

FUCHS LUBRICANTS
PENSION SCHEME
STATEMENT OF INVESTMENT
PRINCIPLES

NOVEMBER 2021

TABLE OF CONTENTS

1 Introduction		3
2 Investment Objectives		4
3 Investment Responsibilities		5
3.1. Trustees' Duties and Responsibilities	5	
3.2. Investment Adviser's Duties and Responsibilities	5	
3.3. Arrangements with Investment Managers	6	
3.4. Summary of Responsibilities	6	
4 Investment Strategy		7
4.1 Setting Investment Strategy	7	
4.2. Investment Decisions	7	
4.3. Types of Investments to be Held	8	
4.4. Social, Environmental and Ethical Policy	8	
4.5. Corporate Governance and Voting Policy	9	
4.6. Stewardship	9	
5 Risk		10
6 Monitoring of Investment Adviser and Managers		12
6.1 Investment Adviser	12	
6.2. Investment Managers	12	
6.3. Portfolio Turnover Costs	12	
7 Additional Voluntary Contributions ("AVCs")		13
8 Best Practice		14
9 Compliance		15
Appendix 1: Asset Allocation Benchmark		16
appendix 2: Cashflow and Rebalancing Policy		16
Appendix 3: Investment Manager Information		18
Appendix 4: Responsibilities of Parties		20
Trustees	20	
Investment Adviser	20	
Platform provider	20	
Scheme Actuary	21	
Administrator	21	

1 INTRODUCTION

This Statement of Investment Principles (the “Statement”) has been prepared by the Trustees of the Fuchs Lubricants 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 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 adviser, 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 Trustees’ investment policy for the Scheme.

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

The Trustees' 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 Trustees also aim to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Scheme.

The Trustees have 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

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 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 each investment manager
- The assessment of the risks assumed by the Scheme at total scheme level and on a manager by manager basis
- The approval and review of the asset allocation benchmark for the Scheme
- The compliance of the investment arrangements with the principles set out in the Statement

3.2. Investment Adviser's Duties and Responsibilities

The Trustees have appointed Mercer as the investment adviser to the Scheme. 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
- Monitoring the platform provider to ensure its continuing appropriateness for the Scheme
- Monitoring the underlying investment managers to ensure their continuing appropriateness to the mandates given
- Setting cashflow management (investment and disinvestment) and rebalancing 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. 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 Scheme's investment managers against their benchmarks.

Mercer makes a fund based charge for the services it provides. This charge covers the services of Mercer as specified within the investment consultancy agreement.

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 Scheme that might affect the impartiality of its advice. The Trustees are satisfied that this is an 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 Trustees are a long-term investor and do not look to change the investment arrangements on a frequent basis.

The Trustees, after considering appropriate investment advice, have invested the assets of the Scheme through a Trustee Investment Policy (“TIP”) from Mobius Life Limited (“Mobius”), whose appointment foregoes the need for a custodian. The Trustees will only invest in pooled investment vehicles through the Mobius investment platform. The Trustee therefore accepts that it 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.

Mobius is authorised by the Prudential Regulation Authority (“PRA”) and regulated by the FCA and the PRA.

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

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 the multi-asset mandate, the investment manager is responsible for all decisions concerning the allocation to individual asset classes and changes in the allocations to individual asset classes.

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

All of the investment managers that are engaged by the Trustees are authorised and regulated by the FCA, the PRA or their European Economic Area (“EEA”) home state regulator.

Both Mobius and the 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 Mobius and Mercer with the managers on their standard charges.

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

The Trustees therefore consider that the method of remunerating the investment 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 Scheme is invested, but are satisfied that the ad-valorem charges for the different funds are clear and are consistent with each fund’s stated characteristics. The Trustees are therefore satisfied that this is an appropriate basis for remunerating the investment managers and is consistent with the Trustees’ policies as set out in this Statement.

Mobius is authorised and regulated by the FCA.

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 Scheme’s investments, is set out at Appendix 4.

4 INVESTMENT STRATEGY

4.1 Setting Investment Strategy

The Trustees have determined their investment strategy after considering the Scheme's liability profile and requirements of the Statutory Funding Objective, their 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 Trustees have also received written advice from their investment adviser.

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

In making this decision, the Trustees have been satisfied that this is consistent with its investment objectives and is supported by both the Sponsoring Employer and the Sponsoring Employer's covenant.

In respect of the investment of contributions and any disinvestments to meet member benefit payments, the Trustees have decided on a structured approach as 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 Scheme.

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 hedging portfolios
- Determining the allocation to asset classes within the growth and hedging portfolios
- Determining the Scheme 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 fund in which the Scheme is invested.

4.3. Types of Investments to be Held

The Trustees are permitted to invest across a wide range of asset classes.

All 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 fund.

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. The Trustees have therefore decided to invest a proportion of the assets in Diversified Growth Funds (DGFs), which are actively managed multi-asset funds. The managers of the DGFs invest in a wide range of assets and investment contracts in order to implement their market views.

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

4.4. Social, Environmental and Ethical Policy

The Trustees understand that they must consider all financially relevant factors in making investment decisions on behalf of the Scheme. However, they may also consider any non-financial factors, to the extent that they have the ability to impact the financial results of the Scheme's investments over the duration of the Scheme, if they believe that such factors reflect the views of members.

The Trustees recognises that Environmental, Social and Governance (ESG) factors, including climate change, can all influence the investment performance 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 and that ESG risks are identified and avoided or mitigated as best as possible.

The Trustees believe 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.

As part of the Mercer Manager Research Team appraisal process, investment managers are rated on a number of quantitative and qualitative factors, ESG considerations are taken into account in this process and a separate ESG rating is awarded.

The Trustees recognise their investment managers' approaches to social, environmental and ethical factors with respect to their selection of investments and are satisfied that a responsible approach, which is consistent with the long-term financial interests of the Scheme and its members, is undertaken.

As noted earlier, the Scheme's assets are invested in pooled funds via Mobius. The Trustees have identified that the influence they can have on the social, environmental and ethical policies and practices of the companies in which their managers invest, is potentially limited. The Trustees will continue to review the available products and approaches in this space and strive for the Scheme to continue to deliver strong risk-adjusted returns, incorporating responsible investments principles into the process, where possible.

4.5. Corporate Governance and Voting Policy

The Scheme is invested solely in pooled investment funds via Mobius. The Trustees therefore have no direct ability to engage with, monitor investee companies or exercise voting rights. These are the responsibility of the pooled fund investment managers and the Trustees expect 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.

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

4.6. Stewardship

The Trustees will monitor Mercer's ESG scores for the investment managers and if the Trustees have any concerns, they will raise them with the respective managers.

5 RISK

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 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 and by appointing Mercer to monitor and advise on the replacement of any managers where concerns exist over their continued ability to deliver the investment mandate.
- It is also managed by diversifying the investments across more than one manager and by investing through Mobius so changes to managers can be made quickly if necessary.

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 Scheme's assets are invested in pooled funds which are readily realisable.

Political Risk

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

Corporate Governance Risk

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

Sponsor Risk

- This is assessed as the level of ability and degree of willingness of the sponsor to support the continuation of the Scheme and to make good any current or future deficit.
- It is managed by assessing the interaction between the Scheme and the sponsor's business, as measured by a number of factors, including the creditworthiness of the sponsor and the size of the pension liability relative to the sponsor. Regular updates on employer covenant are provided to the 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 work closely with their investment adviser and 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 part the monies which it owes to a creditor.
- The Scheme invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.
- The Scheme's holdings in pooled investment vehicles are unrated. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements.
- Indirect credit risk arises in relation to underlying bond investments held in the pooled funds. This risk is mitigated by investing in funds with diversified portfolios and in respect of the LDI funds is managed by the investment manager's counterparty management and collateralisation procedures.

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, it may be invested in overseas stocks or assets, which are either directly or indirectly linked to a currency other than Sterling. There is a risk that the price of that overseas currency will move in such a way that devalues that currency relative to Sterling, thus negatively impacting the overall investment return.
- This risk is partially managed by investing part of the growth assets in DGFs. Within the DGFs the management of currency risk related to overseas investments is delegated to the investment managers. However, the DGFs have a Sterling benchmark and by investing in a diversified investment portfolio, the impact of currency risk is mitigated.

Interest and Inflation Rate Risk

- This is the risk that an investment's value will change due to a change in the level of interest and/or expected inflation rates. This affects debt instruments more directly than growth instruments.
- The Trustees recognise that the Scheme's liabilities are exposed to a significant level of interest and inflation risk and for this reason it is desirable for the assets to be exposed to an appropriate level of interest/inflation rate risk. The Trustees have therefore invested in LDI funds to manage these risks, with the LDI strategy set so as to provide an acceptable level of hedging against the interest rate and inflation risks inherent within the Scheme's liabilities.

Other Price Risk

- This is the risk of volatility that principally arises in relation to the return seeking assets.
- The Trustees acknowledge that a scheme can manage its exposure to price risk by investing in a diverse portfolio across various markets and have therefore invested the Scheme's return seeking assets in DGFs in order to achieve a diversified exposure to different investment markets and manage this risk.

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 Trustees manage this risk by investing in well-respected investment managers where ESG principles are an established part of the investment decision making process and by regularly reviewing the ESG scoring of the investment adviser's scoring of the Scheme's managers.

6 MONITORING OF INVESTMENT ADVISER AND MANAGERS

6.1 Investment Adviser

The Trustees assess and review the performance of their adviser in a qualitative way. In do so, the Trustees will consider the objectives they set for their investment adviser in the document entitled “Strategic Objectives for Investment Consultancy Services”.

6.2. Investment Managers

The Trustees receive quarterly monitoring reports on the performance of the 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 managers’ performance.

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

In conjunction with advice and information from their investment adviser, the Trustees have the role of replacing the investment managers where appropriate. It takes a long-term view when assessing whether to replace the 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 managers if there is a strategic change to the overall strategy and therefore the Scheme 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 Scheme 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 Trustees are also aware of the requirement to define and monitor targeted portfolio turnover and turnover range.

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

7 ADDITIONAL VOLUNTARY CONTRIBUTIONS (“AVCS”)

The Scheme provides a facility for members to pay for Additional Voluntary Contributions (“AVCs”) to enhance their benefits at retirement.

Current AVCs are invested through Utmost Life and Pensions, although there are AVCs retained with the Prudential.

8 BEST PRACTICE

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

The Trustees are satisfied that the investment approach adopted by the Scheme is consistent with the guidance so far as it is appropriate to the Scheme's circumstances.

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

9 COMPLIANCE

This Statement is available to members online.

A copy of this 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 Trustees.

Signed on behalf of the Trustees by:

Signed:

Print name:

Date:

APPENDIX 1: ASSET ALLOCATION BENCHMARK

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

Asset Class	Strategic Allocation (%)
Growth Assets	82
Equities	64
Diversified Growth	18
Hedging Assets	18
LDI – Nominal	9
LDI – Real	9
Total	100

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

Appendix 3 provides information about the selection of investment managers.

NB:

There are no guideline ranges as the actual asset allocation percentages will change as investment market conditions change. The Trustees, 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 liability driven investment holdings are designed to hedge the value 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: CASHFLOW AND REBALANCING POLICY

Rebalancing Policy

The Trustees are satisfied that there should be no automatic rebalancing policy in place. Instead the Trustees will use the reporting provided by Mercer to determine if any funds' values have moved significantly enough to consider taking appropriate action.

The Trustees note that the LDI funds can move significantly in value in response to changing economic conditions (i.e., changing interest and expected inflation rates) and that buying or selling LDI funds would change the level of liability hedging. The LDI funds have therefore been excluded from future rebalancing discussions.

Cashflow Policy

All investment and disinvestment requirements will be given specific consideration by the Scheme's investment adviser, who will advise the Trustees in writing via email. For avoidance of doubt, this Statement will not be revised purely in relation to a change in cashflow policy.

LDI Recapitalisation

The Trustees note that the LDI manager may require additional cash from time to time in order to support the operation of the LDI funds, or, may release cash from time to time. The Trustees have put in place a policy regarding this recapitalisation/release procedure.

APPENDIX 3: INVESTMENT MANAGER INFORMATION

The current managers and their funds are set out overleaf.

If one of the underlying managers/funds is significantly downgraded by Mercer's Manager Research Team, the Trustees may, after receiving advice from Mercer, replace that manager/fund with a suitable alternative as soon as is practicable.

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

Growth Assets

Manager / Fund	Benchmark	Objective	Dealing Frequency
Equities			
BlackRock Aquila Connect UK Equity	FTSE All Share TR Index	To achieve a return that is consistent with the return of the FTSE All-Share Index	Daily
BlackRock Aquila Connect European Equity	FTSE All World Developed Europe ex UK Net of Tax GBP	To achieve a return that is consistent with the return of the FTSE All-World Developed Europe ex-UK Index	Daily
BlackRock Aquila Connect US Equity	FTSE All World USA	To achieve a return that is consistent with the return of the FTSE All-World USA Index	Daily
BlackRock Aquila Connect Japanese Equity	FTSE All World Japan	To achieve a return that is consistent with the return of the FTSE All World Japan	Daily
BlackRock Aquila Connect Pacific Rim Equity	FTSE All World Dev Asia Pac ex Japan	To achieve a return that is consistent with the return of the FTSE All World Dev Asia Pac ex Japan	Daily
Diversified Growth			
Threadneedle Multi Asset Fund	Bank of England Base Rate	To outperform the base rate by 4% p.a. gross of fees	Daily

HEDGING ASSETS

Manager / Fund	Benchmark	Objective	Dealing Frequency
Liability Driven Investments			
BMO Nominal Dynamic LDI Fund	Cashflows for a typical pension scheme	To track a set of cashflows resembling a typical scheme, which will mature through time.	Daily
BMO Real Dynamic LDI Fund	Cashflows for a typical pension scheme	To track a set of cashflows resembling a typical scheme, which will mature through time.	Daily

APPENDIX 4: RESPONSIBILITIES OF PARTIES

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), platform provider 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
- 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 Scheme's benefits, membership, and funding position may affect the manner in which the assets should be invested
 - How any significant changes in the investment managers' organisation could affect the interests of the Scheme
 - How any changes in the investment environment could present either opportunities or problems for the Scheme
- Undertaking project work, as requested, including:
 - Reviews of asset allocation policy
 - Research into and reviews of Investment Managers
- Advising on the selection of new managers and/or custodians
- Informing the Trustees of any significant changes or concerns in relation to the platform provider's suitability for the Scheme
- Advising the Trustees on an appropriate overall cashflow and rebalancing process
- Providing advice in relation to specific cashflows and rebalancing as appropriate

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 Trustees of any changes in the internal performance objectives and guidelines of any pooled fund used by the Scheme 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 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 Trustees' instructions.