

# BASF UK Group Pension Scheme

## Pension Investment Fund Performance to 30 November 2023

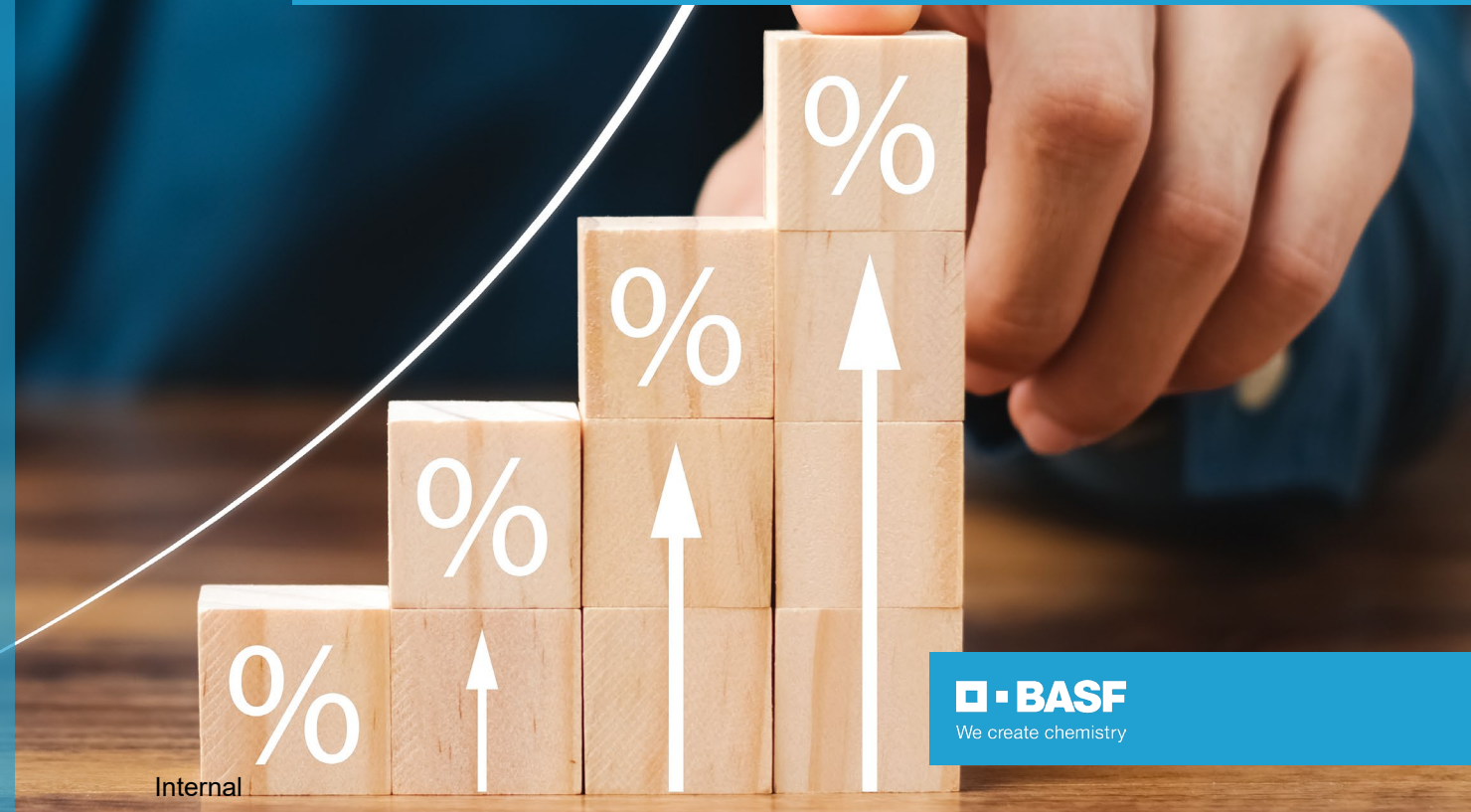
### Understanding the performance

- The funds all delivered positive returns over the 3-month period, but with variation in the size of return.
- Following a long period of negative bond markets, bond returns were positive over the last 3 months. This affected the Cautious Fund, which has an allocation to bonds, and the Pre-Retirement Annuity Fund, which only invests in bonds. However, the longer term returns from these funds is weaker as the markets have been concerned about the impact of higher interest rates and inflation on fixed interest bonds.
- Equity market returns varied by region and sector. For example, US equities did well whereas emerging market equity returns were lower. Because the Adventurous Fund has more exposure to emerging markets than other equity funds such as the Ethical and Islamic Funds, the return was lower.
- In general, equities had a very strong November, but this followed a much rockier early part of the year, as there has been a lot of uncertainty in some countries and sectors about recession risks, geopolitical tensions, and the path of inflation.
- The Sterling Liquidity (cash) fund produced a small positive return, as the Bank of England's Monetary Policy Committee has increased UK bank base interest rates over recent periods. However, with inflation still high, the fund has not kept pace with the cost of living.

**Remember, past performance is not a guide to the future and markets can be volatile.**

Fund	3 Months	1 Year	2 Years
Adventurous	0.20%	3.08%	1.22%
Moderate	0.69%	2.97%	-2.75%
Cautious	1.53%	2.69%	-4.58%
Ethical	2.18%	10.41%	8.13%
Islamic	0.90%	19.19%	3.43%
Pre-Retirement Annuity	3.72%	-4.15%	-30.74%
Sterling Liquidity	1.34%	4.47%	5.52%

Cumulative performance is measured over the previous 3 months, 1 year and 2 years, net of fees, taken from Scottish Widows



Internal