

**S.E.H. EUROPE RETIREMENT  
BENEFITS PLAN  
STATEMENT OF INVESTMENT  
PRINCIPLES**

AUGUST 2020

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# 1 INTRODUCTION

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This Statement of Investment Principles (the “Statement”) has been prepared by the Trustees of the S.E.H. Europe Retirement Benefits Plan (the “Plan”) 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 Plan and the activities undertaken by the Trustees to ensure the effective implementation of these principles.

In preparing the Statement, the Trustees have:

- obtained and considered written advice from a suitably qualified individual, employed by their investment consultant, 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 Trustees’ investment policy for the Plan.

The Trustees 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 Trustees 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

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The Trustees' primary investment objective for the Plan 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 Trustees also aim to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Plan.

The Trustees have also received confirmation from the Scheme Actuary during the process of revising 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

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## 3.1 TRUSTEES' DUTIES AND RESPONSIBILITIES

The Trustees are responsible for setting the investment objectives and determining the strategy to achieve the objectives. They carry out their duties and fulfil their responsibilities as a single body.

The duties and responsibilities of the Trustees 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 managers can operate
- The assessment of the risks assumed by the Plan at total scheme level and manager by manager
- The approval and review of the asset allocation benchmark for the Plan
- The compliance of the investment arrangements with the principles set out in the Statement

## 3.2 INVESTMENT ADVISER'S DUTIES AND RESPONSIBILITIES

The Trustees have appointed Mercer as the investment adviser to the Plan. Mercer provides advice as and when the Trustees require it, as well as raising any investment-related issues, of which it believes the Trustees should be aware. Matters on which Mercer expects to provide advice to the Trustees 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 Trustees may seek advice from Mercer with regard to both strategic and tactical investment decisions (see Section 4 - Investment Strategy); however, they recognise that they retain responsibility for all such decisions, including those that concern investments and disinvestments relating to cashflows (see Appendix 2). Mercer may be proactive in advising the Trustees regarding tactical investment decisions; however, there is no responsibility placed on Mercer to be proactive in all circumstances.

Mercer monitors the performance of the Plan's investment managers against their benchmarks.

Mercer is remunerated primarily on a time-cost basis. Mercer does not receive commission or any other payments in respect of the Plan that might affect the impartiality of their advice. The Trustees believe that this is the most appropriate adviser remuneration structure for the Plan.

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

### 3.3 INVESTMENT MANAGERS' DUTIES AND RESPONSIBILITIES

The Trustees, after considering appropriate investment advice, have appointed several investment managers to manage the Plan's assets to specific individual mandates and with investment objectives and targets.

Investment managers are appointed by the Trustees based on their capabilities and therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected.

The Trustees will only invest in pooled investment vehicles. The Trustees therefore accept that they cannot specify the risk profile and return targets of the managers, but the pooled funds are chosen with appropriate characteristics to align with the overall investment strategy.

The Trustees are long term investors and do not look to change the investment arrangements on a frequent basis. If a manager is significantly downgraded by Mercer's Manager Research Team, the investment adviser will advise the Trustees and they may replace that manager with a suitable alternative.

The details of each manager's mandate and the basis of the contracts between the Trustees and their investment managers are set out in Appendix 3.

In particular, the 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 investment managers are responsible all decisions concerning the allocation to individual asset classes and changes in the allocations to individual asset classes.

All of the investment managers engaged by the Trustees are authorised and regulated by the Prudential Regulation Authority ("PRA"), the FCA or both.

The investment managers are remunerated by ad valorem charges based on the value of the assets that they manage on behalf of the Plan. The Trustees believe that this is the most appropriate basis for remunerating managers.

All appointments are actively managed and only one of the managers (IFM) is incentivised by being remunerated via a performance related fee. However, should the IFM fund manager achieve the performance target, only 50% of the accrued performance related fee is paid to the manager with the balance paid at the end of the following year, in case of underperformance. This is to encourage the manager to undertake a more medium to long term view when making investment decisions, rather than taking short term investment decisions to hit profit targets.

The Trustees therefore consider 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 Trustees accept that they cannot influence the charging structure of the pooled funds in which the Plan is invested, but are satisfied that the ad-valorem charges for the different underlying funds are clear and are consistent with each fund's stated characteristics. The Trustees are therefore satisfied that this the most appropriate basis for remunerating the underlying investment managers and is consistent with the Trustees policies as set out in this SIP.

### 3.4 SUMMARY OF RESPONSIBILITIES

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

# 4 INVESTMENT STRATEGY

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## 4.1 SETTING INVESTMENT STRATEGY

The Trustees have determined their investment strategy after considering the Plan's liability profile and their own appetite for risk, the Sponsoring Employer's appetite for risk, and the strength of the Sponsoring Employer's covenant. The Trustees have also received written advice from their Investment Adviser.

The basis of the Trustees' strategy is to divide the Plan's assets between a "growth" portfolio, comprising assets such as Diversified Growth Funds (DGF) and infrastructure, and a "matching" portfolio, comprising assets such as Liability Aware Absolute Return (LA AR) Funds. The basis of the split between these two portfolios is that growth assets are held in respect of the liabilities pertaining to active and deferred members and matching assets are held in respect of pensioner liabilities. The growth-stabilising allocation is also set with regard to the overall required return objective of the Plan's assets, which is determined by the funding objective and current funding level. Thus, the Trustees regard the basic distribution of the assets to be appropriate for the Plan's objectives and liability profile.

The Trustees have established a benchmark allocation to each asset class, which is set out in Appendix 1.

The Trustees recognise the benefits of diversification across growth asset classes, as well as within them, in reducing the risk that results from investing in any one particular market. Where they consider it advisable to do so, the Trustees have appointed investment managers to select and manage the allocations across growth asset classes, in particular where it would not be practical (or appropriate) for the Trustees to commit the resources necessary to make these decisions themselves.

In respect of the investment of contributions and any disinvestments to meet member benefit payments, the Trustees have decided on a structured approach to rebalance the assets in accordance with their overall strategy. This approach is set out in Appendix 2.

## 4.2 INVESTMENT DECISIONS

The Trustees distinguish 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 Plan.

The Trustees take all such decisions themselves. They do so after receiving written advice from their 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 growth and the stabilising portfolios
- Determining the allocation to asset classes within the growth and stabilising portfolios
- Determining the Plan 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 Trustees. 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 Plan is invested.

## **4.3 TYPES OF INVESTMENTS TO BE HELD**

The Trustees are permitted to invest across a wide range of asset classes, including, but not limited to, the following:

- UK and Overseas Equities
- UK and Overseas Government Bonds, Fixed and Inflation-linked
- UK and Overseas Corporate Bonds
- Convertible Bonds
- Property
- Commodities
- Hedge Funds
- Private Equity
- High Yield Bonds
- Emerging Market debt
- Diversified Growth
- Liability Driven Investment Products
- Cash

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

## **4.4 FINANCIAL CONSIDERATIONS**

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

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

As noted earlier, the Plan's assets are invested in pooled funds. The Trustees accept the fact that they have very limited ability to influence the ESG policies and practices of the companies in which its managers invest.

The Trustees note 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 Diversified Growth Fund in which the Plan invests, whilst the manager typically does not put ESG considerations at the heart of the asset allocation decision, it will embed ESG considerations into the management of the underlying asset classes where it is appropriate to do so.

The Trustees have reviewed the ESG policies of their managers and concluded that they are appropriate. The Trustees will therefore rely on the policies and judgement of their fund managers when assessing the impact on the value of the Plan's investments.

In addition, the Trustees receive ESG scores provided by the Investment Adviser in relation to the funds in which the Plan is invested and will monitor how these develop over time.

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



## 4.5 NON-FINANCIAL CONSIDERATIONS

The Trustees only consider factors that are expected to have a financial impact on the Plan'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 Plan is invested solely in pooled investment funds. The Trustees' policy is to delegate responsibility for engaging with, monitoring 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 Trustees note that the investment managers' corporate governance policies are available on request and on their respective websites.

If the Trustees are specifically invited to vote on a matter relating to corporate policy, the Trustees would exercise their right in accordance with what it believes to be the best interests of the majority of the Plan'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 Trustees. If the Trustees have any concerns, they will raise them with Mercer, verbally or in writing.

# 5 RISK

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The Trustees are aware, and seek to take account of a number of risks in relation to the Plan's investments, including the following:

Under the Pensions Act 2004, the Trustees are required to state their 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 Plan-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.

## **Liquidity Risk**

- This is monitored according to the level of cashflows required by the Plan over a specified period.
- It is managed by holding an appropriate amount of readily realisable investments. The majority of the Plan's assets are invested in quoted markets and are as readily realisable as the Trustees feel appropriate given the cashflow position of the Plan and the expected development of the Plan's liabilities, both of which are monitored by the Trustees.

## **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 assessment of the levels of diversification within the investment policy.

## **Corporate Governance Risk**

- This is assessed by reviewing the Plan'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 Trustees from time to time and take into account the financial interests of the shareholders, which should ultimately be to the Plan'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 Plan and to make good any current or future deficit.
- It is managed by assessing the interaction between the Plan 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 Trustees by senior staff of the sponsor.

## **Legislative Risk**

- This is the risk that legislative changes will require action from the Trustees so as to comply with any such changes in legislation.

- The Trustees acknowledge 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 Trustees acknowledge that the assessment of credit risk on individual debt instruments is delegated to the investment manager. The Trustees will however ensure that they are comfortable with the amount of risk that the Plan's investment manager takes.

### **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 Plan, the Plan 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 Trustees acknowledge that currency risk related to overseas investments is hedged appropriately by the underlying investment managers.

#### **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 Trustees acknowledge that the interest rate risk related to individual debt instruments, and particularly liability driven instruments (LDI), is managed by the underlying investment managers through a combination of strategies, such as diversification, duration and yield curve management, and hedging via swaps, particularly where LDI is involved.

#### **Other Price risk**

- This is the risk that principally arises in relation to the return seeking portfolio, which invests in equities, equities in pooled funds, equity futures, hedge funds, private equity and property.
- The Trustees acknowledge that a Plan 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 Plan's assets.
- The Trustees manage this risk by investing in well-respected investment managers where ESG principles are appropriately included in the investment decision making process.
- The Trustees are aware that Responsible Investing is one of the core beliefs of the Investment Adviser. As a result part of the rating process of the Investment Adviser is based on its financial stewardship and how well the underlying investment manager integrates governance and sustainability into its investment process.

# 6 MONITORING OF INVESTMENT ADVISER AND MANAGERS

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## 6.1 INVESTMENT ADVISER

The Trustees continually assess and review the performance of their adviser in a qualitative way.

## 6.2 INVESTMENT MANAGERS

The Trustees receive reports on the performance of the Plan's assets, from each investment manager. These 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).

The Trustees in conjunction with advice from their Investment Advisor, have the role of replacing the underlying investment managers where appropriate. They take 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 Trustees do not currently monitor portfolio turnover costs for the funds in which the Plan is invested, although note that the performance monitoring reports which they receive are 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 Trustees are also aware of the requirement to define and monitor targeted portfolio turnover and turnover range.

Given that the Plan invests in a range of pooled funds, many of which invest across a wide range of asset classes, the Trustees do not have an overall portfolio turnover target for the Plan.

The Trustees are 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 Plan is invested and will include further information about this when next updating the SIP.

# 7 ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

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The Trustees have historically provided for AVC facilities to be made to be available for members.

The Plans' AVC arrangement is provided by Standard Life and a range of unit-linked managed fund options, with-profit funds and a cash fund are made available to members.

The Trustees review the AVC arrangement periodically in line with their responsibilities to the Plan.

# 8 CODE OF BEST PRACTICE

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The Trustees note that in March 2017, the Pensions Regulator released 'Investment Guidance for Defined Benefit Pension Schemes'.

The Trustees meet with their investment adviser on a regular basis, monitoring developments both in relation to the Plan's circumstances and in relation to evolving guidance, and will revise the Plan's investment approach if considered appropriate.

# 9 COMPLIANCE

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

A copy of the Plan's current Statement plus Appendices is also supplied to the Sponsoring Employer, the Plan's investment managers, the Plan'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 Trustees.

**Signed on behalf of the Trustees by:** .....

**Full name:** .....

**Position:** .....

**On:** .....

# APPENDIX 1: ASSET ALLOCATION BENCHMARK

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The Plan's initial strategic asset allocation benchmark is set out below.

Asset Class	Strategic Allocation	Guideline Range
<b>Growth Assets</b>	<b>40%</b>	<b>+/- 20%</b>
Diversified Growth	20%	+/- 5%
Infrastructure	20%	+/- 10%
<b>Stabilising Assets</b>	<b>60%</b>	<b>+/-10%</b>
Liability Aware Absolute Return Real	45%	+/- 5%
Liability Aware Absolute Return Nominal	15%	+/- 5%
<b>Total</b>	<b>100%</b>	

*Note 1 – ILPS is being used as a stabilising asset, the intention is to increase these over time as the Plan de-risks.*

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 assets are invested.



# APPENDIX 2: CASHFLOW AND REBALANCING POLICY

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Where possible, cash outflows will be met from cash balances held by the Plan and from income from the Plan's investments in order to minimise transaction costs.

Investments or disinvestments should be applied in such a way as to bring the actual asset allocation back towards the Plan's central benchmark asset allocation, as set out in Appendix 1. The Trustees will review the cashflow policy from time to time to ensure that it remains appropriate taking into account changes in the Plan's cashflow requirements.

For avoidance of doubt, this Statement will not be revised purely in relation to a change in cashflow policy.

# APPENDIX 3: INVESTMENT MANAGER INFORMATION

The Plan invests with suitable investment managers, for each of the mandates within the Trustees' agreed investment strategy as set out in Appendix 1.

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

## GROWTH ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
<b>Diversified Growth</b>				
<b>Baillie Gifford</b> Diversified Growth	Bank of England Base Rate	To outperform the benchmark by 3.5% p.a. net of fees	Daily	Level 2
<b>Infrastructure</b>				
<b>IFM</b> Global Infrastructure	10% p.a. (Net of fees)	To outperform the benchmark	Quarterly	Level 2

## STABILISING ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
<b>Liability Aware Absolute Return II</b>				
<b>Standard Life</b> Liability Aware Absolute Return II Real Profile Fund	3 Month LIBOR	To provide, for every £1 invested, £2 of liability hedging by offering inflation and interest rate protection, as well as £1 growth by investing in the Absolute Return Global Bond Strategies	Weekly	Level 2
<b>Standard Life</b> Liability Aware Absolute Return II Nominal Profile Fund	3 Month LIBOR	To provide, for every £1 invested, £2 of liability hedging by offering interest rate protection, as well as £1 growth by investing in the Absolute Return Global Bond Strategies	Weekly	Level 2

For avoidance of doubt, this statement will not be updated solely in response to a replacement of one of the underlying investment managers.

# APPENDIX 4: RESPONSIBILITIES OF PARTIES

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## TRUSTEES

The Trustees' 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) and custodian (if required)
- Assessing the quality of the performance and processes of the 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 Trustees in reviews of this Statement of Investment Principles
- Production of performance monitoring reports
- Advising the Trustees, at their request, on the following matters:
  - Through consultation with the Scheme Actuary, how any changes within the Plan'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 Plan
  - How any changes in the investment environment could present either opportunities or problems for the Plan
- 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 Investment managers' responsibilities include the following:

- Providing the Trustees on a quarterly basis (or as frequently as required) with a statement and valuation of the assets and a report on their actions and future intentions, and any changes to the processes applied to their portfolios
- Informing the Trustees of any changes in the internal performance objectives and guidelines of any pooled fund used by the Plan as and when they occur
- Having regard to the need for diversification of investments, so far as appropriate for the particular mandate, and to the suitability of investments
- Giving effect to the principles contained in the Statement as far as is reasonably practicable

## SCHEME ACTUARY

The Scheme Actuary's responsibilities include the following:

- Liaising with the Investment Adviser regarding the suitability of the Plan's investment strategy given the financial characteristics of the Plan
- Assessing the funding position of the Plan 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 Trustees' instructions.