THE BRADSHAWS PENSION AND LIFE ASSURANCE SCHEME

STATEMENT OF INVESTMENT PRINCIPLES

JANUARY 2024

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1 INTRODUCTION

This Statement of Investment Principles ("the Statement") has been prepared by the Trustees of the Bradshaws Pension and Life Assurance 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 consultants, Mercer Limited ("Mercer"), whom they believe to have a degree of knowledge and experience that is appropriate for the management of their investments; and
- Consulted with the Sponsoring Employer, although they affirm that no aspect of their strategy is restricted by any requirement to obtain the consent of the Sponsoring Employer.

The advice and the consultation process considered the suitability of the 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.

The Trustees also have an objective to manage the volatility of the Scheme's funding position compared to the the Scheme's liabilities based on the Statutory Funding Objective.

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 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

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 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
- Advising the Trustees in relation to funds and investment managers that are suitable to meet the Trustees' objectives
- Monitoring the investment managers to ensure their continuing appropriateness to the mandates given
- Monitoring the Platform provider to ensure its continuing appropriateness for the Scheme
- Setting cashflow management (investment and withdrawal) 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 (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 provides annual reporting to monitor the performance of the Scheme's investment managers against their benchmarks.

Mercer makes a fund based charge which covers the services specified in the contractual agreement between the Trustees and Mercer. Any additional services provided by Mercer will be remunerated primarily on a time-cost basis.

In particular, Mercer does not receive commission or any other payments in respect of the Scheme that might affect the impartiality of their 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 Arrangement with Investment Managers

The Trustees are long-term investors and do not look to change the investment arrangements on a frequent basis.

The Trustees, after considering appropriate investment advice, have invested the Scheme's assets through a Trustee Investment Policy (TIP) with Mobius Life Limited ("Mobius"), whose appointment foregoes the need for a Custodian. The Trustees first invested through the Mobius TIP in August 2018.

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

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

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

Mercer monitors the underlying investment managers to ensure their continuing appropriateness to the mandates given. If a manager is significantly downgraded by Mercer, Mercer will notify the Trustees and the Trustees may, after appropriate consideration, replace that manager with a suitable alternative.

The Trustees will only invest in pooled investment vehicles through the Mobius platform. The Trustees therefore accept that they cannot specify the risk profile and return targets of the underlying investment managers. Thus, the pooled funds are chosen with appropriate characteristics to align with the overall investment strategy, including policies set out in the Statement.

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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 for all decisions concerning the allocation to individual asset classes and changes in the allocations to individual asset classes.

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 Mercer and Mobius with the underlying managers on their standard charges and these discounts are passed on in full for the benefit of the Scheme.

Details of the funds used are set out in Appendix 3. If the investment objective for an investment manager changes, the Trustees will review the fund appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives.

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

The 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 have limited 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 underlying funds are clear and are consistent with each fund’s stated characteristics. The Trustees are therefore satisfied that this is the most appropriate basis for remunerating the underlying investment managers and is consistent with the Trustees’ policies as set out in this Statement.

3.4 Summary of Responsibilities

A summary of the responsibilities of all relevant parties, including the Scheme Actuary and the administrators, so far as they relate to the 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.

The basis of the Trustees’ strategy is to divide the Scheme’s assets between a “Growth” portfolio, comprising diversified growth funds (“DGF”) and a “Stabilising” portfolio, comprising assets such as government bonds, corporate bonds, and multi asset credit (“MAC”) funds. Thus, the Trustees regard the basic distribution of the assets to be appropriate for the Scheme's objectives and liability profile.

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 respect of the investment of contributions and any disinvestments to meet member benefit payments, the Trustees have decided on a policy to rebalance the assets in accordance with the overall strategy. This policy 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 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 stabilising portfolios
- Determining the allocation to asset classes within the growth and stabilising 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 funds 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 funds. Details relating to the pooled funds can be found in Appendix 3.

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 invested in pooled Diversifed Growth Funds ("DGF"), which are actively managed multi-asset funds and invest across a diversified range of assets.

The Trustees have also invested in pooled Multi Asset Credit ("MAC") funds where the manager selects and manages allocations across a diversified spectrum of bond assets.

4.4 Financially Material Considerations

The Trustees consider many risks which they anticipate 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 Trustees recognise that Environmental, Social and Governance ("ESG") factors, including climate change, can 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 further recognise 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. Therefore, other factors being equal, the Trustees would seek to invest in funds which incorporate ESG principles.

In setting their investment strategy for the Plan, the Trustees have prioritised funds which provide actively managed diversification across a wide range of investment markets and consider the financially significant benefits of these factors to be important.

The Trustees are aware of their investment managers' attitude to ESG factors with respect to their selection of investments and are satisfied that they are taking a responsible approach, consistent with the long term financial interests of the Scheme and its members.

The Trustees receive ESG scores provided by the Investment Consultant in relation to the funds in which the Scheme is invested and monitor how these develop over time. The Trustees will also review ESG considerations at future reviews of this Statement to make sure that future developments are included as appropriate within the Scheme's investment approach.

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

As noted earlier, the Scheme's assets are invested in pooled funds. The Trustees have identified that they have no direct influence on the ESG policies and practices of the companies in which its managers invest. However, the ESG policies of the pooled fund managers will be taken into account in the selection of future funds.

4.5 Non-Financial Matters

The Trustees have determined that the financial interests of the Scheme members are their first priority when choosing investments.

They have decided not to consider non-financial considerations, such as ethical views, or to take members' preferences into account when setting the investment strategy for the Scheme.

4.6 Stewardship

The Scheme is invested solely in pooled investment funds through the Mobius TIP and the Trustees therefore have no direct voting rights.

The Trustees' policy is therefore to invest with investment managers where Responsible Investment is embedded appropriately in their approach to investment; including monitoring and engaging with investee companies, and exercising voting rights appropriately.

Information on the investment managers' approach to responsible investment, voting and engagement with the investee companies is available at the following websites:

LGIM

https://www.lgim.com/uk/en/responsible-investing/

Ninety One

https://ninetyone.com/en/united-kingdom/sustainability

Nordea
https://www.nordeaassetmanagement.com/responsible-investment

M&G

https://www.mandg.com/who-we-are/mandg-investments/responsible-investing-at-mandg-investments

Mercer's annual reporting to the Trustees includes Mercer's ESG score for the funds in which the Scheme is invested. The ESG score incorporates an assessment of engagement and voting as part of the process.

Receipt of this score on an annual basis enables the Trustees to monitor that these scores remain appropriate in the context of the fund mandates.

Taking all the above into consideration, the Trustees are satisfied that stewardship and responsible investment is embedded appropriately in the investment managers' approaches to investing.

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

If a new investment manager is selected, the Trustees will consider Mercer's ESG score for the fund, which incorporates an assessment of engagement and voting as part of the process.

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 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, and by using the Mobius Platform, which enables quick and efficient replacement of managers if appropriate.

Liquidity Risk

- This is monitored according to the level of cashflows required by the Scheme over a specified period.
- It is managed by holding an appropriate amount of readily realisable investments. The Scheme's invested assets are invested in pooled funds which are readily realisable.
- The buy-in policy is a contract of insurance to pay to the Scheme an amount equivalent to the pensions at the time of taking out the policy, and their dependants. It is not 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.

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 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 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.
- The Trustee has invested the assets via the Mobius TIP. Mobius carries out due diligence checks before making a new pooled fund available, and on an ongoing basis monitors changes to the regulatory and operating environments of the underlying fund managers.
- Indirect credit risk arises in relation to underlying bond investments held in the pooled funds. This risk is mitigated by investing in funds with diversified portfolios.

Market Risk

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

Currency Risk

- This is the risk that occurs when the price of one currency moves relative to another (reference) currency. In the context of a UK pension scheme, 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.
- The DGFs and MAC Funds have a Sterling benchmark and this is their neutral position. Within them, the management of the currency risk related to overseas investments is delegated to the underlying investment manager, but by investing in a diversified investment portfolio, the impact of currency risk is mitigated.

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 recognise that the Scheme's liabilities are exposed to a significant level of interest rate risk movement. For this reason it is desirable for the Scheme's assets to be exposed to a similar level of interest rate risk and the Trustees have invested in gilt, index linked gilt and corporate bond funds to manage this risk.

Other Price Risk

- This is the risk of volatility in fund values and principally arises in relation to the return seeking assets, for which the Scheme invests in DGFs. By investing in DGFs the Scheme benefits from access to a diverse range of investments across a range of investment 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 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, by regularly reviewing the ESG scoring of the investment consultant's scoring of the Scheme's managers, and by considering ESG considerations regularly to make sure that their approach evolves in line with changing circumstances.

6 MONITORING OF INVESTMENT ADVISER AND MANAGERS

6.1 Investment Adviser

The Trustees continually assess and review the performance of their adviser in a qualitative way, and undertake a formal review annually. In doing so, the Trustees consider the objectives they set for the investment adviser, which they review on an ongoing basis and at least every three years.

6.2 Investment Managers

The Trustees receive annual monitoring reports on the performance of the underlying investment managers from Mercer, which present performance information over 3 months, 1 year and 3 years. The reports show the absolute performance and performance against the manager's stated target benchmark performance (over the relevant time period) on a net of fees basis. They also provide returns on market indices so that these can be used to help inform the assessment of the underlying managers' performance.

The reporting reviews the performance of the 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 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. 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 its 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 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 Scheme is invested, although note that the performance monitoring which it receives is net of all charges, including such costs. Portfolio turnover costs mean 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, whilst others are simple index tracking funds, the Trustees do not have an overall portfolio turnover target for the Scheme and are satisfied that this is appropriate.

7 ANNUITY POLICIES AND ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

The Scheme holds annuity policies in respect of a number of members. The Scheme no longer holds any AVC assets in respect of members.

8 BEST PRACTICE

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

The Trustees receive investment advice which ensures that the principles contained within this guidance are followed 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 on request, and also online at:

[insert link]

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

This Statement of Investment Principles, taken as a whole with the Appendices, supersedes all others.

Approved by the Trustees on 30 January 2024

APPENDIX 1: ASSET ALLOCATION BENCHMARK

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

Asset Class	Strategic Allocation (%)
Growth Assets	**30.0**
Diversified Growth	30.0
Stabilising Assets	**70.0**
Gilts	27.5
Index-Linked Gilts	7.5
Corporate Bonds	15.0
Multi-Asset Credit	20.0
Total	**100.0**

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

Appendix 3 provides information about the selection of investment managers.

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 and also regular asset valuation statements to determine if the strategic asset allocation has significantly deviated from the strategic allocation, and if so consider taking appropriate action.

Cashflows Policy

The Trustees have put in place a suitable procedure for managing the Scheme's cashflows.

Changes

The Trustees, will review the cashflow and rebalancing policy from time to time to ensure that they remain appropriate.

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

APPENDIX 3: INVESTMENT MANAGER INFORMATION

The Scheme's assets are currently hosted on an investment platform provided by Mobius Life Limited, which facilitates investment into the underlying investment managers' funds.

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

Growth Assets

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP/IFRS Class
Diversified Growth				
Nordea Diversified Return Fund	3 month SONIA + 4%p.a.before fees over rolling 3 year periods	To preserve shareholders' capital (over a three year investment horizon) and provide a stable, positive rate of return on investment.	Daily	(b) / 2
L&G MAAA Diversified Fund	Bank of England Base Rate + 3.75%	To provide a combination of capital growth and income.	Daily	(b) / 2

Stabilising Assets

Manager / Fund	Benchmark	Objective	Dealing Frequency	SORP/IFRS Class
Gilts				
L&G AA All Stocks Gilts Index Fund	FTSE Actuaries UK Conventional Gilts All Stocks Index	Track the performance of the FTSE Actuaries UK Conventional Gilts All Stocks Index to within +/-0.25% p.a. for two years out of three.	Daily	(b) / 2
Index-Linked Gilts				
L&G Y All Stocks Index Linked Gilts Index Fund	FTSE Actuaries UK I-L Gilts All Stocks Index	Track the performance of the FTSE Actuaries UK Index Linked Gilts All Stocks Index within	Daily	(b) / 2
Corporate Bonds				
L&G CN AAA-AA-A Corporate Bond — All Stocks Index Fund	Markit iBoxx £ Non-Gilts (ex-BBB) Index	Track the performance of the Markit iBoxx £ Non-Gilts (ex BBB) Index to within +/-0.5% p.a. for two years out of three.	Daily	(b) / 2
Multi-Asset Credit				

Ninety One Global Total Return Credit Fund	SONIA +4% to 6% p.a. before fees over a credit cycle	Provide total returns comprised of income and capital growth (to grow the value of your investment) over at least a full credit cycle (this objective may be measured over at least 5 years).	Daily	(b) / 2
M&G Total Return Credit Investment Fund	SONIA plus 3% to 5% p.a. before fees over the medium term	Provide total return (the combnation of income and capital growth) of SONIA plus 3% to 5% (gross of fee per annum) over any five-year period.	Daily	(b) / 2

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
- Selecting appropriate investment managers, and appointing an appropriate investment platform provider
- Assessing the quality of the performance and processes of the investment managers by means of regular reviews of investment returns and other relevant information, in consultation with the Investment Adviser
- Consulting with the sponsoring employer regarding any proposed amendments to this Statement
- Monitoring compliance of the investment arrangements with this Statement on a continuing basis

Investment Adviser

The Investment Adviser’s responsibilities include the following:

- Participating with the 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’ organisations could affect the interests of the Scheme
  - How any changes in the investment environment could present either opportunities or problems for the Scheme
- Monitoring the underlying investment managers to ensure their continuing appropriateness to the mandates given
- Informing the Trustee of any significant changes or concerns in relation to the platform provider’s suitability for the Scheme
- Advising the Trustee on an appropriate overall cashflow and rebalancing process
- 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

Platform Provider

As noted in this Statement, Mobius is the investment platform provider, and Mobius’s responsibilities include the following:

- Providing the Trustees on a quarterly basis (or as frequently as required) with a statement and valuation of the assets
- 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

Investment Managers

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

- Informing Mobius of any changes in the internal performance objectives and guidelines of their funds
- Managing their funds in accordance with their stated mandates

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

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.