

# CALDER GROUP (2001) PENSION SCHEME STATEMENT OF INVESTMENT PRINCIPLES

NOVEMBER 2025

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# 1 INTRODUCTION

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This Statement of Investment Principles (“the Statement”) has been prepared by the Trustee of Calder Group (2001) 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.

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

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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.

The Trustee has also received confirmation from the Scheme Actuary that the expected return from the current investment strategy is consistent with the actuarial valuation methodology and assumptions used in the Statutory Funding Objective.

The Trustee is aiming to reach a fully funded position on a low-risk basis over the long-term.

# 3 INVESTMENT RESPONSIBILITIES

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## 3.1 TRUSTEE'S 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 managers
- 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 Scheme at total scheme level and by manager
- 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 to the Trustee include the following:

- Participating with the Trustee in reviews of this Statement;
- Setting of investment objectives;
- Determining investment strategy and asset allocation;
- Determining an appropriate investment structure;
- Monitoring the investment managers to ensure their continuing appropriateness to the mandates given;
- Production of performance monitoring reports;
- Advising on 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 cashflows (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 Scheme's investment managers against their benchmarks. Mercer will provide performance monitoring reports to aid the Trustee in this process.

The services provided by Mercer will be remunerated primarily on a time-cost basis. Where there are assets in a Mercer Fund (domiciled in Ireland), Mercer applies a fund based charge for the services it provides as set out in the fee letter with the Trustee.

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.

The Trustee is satisfied that this is the most appropriate adviser remuneration structure for the Scheme.

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

### 3.3 ARRANGEMENTS 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 appointed Legal & General Investment Management (“LGIM”), Mercer Global Investments Europe Limited (the “Investment Managers”) and TwentyFour Asset Management (“TwentyFour”) to manage the Scheme’s assets to specific individual mandates and with investment objectives and targets. The Scheme’s assets with Mercer are invested in multi-client collective investment schemes (“Mercer Funds”) managed by a management company (Mercer Global Investments Management Limited (“MGIM”). MGIM has appointed Mercer Global Investments Europe Limited (“MGIE”) as investment manager of the Mercer Funds. In practice, MGIE delegates the discretionary investment management for the Mercer Funds to third party investment managers based in countries such as Ireland, UK and USA and those sub-investment managers will manage either a sub-fund or certain segments of a sub-fund. Mercer has expertise in identifying, selecting and combining highly rated fund managers who are best placed and resourced to manage the Scheme assets on a day-to-day basis.

As the Trustee invests in pooled investment vehicles, it accepts that it has no ability to specify the risk profile and return targets of the managers, but appropriate mandates can be selected to align with the overall investment strategy and the investment managers are incentivised to meet these objectives as not doing so will result in investors disinvesting assets.

With regards to the LGIM funds, LGIM is responsible for all decisions concerning the selection and de-selection of the individual securities within the portfolios it manages. LGIM is remunerated by ad valorem charges based on the value of the assets that it manages on behalf of the Scheme.

Similarly, for TwentyFour, the manager is responsible for all decisions concerning the selection and de-selection of the individual securities within the portfolios it manages. TwentyFour is remunerated by ad valorem charges based on the value of the assets that it manages on behalf of the Scheme.

The underlying investment managers of the Mercer funds have responsibility 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. MGIE 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. Where possible, discounts have been negotiated by Mercer and MGIE with the underlying managers on their standard charges and the Scheme benefits directly from these discounts.

The details of LGIM, TwentyFour and MGIE’s mandates with the Trustee are set out in Appendix 3. There is no set duration for the manager appointments.

The Investment Managers are appointed by the Trustee and are authorised and regulated by the Prudential Regulation Authority (“PRA”), the Financial Conduct Authority (“FCA”) or both.

The Investment Managers do not operate with performance-based fees, which could encourage them to make short-term investment decisions to hit their profit targets.

The Trustee therefore considers that the method of remunerating the 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 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

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## 4.1 SETTING INVESTMENT STRATEGY

The Trustee has determined its investment strategy after considering the Scheme's liability profile and its own appetite for risk, the Sponsoring Employer's appetite for risk, and the strength of the Sponsoring Employer's covenant.

The basis of the Trustee's strategy is to divide the Scheme's assets between a "growth" portfolio, comprising of diversified growth assets and a "stabilising" portfolio, comprising of bond assets. The growth-stabilising allocation is also set with regard to the overall required return objective of the Scheme's assets, which is determined by the funding objective and current funding level. Thus, the Trustee regards the basic distribution of the assets to be appropriate for the Scheme's objectives and liability profile.

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

The Trustee recognises 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.

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 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
- 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, 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.

## 4.2 TYPES OF INVESTMENTS TO BE HELD

The Trustee is 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 and convertible bonds
- Property
- Commodities
- Hedge funds and Private equity
- High yield bonds and Emerging market debt
- Diversified growth funds
- Asset Backed Securities
- Liability driven investment
- Cash

All of the funds in which the Scheme 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 current asset classes held can be found in Appendix 3.

## 4.3 FINANCIALLY MATERIAL CONSIDERATIONS

The Trustee considers many risks that it anticipates could impact the financial performance of the Scheme's investments over the Scheme's expected lifetime. Such risks are set out in the next section of this Statement.

The Trustee recognises that environmental, social and corporate governance ("ESG") factors, such as climate change, can influence the investment risk and return outcomes of the Scheme's portfolio and it is therefore in members' and the Scheme's best interests that these factors are taken into account within the investment process. The Trustee considers this at an Investment Manager level, rather than at an individual fund level.

The Trustee has reviewed the ESG policies of its managers and concluded that they are appropriate. The Trustee will therefore rely on the policies and judgement of its investment managers when assessing the impact on the value of the Scheme's investments.

## 4.4 NON-FINANCIAL CONSIDERATIONS

The Trustee only considers factors that are expected to have a financial impact on the Scheme's investments. The Trustee has decided not to take into consideration non-financial matters, such as ethical views, or to take members' preferences into account when setting the investment strategy.

## 4.5 CORPORATE GOVERNANCE AND VOTING POLICY

The Trustee has concluded that the decision on how to exercise voting rights should be left with its investment managers, who will exercise these rights in accordance with their respective published corporate governance policies. These policies, which will be provided to the Trustee from time to time, take into account the financial interests of shareholders and should be for the Scheme's benefit.

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 it believes to be in the best interests of the majority of the Scheme's membership.

## 4.6 STEWARDSHIP

The Trustee, in conjunction with its advisers, will monitor the performance, strategy, risks, ESG policies and corporate governance of the investment managers. In particular, the Trustee will monitor:

- The performance of the investment manager / fund relative to its stated performance objective(s). Whilst performance over all time periods will be considered, the focus will be on the medium to long-term performance of the investment manager / fund. Where performance has failed to meet expectations and/or the Mercer Manager Research Team's views on the future expectations of performance has changed, the underlying investment manager / fund would be replaced with a suitable alternative;
- Performance of the overall strategy relative to the investment objective. Where the Scheme's portfolio has underperformed the objective, the Trustee must understand the reasons for the underperformance and, where appropriate, make any necessary changes to the strategy;
- The level of risk on a regular basis to ensure that the Scheme is not undertaking an excessive level of risk and that these risks are balanced appropriately. It is recognised that the level of investment risk will change from one period to the next due to factors out of its control, e.g. general market movements;
- Any changes made to the ESG and Stewardship policies of the underlying investment managers, which are expected to be reviewed on a regular basis. As the Scheme invests in pooled funds, the Trustee recognises that its ability to influence the stewardship policies of the underlying investment managers is limited. As such, any changes to the Trustee's view on these matters, or a change in the stewardship policies of the investment managers, could potentially result in one or more of the investment managers being replaced.

If the Trustee has any concerns, it will raise them with Mercer, verbally or in writing.

# 5 RISK

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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.

## **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 staff of the sponsor.

## **Solvency Risk and Mismatching Risk**

- These risks are measured through a qualitative and quantitative assessment of the expected development of the assets relative to the liabilities.
- These risks 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 Scheme'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.

## **Liquidity Risk**

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

## **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 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 provided to the Trustee from time to time and take into account the financial interests of the shareholders, which should ultimately be to the Scheme's advantage.

## **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 Trustee acknowledges that the assessment of credit risk on individual debt instruments is delegated to the investment managers. The Trustee will however ensure that it is comfortable with the amount of risk that the Scheme's investment managers take.

## **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 risks:

### **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.
- The Trustee acknowledges that currency risk related to overseas investments is hedged appropriately 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 the growth portfolio, which invests in equities, equities in pooled funds, equity futures, hedge funds, private equity and property.
- The Trustee acknowledges that the Scheme can manage its exposure to price risk by investing in a diverse portfolio across various markets.

## **Environmental, Social or Corporate Governance (ESG) Risk**

- This is the risk that ESG concerns, including climate change, have a financially material impact on the return of the Scheme's assets.
- The Trustee manages this risk by investing in well-respected investment managers where ESG principles are an established part of the investment decision making process.
- The Trustee is aware that Responsible Investing is one of the core beliefs of the Investment Manager and the Investment Adviser. As a result, part of the rating process of the Investment Adviser and decision-making process of the Investment Manager in relation to the underlying investment managers (where applicable) is based on its financial stewardship and how well the investment manager integrates governance and sustainability into its investment process.

# 6 MONITORING OF INVESTMENT MANAGERS AND ADVISER

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## 6.1 INVESTMENT ADVISER

The Trustee continually assesses and reviews the performance of its adviser in a qualitative way.

## 6.2 INVESTMENT MANAGERS

The Trustee receives quarterly monitoring reports on the performance of the investment managers from Mercer, which present performance 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, of the Scheme's assets in aggregate against the Scheme's strategic benchmark and also of the development of the Scheme's assets relative to its liabilities.

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 be made to the underlying managers however 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 considers performance net of fees, which takes account of portfolio turnover costs.

The Trustee does not separately monitor portfolio turnover costs, nor portfolio turnover range, for the holdings in which the Scheme is invested. Portfolio turnover costs mean the costs incurred as a result of the buying, selling, lending or borrowing of investments.

The Trustee is aware of the requirement to define and monitor targeted portfolio turnover. 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.

# 7 ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

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The Trustee has historically provided for AVC facilities to be made to be available for members.

The Scheme's AVC arrangement is provided by Standard Life and Utmost Life and Pensions, with-profit funds and a cash fund are made available to members.

# 8 CODE OF BEST PRACTICE

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The Trustee notes that, in March 2017, the Pensions Regulator released 'Investment Guidance for Defined Benefit Pension Schemes' when writing a Statement of Investment Principles.

The Trustee will ensure that the principles contained within this guidance are applied to the Scheme as far as relevant to the Scheme's circumstances.

# 9 COMPLIANCE

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The Scheme's Statement of Investment Principles is publicly available.

A copy of the Statement is also supplied to the Sponsoring Employer, the Scheme Auditor and the Scheme Actuary.

This Statement supersedes all others and was approved by the Trustee at the Trustee meeting of 6 November 2025.

# APPENDIX 1: ASSET ALLOCATION BENCHMARK

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

Asset Class	Investment Manager	Strategic Allocation (%)
<b>Growth Assets</b>		<b>20.7</b>
Diversified Growth Fund (DGF) – GBP Hedged <sup>(a)</sup>	MGIE	20.7
<b>Stabilising Assets</b>		<b>79.3</b>
UK Corporate Bonds	LGIM	10.0
Asset-Backed Securities	TwentyFour	14.5
Over 15 Year UK Fixed Interest Gilts	MGIE	23.6
Over 5 Year Index Linked Gilts	MGIE	31.2
<b>Total</b>		<b>100.0</b>

Figures may not sum to total due to rounding.

<sup>(a)</sup> The DGF managed by MGIE is partially hedged to GBP. The exact proportion of foreign currency exposure hedged back to GBP will vary over time and will reflect MGIE's best thinking on strategic currency framework for multi asset funds, however it is expected that this ratio will be within the region of 40% to 60% of foreign currency exposure.

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 & REBALANCING POLICY

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

## **Rebalancing Policy**

There will be no automatic rebalancing of the portfolio.

The Trustee understands that the actual asset allocation may drift away from time to time from the strategic allocation as asset performance and market conditions vary. The Trustee will review the actual allocation periodically and seek advice from their Investment Adviser as to whether any action is required.

## **Cashflow Policy**

All investments and disinvestments should be sourced from the funds below. Any cashflows over £100k will be discussed with the Investment Adviser.

<b>Manager</b>	<b>Fund</b>	<b>Proportion</b>
MGIE	Diversified Growth Fund – GBP Hedged	100.0%

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 Scheme invests with LGIM, MGIE and TwentyFour for the Trustee's current investment strategy set out in Appendix 1.

## GROWTH ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
<b>Diversified Growth Funds</b>				
<b>MGIE</b> Diversified Growth Fund – GBP Hedged <sup>(a)</sup>	FTSE GBP 1 Month Euro Deposit Index	+3.0% to 4.0% p.a. (gross of fees)	Daily	2

<sup>(a)</sup> The DGF managed by MGIE is partially hedged to GBP. The exact proportion of foreign currency exposure hedged back to GBP will vary over time and will reflect MGIE's best thinking on strategic currency framework for multi asset funds, however it is expected that this ratio will be within the region of 40% to 60% of foreign currency exposure.

## STABILISING ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP / IFRS Class
<b>Bonds</b>				
<b>LGIM</b> Active Corporate Bond All Stocks	Markit iBoxx Sterling Non-Gilt (All Stocks) Index	To outperform the benchmark by 0.75% p.a. (net of fees) over a rolling 3 year period	Weekly	2
<b>TwentyFour</b> Monument Bond Fund	SONIA	To provide an attractive level of income relative to prevailing interest rates while maintaining a strong focus on capital preservation <sup>(b)</sup>	Daily	2
<b>MGIE</b> MGI UK Long Gilt Fund	FTSE Actuaries UK Conventional Gilts Over 15 Years Index	To match the benchmark (gross of fees)	Daily	2
<b>MGIE</b> MGI UK Inflation Linked Bond Fund	FTSE Actuaries UK Index-Linked Gilts Over 5 Years Index	To match the benchmark (gross of fees)	Daily	2

<sup>(b)</sup> The fund has an informal target of outperforming Cash (SONIA) by 2% p.a. over the long-term.

# APPENDIX 4: RESPONSIBILITIES OF PARTIES

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## TRUSTEE

The Trustee's responsibilities include the following:

- 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
- 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 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' organisations 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 underlying investment managers
- Advising on the selection of new managers and/or custodians
- Advising on cashflow management (investment and withdrawal) policies (see Appendix 2)

## INVESTMENT MANAGERS

The Investment managers' responsibilities include the following:

- Providing the Trustee 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 Trustee of any changes in the internal performance objectives and guidelines of any pooled fund used by the Scheme 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 Trustee 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.