THE BUCCLEUCH ESTATES LIMITED 1974 RETIREMENT FUND

STATEMENT OF INVESTMENT PRINCIPLES

NOVEMBER 2022

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1 INTRODUCTION

This Statement of Investment Principles (the “Statement”) has been prepared by The Buccleuch Estates Pension Trustee Company Limited as Trustee to The Buccleuch Estates Limited 1974 Retirement Fund (the “Fund”) 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 Fund 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 Limited (‘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 Fund.

The Trustee will normally review the Statement formally at least every three years to coincide with the triennial actuarial valuation or other actuarial advice. 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 investment objective for the Fund is to maintain its financial position to be fully funded on Mercer's solvency basis (i.e., a proxy insurance provider buy-out basis).

Furthermore, taking the sponsoring employers' covenant into consideration:

- seek a return marginally ahead of gilts, whilst,
- ensuring the assets are liquid enough to meet the liabilities, as and when they fall due.

The Trustee has also received confirmation from the Scheme Actuary during the process of revising the investment strategy that its investment objectives and the resultant investment strategy are consistent with the actuarial valuation methodology and assumptions used within Mercer's solvency basis.

3 INVESTMENT RESPONSIBILITIES

3.1 TRUSTEE DUTIES AND RESPONSIBILITIES

The Trustee is responsible for setting the investment objectives and determining the strategy to achieve the objectives. It carries out its duties and fulfils its responsibilities as a single body.

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 adviser
- The appointment and review of the investment platform provider
- The choice of appropriate funds to implement the agreed investment strategy
- The assessment and review of the performance of the investment managers
- The assessment of the risks assumed by the Fund at total scheme level and underlying manager by manager
- The approval and review of the asset allocation benchmark for the Fund
- 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 Fund. 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 to the Trustee include the following:

- Setting of investment objectives
- Determining investment strategy and asset allocation
- Determining an appropriate investment structure
- Monitoring the underlying investment managers to ensure their continuing appropriateness to the mandates given
- Monitoring the platform provider to ensure its continuing appropriateness for the Fund
- Setting cashflow management (investment and disinvestment) and rebalancing 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 cashflow (see Appendix 2). Mercer may be proactive in advising the Trustee regarding tactical investment decisions. However, there is no responsibility placed on Mercer to be proactive in all circumstances.

The Trustee monitors the performance of the Fund's underlying investment managers against their respective benchmarks. Mercer will provide performance monitoring reports to aid the Trustee in this process.

Mercer makes a fund based charge for the services it provides. This charge is specified in the contractual agreement between the Trustee and Mercer. Any additional services provided by Mercer will be remunerated primarily on a time-cost basis.

Mercer does not receive commission or any other payments in respect of the Fund that might affect the impartiality of their advice.

The Trustee is satisfied that this is an appropriate adviser remuneration structure for the Fund.

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

3.3 ARRANGEMENT WITH INVESTMENT MANAGERS

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

The Trustee, after considering appropriate investment advice, has invested the assets of the Fund through a Trustee Investment Plan (“TIP”) policy with Mobius Life Limited (“Mobius”), whose appointment foregoes the need for a custodian. Mobius is authorised and regulated by the FCA.

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 Fund are authorised and regulated by the FCA.

The underlying investment managers used by the Trustee via the Mobius platform are chosen based on advice from the investment advisor. This is based on the investment advisor’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 will only invest in pooled investment vehicles on the Mobius platform. The Trustee therefore accepts that it cannot specify the risk profile and return targets of the managers’ funds, but the pooled funds are chosen with appropriate characteristics to align with the overall investment strategy.

The details of the funds invested in are set out in Appendix 3, together with the details of each manager’s mandate.

The underlying investment managers are responsible for all decisions concerning the selection and de-selection of the individual securities within the portfolio(s) 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 Fund. Where possible, discounts have been negotiated by Mercer and Mobius with the underlying managers on their standard charges and the Fund benefits directly from these discounts.

None of the underlying investment managers in which the Fund’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. By encouraging a medium to long-term view, it will in turn encourage the investment managers to engage with issuers of debt in order to improve their performance in the medium to long-term.

The Trustee accepts that it cannot influence the charging structure of the pooled funds in which the Fund 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 is an appropriate basis for remunerating the underlying investment managers and is consistent with the Trustee’s policies as set out in this Statement.

3.4 SUMMARY OF RESPONSIBILITIES

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

4 INVESTMENT STRATEGY

4.1 SETTING INVESTMENT STRATEGY

The Trustee has determined an investment strategy after considering the Fund's liability profile and the actuarial valuation methodology and assumptions used within Mercer's solvency basis, 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 its investment adviser.

The basis of the Trustee strategy is to divide the Fund's assets between a low risk bond portfolio, comprising assets such as multi asset credit funds ("MAC"), absolute return bonds ("ARBs") and a hedging portfolio comprising of gilts.

The Trustee has established a benchmark allocation to each asset class within each strategic asset allocation, which is set out in Appendix 1.

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. Where it considers it advisable to do so, the Trustee has appointed an investment manager to select and manage the allocations within the fund across asset classes, in particular where it would not be practical (or appropriate) for the Trustee to commit the resources necessary to make these decisions itself.

In respect of the investment of contributions and any disinvestments to meet member benefit payments, the Trustee has decided on a structured approach in accordance with the 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 Fund.

The Trustee takes all such decisions itself. It does so after receiving written advice from its investment adviser and 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 low risk bond and the hedging portfolios
- Determining the allocation to asset classes within the low risk bond and hedging portfolios
- Determining the Fund's benchmark
- Reviewing the investment objectives and strategic asset allocation

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, these are the responsibility of the investment manager of the particular fund.

It is noted that where such decisions are made within a pooled fund, these are the responsibility of the investment manager of the particular fund.

Stock Selection Decisions

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

4.3 TYPES OF INVESTMENTS TO BE HELD

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

All the funds in which the Fund invests are pooled and unitised. The use of derivatives is permitted by the guidelines that apply to the pooled funds. Details relating to the pooled funds can be found in Appendix 3.

4.4 FINANCIALLY MATERIAL CONSIDERATIONS

The Trustee understand that they must consider all factors that have the ability to impact the financial performance of the Fund's investments over the appropriate time horizon. This includes, but is not limited to, environmental, social and governance ("ESG") factors.

The Trustee recognise that ESG factors, such as climate change, can influence the investment performance of the Fund's portfolio and it is therefore in members' and the Fund's best interests that these factors are taken into account within the investment process.

The Trustee further recognises that investing with a manager who approaches investments in a responsible way and takes account of ESG related risks will lead to better risk adjusted performance results as omitting these risks in investment analysis could skew the results and underestimate the level of overall risk being taken.

The Trustee notes that ESG considerations are not paramount to the first level decision making process within the funds which provide actively managed diversification. However, in the actively managed low risk bond funds in which the Fund invests, whilst the managers typically do not put ESG considerations at the heart of the asset allocation decision, they will embed ESG considerations into the management of the underlying asset classes where it is appropriate to do so.

The Trustee receives ESG scores provided by the investment adviser in relation to the funds in which the Fund is invested and will monitor how these develop over time.

The Trustee is therefore satisfied that ESG factors are appropriately reflected in the overall investment approach.

The Trustee, will take ESG considerations into account in the selection, retention and realisation of investments.

4.5 NON-FINANCIAL CONSIDERATIONS

The Trustee only considers factors that are expected to have a financial impact on the Fund'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 Fund is invested solely in pooled investment funds. The Trustee's policy is to delegate responsibility for engaging with, monitoring of, investee companies and exercising voting rights to the pooled fund investment managers and expects the investment managers to use their discretion to act in the long-term financial interests of investors.

The Trustee notes that the investment managers' corporate governance policies are available on request and on their respective websites.

If the Trustee is specifically invited to vote on a matter relating to corporate policy, the Trustee would exercise its right in accordance with what it believes to be the best interests of the majority of the Fund's membership.

4.7 STEWARDSHIP

Mercer will monitor the performance, strategy, risks, ESG policies and corporate governance of the investment managers on behalf of the Trustee and discuss this with the Trustee as appropriate. If the Trustee has any concerns, they will raise them with Mercer.

5 RISK

The Trustee is aware, and seeks to take account of a number of risks in relation to the Fund's investments, including the following:

Under the Pensions Act 2004, the Trustee is required to state its policy regarding the ways in which risks are to be measured and managed. These are set out below.

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.
- These are managed by setting a scheme-specific strategic asset allocation with an appropriate level of risk.

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.
- It is managed through the diversification of the Fund's assets across a range of funds with different investment styles, 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 cashflow required by the Fund over a specified period.
- It is managed by holding an appropriate amount of readily realisable investments. The Fund'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 Fund'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 provided to the Trustee from time to time and take into account the financial interests of the shareholders, which should ultimately be to the Fund's advantage.

Sponsor Risk

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

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 is associated with the inability of a borrower to repay, in full or in part, the monies which it owes to a creditor.
- The Fund 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 Fund'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. This risk is mitigated by investing in funds with diversified portfolios.

Market Risks

- This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks 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 Fund 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.

The Trustee acknowledges that currency risk related to overseas investments is delegated to, and hedged where deemed appropriate, by the underlying investment managers.

  – **Interest/inflation rate risk**

This is the risk that an investment's value will change due to a change in the level of interest/expected inflation rates. This affects debt instruments more directly than growth instruments.

The Trustee acknowledges that the interest/expected inflation rate risk related to individual debt instruments is managed by the underlying investment managers through a combination of strategies, such as diversification, duration and yield curve management.

  – **Other price risk**

This is the risk that principally arises in relation to higher risk growth assets, which invest in equities, equities in pooled funds, equity futures, hedge funds, infrastructure, private equity and property.

The Trustee does not invest in higher risk growth assets. However, should the Fund require to do so, the Trustee acknowledges that a scheme can manage its exposure to price risk by investing in a diverse portfolio across various markets.

ESG Risk

- This is the risk that environmental, social or corporate governance concerns, including climate change, have a financially material impact on the return of the Fund’s assets.
- The Trustee manages this risk by investing in well-respected investment managers where ESG principles are appropriately included in the investment decision-making process.
- The Trustee is aware that responsible investing is one of the core beliefs of the investment managers and the investment adviser. As a result, part of the rating process of the investment adviser and decision-making process of the investment managers is based on its financial stewardship and how well the investment managers integrate governance and sustainability into its investment process.

6 MONITORING OF INVESTMENT ADVISER AND MANAGERS

6.1 INVESTMENT ADVISER

The Trustee continually assesses and reviews the performance of its adviser in a qualitative way. In do so, the Trustee will consider the objectives it set for its investment adviser in the document entitled “Strategic Objectives for Investment Consultancy Services” which was signed by the Trustee in November 2022.

6.2 INVESTMENT MANAGERS

The Trustee receives quarterly monitoring reports on the performance of the underlying investment managers from Mercer, which present 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. They also provide returns of market indices so that these can be used to help inform the assessment of the underlying managers’ performance.

The reporting reviews the performance of the Fund’s assets in aggregate against the Fund’s strategic benchmark.

In conjunction with advice and information from their investment adviser, the Trustee has 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 and therefore the Fund 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 Fund is invested, although notes that the performance monitoring reports 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 Fund 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 Fund.

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

7 ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

The Trustee holds assets separately from the main fund, in the form of individual insurance policies, securing additional benefits on a money purchase basis for those members electing to pay AVCs.

8 BEST PRACTICE

The Trustee notes that in March 2017, the Pensions Regulator released ‘Investment Guidance for Defined Benefit Pension Schemes’.

The Trustee meets with their investment adviser on a regular basis, monitoring developments both in relation to the Fund’s circumstances and in relation to evolving guidance, and will revise the Fund’s investment approach if considered appropriate.

9 COMPLIANCE

A copy of this Statement is published on a publically available website.

This Statement supersedes all others and was approved by the Trustee.

Signed on behalf of:

The Buccleuch Estates Pension Trustee Company Limited, as Trustee to:

The Buccleuch Estates Limited 1974 Retirement Fund

Signed: ....

Name: ....

Date: ....

APPENDIX 1: ASSET ALLOCATION BENCHMARK

The Fund’s initial strategic asset allocation benchmark is set out below.

Asset Class	Strategic Allocation (%)
Low Risk Bond	**20**
Multi Asset Credit (M&G Total Return Credit)	10
Absolute Return Bonds (Payden Absolute Return Bond)	10
Hedging**	**80**
Fixed Interest Gilts (L&G Over 15 Year Fixed Interest Gilts)	60
Index-Linked Gilts (L&G Over 15 Year Index-Linked Gilts)	20
Cash*	**0**
Sterling Liquidity	0
Total	**100**

*From time to time, there may also be an allocation to cash in the short term.

NB: There are no guideline ranges as the actual asset allocation percentages will change as investment market conditions change. The Trustee, along with their advisor, will assess the allocations on an ongoing basis and make adjustments as, and when, they see fit based on the strategic allocations set out above and the magnitude of any deviations from above.

**The hedging assets are designed to hedge the valued placed on the liabilities. Hence, like the liabilities, their values will float as interest and expected inflation rates change. Alterations to the actual percentage allocation may take place from time to time, which will be driven by the actual interest and inflation hedge ratios relative to their targets (rather than simply the percentage held).

Appendix 2 outlines the policy for cashflow and rebalancing.

Appendix 3 provides information about the funds in which the assets are invested.

APPENDIX 2: CASHFLOW AND REBALANCING POLICY

Cashflow Policy

Where possible, cashflow will be met from cash balances held by the Fund in order to minimise transaction costs.

Where this is not possible, investments and disinvestments:

- up to £500k will be applied to the assets in line with the strategic allocation, as set out in Appendix 1.
- above £500k will be given specific consideration by the investment consultant.

The Trustee will review the cashflow policy from time to time to ensure that it remains appropriate taking into account changes in the Fund's cashflow requirements.

Rebalancing

There is no automatic rebalancing of the assets back to the Fund's strategic allocation (set out in Appendix 1). Instead the Trustee will use the reporting provided by Mercer to determine if any action is required.

APPENDIX 3: INVESTMENT MANAGER INFORMATION

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

LOW RISK BOND ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
M&G Total Return Credit	SONIA 1 Month	To outperform the benchmark by 3-5% p.a. gross of fees over a cycle	Daily	(b) / 2
Payden Absolute Return Bond	SONIA 1 Month	To outperform the benchmark by 3.0% p.a. while seeking preservation of capital over a medium-term horizon	Daily	(b) / 2

HEDGING ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
L&G AF - Over 15 Year Gilts Index	FTSE Actuaries UK Conventional Gilts Over 15 Years Index	Track the performance of the FTSE Actuaries UK Conventional Gilts Over 15 Years Index to within +/-0.25% p.a. for two years out of three.	Daily	(b) / 2
L&G HC - Over 15 Year Index-Linked Gilts	FTSE A Index-Linked (Over 15 Year) Index	Track the performance of the FTSE A Index-Linked (Over 15 Year) Index to within +/-0.25% p.a. for two years out of three	Daily	(b) / 2

CASH

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
L&G TA – Sterling Liquidity	SONIA	The fund aims to offer access to liquidity whilst providing capital stability.	Daily	(b) / 2

The assets of the underlying fund managers are hosted on an investment platform provided by Mobius Life Limited. The Trustee also holds assets separately from the main fund, in the form of individual insurance policies with Phoenix Life, securing additional benefits on a money purchase basis for those members electing to pay AVCs.

APPENDIX 4: RESPONSIBILITIES OF PARTIES

TRUSTEE

The Trustee 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 manager(s), platform provider and custodian (if required)
- Assessing the quality of the performance and processes of the underlying investment manager(s) 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 reviews of this Statement
- 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 Fund's benefits, membership, and funding position may affect the manner in which the assets should be invested
  - How any significant changes in the underlying investment managers' organisation could affect the interests of the Fund
  - How any changes in the investment environment could present either opportunities or problems for the Fund
- 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
- Informing the Trustee of any significant changes or concerns in relation to the Platform provider's suitability for the Fund
- Advising the Trustee on an appropriate overall cashflow and rebalancing process
- Providing advice in relation to specific cashflow and rebalancing as appropriate

INVESTMENT MANAGERS

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

PLATFORM PROVIDER

The platform provider's responsibilities include the following:

- Ensure contributions are invested/disinvested in accordance with instructions, and that switches are processed accordingly
- Ensure instructions are in accordance with the Authorised Signatory Lists
- Informing the Trustee of any changes in the internal performance objectives and guidelines of any pooled fund used by the Fund as and when they occur

SCHEME ACTUARY

The Scheme Actuary's responsibilities include the following:

- Liaising with the investment adviser regarding the suitability of the Fund's investment strategy given the financial characteristics of the Fund
- Assessing the funding position of the Fund 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.