
	8,313	97,081

Amounts owed to group undertakings are interest free and repayable on demand. Other creditors balance includes subscription monies £5,660k (2025: £95,105k) received from investors pending investment in London CIV managed funds.

14. Deferred taxation

	2026 £'000	2025 £'000
At beginning of the year	8	11
Adjustment in respect of prior years	10	(5)
Charged to profit and loss	(5)	1
Charged to other comprehensive income	(8)	1
At the end of the year	6	8

The deferred taxation balance is made up as follows:

	2026 £'000	2025 £'000
Fixed asset timing differences	6	18
Short term timing differences	–	(10)
	6	8

15. Pension commitments

The Company participates in the City of London Pension Fund (the "Fund") which is part of the Local Government Pension Scheme. This is a multi-employer defined benefit pension scheme with assets held in a separately administered fund. The Fund provides retirement benefits on the basis of members' earnings over their careers. The Fund is administered by the City of London, which is responsible for ensuring that the Fund is sufficiently funded to meet current and future obligations. The Company has agreed a funding plan with the City of London, whereby contributions made by the Company into the Fund are equal to 15.6% of active employees' salaries. Additional contributions may be agreed with the City of London to reduce any funding deficit ascribed to the Company if necessary. A comprehensive actuarial valuation of the Fund, using the projected unit method, was carried out as at 31 March 2025 by the Fund Actuary.

Actuarial Valuation

To assess the FRS 102 surplus as at 31 March 2026, the actuary has based the value of the Company's surplus calculated for the funding valuation as at 31 March 2025 and the results of the previous FRS 102 report as at 31 March 2025, allowing for benefits paid and further benefits to accrue to members and for benefits established in respect of transfer values received, using financial assumptions that comply with FRS 102. Mortality projections have been updated to use the Continuous Mortality Investigation ("CMI") 2025 model. To calculate the Company's asset share as at 31 March 2026, the actuary has used the assets allocated to the employer as at 31 March 2025 allowing for investment returns, contributions and transfers paid in, and estimated benefits paid from, the Fund by and in respect of the employer and its employees.

Reconciliation of fair value of plan liabilities were as follows:

	2026 £'000	2025 £'000
Opening defined benefit obligation	4,444	5071
Current service cost	32	116
Interest cost	251	251
Change in financial assumptions	(181)	(967)
Change in demographic assumptions	112	(12)
Experience (loss)/gain on defined benefit obligation	156	(14)
Estimated benefits paid net of transfer in	(434)	(70)
Contributions by Scheme participants and other employers Unfunded pension payments	34	69
Closing defined benefit obligation	4,414	4,444

Reconciliation of fair value of plan assets were as follows:

	2026 £'000	2025 £'000
Opening fair value of scheme assets	6,664	6,427
Interest income on plan assets	384	321
Return on assets less interest	–	(192)
Other actuarial gains/(losses)	(19)	
Administrative expenses	(6)	(4)
Contributions by employer	68	113
Contributions by scheme participants	34	69
Benefits paid plus unfunded transfers in	(434)	(70)
Closing fair value of scheme assets	6,691	6,664

Notes to the Financial Statements continued

15. Pension commitments (continued)

Composition of plan assets:

	2026 £'000	2025 £'000
Equities	3,362	3,388
Cash	126	101
Property and Infrastructure	1,214	1,222
Multi-asset fund	1,031	1,065
Bonds	959	888
	6,692	6,664

	2026 £'000	2025 £'000
Fair value of plan assets	6,691	6,664
Present value of plan liabilities	(4,414)	(4,444)
Asset ceiling adjustment	(2,277)	(2,220)
Net pension scheme asset	–	–

The amounts recognised in profit or loss are as follows:

	2026 £'000	2025 £'000
Current service cost	32	116
Net interest on the defined benefit asset	(2)	(3)
Administrative expenses	6	4
Total loss	36	117

Defined benefit costs recognised in other comprehensive income

	2026 £'000	2025 £'000
Return on plan assets less interest	–	(192)
Other actuarial gains/ (losses) on assets	(19)	
Change in financial assumptions	181	967
Change in demographic assumptions	(112)	12
Experience loss on defined benefit obligation	(156)	14
Changes in impact of asset ceiling	74	(797)
Remeasurement of the net assets / (defined benefit liability)	(32)	4

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2026	2025
Discount rate	6.15%	5.90%
Future salary increases	3.85%	3.85%
Future pension increases	2.85%	2.85%
Future RPI inflation	3.25%	3.10%
Mortality rates (in years):		
– for a male aged 65 now	22.0	20.7
– at 65 for a male aged 45 now	23.5	22.0
– for a female aged 65 now	24.2	23.3
– at 65 for a female member aged 45 now	25.9	24.7

16. Called up share capital

	2026 £'000	2025 £'000
Allotted, called up and fully paid Share Capital treated as Equity comprising		
33 (2025: 33) Ordinary A shares of £1 each	–	–
4,950,000 ordinary B shares of £1 each	4,950	4,950
2,249,984 additional B shares of £1 each during the year	2,250	–
	7,200	4,950

In May 2025, the Company issued 2,249,984 Ordinary B shares of £1 each to existing shareholders.

17. Commitments under operating leases

As at 31 March the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2026 £'000	2025 £'000
Not later than 1 year	536	348
Later than 1 year and not later than 5 years	336	574
	872	922

During the year, the Company expanded its office space by entering into an additional lease on the same floor, resulting in changes to future minimum lease payments as at 31 March 2026. Lease expenses are recognised on a straight-line basis over the lease term.

18. Related party transactions

During the year, each of the 32 (2025: 32) shareholders paid an amount to London LGPS CIV Limited which totalled £800k (2025: £800k) for service charge fees and £2,320k (2025: £2,320k) for the development funding charge (DFC).

During the year, the Company accrued fee income of £64k (2025: £54k) from The London Fund LP. At the year end, £17k (2025: £28k) was outstanding.

Parent and subsidiary relationships

The parent and ultimate controlling entities are disclosed in note 1 to the financial statements. The Company's subsidiary undertakings as at 31 March 2026 and 31 March 2025 are disclosed in note 10.

19. Post balance sheet event

On 1 April 2026, Buckinghamshire Council (as Administering Authority for the Buckinghamshire Pension Fund) became a shareholder of the Company. 220,312 B shares and 1 A share were issued on that date. Cash consideration of £334,875.20 was received into the Company's bank account.

Glossary

Acronyms and Terms	Definition
ACS – Authorised Contractual Scheme	A UK authorised, tax transparent collective investment scheme. It is essentially a pool of assets held and managed on behalf of a number of participants (the investors) who are co-owners of the assets.
AIF – Alternative Investment Fund	A type of collective investment where funds are raised from a number of investors with a view to investing them in accordance with a defined investment policy for the benefit of those investors.
AIFM – Alternative Investment Fund Manager	Defined as an entity that provides, at a minimum, portfolio management and risk management services to one or more AIFs as its regular business irrespective of where the AIFs are located or what legal form the AIFM takes.
AIFMD – Alternative Investment Fund Managers Directive	Directive reference 2011/61/EU – A regulatory framework for alternative investment fund managers (AIFMs), including managers of hedge funds, private equity firms and investment trusts.
AoV – Assessment of Value	An annual report that provides investors with our assessment of the value each sub-fund within the ACS is delivering against seven criteria set out by the FCA.
Asset Owner Diversity Charter	A commitment by signatory firms to work together to build an investment industry which represents a more balanced and fair representation of diverse societies.
AUM – Assets Under Management	Total market value of the investments that we manage on behalf of investors.
CARCO – Board Compliance, Audit, and Risk Committee	CARCO oversees our activity in respect of compliance, audit and risk.
Climate Action100+	An investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. Over 700 investors with >$35 trillion in assets under management ("AUM") are engaging 170 companies worldwide on improving governance, curbing emissions and strengthening disclosures.
Cost Transparency Initiative (CTI)	Industry standard for institutional investment cost data designed to provide transparent information on costs and charges and help investors decide whether investments represent value for money.
Deforestation Free Pensions Working Group	A working group of 12 pension funds that informed and contributed to shaping guidance to assist the identification and mitigation of deforestation-related risks.
DFC – Development Funding Charge	The DFC and service charge together comprise our fixed income stream and are paid by all shareholders contributing to the core costs of the company. When introduced the intention was that the DFC would be a short to medium term measure until management fee income had risen sufficiently to contribute to core costs.
Diversity Project	A cross-company initiative championing a truly diverse, equitable and inclusive UK investment and savings industry.
ESG – Environmental, Social and Governance	Issues that are identified or assessed in responsible investment processes. Environmental factors are issues relating to the quality and functioning of the natural environment and natural systems. Social factors are issues relating to the rights, well-being and interests of people and communities. Governance factors are issues relating to the governance of companies and other investee entities.
EUUT – Exempt Unauthorised Unit Trust	An unauthorised unit trust (UUT) is any unit trust which has not been authorised under Section 243 of the Financial Services and Markets Act (FSMA) 2000 by the Financial Services Authority and, a UUT can qualify as EUUT if: the trustees are UK resident, the investors are exempt from capital gains tax or corporation tax on chargeable gains (for reasons other than residency) and, approved by HMRC.
FCA – Financial Conduct Authority	Regulates the conduct of nearly 45,000 businesses in the UK to ensure that financial markets work well.
ICO – Board Investment and Customer Outcomes Committee	Oversees our investment activity in line with our strategy and business plan, with a focus on customer outcomes.
LAPFF – Local Authority Pension Fund Forum	A voluntary association of public sector pension funds based in the UK. LAPFF promotes the highest standards of corporate governance to protect the long-term value of local authority pension funds.
MiFID – Markets in Financial Instruments Directive	A directive that aims to increase transparency and investor protection in financial markets including by setting standards of conduct and standardising disclosures.
MHCLG – Ministry of Housing, Communities & Local Government	Government department responsible for local authorities including LGPS pension asset pooling policy (previously known as the DLUHC).

Glossary continued

Acronyms and Terms	Definition
MTFS – Medium Term Financial Strategy	A financial strategy which outlines investment and other financial goals within an annual and 5-year timescale.
NED – Non-Executive Director	Board members who do not perform an executive role within London CIV and are not involved in the day-to-day management of the company. They are involved in strategic direction, governance, setting the company's risk appetite, and monitoring corporate and financial performance. They are expected to provide challenge and act in the interests of our stakeholders.
Pensions for Purpose	A collaborative initiative of impact managers, pension funds, social enterprises and others involved or interested in impact investment. Its aim is to promote understanding of impact investment by effectively sharing news stories, blogs, case studies, academic research and thought leadership papers.
QIR – Quarterly Investment Report	Sent quarterly to all Partner Funds detailing the performance of our funds.
RemNomCo – Board Remuneration and Nomination Committee	Responsible for our remuneration policy, remuneration of key staff and nominations and succession planning for key staff and the board.
RMF – Risk Management Framework	Used to identify threats and outlines the process for mitigating those risks. The RMF is embedded in the Company's overall business strategy, operational policies, and practises.
SAB – Scheme Advisory Board	A body set up under Section 7 of the Public Service Pensions Act 2013 and The Local Government Pension Scheme Regulations 110-113. The purpose of the Board is to be both reactive and proactive. It will seek to encourage best practice, increase transparency, and coordinate technical and standards issues in respect of the LGPS.
Share Action	Share Action is a registered charity that promotes Responsible Investment with the aim to improve corporate behaviour on environmental, social and governance issues.
SMCR – FCA's Senior Management & Certification Regime	The regulatory regime setting the conditions for the authorisation or registration of individuals conducting key aspects of regulated activities in the UK.
SMF – Senior Manager Functions	FCA-designated controlled functions held by a firm's most senior decision-makers, who have clearly defined responsibilities for key areas of the firm's regulated activities. Individuals performing SMFs must obtain FCA approval before starting the role and are personally accountable for meeting regulatory requirements.
SWG – Sustainability Working Group	A forum which informs our approach to stewardship, responsible investment and ESG across our Partner Funds.
TCFD – Financial Stability Board's Task Force on Climate Related Financial Disclosures	Established with the goal of developing a set of voluntary climate-related financial risk disclosures which can be adopted by companies so that those companies can inform investors and other members of the public about the risks they face related to climate change.
TNFD – Taskforce on Nature-related Financial Disclosures	A set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities.
UK Stewardship Code	Stewardship standards for asset owners and asset managers, and for service providers that support them. The Code comprises a set of 'apply and explain' principles for asset managers and asset owners, and a separate set of principles for service providers.
UNPRI – the UN Principles for Responsible Investment	6 principles that provide a global standard for responsible investing as it relates to environmental, social and corporate governance factors. Organisations follow these principles to meet commitments to beneficiaries while aligning investment activities with the broader interests of society.
UN SDGs – UN Sustainable Development Goals	These include the SDG targets and indicators, thresholds set by the UNFCCC 2015 Paris Agreement, expectations set out in the Universal Declaration of Human Rights, and other environmental, social, governance, and development objectives established by political or socio-economic institutions.

Company Information

Directors

Michael Craston (Independent Non-Executive Director, Chair)
Dean Bowden (Executive Director)
Martin Gloyne (Executive Director)
Mark Laidlaw (Independent Non-Executive Director)
Yvette Lloyd (Independent Non-Executive Director)
Kitty Ussher (Independent Non-Executive Director)

Company secretary

Liz Lynxwiler

Registered number

09136445
Authorised and regulated by the Financial Conduct Authority No. 710618

Registered office

4th Floor
22 Lavington Street
London
SE1 0NZ

Business address

4th Floor
22 Lavington Street
London
SE1 0NZ

Independent auditor

Grant Thornton UK LLP
8 Finsbury Circus
London
EC2M 7EA

London CIV

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

London LGPS CIV Limited
Fourth Floor,
22 Lavington Street,
London, SE1 0NZ
Company No. 9136445

Company No: 09136445

COMPANY LIMITED BY SHARES

LONDON LGPS CIV LIMITED (the "Company")

CORRECTION NOTICE

THE COMPANY'S ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2026

Circulation Date: 30 July 2026

Dear Shareholders,

Following circulation of the Company's Annual Report and Accounts for the year ended 31 March 2026, the Company has identified an error in the narrative content of the report.

The report incorrectly states that on page 8, under Relevant Products and Services, it states that the LCIV Renewable Infrastructure Fund was closed during the financial year. The fund remains open.

The correct position is that we closed the LCIV Real Return Fund during the year due to performance

This correction relates solely to a factual statement within the narrative sections of the Annual Report and Accounts. It does not affect the Company's financial statements, reported financial results, net assets, auditor's opinion, or any other financial disclosures contained within the report.

Shareholders noted this correction when considering the Annual Report and Accounts at the General Meeting on 30 July 2026.

We apologise for the error and any confusion it may have caused.

By order of the Board,

Liz Lynxwiler
Company Secretary
London LGPS CIV Limited