

Clerical Medical PP Ethical Performance Pensions

Fund Aims

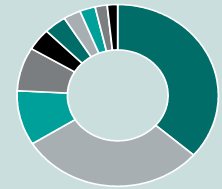
To achieve long-term growth of capital and income by investing primarily in shares of UK and/or European companies, which meet a range of ethical criteria.

Fund Manager's Comments[^]

Global Equity markets struggled in the wake of continued market volatility, with the FTSE World Index down 1.6% over the month in sterling, total return terms. The US announced a stimulus package to buy up to \$800 billion of mortgage and asset-backed securities, sending global markets surging. China announced a 4 trillion yuan (\$586 billion) economic stimulus package to counter slowing growth. US Banking giant Citigroup was also thrown a lifeline after announcing 52,000 redundancies, the government promising to guarantee its most toxic debt. The deal sent markets surging as the financial sector rallied. There was some good news for investors as sentiment rebounded on the back of renewed confidence that governments were taking action to steer their respective economies to safer waters. We continue to invest in stable companies that we believe are able to outperform their peers in the current credit-constrained environment. To wit, we bought into Consolidated Edison, the holding company of two regulated US utilities that provide electricity and gas to New York the surrounding area. We also bought blue chip US property and casualty insurance company Travelers. In general, we continue to reduce the Fund's exposure to growth-oriented cyclical stocks in favour of defensive names, and we took profits in cereal and convenience food manufacturer Kellogg during the month.

Fund Size £47.0m*

Breakdown by Country^{*,^}



36.40%	United States of America
29.60%	United Kingdom
9.80%	Cash
7.70%	Japan
4.10%	Netherlands
3.50%	Germany
2.70%	Denmark
2.50%	Canada
1.90%	Belgium
1.80%	Australia

Past 5 Year Discrete Performance to end of Q3 2008 - % Growth

	Q3 2003 - Q3 2004	Q3 2004 - Q3 2005	Q3 2005 - Q3 2006	Q3 2006 - Q3 2007	Q3 2007 - Q3 2008
Clerical Medical PP Ethical	13.3%	23.0%	16.4%	10.3%	-24.2%

	Q3 2003 - Q3 2004	Q3 2004 - Q3 2005	Q3 2005 - Q3 2006	Q3 2006 - Q3 2007	Q3 2007 - Q3 2008
ABI Sector - UK All Companies	13.9%	23.4%	14.7%	11.3%	-24.2%

Breakdown by Sector^{*,^}



26.90%	Industrials
14.80%	Technology
12.40%	Utilities
11.80%	Financials
11.10%	Cash
9.10%	Telecommunications
5.40%	Consumer Services
4.60%	Consumer Goods
3.40%	Healthcare
0.50%	Basic Materials

Investment Performance

	fund %	bm** %	sector %
30/11/07-28/11/08	-36.3	-24.7	-34.9
30/11/06-30/11/07	2.6	10.3	4.7
30/11/05-30/11/06	21.3	7.1	17.5
30/11/04-30/11/05	18.3	24.7	20.0
28/11/03-30/11/04	12.2	6.7	13.4

Cumulative Performance

	fund %	bm** %	sector %
30/11/07-28/11/08	-36.3	-24.7	-34.9
30/11/06-28/11/08	-34.6	-16.9	-31.9
30/11/05-28/11/08	-20.7	-11.1	-19.9
30/11/04-28/11/08	-6.1	11.0	-3.9
28/11/03-28/11/08	5.3	18.3	9.0

Important notes: Past performance is not a guide to future performance. The investment's value and the income from it will fall as well as rise, as a result of market and currency movements. You may not get back the amount originally invested. Basis: total return (Gross), bid to bid, in sterling.

Essential Fund Facts*

Fund manager	:Alex Illingworth
Deputy fund manager	:David Marchant
Launch date	:31/10/00
Benchmark**	:FTSE World TR GBP
Management charge	:1.00%
Lipper ID	:72004216

Fund Statistics over 3 yrs*

Alpha	-0.2
Beta	1.2
Sharpe Ratio	-0.2
R-squared	0.9
Tracking Error	2.0

*Data as at 30 November 2008

^Data is that of the underlying fund.

Largest Holdings^{*,^}

Microsoft Corp	4.20%
Vodafone Group	3.70%
Automatic Data Process	3.60%
Tokyo Gas	3.60%
Royal Kpn	3.50%
Scottish & Southern Energy	3.50%
ARIM Holdings	2.90%
Allied Waste Ind	2.80%
Waste Mgmt Inc	2.80%
Norfolk Sthn Corp	2.70%
Total % of fund	33.30%

For further information contact your local Clerical Medical sales office or phone Clerical Medical Customer Services on 0870 602 2244. Details are also available at www.clericalmedical.co.uk.