TAMURA HINCHLEY LIMITED PENSION SCHEME

STATEMENT OF INVESTMENT PRINCIPLES

FEBRUARY 2021

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1 INTRODUCTION

This Statement of Investment Principles (“the Statement”) has been prepared by T.H.L Pensions Limited, as Trustee of the Tamura Hinchley Limited Pension Scheme (“the Scheme”) in accordance with Section 35 of the Pensions Act 1995, as amended, and its attendant Regulations.

The Statement outlines the principles governing the investment policy of the Scheme and the activities undertaken by the Trustee to ensure the effective implementation of these principles.

In preparing the Statement, the Trustee has:

- Obtained and considered written advice from a suitably qualified individual, employed by their investment consultants, Mercer, whom they believe to have a degree of knowledge and experience that is appropriate for the management of their investments; and
- Consulted with the Sponsoring Employer, although they affirm that no aspect of their strategy is restricted by any requirement to obtain the consent of the Sponsoring Employer.

The advice and the consultation process considered the suitability of the Trustee’s investment policy for the Scheme.

The Trustee will review the Statement formally at least every three years to coincide with the triennial Actuarial Valuation or other actuarial advice relating to the statutory funding requirements. Furthermore, the Trustee will review the Statement without delay after any significant change in investment policy. Any changes made to the Statement will be based on written advice from a suitably qualified individual and will follow consultation with the Sponsoring Employer.

2 INVESTMENT OBJECTIVES

The Trustee's primary investment objective for the Scheme is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due.

In doing so, the Trustee also aims to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Scheme. Specifically, the Trustee is looking to secure the liabilities with an insurer over a five to eight year time frame.

The Trustee has also received confirmation from the Scheme Actuary during the process of setting the investment strategy that their investment objectives and the resultant investment strategy are consistent with the actuarial valuation methodology and assumptions used in the Statutory Funding Objective.

3 INVESTMENT RESPONSIBILITIES

3.1. TRUSTEE’S DUTIES AND RESPONSIBILITIES

The Trustee is responsible for setting the investment objectives and determining the strategy to achieve the objectives.

The Trustee carries out its duties and fulfil its responsibilities as a single body. As each of the Trustee’s wishes to contribute directly to the formulation of the Scheme’s investment policy and to the monitoring of the Scheme’s investment managers, no Investment Sub Committee has been considered. Moreover, the trustee body is not so large as to be unwieldy in its operations.

The duties and responsibilities of the Trustee include, but are not limited to, the following tasks and activities:

- The regular approval of the content of the Statement
- The appointment and review of the investment managers and investment adviser
- The assessment and review of the performance of each investment manager
- The setting and review of the investment parameters within which the investment manager can operate
- The assessment of the risks assumed by the Scheme at a total scheme level as well as on a manager by manager basis
- The approval and review of the asset allocation benchmark for the Scheme
- The compliance of the investment arrangements with the principles set out in the Statement

3.2. INVESTMENT ADVISER’S DUTIES AND RESPONSIBILITIES

The Trustee has appointed Mercer as the investment adviser to the Scheme. Mercer provides advice as and when the Trustee requires it, as well as raising any investment-related issues, of which it believes the Trustee should be aware. Matters on which Mercer expects to provide advice, or assistance, to the Trustee include the following:

- Setting of investment objectives
- Determining investment strategy and asset allocation
- Determining an appropriate investment structure
- Setting cashflow management (investment and withdrawal) policies (see Appendix 2)

The Trustee may seek advice from Mercer with regard to both strategic and tactical investment decisions (see Section 4 - Investment Strategy); however, it recognises that it retains responsibility for all such decisions, including those that concern investments and disinvestments relating to cash flows (see Appendix 2). Whilst Mercer may be proactive in advising the Trustee regarding tactical investment decisions, the Trustee does not expect Mercer to provide proactive advice in all circumstances. The Trustee monitors the performance of the Scheme’s investment managers against their benchmarks.

Mercer makes a fund based charge for its services.

Any additional services provided by Mercer will be remunerated primarily on a time-cost basis.

In particular, Mercer does not receive commission or any other payments in respect of the Scheme that might affect the impartiality of its advice, and as noted below, any discounts negotiated by Mercer with the underlying managers are passed on in full to the Scheme.

Mercer is authorised and regulated by the Financial Conduct Authority (“FCA”).

3.3. INVESTMENT MANAGERS' DUTIES AND RESPONSIBILITIES

The Trustee is a long term investor and does not look to change investment arrangements on a frequent basis.

The Trustee, after considering appropriate investment advice, has invested the assets through a Trustee Investment Policy ("TIP") from Mobius Life Limited ("Mobius"), whose appointment forgoes the need for a custodian. The Trustees first invested through in April 2015.

Mobius Life Limited is authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

The Mobius TIP facilitates investment into a range of underlying funds managed by third party investment managers and the value of the Mobius TIP is directly linked to the change in value in the underlying funds. All of the underlying investment managers used by the Scheme are authorised and regulated by the FCA.

The underlying investment managers used by the Trustee through the Mobius platform are chosen based on advice from the Investment Adviser. This is based on the Investment Adviser's view of their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected.

The Trustee only invests in pooled investment vehicles through the Mobius platform. The Trustee therefore accepts that they cannot specify the risk profile and return targets of the underlying investment managers, but pooled funds are chosen with appropriate characteristics to align with the overall investment strategy, including the policies set out in this SIP.

The underlying investment managers are responsible for all decisions concerning the selection and de-selection of the individual securities within the portfolios they manage.

In the case of multi-asset mandates, the underlying investment managers are responsible for all decisions concerning the allocation to individual asset classes and changes in the allocations to individual asset classes.

Both Mobius and the underlying investment managers are remunerated by ad valorem charges based on the value of the assets that they manage on behalf of the Scheme. Discounts have been negotiated by Mercer with the underlying managers on their standard charges.

None of the underlying managers in which the Scheme's assets are invested have performance based fees which could encourage the manager to make short term investment decisions to hit their profit targets.

The Trustee therefore considers that the method of remunerating fund managers is consistent with incentivising them to make decisions based on assessments of medium to long-term financial and non-financial performance of an issuer of debt or equity. By encouraging a medium to long-term view, it will in turn encourage the investment managers to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.

The Trustee accepts that it has limited influence over the charging structure of the pooled funds in which the Scheme is invested, but is satisfied that the ad-valorem charges for the different underlying funds are clear and are consistent with each fund's stated characteristics. The Trustee is therefore satisfied that this the most appropriate basis for remunerating the underlying investment managers and is consistent with the Trustee's policies as set out in this SIP.

The Trustee believes that this is the most appropriate basis for remunerating managers.

3.4. SUMMARY OF RESPONSIBILITIES

A summary of the responsibilities of all relevant parties, including the Scheme Actuary and the scheme administrators, so far as they relate to the Scheme's investments, is set out at Appendix 4.

4 INVESTMENT STRATEGY

4.1. SETTING INVESTMENT STRATEGY

The Trustee has determined the investment strategy after considering the Scheme's liability profile and requirements of the Statutory Funding Objective, its own appetite for risk, the views of the Sponsoring Employer on investment strategy, the Sponsoring Employer's appetite for risk, and the strength of the Sponsoring Employer's covenant. The Trustee has also received written advice from the Investment Adviser.

The investment strategy specifically focuses on the aim to secure the liabilities with an insurer over a five to eight year time horizon.

Taking all these factors into consideration, the Trustee has determined that the benchmark asset allocation as set out in Appendix 1 is suitable for the Scheme.

In making this decision, the Trustee has been satisfied that this is consistent with its current investment objectives and is supported by both the employer, and the employer covenant.

In respect of the investment of contributions and any disinvestments to meet member benefit payments, the Trustee has decided on a structured approach to re-balance the assets in accordance with its overall strategy. This approach is set out in Appendix 2.

4.2. INVESTMENT DECISIONS

The Trustee distinguishes between three types of investment decision: strategic, tactical and stock-level.

Strategic Investment Decisions

These decisions are long-term in nature and are driven by an understanding of the objectives, needs and liabilities of the Scheme.

The Trustee takes all such decisions itself. It does so after receiving written advice from its investment adviser and, where necessary, consulting with the Sponsoring Employer. Examples of such decisions and of tasks relating to the implementation of these decisions include the following:

- Setting investment objectives
- Determining the split between the growth and the matching portfolios
- Determining the allocation to asset classes within the growth and matching portfolios
- Determining the Scheme benchmark
- Reviewing the investment objectives and strategic asset allocation
- Considering whether to undertake a buy-in with an insurance company for all or part of the Scheme's liabilities

Tactical Investment Decisions

These decisions are short-term and based on expectations of near-term market movements. Such decisions may involve deviating temporarily from the strategic asset allocation and may require the timing of entry into, or exit from, an investment market or asset class.

These decisions are the responsibility of the Trustee. However, where such decisions are made within a pooled fund, they are the responsibility of the investment manager of the fund.

Stock Selection Decisions

All such decisions are the responsibility of the investment managers of the pooled funds in which the Scheme is invested.

4.3. TYPES OF INVESTMENTS TO BE HELD

The Trustee is permitted to invest across a wide range of asset classes.

The Scheme's assets are invested wholly via pooled vehicles. The use of derivatives is as permitted by the guidelines that apply to the pooled funds.

Details relating to the pooled funds in which the Scheme is invested can be found in Appendix 3.

The Trustee recognises the benefits of diversification across asset classes, as well as within them, in reducing the risk that results from investing in any one particular market. The Trustee has therefore invested in pooled Diversified Growth Funds ("DGF"), which are actively managed multi-asset funds and invest across a diversified range of assets. The Trustee has also invested in pooled Multi Asset Credit Funds ("MAC"), where the managers select and manage allocations across a diversified spectrum of bond assets.

The Trustee notes that it would not be practical (or appropriate) for it to commit the resources necessary to make these decisions across a wide range of asset classes.

The Trustee notes that the actuarial value of the Scheme's future benefits payments to members is sensitive to changes in long term interest rates and long term inflation expectations. The Trustee has therefore decided to invest in Liability Driven Investment ("LDI") funds which aim to respond in a similar way to changes in these factors and reduce the volatility of the Scheme's funding position. This is referred to as hedging.

4.4. FINANCIALLY MATERIAL CONSIDERATIONS

The Trustee recognises that there are factors which have the ability to impact the financial performance of the Scheme's investments over the next 5 to 8 years, which is the time horizon over which the Trustee intends to achieve buyout. This includes, but is not limited to, environmental, social and governance (ESG) factors.

In considering their investment strategy, the Trustee has prioritised consideration of assets that provide protection against the Scheme's liabilities, given the strategic objective to secure the liabilities with an insurer over a five to eight year time horizon. Additionally, there is a requirement for growth in the short term and as such, the Trustee has also prioritised diversification across a wide range of investment markets in order to achieve this.

The Trustee recognises that ESG factors can adversely affect performance even over the relatively short term horizon given by the Trustee's objective. However, this short time horizon may make certain investments that could benefit from ESG trends over the long term inappropriate.

The Trustee is aware that ESG factors are taken in to account by the investment managers of the funds in which they are invested in, albeit they are not paramount to the first level decision making process for managers providing leveraged liability protection. For diversified growth and multi asset funds, managers will not typically put ESG considerations at the heart of the asset allocation decision, but will embed such factors in to the management of the funds where it is appropriate to do so.

The Trustee will undertake an annual review of its allocation and at this point, all financially material considerations will be considered. Those considered to be of most significance will be prioritised.

4.5. NON-FINANCIAL CONSIDERATIONS

The Trustee only considers factors that are expected to have a financial impact on the Scheme's investments. Non-financial considerations, such as ethical views, are not implemented in the current investment strategy.

4.6. CORPORATE GOVERNANCE AND VOTING POLICY

The Trustee is invested solely in pooled investment funds. The Trustee delegates responsibility for engagement matters and exercising voting rights to the pooled fund manages and expects the managers to use their discretion to act in the best financial interest of investors.

Where the Trustee is specifically invited to vote on a matter relating to corporate policy, the Trustee will exercise its right in accordance with what they believe to be in the best interests of the majority of the Scheme's membership.

4.7. STEWARDSHIP

Mercer will monitor the investment performance, strategy, risks, ESG policies and corporate governance of the investment managers on behalf of the Trustee. If the Trustee has any concerns, they will raise them with Mercer, verbally or in writing.

5 RISK

The Trustee is aware, and seeks to take account of a number of risks in relation to the Scheme's investments, all of which the Trustee considers to be financially significant, including the following:

Solvency Risk and Mismatching Risk

- These are measured through a qualitative and quantitative assessment of the expected development of the assets relative to the liabilities.
- They are managed by setting a scheme-specific strategic asset allocation with an appropriate level of risk, and by monitoring the development of the funding position on an annual basis.

Manager Risk

- This is assessed as the expected deviation of the prospective risk and return, as set out in the managers' objectives, relative to the investment policy
- It is measured by monitoring the actual deviation of returns relative to the objective and factors supporting the managers' investment process, by monitoring and advice from the Investment Adviser where there have been significant changes to the managers' capabilities, and by using the Mobius Platform, which enables quick and efficient replacement of managers if appropriate.

Liquidity Risk

- This is monitored according to the level of cash flows required by the Scheme over a specified period.
- It is managed by holding an appropriate amount of readily realisable investments. The Scheme's assets are invested in pooled funds which are readily realisable.

Political Risk

- This is measured by the level of concentration in any one market leading to the risk of adverse influence on investment values arising from political intervention.
- It is managed by regular reviews of the investments and through investing in funds which give a wide degree of diversification.

Corporate Governance Risk

- This is assessed by reviewing the Scheme's investment managers' policies regarding corporate governance.
- It is managed by delegating the exercise of voting rights to the managers, who exercise this right in accordance with their published corporate governance policies. Summaries of these policies are available to the Trustee on request and take into account the financial interests of the shareholders, which should ultimately be to the Scheme's advantage.

Sponsor Risk

- This is assessed as the level of ability and degree of willingness of the sponsor to support the continuation of the Scheme and to make good any current or future deficit.
- It is managed by assessing the interaction between the Scheme and the sponsor's business, as measured by a number of factors, including the creditworthiness of the sponsor and the size of the pension liability relative to the sponsor. Regular updates on employer covenant are provided to the Trustee by senior management of the sponsor.

Legislative Risk

- This is the risk that legislative changes will require action from the Trustee so as to comply with any such changes in legislation.
- The Trustee acknowledges that this risk is unavoidable but will seek to address any required changes so as to comply with changes in legislation.

Credit Risk

- This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- The Scheme invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.
- The Scheme's holdings in pooled investment vehicles are unrated. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements.
- Indirect credit risk arises in relation to underlying bond investments held in the pooled funds; specifically the DGF, LDI MAC holdings. This risk is mitigated by investing in funds with diversified portfolios.

Market Risk

- This is the risk the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of the following three types of risk:

Currency Risk

- This is the risk that occurs when the price of one currency moves relative to another (reference) currency. In the context of a UK pension scheme, the scheme may be invested in overseas stocks or assets, which are either directly or indirectly linked to a currency other than Sterling. There is a risk that the price of that overseas currency will move in such a way that devalues that currency relative to Sterling, thus negatively impacting the overall investment return.
- This risk is managed by investing in DGFs and MAC funds. Within these funds the management of currency risk related to overseas investments is delegated to the underlying investment managers. The managers may, from time to time, take unhedged overseas investment positions in pursuit of growth opportunities or to reduce overall fund risk, although their neutral position is considered to be 100% Sterling
- The Scheme invests in an equity linked LDI fund. This fund gains its exposure to equities through equity futures, and these effectively give the investor currency hedged returns on the overseas element of the equity exposure.

Interest rate risk

- This is the risk that an investment's value will change due to a change in the level of interest rates. This affects debt instruments more directly than growth instruments.
- The Trustee recognises that the Scheme's liabilities are exposed to a significant level of interest rate risk movement and for this reason it is desirable for the Scheme's assets to be exposed to a similar level of interest rate risk.
- The Trustee manages the Schemes' interest rate risk by considering the net risk when taking account of how the liabilities are valued.

Other Price risk

- This is the risk that principally arises in relation to the return seeking assets.
- The Trustee acknowledges that the Scheme can manage its exposure to price risk by investing in a diverse portfolio across various markets and has therefore invested in DGFs and MAC funds in order to achieve a diversified exposure to different investment markets and manage this risk.

ESG risk

- This is the risk that Environmental, Social or Corporate Governance factors, including climate change, have a financially material impact on the return of the Scheme’s assets
- The Trustee manages this risk by investing in pooled fund managers who take such considerations in to account where it is appropriate to do so.
- In addition, the Trustee takes in to account their consultant’s consideration of ESG factors in asset allocation and Manager selection

6 MONITORING OF INVESTMENT ADVISER AND MANAGER

6.1 INVESTMENT ADVISER

The Trustee regularly assesses and reviews the performance of their adviser in a qualitative way. In doing so, the Trustee will take in to account the objectives it set for its investment adviser in the document entitled “Outcome of the CMA review: Setting Objectives for Investment Consultants”, which was signed and formally adopted by the Trustee on 15 November 2019.

6.2 INVESTMENT MANAGERS

The Trustee receives quarterly monitoring reports on the performance of the underlying investment managers from Mercer on a quarterly basis, which presents performance information over 3 months, 1 year and 3 years. The reports show the absolute performance, performance against the manager’s stated target performance (over the relevant time period) on a net of fees basis. It also provides returns of market indices so that these can also be used to help inform the assessment of the underlying managers’ performance

The reporting reviews the performance of the Scheme’s individual funds against their benchmarks and of the Scheme’s assets in aggregate against the Scheme’s strategic benchmark.

The Trustee in conjunction with advice from their Investment Adviser, have the role of replacing the underlying investment managers where appropriate. It takes a long-term view when assessing whether to replace the underlying investment managers, and such decisions would not be made based solely on short-term performance concerns. Instead, changes would be driven by a significant downgrade of the investment manager by Mercer’s Manager Research Team. This in turn would be due to a significant reduction in Mercer’s confidence that the investment manager will be able to perform in line with their fund’s mandate over the long term.

Changes will also be made to the underlying managers if there is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager.

6.3 PORTFOLIO TURNOVER COSTS

The Trustee does not currently monitor portfolio turnover costs for the funds in which the Scheme is invested, although notes that the performance monitoring which it receives is net of all charges, including such costs. Portfolio turnover costs means the costs incurred as a result of the buying, selling, lending or borrowing of investments.

The Trustee is also aware of the requirement to define and monitor targeted portfolio turnover and turnover range. Given that the Scheme invests in a range of pooled funds, many of which invest across a wide range of asset classes, the Trustee does not have an overall portfolio turnover target for the Scheme.

The Trustee is working with Mercer to determine the most appropriate way to obtain and monitor the information required in relation to the pooled funds in which the Scheme is invested.

7 CODE OF BEST PRACTICE

The Trustee is aware of the Pensions Regulator guidance ‘Investment Guidance for Defined Benefit Pension Schemes’, released in March 2017.

8 COMPLIANCE

The Scheme's Statement of Investment Principles and annual report and accounts are available to members on request.

A copy of the Scheme's current Statement plus Appendices is also supplied to the Sponsoring Employer, the Scheme's auditors and the Scheme Actuary.

This Statement of Investment Principles, taken as a whole with the Appendices, supersedes all others and was approved by the Trustee.

Approved by the Trustee on 17 February 2021.

APPENDIX 1: ASSET ALLOCATION BENCHMARK

The Scheme's strategic asset allocation benchmark is set out below:

Asset Class	Strategic Allocation (%)	Guideline Range (%)
Growth Assets	**60.0**	
Diversified Growth	40.0	+/-10.0
Multi Asset Credit	20.0	+/-10.0
Stabilising Assets	**40.0**	
Real LDI	25.0	+/-10.0
Nominal LDI	10.0	+/-10.0
Equity Linked Real LDI	5.0	+/-10.0
Total	**100.0**	

The policy for rebalancing and investment / disinvestment of cashflows is set out in Appendix 2.

Appendix 3 provides information about the funds in which the Scheme is invested at the time of producing this Statement.

APPENDIX 2: CASH FLOW AND REBALANCING POLICY

Rebalancing Policy

The Trustee is happy that there should be no automatic rebalancing policy in place.

Cashflows Policy

Cashflows will be applied in line with the strategic asset allocation benchmark, excluding the LDI assets.

LDI Recapitalisation

The Trustee notes that the LDI manager may require additional assets from time to time in order to support the operation of the LDI funds or may release assets from time to time. The Trustee has put in place a policy regarding this recapitalisation/release procedure and this is set out with Mobius.

APPENDIX 3: INVESTMENT MANAGER INFORMATION

The tables below show the details of the mandate(s) with each underlying manager.

Growth Assets

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
Diversified Growth				
Nordea Diversified Return Fund	1 month LIBOR	To outperform the benchmark by 4.0% p.a. gross of fees over rolling three year periods	Daily	(b) / 2
Threadneedle Multi Asset Fund	UK Base Rate	To outperform the benchmark by 3.5% p.a. net of fees over rolling five year periods	Daily	(b) / 2
MAC				
Stone Harbor Multi Asset Credit Fund	5% to 8% p.a.	To generate capital appreciation. Secondary objective is to generate a high current income.	Daily	(b) / 2
Payden & Rygel Absolute Return Bond Fund	1 month LIBOR	Provide positive returns with a performance hurdle of LIBOR +3% before fees over a rolling three year period	Daily	(b) / 2

Matching Assets

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
Liability Driven Investments				
BMO Equity Linked Real LDI	The liability profile of a typical UK DB pension scheme. The synthetic equity benchmark is a mix of global equity indices	To provide liability hedging by offering interest rate and inflation protection which replicates the liability profile of a typical UK defined benefit pension scheme; and to provide exposure to global equities on a primarily currency-hedged basis	Daily	(b) / 2
BMO Real Dynamic LDI	The liability profile of a typical UK DB pension scheme	To provide hedging by offering interest rate and inflation protection which replicates the benchmark	Daily	(b) / 2
BMO Nominal LDI	The liability profile of a typical UK DB pension scheme	To provide hedging by offering interest rate protection which replicates the benchmark	Daily	(b) / 2

For avoidance of doubt, this SIP will not be updated solely in response to a replacement of one of the underlying investment managers, although it will continue to be reviewed on a regular basis.

APPENDIX 4: RESPONSIBILITIES OF PARTIES

TRUSTEE

The Trustee's responsibilities include the following:

- Reviewing at least triennially, and more frequently if necessary, the content of this Statement in consultation with the Investment Adviser and modifying it if deemed appropriate
- Reviewing the investment strategy following the results of each actuarial review, in consultation with the Investment Adviser and Scheme Actuary
- Appointing the investment managers and custodian (if required)
- Assessing the quality of the performance and processes of the investment managers by means of regular reviews of investment returns and other relevant information, in consultation with the Investment Adviser
- Consulting with the sponsoring employer regarding any proposed amendments to this Statement
  Monitoring compliance of the investment arrangements with this Statement on a continuing basis

INVESTMENT ADVISER

The Investment Adviser's responsibilities include the following:

- Participating with the Trustee in the review of this Statement of Investment Principles
- Production of performance monitoring reports
- Advising the Trustee, at its request, on the following matters:
  - Through consultation with the Scheme Actuary, how any changes within the Scheme's benefits, membership, and funding position may affect the manner in which the assets should be invested
  - How any significant changes in the Investment Managers' organisation could affect the interests of the Scheme
  - How any changes in the investment environment could present either opportunities or problems for the Scheme
- Undertaking project work, as requested, including:
  - Reviews of asset allocation policy
  - Research into and reviews of Investment Managers
- Advising on the selection of new managers and/or custodians

INVESTMENT MANAGERS

The responsibilities of the underlying investment managers appointed through the Mobius Platform include:

- Informing the Platform provider of any changes in the internal performance objectives and guidelines of their funds
- Having regard to the need for diversification of investments, so far as appropriate for the particular mandate, and to the suitability of investments
- Managing their funds in accordance with their stated mandates

The underlying investment managers for the Scheme are not directly appointed by the Trustee and therefore do not have any direct responsibility to the Trustee.

SCHEME ACTUARY

The Scheme Actuary's responsibilities in relation to include the following:

- Liaising with the Investment Adviser regarding the suitability of the Scheme's investment strategy given the financial characteristics of the Scheme
- Assessing the funding position of the Scheme and advising on the appropriate response to any shortfall
- Performing the triennial (or more frequent, as required) valuations and advising on the appropriate contribution levels

ADMINISTRATOR

The Administrator's responsibilities include the following:

- Ensuring there is sufficient cash available to meet benefit payments as and when they fall due
- Paying benefits and making transfer payments
- Investing contributions not required to meet benefit payments with the investment managers according to the Trustee's instructions