



QUARTERLY INVESTMENT REPORT

As of 31
March

20
24

Contents

Investments with you in mind	3	Let Me Do It funds – Performance and Risk Metrics	16/17
Investment commentary – highlights of the quarter	4	UK Equity Fund	18
Lifestyling explained	5	Global Equity Fund	19
Do It For Me funds – Performance and Risk Metrics	6/7	Emerging Markets Fund	20
Growth Fund	8	Bond Fund	21
Moderate Growth Fund	9	Ethical Equity Fund	22
Cautious Growth Fund	10	Sharia Fund	23
Liquidity Fund	11	Underlying Fund Information	24
Ethical Growth Fund	12	Important Information	25
Ethical Moderate Growth Fund	13		
Ethical Cautious Growth Fund	14		
Ethical Liquidity Fund	15		

Investments with you in mind

We make investments with long-term investment goals in mind. [Find out more](#) about where we invest.

The investment managers

USS Investment Management Ltd (USSIM) oversee your money. Some of our investments are directly managed by a team of in-house investment managers but we also select and monitor a range of external investment managers to look after some of the money. Our investment managers can adapt to the ever-changing markets – and help towards a more secure financial future for you.

Making Responsible Investments

When we make investments, we think about the impact of environmental, social and governance (ESG) issues so all our members with Defined Contributions (DC) savings have the choice to invest responsibly in both of our investment options:

Do It For Me Option

You can let our team manage your investments with the Do It For Me Option. Here, you also get to choose between the USS Default Lifestyle Option or the USS Ethical Lifestyle Option

Let Me Do It Option

You can make your own investment choices with the Let Me Do It Option. Here, you get to choose to invest in one or more of the 10 funds available, which include ethical options.

To find out more about where your Investment Builder saving are invested and your options, visit [Choosing your investments page](#).

Our investment glossary is designed to help you better understand the world of investing. Find out what different terms used throughout this report means: uss.co.uk/how-we-invest/investment-glossary



January 2024 - March 2024

Investment commentary

Global equity markets had a strong start to 2024, with strong US economic data and enthusiasm around Artificial Intelligence (AI) driving markets higher. This is despite the pace of interest rate cuts over 2024 likely being slower than the market expected at the end of 2023. Emerging market equities also had a positive quarter, but underperformed compared to developed markets due to weaker performance of the Chinese economy and wider longer term impacts of higher interest rates on a number of emerging market economies.

In the UK, equity markets also rose over the quarter but underperformed relative to its developed peers, with UK economic data showing that the UK entered a technical recession in the second half of 2023, before returning to growth territory again in January 2024. Stocks from financials, industrials and energy sectors generally produced the strongest returns over the period. Reactions to the Spring Budget 2024 were largely muted, suggesting that investors had anticipated bolder moves from the Chancellor ahead of the next general election.

Strong equity returns kick off 2024

- Over the first quarter, there was a significant shift around expectations around inflation and interest rates. Initially, investors hoped that central banks may start cutting interest rates aggressively over 2024, due to signs of slowing inflation. Expectations were scaled back following data showing that inflation was stickier than expected.
- Against this backdrop, equities and bond market returns were mixed. Global equity markets performed strongly, amidst enthusiasm around AI and stronger global economic activity driving gains, global bond markets produced weaker and even in some cases negative returns. Bond yields rose (meaning prices fell) on the back of expectations of higher rates for longer. Generally corporate bonds outperformed government bonds as credit spreads (the additional yield charged for riskier lending to companies) decreased on the back of stronger economic data.
- The performance of the Scheme's private market investments was generally positive over the quarter with long income property and secure credit holdings performing particularly strongly while UK property holdings delivered negative returns. Over the longer term, the Trustee believes that private markets provide investment opportunities and structures not available in public markets and that they may provide opportunities for additional returns, diversification, protections, or other desired characteristics relative to public market assets.
- The strong equity and credit bond market returns translated directly into the performance of the Do It For Me Default Options with the Growth Fund outperforming the Moderate Growth Fund, which in turn outperformed the Cautious Growth Fund over the quarter. These trends were also seen in the Ethical Lifestyle Options.
- In the Let Me Do It investment options, all the funds delivered positive absolute and relative performance over the quarter (with passively managed funds broadly performing in line with their benchmarks). The Sharia Fund was the strongest performer in absolute terms. The Sharia Fund is a fund that invests in equities guided by Islamic investment principles.

£3,115m

in assets under management

We are always looking at ways in which we can improve the information we provide our members. Our online [Member Voice Panel](#) allows you to be part of a community and express your views and opinions of USS. Your feedback will influence the way we do things and impact future decision making.

Lifestyling explained

Do It For Me

If you select the Do It For Me Lifestyle option, we gradually move your investments over time through different blends of Growth, Moderate Growth, Cautious Growth and Liquidity, which are generally less susceptible to market volatility but still do carry risks. This is called lifestyling and it begins 10 years from your Target Retirement Age (TRA).

Here's how lifestyling works:



*At present you can keep your money in the Investment Builder after you retire - USS rules allow up to four withdrawals per year (current legislation permit withdrawals)- but there won't be any further automatic moving in the investments after you've reached your TRA.

The breakdown of the funds within the lifestyle options shown and how they move over time may be subject to change from time to time, so it is important for you to refer to the latest version of this guide regularly for the most up to date information.

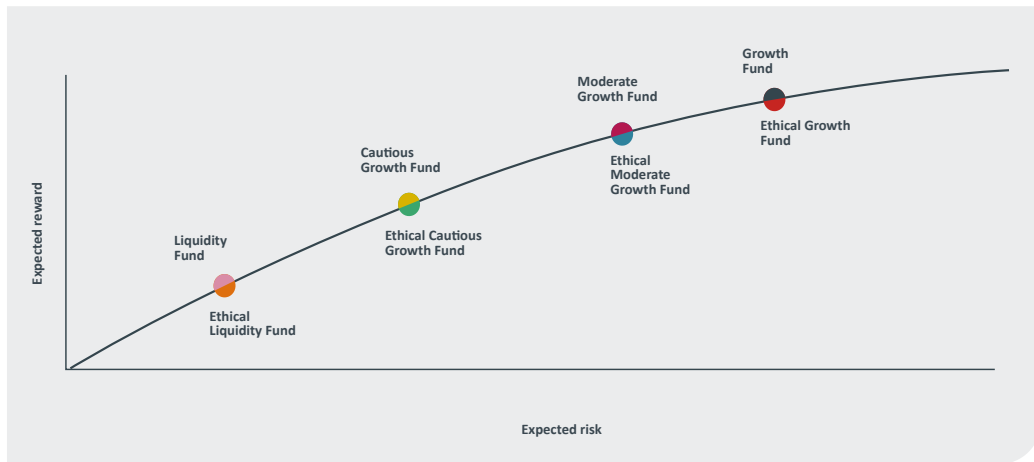
Performance and risk metrics:

Do It For Me

Comparative risk

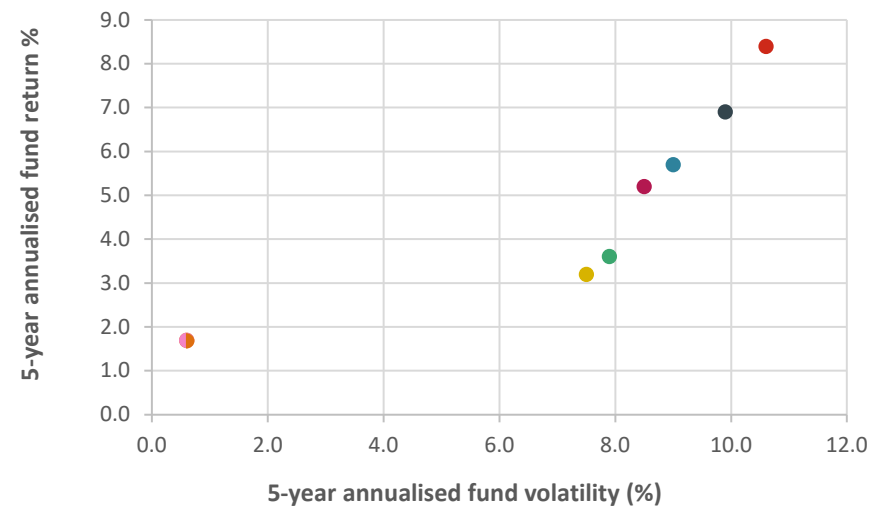
Risk Factor

This chart shows how we expect the risk of the Do It For Me funds to compare over the long term. The risk factors range from Low to High and are shown on a relative basis.



Realised risk and return

This chart shows a comparison of the realised risk and return of the Do It For Me funds (after subsidy) over a 5 year period.

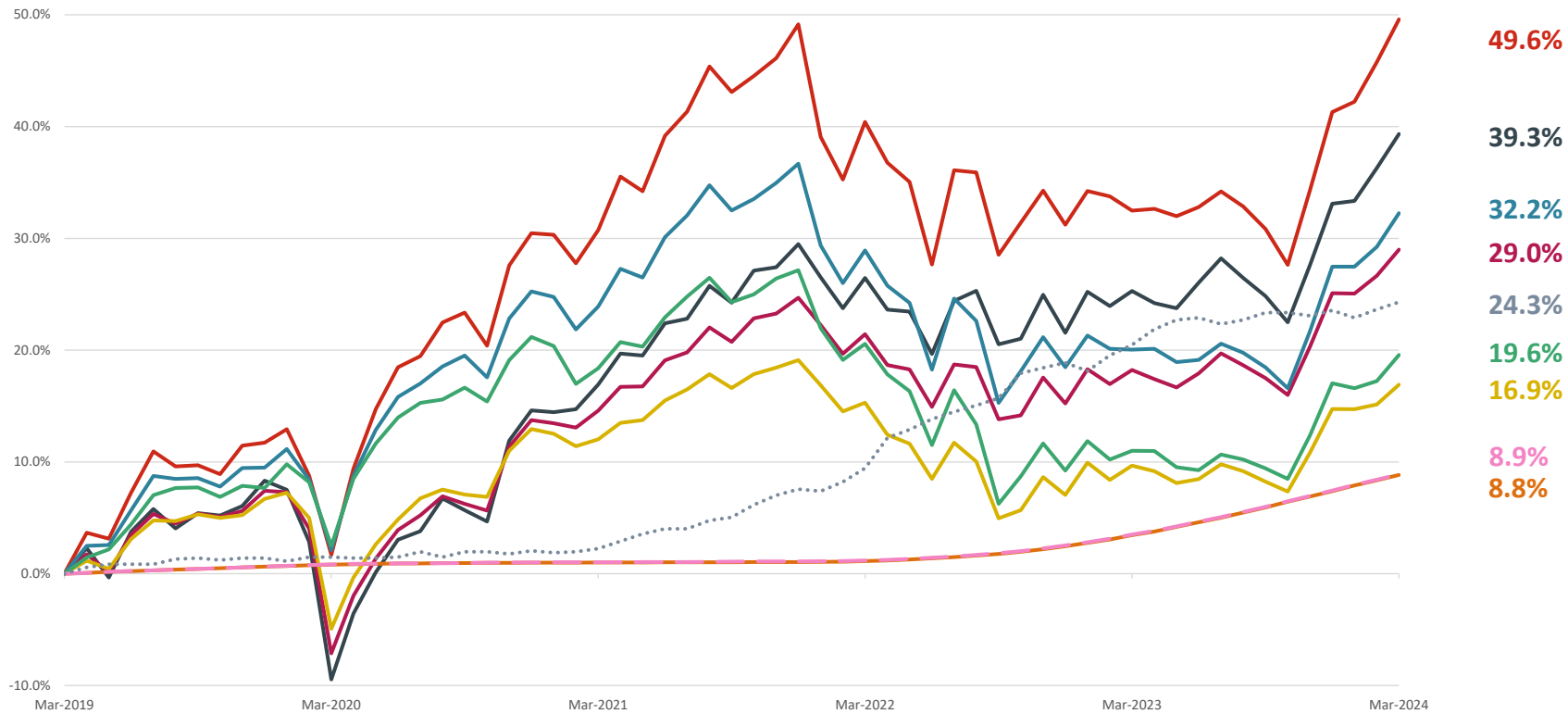


Performance and risk metrics:

Do It For Me

Cumulative performance

This chart shows the cumulative performance of USS funds against the Consumer Price Index (CPI) over a 5 year period. CPI is a good indicator of inflation as it measures the change in price of consumer goods and services. 5-year cumulative performance is the increase or decrease of returns as a percentage over the whole period. So, if a fund is performing above the CPI, it means that money saved in it is growing faster than the rise in the cost of living.



- Growth Fund
- Moderate Growth Fund
- Cautious Growth Fund
- Liquidity Fund
- Inflation (UK CPI)
- Ethical Growth Fund
- Ethical Moderate Growth Fund
- Ethical Cautious Growth Fund
- Ethical Liquidity Fund

USS Growth Fund

Aim of fund: To produce a CPI+ 3.0% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The fund is more likely to move up and down in the short term than the USS Moderate Growth Fund, but aims to produce a higher long term return. The fund uses a mix of active and passive management. The fund is predominantly exposed to a diversified range of currencies designed to balance the risks of the fund, with some Sterling exposure.

Performance summary

- The Fund delivered positive returns over the quarter as allocations to both equities and credit holdings aided returns, with the allocation to private markets also contributing positively to returns. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is ahead of its Long Term Return Target over most periods, with the underperformance over the last 3 and last 5 years resulting from the high inflationary environment experienced in recent years.

Risk Measures:

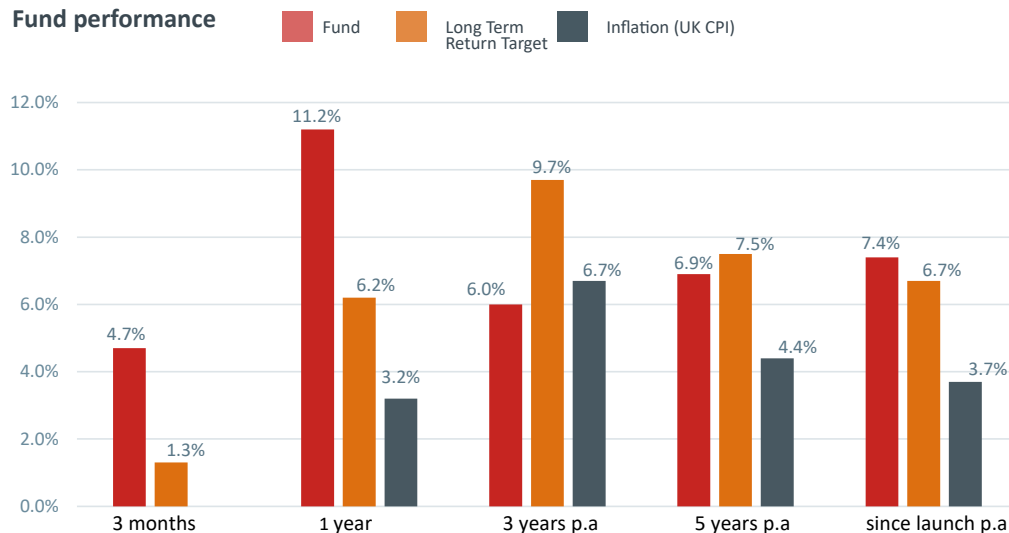
Five-year annualised fund volatility: **9.9%**

Fund Facts

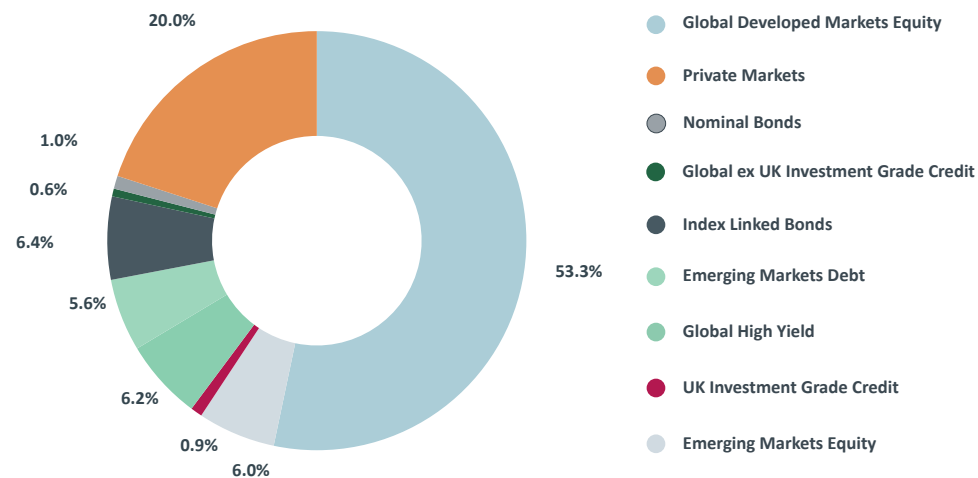
Long Term Return Target	CPI+ 3.0% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£1,881m
Management style	Mix

*The USS Growth funds, which make up part of the Default Lifestyle Option, the Do It For Me Option, and which members can choose in the Let Me Do It Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

Fund performance



Asset allocation (%)



To see the underlying funds that make up the Growth Fund, go to [page 24](#).

USS Moderate Growth Fund

Aim of fund: To produce a CPI+ 2.0% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The fund is more likely to move up and down in the short term than the USS Cautious Growth Fund, but aims to produce a higher long term return. The fund uses a mix of passive and active management. The fund is exposed to a diversified range of currencies, including Sterling, designed to balance the risks of the fund.

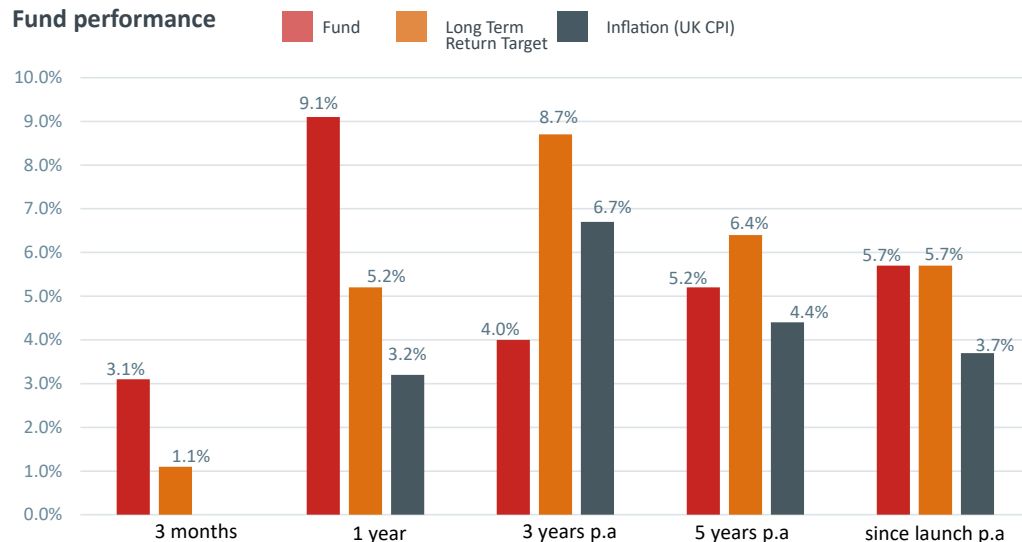
Performance summary

- The Fund delivered positive returns over the quarter with allocations to both equities and credit holdings aided returns and the allocation to private markets also contributing positively to returns. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is ahead of its Long Term Return Target over most periods, with the underperformance over the last 3 and last 5 years resulting from the high inflationary environment experienced in the recent years.

Risk Measures:

Five-year annualised fund volatility: **8.5%**

Fund performance

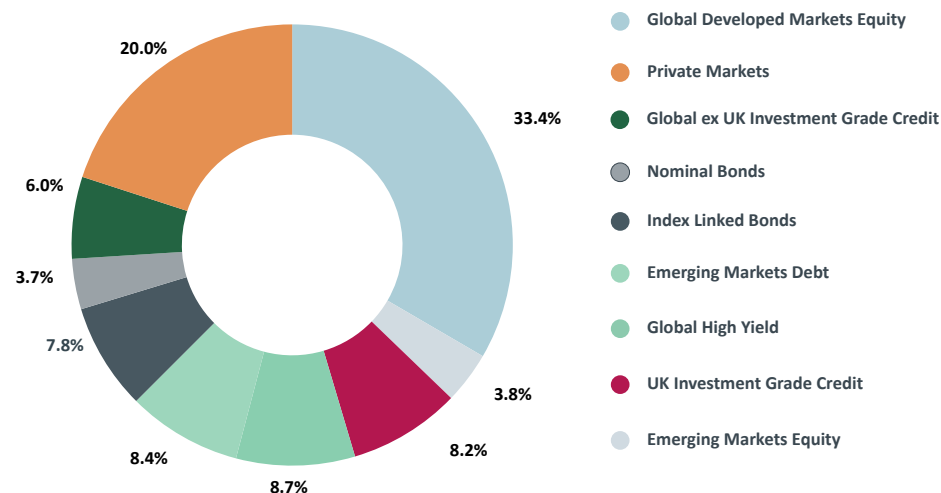


Fund Facts

Long Term Return Target	CPI+ 2.0% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£381m
Management style	Mix

*The USS Growth funds, which make up part of the Default Lifestyle Option, the Do It For Me Option, and which members can choose in the Let Me Do It Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

Asset allocation (%)



To see the underlying funds that make up the Moderate Growth Fund, go to [page 24](#).

USS Cautious Growth Fund

Aim of fund: To produce a CPI+ 1.5% per year return over the long term by primarily investing in a mix of equities, bonds and private markets. The fund aims to move up and down in the short term less than the USS Moderate Growth Fund, but also aims to produce a lower long term return. The fund uses a mix of passive and active management. The fund is predominantly exposed to Sterling, with some currency diversification designed to support the balance of risks of the fund.

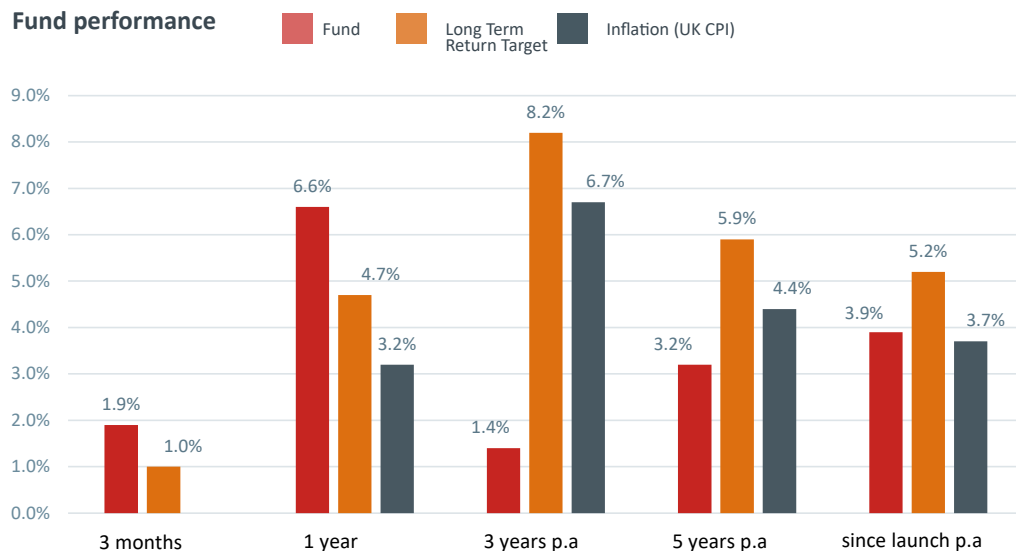
Performance summary

- The Fund delivered positive returns over the quarter with allocations to both equities and bonds adding to returns over the quarter, with the allocation to private markets also contributing positively to returns. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is ahead of its Long Term Return Target over shorter time periods, which has been helped by inflation starting to slow in the UK. Over longer time periods (3 years plus), the impact of high inflation and weaker bond market returns mean the Fund is behind its target.

Risk Measures:

Five-year annualised fund volatility: **7.5%**

Fund performance

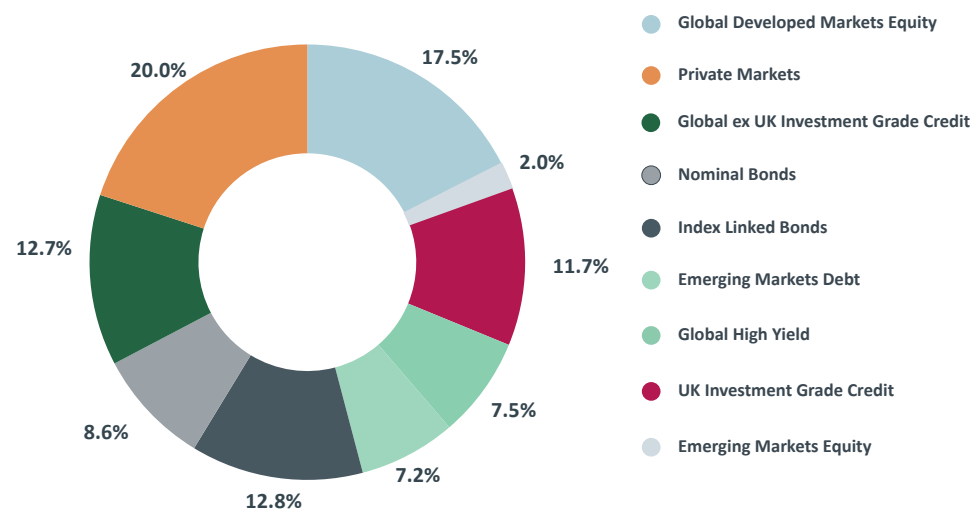


Fund Facts

Long Term Return Target	CPI+ 1.5% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£200m
Management style	Mix

*The USS Growth funds, which make up part of the Default Lifestyle Option, the Do It For Me Option, and which members can choose in the Let Me Do It Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

Asset allocation (%)



To see the underlying funds that make up the Cautious Growth Fund, go to [page 24](#).

USS Liquidity Fund

Aim of fund: To produce a return in line with the benchmark, which represents short-term Sterling interest rates. The fund will mainly invest in short-term Sterling money market instruments including deposits, commercial paper and short-term bonds. The money market securities are issued by a number of different entities including governments, banks and other companies.

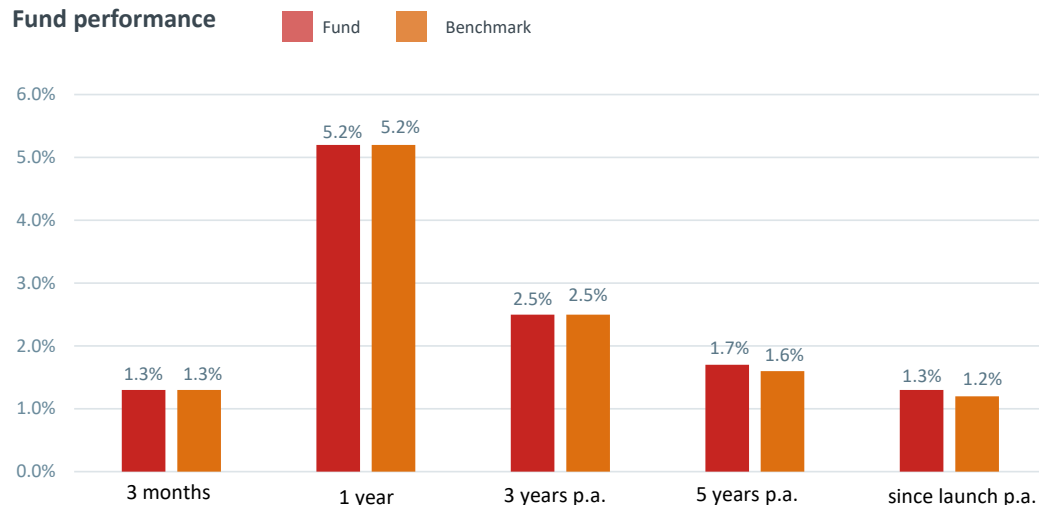
Performance summary

- The Fund produced a return in line with short term interest rates, as expected. These are set by Bank of England's Monetary Policy Committee and remained at 5.25% during the quarter.

Risk Measures:

Five-year annualised fund volatility: **0.6%**

Fund performance

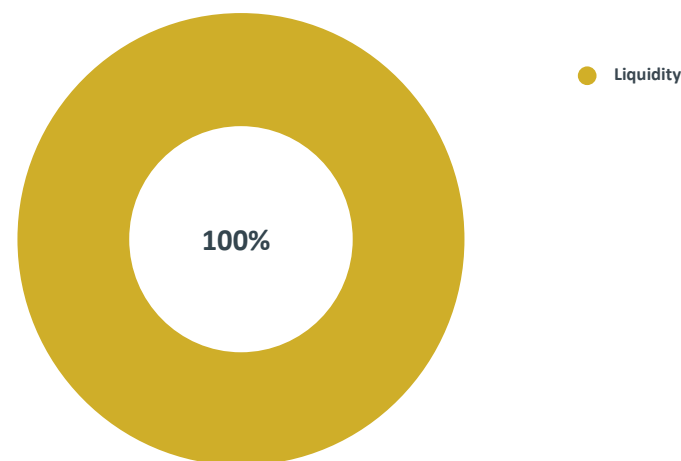


Fund Facts

Benchmark	SONIA*
Launch date	3 October 2016
Fees (before subsidy)	0.10%#
Fees (after subsidy)	0.00%#
Fund Size	£138m
Management style	Active

*Benchmark
Since 1 October 2021: Bank of England's SONIA (Sterling Overnight Index Average) interest rate.
Up to 30 September 2021: 7-day GBP London Interbank Bid Rate.

Asset allocation (%)



To see the underlying funds that make up the Liquidity Fund, go to [page 24](#).

USS Ethical Growth Fund

Aim of fund: To produce a CPI+ 3.0% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The fund is more likely to move up and down in the short-term than the USS Ethical Moderate Growth fund but aims to produce a higher long term return. It also aims, so far as is practicable, to invest in investments that meet the [USS Ethical Guidelines](#). The fund uses a mix of passive and active management. The fund is predominantly exposed to a diversified range of currencies designed to balance the risks of the fund, with some Sterling exposure.

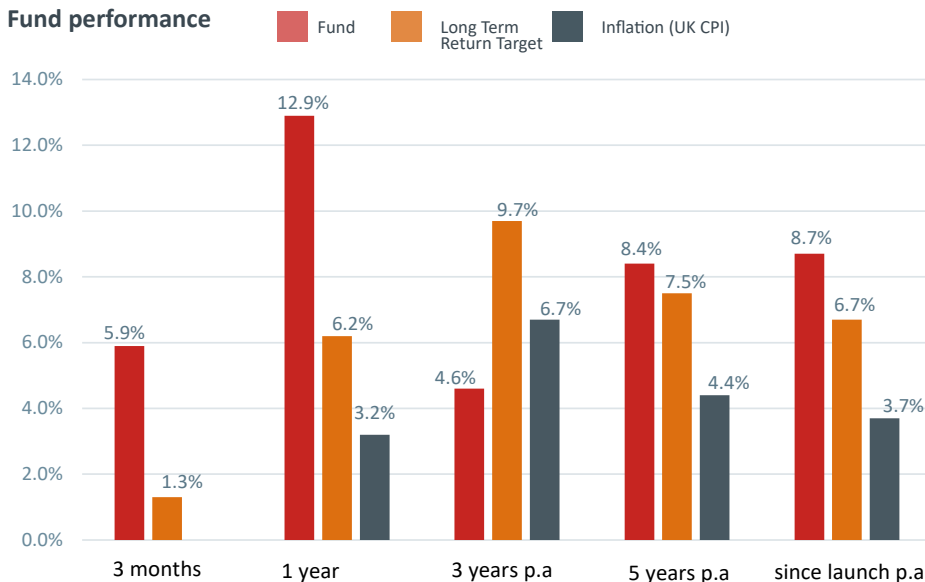
Performance summary

- The Fund delivered strong positive returns over the quarter, as allocations to equities and private market investments added to returns. The active global equity manager produced positive absolute returns but underperformed their respective benchmark. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is ahead of its Long Term Return Target over most periods.

Risk Measures:

Five-year annualised fund volatility: **10.6%**

Fund performance



Q1 2024

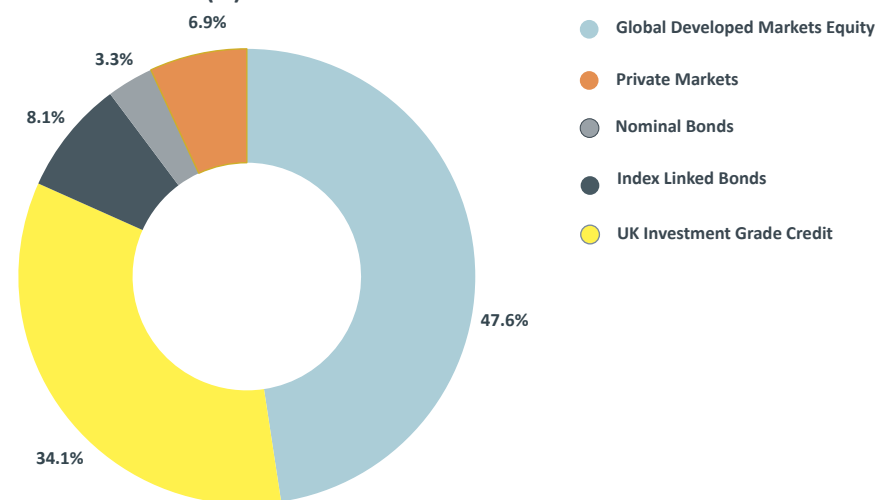
Fund Facts

Long Term Return Target	CPI+ 3.0% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£121m
Management style	Mix

* The USS Growth funds, which make up part of the Ethical Lifestyle Option, the Do It For Me Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

** This is the fee applicable to investments into the Ethical Lifestyle Strategy. The USS Ethical Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

Asset allocation (%)



To see the underlying funds that make up the Ethical Growth Fund, go to [page 24](#).

USS Ethical Moderate Growth Fund

Aim of fund: To produce a CPI+ 2.0% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The fund is more likely to move up and down in the short-term than the USS Ethical Cautious Growth Fund, but aims to produce a higher long-term return. The fund will aim, so far as is practicable, to invest in investments that meet the [USS Ethical Guidelines](#). The fund uses a mix of passive and active management. The fund is exposed to a diversified range of currencies, including Sterling, designed to balance the risks of the fund.

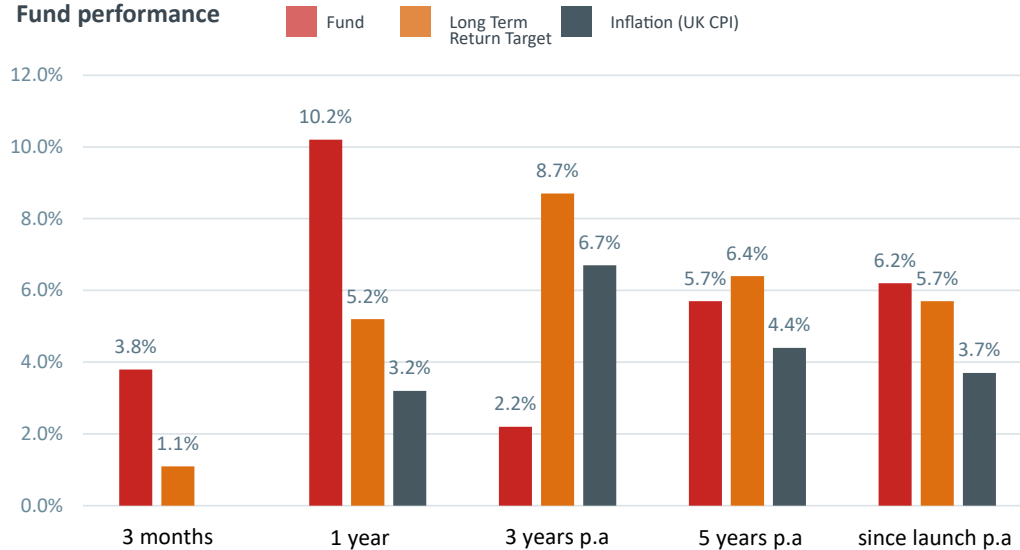
Performance summary

- The Fund delivered positive returns over the quarter, as allocations to equities and private market investments added to returns. The active global equity manager produced positive absolute returns but underperformed their respective benchmark. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is now ahead of its Long Term Return Target over most periods.

Risk Measures:

Five-year annualised fund volatility: **9.0%**

Fund performance



Q1 2024

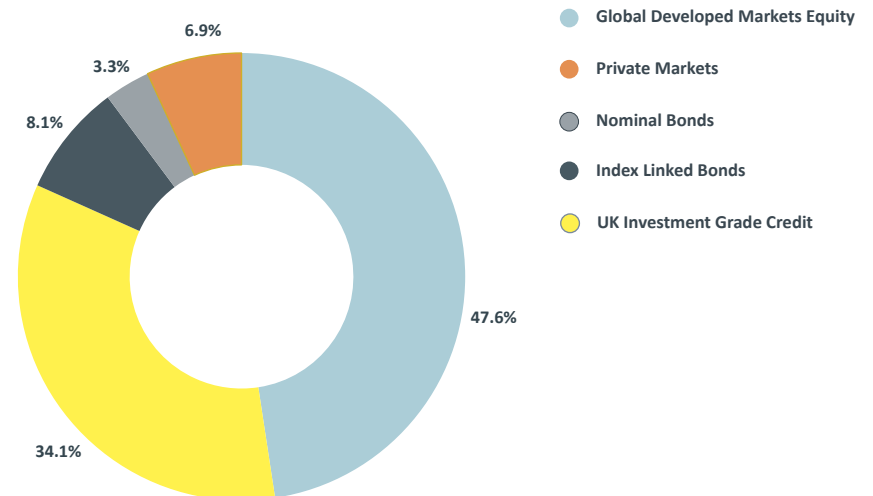
Fund Facts

Long Term Return Target	CPI+ 2.0% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#**
Fees (after subsidy)	0.00%#**
Fund Size	£24m
Management style	Mix

* The USS Growth funds, which make up part of the Ethical Lifestyle Option, the Do It For Me Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

** This is the fee applicable to investments into the Ethical Lifestyle Strategy. The USS Ethical Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

Asset allocation (%)



To see the underlying funds that make up the Moderate Ethical Growth Fund, go to [page 24](#).

USS Ethical Cautious Growth Fund

Aim of fund: To produce a CPI+ 1.5% per year return over the long term by primarily investing in a mix of equities and bonds with some private market investments. The fund aims to move up and down in the short-term less than the USS Ethical Moderate Growth Fund. The Fund will aim, so far as is practicable, to invest in investments that meet the [USS Ethical Guidelines](#). The fund uses a mix of passive and active management. The fund is predominantly exposed to Sterling, with some currency diversification designed to support the balance of risks of the fund.

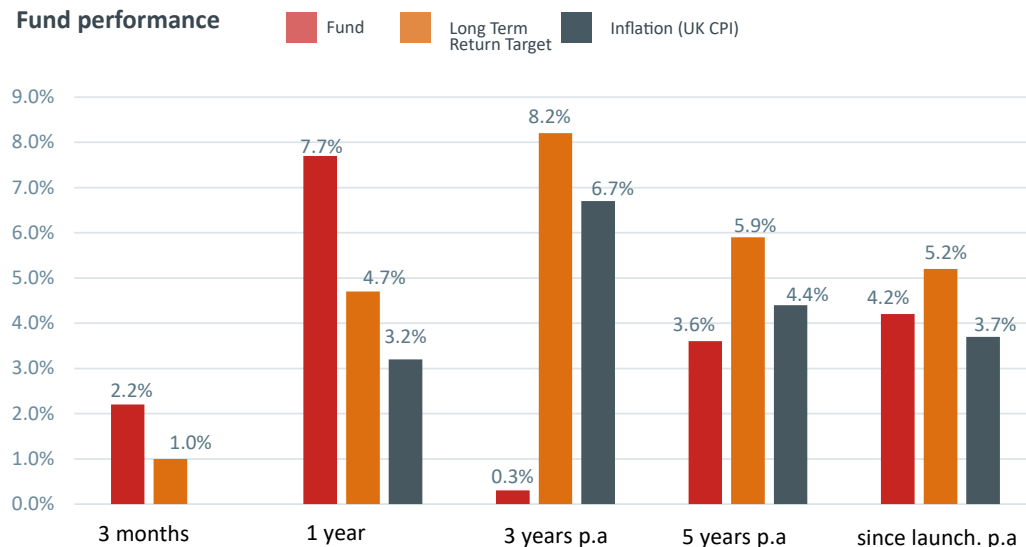
Performance summary

- The Fund delivered positive returns over the quarter as allocations to equities and private market investments added to returns. The active global equity manager produced positive absolute returns but underperformed their respective benchmark. Government bond allocations broadly underperformed the other holdings during the period.
- The Fund is ahead of its Long Term Return Target over shorter time periods. Over longer time periods (3 years plus), the impact of high inflation and weaker bond market returns mean the Fund is behind its target.

Risk Measures:

Five-year annualised fund volatility: **7.9%**

Fund performance



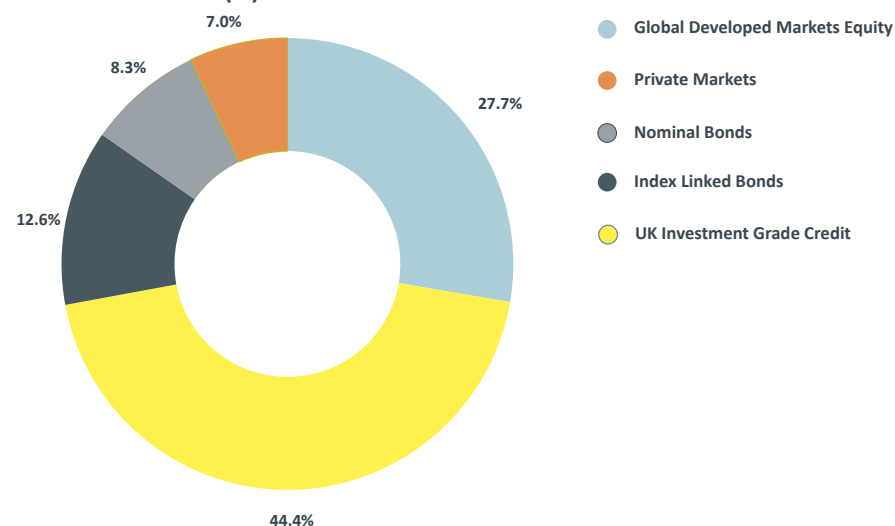
Fund Facts

Long Term Return Target	CPI+ 1.5% p.a.*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#**
Fees (after subsidy)	0.00%#**
Fund Size	£13m
Management style	Mix

* The USS Growth funds, which make up part of the Ethical Lifestyle Option, the Do It For Me Option, have a long-term return target above the Consumer Price Index (CPI) measure of inflation, instead of an objective and benchmark based on a market comparator. Find out more [here](#).

** This is the fee applicable to investments into the Ethical Lifestyle Strategy. The USS Ethical Growth Fund is only available within the Ethical Lifestyle Strategy and is not available as a self-select option.

Asset allocation (%)



To see the underlying funds that make up the Cautious Ethical Growth Fund, go to [page 24](#).

USS Ethical Liquidity Fund

Aim of fund: To produce a return in line with its benchmark, which represents short-term Sterling interest rates. The fund will mainly invest in short-term Sterling money market instruments including deposits, commercial paper and short-term bonds. The money market securities are issued by a number of different entities including governments, banks and other companies. The fund will aim, so far as is practicable, to invest in investments that meet the [USS Ethical Guidelines](#).

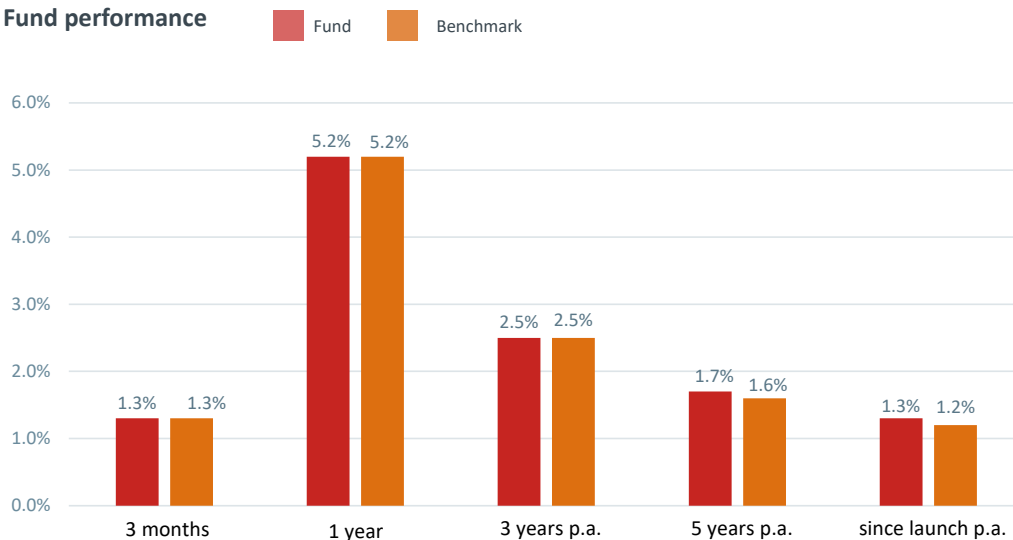
Performance summary

- The Fund produced a return in line with short term interest rates, as expected. Short term interest rates, which are set by Bank of England's Monetary Policy Committee remained at 5.25% during the quarter.

Risk Measures:

Five-year annualised fund volatility: **0.6%**

Fund performance



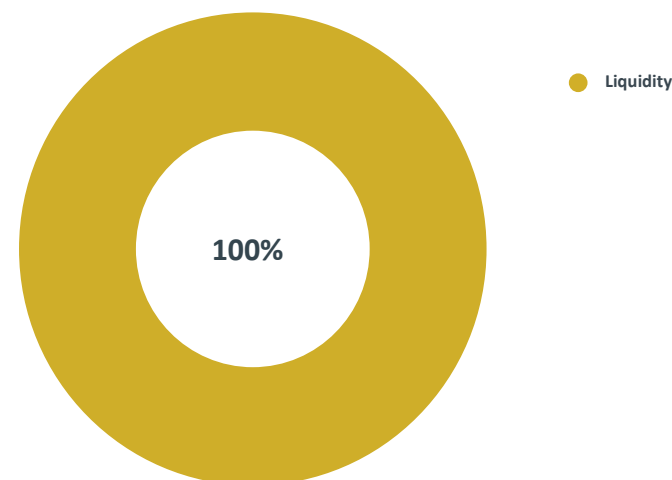
Fund Facts

Benchmark	SONIA*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#**
Fees (after subsidy)	0.00%#**
Fund Size	£7m
Management style	Active

*Benchmark
Since 1 October 2021: Bank of England's SONIA (Sterling Overnight Index Average) interest rate.
Up to 30 September 2021: 7-day GBP London Interbank Bid Rate.

**This is the fee applicable to investments into the Ethical Lifestyle Option. The USS Ethical Liquidity Fund is only available within the Ethical Lifestyle Option and is not available as a self-select option.

Asset allocation (%)



To see the underlying funds that make up the Ethical Liquidity Fund, go to [page 24](#).

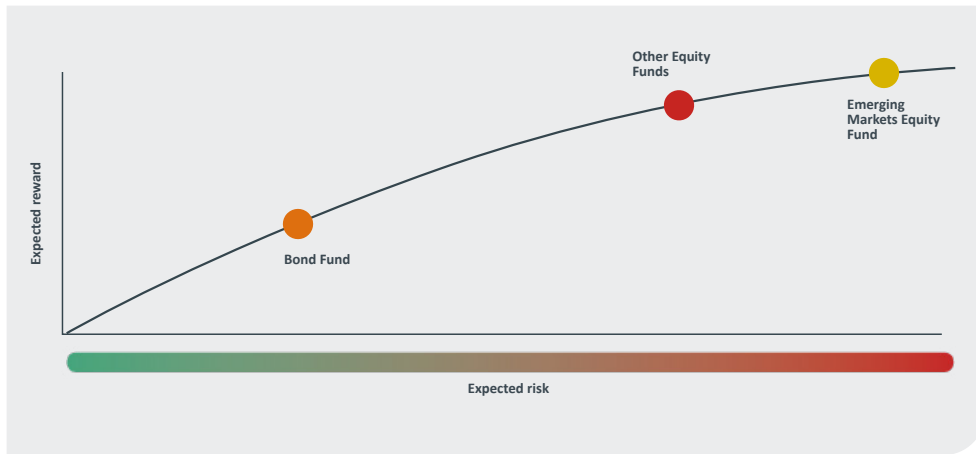
Performance and risk metrics:

Let Me Do It

Comparative risk

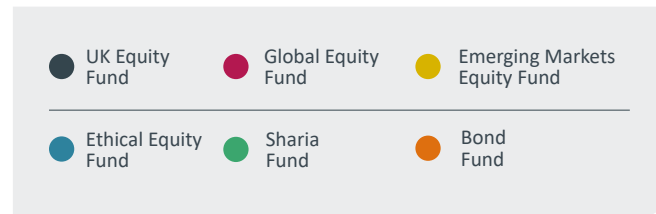
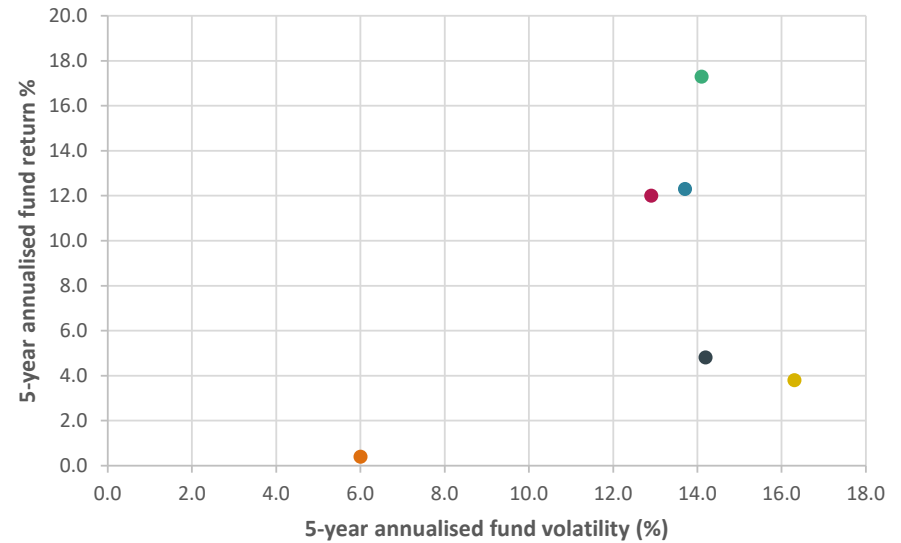
Risk Factor

This chart shows how we expect the risk of the Let Me Do It funds to compare over the long term. The risk factors range from Low to High and are shown on a relative basis.



Realised risk and return

This chart shows a comparison of the realised risk and return of the Let Me Do It funds (after subsidy) over a 5 year period.

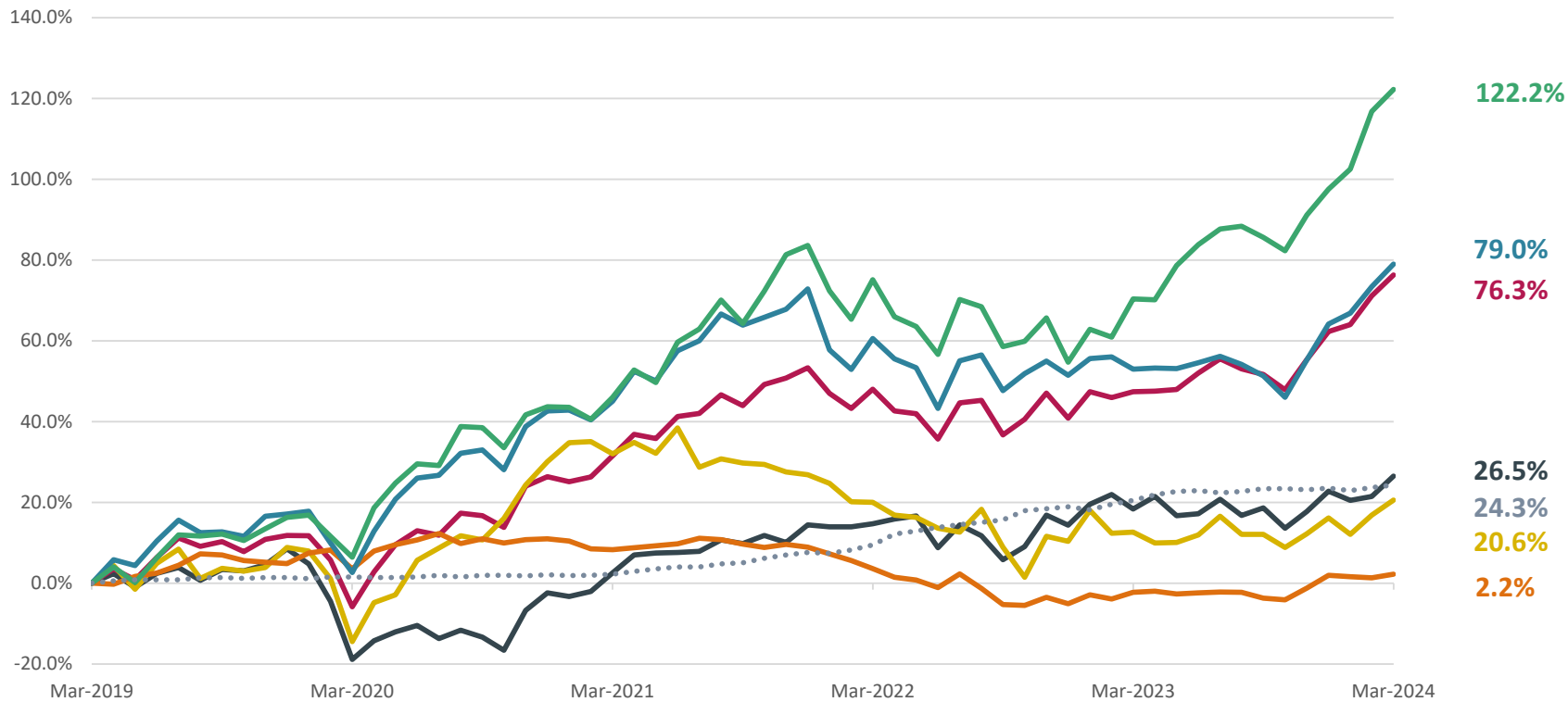


Performance and risk metrics:

Let Me Do It

Cumulative performance

This chart shows the cumulative performance of USS funds against the Consumer Price Index (CPI) over a 5 year period. CPI is a good indicator of inflation as it measures the change in price of consumer goods and services. 5-year cumulative performance is the increase or decrease of returns as a percentage over the whole period. So, if a fund is performing above the CPI, it means that money saved in it is growing faster than the rise in the cost of living.



- UK Equity Fund
- Global Equity Fund
- Emerging Markets Equity Fund
- Inflation (UK CPI)
- Ethical Equity Fund
- Sharia Fund
- Bond Fund

USS UK Equity Fund

Aim of fund: To rise or fall in line with the benchmark, which represents equities in UK companies. The fund will mainly invest in equities in UK companies. The fund is passively managed.

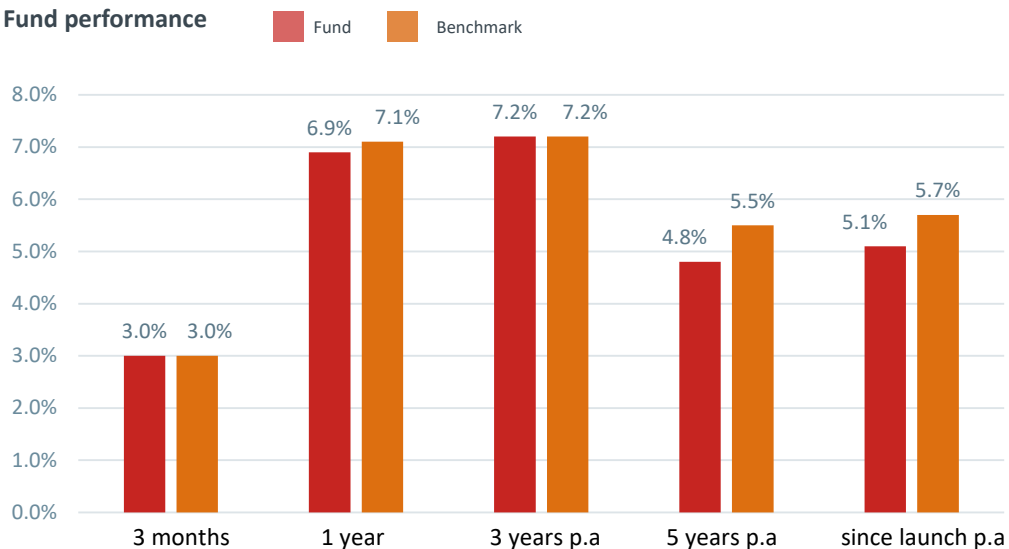
Performance summary

- The Fund delivered positive returns over the quarter.
- UK equity markets underperformed broader global equity markets, with UK economic data showing that the UK entered a technical recession in the second half of 2023, before returning to growth territory again in January 2024.

Risk Measures:

Five-year annualised fund volatility: **14.2%**

Fund performance



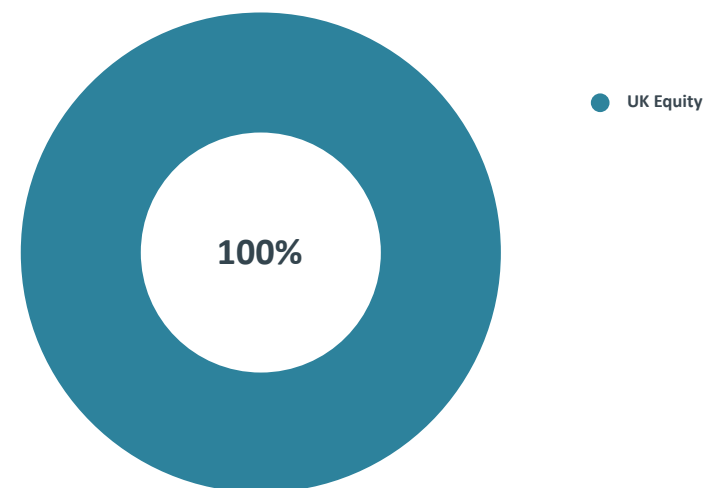
Fund Facts

Benchmark	FTSE Custom All-Share ESG Screened Index*
Launch date	3 October 2016
Fees (before subsidy)	0.10%#
Fees (after subsidy)	0.00%#
Fund Size	£33m
Management style	Passive

*Before 1 July 2021: FTSE All Share Index.

The benchmark for the UK Equity Fund has been changed from 1 July 2021. Find out more information [here](#).

Asset allocation (%)



To see the underlying funds that make up the UK Equity Fund, go to [page 24](#).

USS Global Equity Fund

Aim of fund: To rise or fall in line with the benchmark, which represents equities in companies across the world. The fund will mainly invest in shares in companies across the world, including emerging markets. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The fund is passively managed.

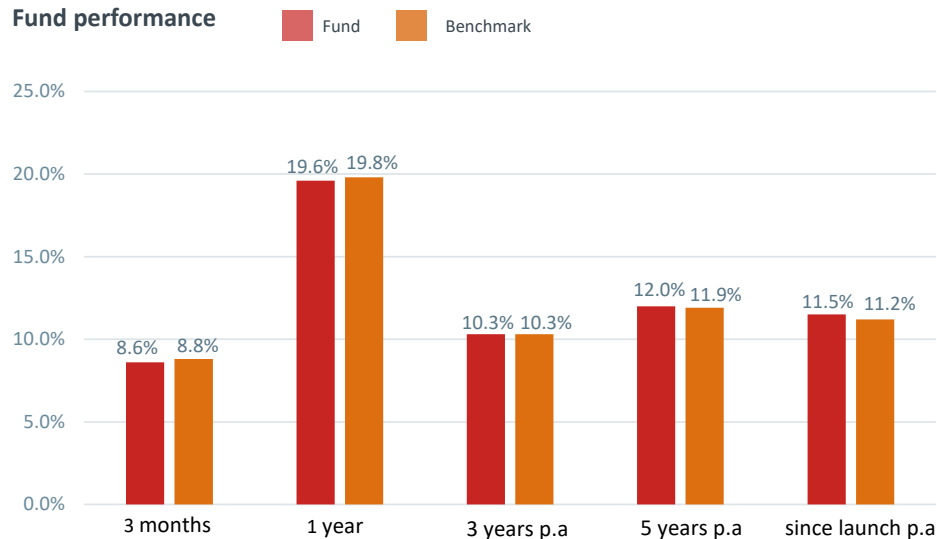
Performance summary

- The Fund delivered positive returns over the quarter marking a strong start to the year for equity markets.
- Developed market equities, making up 92% of the Fund, had a strong start to the year on the back of strong economic performance in the US.
- Emerging market equities, making up 8% of the Fund, also had a positive quarter but underperformed developed markets more broadly, mostly due to weaker performance of the Chinese economy.

Risk Measures:

Five-year annualised fund volatility: **12.9%**

Fund performance



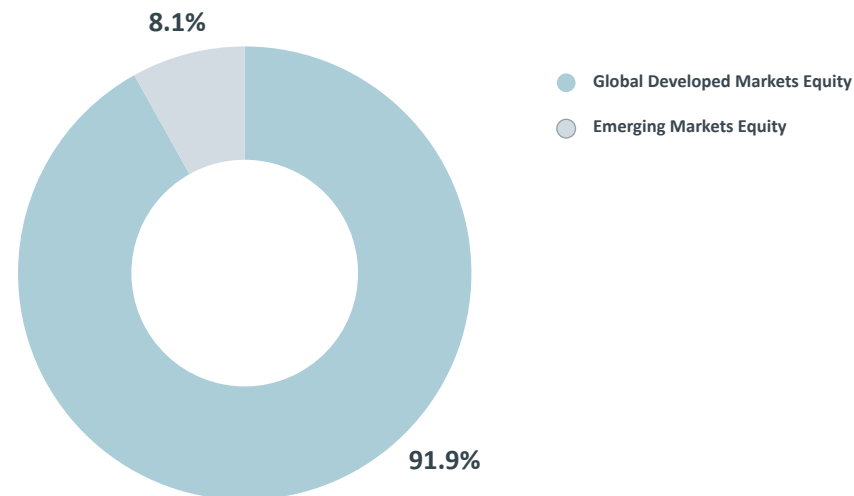
Q1 2024

Fund Facts

Benchmark	Composite*
Launch date	3 October 2016
Fees (before subsidy)	0.10%#
Fees (after subsidy)	0.00%#
Fund Size	£137m
Management style	Passive

*Composite Benchmark
 Since 1 April 2022: Solactive USS Developed Markets Climate Transition Benchmark (92.00%), MSCI Emerging Markets Index (8.00%)
 Up to 31 March 2022: MSCI World Index (92.00%), MSCI Emerging Markets Index (8.00%).

Asset allocation (%)



To see the underlying funds that make up the Global Equity Fund, go to [page 24](#).

USS Emerging Markets Equity Fund

Aim of fund: To produce a return better than the benchmark, which represents equities in companies in emerging markets. The fund will mainly invest in equities in companies in emerging markets, or that have exposure to emerging markets as a result of generating some of their revenue there. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The fund uses a mix of passive and active management.

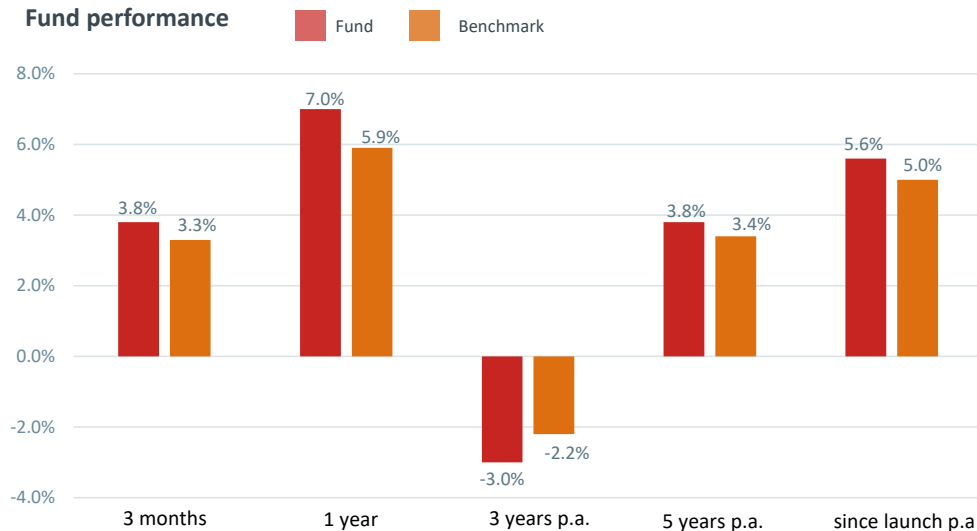
Performance summary

- The Fund delivered positive absolute and relative performance over the quarter.
- Weaker performance of the Chinese economy despite a number of stimulus measures led to emerging markets equities underperforming developed market equities over the quarter.

Risk Measures:

Five-year annualised fund volatility: **16.3%**

Fund performance

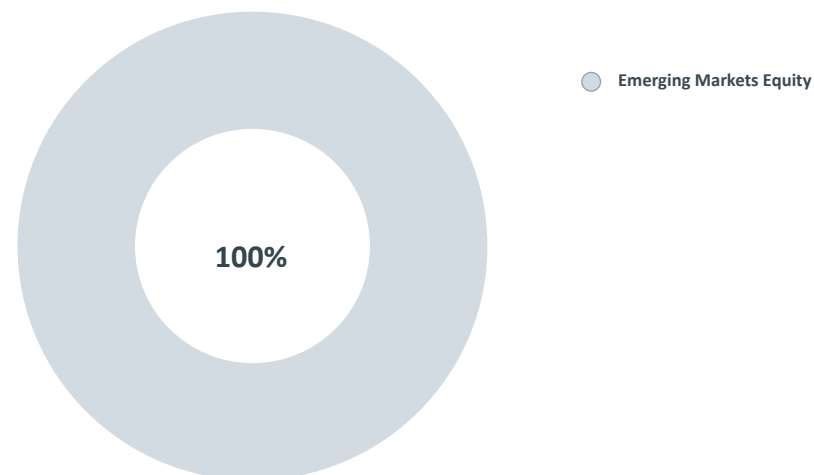


Fund Facts

Benchmark	MSCI Emerging Markets Index*
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£22m
Management style	Mix

*Some of the component parts of the benchmark are lagged by one day, meaning they are measured from one day prior to the start and end dates of the period in question to match the dates at which the respective underlying funds are valued.

Asset allocation (%)



USS Bond Fund

Aim of fund: To produce a return better than the benchmark, which represents a mix of different kinds of bonds. The fund will mainly invest in bonds issued by governments and companies from across the world. The fund is currency hedged, which means its returns are not exposed to movements in the value of Sterling relative to other currencies. The fund is actively managed.

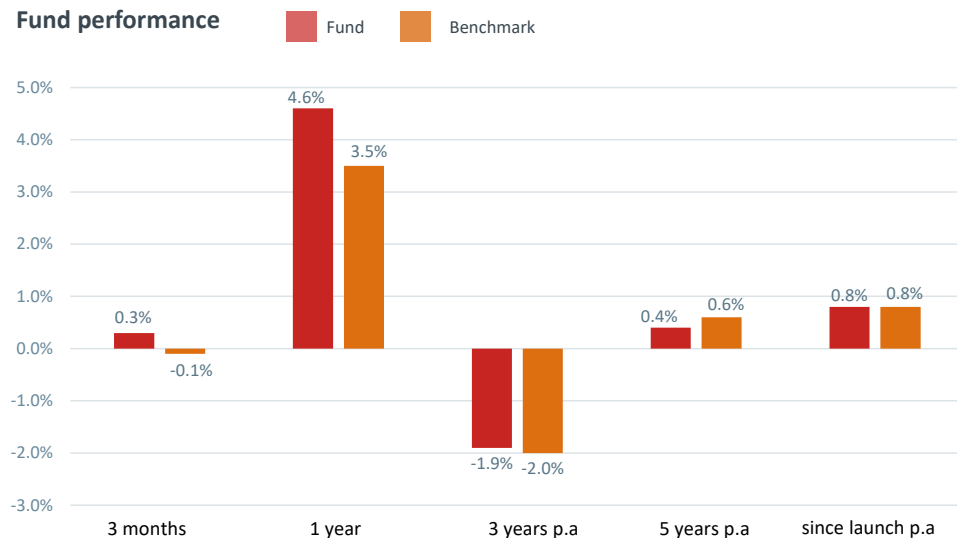
Performance summary

- The Fund delivered positive absolute and relative returns over the quarter.
- The first quarter of 2024 was mixed for global bond markets as inflation was slightly higher than expected, resulting in the pace of interest rate cuts anticipated for 2024 being slower as markets had previously expected. Stronger global economic performance benefited corporate bonds holdings relative to government bonds.

Risk Measures:

Five-year annualised fund volatility: **6.0%**

Fund performance

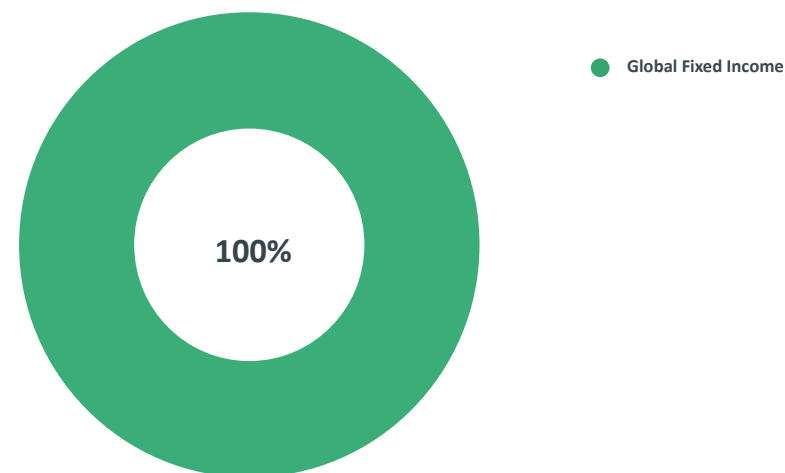


Fund Facts

Benchmark	Composite*
Launch date	3 October 2016
Fees (before subsidy)	0.20%#
Fees (after subsidy)	0.00%#
Fund Size	£20m
Management style	Active

*Composite Benchmark
 Since 1 October 2020: Barclays Global Aggregate Bond Index (fully currency hedged) (100.00%)
 Up to 30 September 2020: Markit iBoxx GBP Corps All Maturities (25.00%), Barclays Global Aggregate Corporate ex GBP Index (25.00%), FTA Government UK Index Linked Index (25.00%), FTSE Gilts All Stocks Index (25.00%)

Asset allocation (%)



To see the underlying funds that make up the Bond Fund, go to [page 24](#).

USS Ethical Equity Fund

Aim of fund: To produce a better return than the benchmark over the long term, which represents equities in companies across the world. The fund will aim, so far as is practicable, to invest in shares in companies that meet the [USS Ethical Guidelines](#), which may result in return deviations when compared to the fund's broad market benchmark. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The fund uses a mix of passive and active management.

Performance summary

- The Fund posted positive absolute performance over the quarter; however, it was behind the broad market benchmark.
- The Fund invests in accordance with the USS Ethical Guidelines and the passively and actively managed components of the Fund were underweight to some of the best performing stocks (AI linked stocks in particular) over the start of 2024.

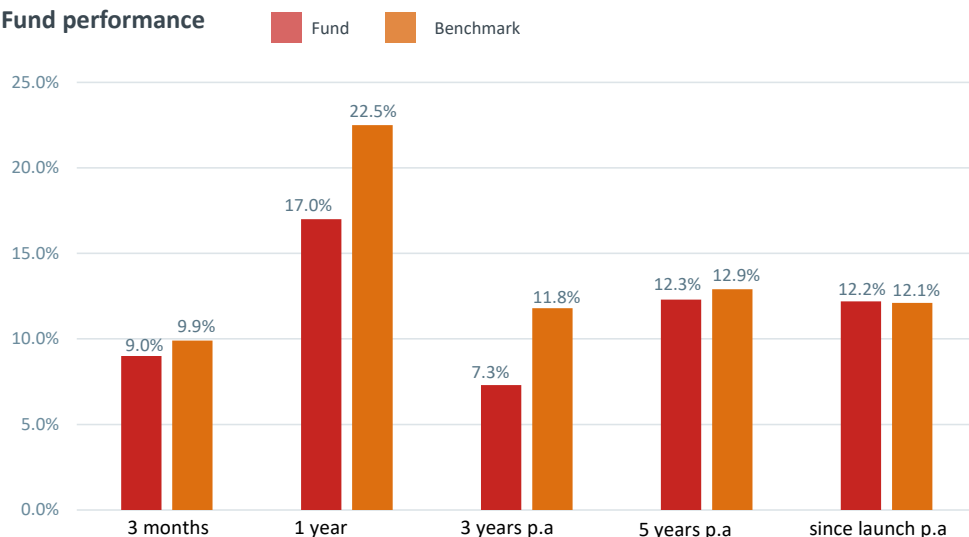
Risk Measures:

Five-year annualised fund volatility: **13.7%**

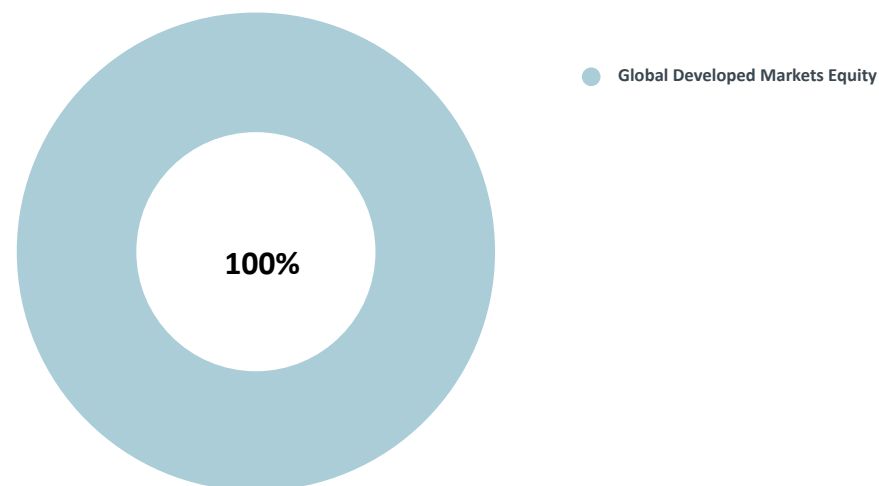
Fund Facts

Benchmark	MSCI World Index
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£90m
Management style	Mix

Fund performance



Asset allocation (%)



USS Sharia Fund

Aim of fund: To rise or fall in line with the benchmark, which represents shares which meet Islamic investment principles. The fund will invest in equities which meet Islamic investment principles. The returns generated by overseas equities are not currency hedged, so may be impacted by currency movements. The fund is passively managed.

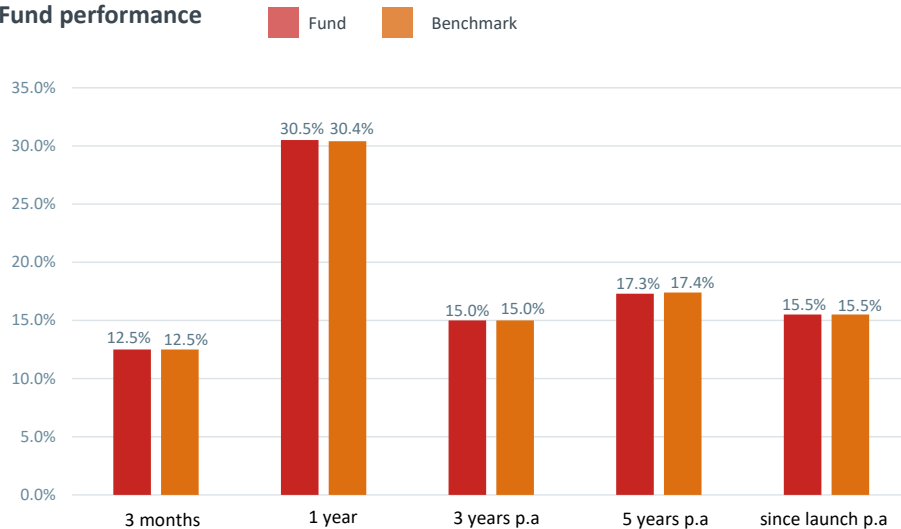
Performance summary

- The Fund delivered strong positive returns over the quarter.
- The fund is a global passive index fund investing in equities compliant with Islamic investment principles, so it will tend to hold fewer shares in financial companies (like banks) and more in other sectors, such as technology when compared to global weightings. Higher exposure to technology stocks benefited the fund over the quarter.

Risk Measures:

Five-year annualised fund volatility: **14.1%**

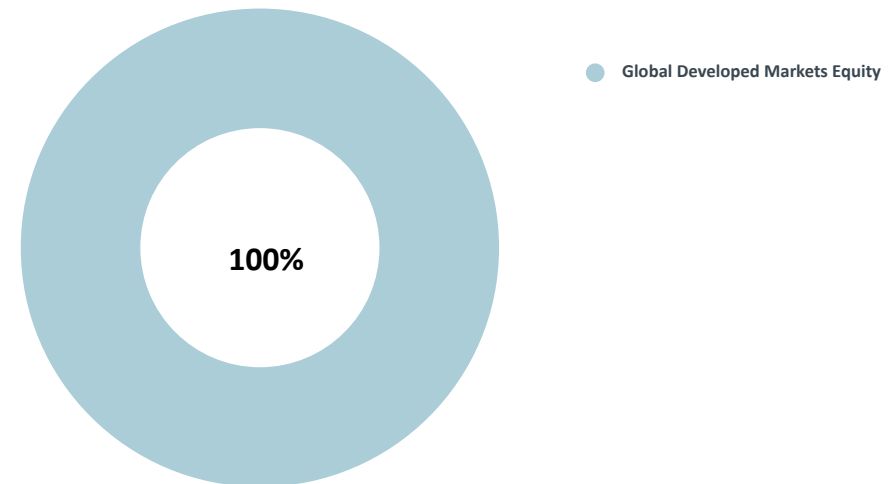
Fund performance



Fund Facts

Benchmark	DJ Islamic Market Titans 100 Index
Launch date	3 October 2016
Fees (before subsidy)	0.30%#
Fees (after subsidy)	0.00%#
Fund Size	£51m
Management style	Passive

Asset allocation (%)



To see the underlying funds that make up the Sharia Fund, go to [page 24](#).

Underlying fund information

The table below shows the underlying funds that make up the funds in the Investment Builder and the International Securities Identification Numbers (ISINs) of the underlying pooled funds.

Fund name	Asset class	Fund(s) used in*														ISIN	
		US\$ Growth	US\$ Moderate Growth	US\$ Cautious Growth	US\$ Liquidity	US\$ Ethical Growth	US\$ Ethical Moderate Growth	US\$ Ethical Cautious Growth	US\$ Ethical Liquidity	US\$ Bond	US\$ Emerging Markets Equity	US\$ UK Equity	US\$ Global Equity	US\$ Ethical Equity	US\$ Sharia		
Blackrock Aquila Connect UK Equity	UK Equity												✓				GB00B00C3Z19
LGIM Climate Tilted Global Developed Markets Equity	Global Developed Markets Equity	✓	✓	✓										✓			n/a*
LGIM Ethical Climate Aware Equity	Global Developed Markets Equity					✓	✓	✓							✓		n/a*
Columbia Threadneedle Responsible Global Equity	Global Developed Markets Equity					✓	✓	✓							✓		GB00BD3GLX57
HSBC Islamic Global Equity Index	Global Developed Markets Equity															✓	IE000FBTQ920
Blackrock Aquila Connect Emerging Markets	Emerging Markets Equity											✓		✓			GB00B658GJ14
Baillie Gifford Emerging Markets Growth	Emerging Markets Equity											✓					GB0006057060
USSIM Global Emerging Markets	Emerging Markets Equity	✓	✓	✓								✓					n/a*
HSBC UK Corporate Bond	UK Investment Grade Credit	✓	✓	✓													n/a*
HSBC Global Investment Grade Credit	Global Investment Grade Credit	✓	✓	✓													n/a*
Bluebay Global High Yield Bond	Global High Yield	✓	✓	✓													n/a*
Wellington Opportunistic Emerging Markets Debt Fund	Emerging Market Bonds	✓	✓	✓													IE00BMFZWD04
Wellington Emerging Local Debt Fund	Emerging Market Bonds	✓	✓	✓													IE00BMFZWF28
LGIM UK Nominal	Nominal Bonds	✓	✓	✓		✓	✓	✓									GB00B6V5QM98
LGIM Overseas Bond Index (hedged)	Nominal Bonds	✓	✓	✓		✓	✓	✓									GB00B6V5X841
LGIM Global Inflation Linked Bond (hedged)	Index Linked Bonds	✓	✓	✓		✓	✓	✓									GB00BHRWJK03
LGIM UK Index Linked Short Term	Index Linked Bonds	✓	✓	✓		✓	✓	✓									GB00B6V8Q955
LGIM UK Index Linked Long Term	Index Linked Bonds	✓	✓	✓		✓	✓	✓									GB00B6V5RL56
Columbia Threadneedle Responsible Sterling Corporate Bond	UK Investment Grade Credit					✓	✓	✓									GB00BD3GLZ71
Robeco QI Global Multi-Factor Bonds	Global Bonds										✓						LU2207421996
PMG UK Property	Private Markets	✓	✓	✓		✓	✓	✓									n/a*
PMG Core Infrastructure	Private Markets	✓	✓	✓													n/a*
PMG Secure Credit (Short Duration)	Private Markets		✓	✓													n/a*
PMG Opportunistic Infrastructure	Private Markets	✓	✓	✓													n/a*
PMG Inflation Linked Credit	Private Markets	✓	✓	✓													n/a*
PMG Secure Credit (Long Duration)	Private Markets	✓	✓	✓													n/a*
PMG Long Income Property	Private Markets	✓	✓	✓													n/a*
PMG Renewables and Natural Capital	Private Markets	✓	✓	✓		✓	✓	✓									n/a*
LGIM Sterling Liquidity	Liquidity	✓	✓	✓	✓	✓	✓	✓	✓								GB00B6V65D61
BlackRock Government Sterling Liquidity	Liquidity					✓	✓	✓	✓								IE00B40L6351

As at 31 March 2024 and subject to change at any time. *Some underlying funds in the Investment Builder are not collective pooled funds, which means they do not have an ISIN.

Important information

Performance shown is after any subsidy, within the relevant USS Fund.

Past performance is not a guide to future performance and so should not solely be relied upon by members when making (or refraining from making) investment decisions. The value of investments may go down as well as up and the return of your investments is not guaranteed.

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This quarterly report has been produced by the Trustee and should be read in conjunction with the USS Member Guide and the USS Investment Guide, available on our website. This report and the data contained therein is for information

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Fees may be changed at any time by the Trustee and members should check the latest version of this report and the USS website for the current fees and any proposed changes to them. Information about the Investment Builder default investment strategy and the costs and transaction charges for the Investment Builder funds can also be found in the 'Chair's defined contribution statement' in the Governance section of the USS Report and Accounts, available on our website. Part or all of the charges are currently covered by a subsidy paid by employers. This subsidy is expected to remain in place for a number of years. Members who transfer other pension savings in to USS do not benefit from the employer subsidy on that portion of their pension savings.

Our investment glossary is designed to help you better understand the world of investing. Find out what different terms used throughout this report means: uss.co.uk/how-we-invest/investment-glossary