EXPRO PENSION PLAN

STATEMENT OF INVESTMENT PRINCIPLES

SEPTEMBER 2020

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1 INTRODUCTION

This Statement of Investment Principles ("the Statement") has been prepared by the Trustees of the Expro Pension Plan ("the Plan") in accordance with Section 35 of the Pensions Act 1995, as amended, and its attendant Regulations.

The Statement outlines the principles governing the investment policy of the Plan and the activities undertaken by the Trustees to ensure the effective implementation of these principles.

In preparing the Statement, the Trustees have:

- obtained and considered written advice from a suitably qualified individual, employed by their investment consultants, Mercer, whom they believe to have a degree of knowledge and experience that is appropriate for the management of their investments; and
- consulted with the Sponsoring Employer, although they affirm that no aspect of their strategy is restricted by any requirement to obtain the consent of the Sponsoring Employer.

The advice and the consultation process considered the suitability of the Trustees' investment policy for the Plan.

The Trustees will review the Statement formally at least every three years to coincide with the triennial Actuarial Valuation or other actuarial advice relating to the statutory funding requirements. Furthermore, the Trustees will review the Statement without delay after any significant change in investment policy. Any changes made to the Statement will be based on written advice from a suitably qualified individual and will follow consultation with the Sponsoring Employer.

2 INVESTMENT OBJECTIVES

The Trustees' primary investment objective for the Plan is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due.

In doing so, the Trustees also aim to maximise returns at an acceptable level of risk taking into consideration the circumstances of the Plan.

The Trustees have also received confirmation from the Scheme Actuary during the process of revising the investment strategy that their investment objectives and the resultant investment strategy are consistent with the actuarial valuation methodology and assumptions used in the Statutory Funding Objective.

3 INVESTMENT RESPONSIBILITIES

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. They have considered establishing an investment sub-committee but have decided not to do so, as each of the Trustees wishes to contribute directly to the formulation of the Plan's investment policy and to the monitoring of the Plan's investment managers. Moreover, there are only 3 Trustees and so the Trustee body is not so large as to be unwieldy in its operations. Sub-committees may be formed from time to time to examine specific issues.

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 Manager and investment adviser
- The assessment and review of the performance of each investment manager
- The setting and review of the investment parameters within which the investment managers can operate
- The assessment of the risks assumed by the Plan at a total Plan level and also manager by manager
- The approval and review of the asset allocation benchmark for the Plan
- The compliance of the investment arrangements with the principles set out in the Statement

3.2 INVESTMENT ADVISER'S DUTIES AND RESPONSIBILITIES

The Trustees have appointed Mercer as the investment adviser to the Plan. Mercer provides advice as and when the Trustees require it, as well as raising any investment-related issues, of which it believes the Trustees should be aware. Matters on which Mercer expects to provide advice to the Trustees include the following:

- Setting of investment objectives
- Determining investment strategy and asset allocation
- Determining an appropriate investment structure
- Liaising with JLT Investment Management ("JLT IM") to determine funds and investment managers that are suitable to meet the Trustees' objectives
- Monitoring the underlying investment managers to ensure their continuing appropriateness to the mandates given
- Setting cashflow management (investment and withdrawal) policies (see Appendix 2)

Section 3.3 describes the responsibilities of JLT IM as investment manager to the Plan.

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.

The Trustees monitor the performance of the Plan's investment managers against their benchmarks.

A fund based charge is made for the services provided by JLT IM and Mercer as specified in their respective agreements.

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 Plan that might affect the impartiality of their advice, and as noted below, any discounts negotiated by JLT IM with the underlying managers and these discounts are passed on in full to the Plan.

The Trustees are satisfied that this is the most appropriate adviser remuneration structure for the Plan.

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

3.3 ARRANGEMENT WITH INVESTMENT MANAGERS

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

After considering appropriate investment advice, the Trustees have appointed JLT IM as investment manager to the Plan. JLT IM was first appointed in September 2013.

The key duty of JLT IM is to select investment managers suitable to each mandate within the Trustees’ agreed asset allocation.

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

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

JLT IM will therefore arrange for underlying investment managers to manage the Plan’s assets on behalf of the Trustees.

If a manager is significantly downgraded by Mercer, JLT IM will replace that manager with a suitable alternative.

The underlying 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 underlying investment managers are responsible for all decisions concerning the allocation to individual asset classes and changes in the allocations to individual asset classes.

All of the investment managers that will be selected by JLT IM will be authorised and regulated by the Prudential Regulation Authority (PRA), the FCA or both.

The underlying investment managers are remunerated by ad valorem charges based on the value of the assets that they manage on behalf of the Plan. Where possible, discounts have been negotiated by JLT IM with the underlying managers on their standard charges and the Plan benefits directly from these discounts.

Neither JLT IM, nor any of the underlying managers in which the Plan’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, they will in turn encourage the investment managers to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.

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

JLT IM makes a fund based charge for the services it provides. This charge is specified in the contractual agreement between the Trustees and JLT IM.

JLT IM does not receive commission or any other payments in respect of the Plan that might affect the impartiality of its actions and any discounts negotiated by JLT IM with the underlying managers are passed on in full to the Plan.

JLT IM is authorised and regulated by the Financial Conduct Authority (“FCA”).

The Trustees believe 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 Plan administrators, so far as they relate to the Plan’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 Plan'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 Plan.

In making this decision, the Trustees have been satisfied that this is consistent with their investment objectives and is supported by both the employer and the employer covenant.

The Trustees have also consulted with the Sponsoring Employer, and provided to the Sponsoring Employer the advice they have received to support their decision.

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

4.2 INVESTMENT DECISIONS

The Trustees distinguish between three types of investment decision: strategic, tactical and stock-level.

Strategic Investment Decisions

These decisions are long-term in nature and are driven by an understanding of the objectives, needs and liabilities of the Plan.

The Trustees take all such decisions themselves. They do so after receiving written advice from their investment adviser and consulting with the Sponsoring Employer. Examples of such decisions and of tasks relating to the implementation of these decisions include the following:

- Setting investment objectives
- Determining the split between the growth and the stabilising portfolios
- Determining the allocation to asset classes within the growth and stabilising portfolios
- Determining the Plan benchmark
- Reviewing the investment objectives and strategic asset allocation

Tactical Investment Decisions

These decisions are short-term and based on expectations of near-term market movements. Such decisions may involve deviating temporarily from the strategic asset allocation and may require the timing of entry into, or exit from, an investment market or asset class.

These decisions are the responsibility of the Trustees. However, where such decisions are made within a pooled fund, they are the responsibility of the investment manager of the fund.

Stock Selection Decisions

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

4.3 TYPES OF INVESTMENTS TO BE HELD

The Trustees are permitted to invest across a wide range of asset classes. All the funds in which the Plan invests are pooled and unitised. The use of derivatives is permitted by the guidelines that apply to the pooled funds.

The Trustees recognise the benefits of diversification across asset classes, as well as within them, in reducing the risk that results from investing in any one particular market.

The Trustees have therefore invested in pooled Diversified Growth / Absolute Return Funds ("DGFs"), which invest across a diversified range of assets. The Trustees also hold Multi Asset Credit ("MAC") / Absolute Return Bond ("ARB") Funds within their portfolio to have exposure to a diversified range of bond assets.

The Trustees note that the actuarial value of the Plan'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 Credit linked and Equity Linked Liability Driven Investment funds. This aims to respond in a similar way to changes in these factors and reduce the volatility of the Plan's funding position (referred to as hedging), as well as providing exposure to credit and equity markets respectively.

4.4 FINANCIALLY MATERIAL CONSIDERATIONS

The Trustees consider many risks which they anticipate could impact the financial performance of the Plan's investments over its expected lifetime. Such risks are set out in the next section of this statement.

The Trustees recognise that environmental, social and corporate governance ("ESG") factors, such as climate change, can influence the investment risk and return outcomes of the Plan's portfolio and it is therefore in members' and the Plan's best interests that these factors are taken into account within the investment process.

The Trustees further recognise that investing with a manager which approaches investments in a responsible way and takes account of ESG related risks may 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, the Trustees have prioritised funds which provide leveraged protection against movements in the Plan's liability value and also funds which provide actively managed diversification across a wide range of investment markets and consider the financially significant benefits of these factors to be paramount.

The Trustees note that ESG considerations are not paramount to the first level decision making process within the funds which provide either actively managed diversification or leveraged liability protection. However, in the actively managed Diversified Growth Funds in which the Plan invests, whilst managers typically do not put ESG considerations at the heart of the asset allocation decision, they will embed ESG considerations into the management of the underlying asset classes where it is appropriate to do so.

The Trustees also receive ESG scores provided by the Investment Consultant in relation to the funds in which the Plan is invested and will monitor how these develop over time.

The Trustees have built an ongoing review of ESG considerations into their annual business plan to make sure that their policy evolves in line with emerging trends and developments.

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

4.5 NON - FINANCIAL MATTERS

The Trustees have determined that the financial interests of the Plan 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 Plan.

4.6 STEWARDSHIP

The Plan is invested solely in pooled investment funds. The Trustees' policy is to delegate responsibility for engaging with, monitoring investee companies and exercising voting rights to the pooled fund investment managers and expects the investment managers to use their discretion to act in the long term financial interests of investors.

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 Plan's membership.

5 RISK

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

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

Solvency Risk and Mismatching Risk

- These are measured through a qualitative and quantitative assessment of the expected development of the assets relative to the liabilities.
- These are managed by setting a Plan-specific strategic asset allocation with an appropriate level of risk.

Manager Risk

- This is assessed as the expected deviation of the prospective risk and return, as set out in the managers' objectives, relative to the investment policy.
- It is measured by monitoring the actual deviation of returns relative to the objective and factors supporting the managers' investment process, and managed by appointing JLT IM to monitor and replace any managers where concerns exist over their continued ability to deliver the investment mandate.

Liquidity Risk

- This is monitored according to the level of cashflows required by the Plan over a specified period.
- It is managed by holding an appropriate amount of readily realisable investments. The Plan'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 Plan's investment managers' policies regarding corporate governance.
- It is managed by delegating the exercise of voting rights to the managers, who exercise this right in accordance with their published corporate governance policies. Summaries of these policies are provided to the Trustees from time to time and take into account the financial interests of the shareholders, which should ultimately be to the Plan's advantage.

Sponsor Risk

- This is assessed as the level of ability and degree of willingness of the sponsor to support the continuation of the Plan and to make good any current or future deficit.
- It is managed by assessing the interaction between the Plan and the sponsor's business, as measured by a number of factors, including the creditworthiness of the sponsor and the size of the pension liability relative to the sponsor. Regular updates on employer covenant are provided to the Trustees by senior staff of the sponsor.
- It is also managed by seeking to reduce the level of risk within the Plan over time, to reduce the reliance on the covenant of the employer.

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 Plan 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 Plan'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 by investing in LDI funds with sound collaterisation and risk management procedures.
- The Trustees have appointed JLT IM as Investment Manager and the assets are invested via the Mobius Life Investment Platform. Mercer, JLT IM and Mobius carry out their own due diligence checks before a new pooled fund is invested in, and on an ongoing basis monitor any changes to the regulatory and operating environments of the underlying pooled investment managers.

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, the Plan may be invested in overseas stocks or assets, which are either directly or indirectly linked to a currency other than Sterling. There is a risk that the price of that overseas currency will move in such a way that devalues that currency relative to Sterling, thus negatively impacting the overall investment return.
- The Trustees acknowledge that currency risk related to overseas investments is delegated to the underlying investment managers, but by investing in a diversified investment portfolio, the impact of currency risk is mitigated.
- The Trustees note that the market exposures within the Credit and Equity Linked LDI funds include allocation to overseas markets, but that this is on a currency hedged basis.

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 Plan's liabilities are exposed to a significant level of interest rate risk movement and for this reason it is desirable for the Plan's assets to be exposed to a similar level of interest rate risk.
- The Trustees have therefore invested in LDI funds to manage this risk, with the LDI strategy set so as to provide an acceptable level of hedging against the interest rate and inflation risk inherent within the Plan's liabilities.

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 equities and 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 and by regularly reviewing the ESG scoring of the investment consultant's scoring of the Scheme's managers.

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. In doing so, the Trustees will consider the objectives it set for its investment adviser in the document entitled “Strategic Objectives for Investment Consultancy Services” which was signed and formally adopted by the Trustees in September 2019.

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 of 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 also reviews the performance of the Plan’s assets in aggregate against the Plan’s strategic benchmark and also of the development of the Plan’s assets relative to its liabilities

JLT IM, as Investment Manager 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. 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 underlying managers if there is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager.

6.1. PORTFOLIO TURNOVER COSTS

The Trustees do not currently monitor portfolio turnover costs for the funds in which the Plan is invested, although note that the performance monitoring reports which they receive are net of all charges, including such costs. Portfolio turnover costs 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 Plan invests in a range of pooled funds, many of which invest across a wide range of asset classes, the Trustees do not have an overall portfolio turnover target for the Plan.

The Trustees are working with Mercer to determine the most appropriate way to obtain and monitor the information required in relation to the pooled funds in which the Plan is invested.

7 ADDITIONAL VOLUNTARY CONTRIBUTIONS

The Plan provides a facility for members to pay for Additional Voluntary Contributions (“AVCs”) to enhance their benefits at retirement. Members are offered a range of funds in which to invest their AVCs with Aberdeen Standard Investments and Legal & General Investment Management.

8 BEST PRACTICE

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

The Trustees have received training in relation this guidance and is satisfied that the investment approach adopted by the Plan is consistent with the guidance so far as it is appropriate to the Plan’s circumstances.

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

9 COMPLIANCE

The Plan’s Statement of Investment Principles is published on a publicly available web page and along with the annual report and accounts is available to members on request.

A copy of the Plan’s current Statement plus Appendices is also supplied to the Sponsoring Employer, the Plan’s 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 24 September 2020

APPENDIX 1: ASSET ALLOCATION BENCHMARK

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

Asset Class	Allocation (%)	Guideline Range (%)
Growth Assets	60	+/-12.5
Diversified Growth	60	+/-12.5
Stabilising Assets	40	+/-12.5
Multi Asset Credit	10	+/-5.0
Equity Linked LDI (Real)	5.0	+/-2.5
Equity Linked LDI (Nominal)	10.0	+/-5.0
Credit Linked LDI (Real)	15.0	+/-5.0

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

APPENDIX 2: CASHFLOW AND REBALANCING POLICY

Rebalancing Policy

The asset allocation will be monitored by the Investment Manager and a suitable procedure has been put in place for rebalancing.

Details of this procedure are specified in the Investment Management Agreement (IMA) with JLT IM.

Any change to the Central Allocation or guideline range will require a signed revision to the IMA.

Cashflows Policy

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

Details of this procedure are specified in the IMA with JLT IM.

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 assets from time to time in order to support the operation of the LDI funds or may release assets from time to time. The Trustees have put in place a policy regarding this recapitalisation/release procedure.

This policy is set out in the IMA with JLT IM.

APPENDIX 3: INVESTMENT MANAGER INFORMATION

The Plan invests with JLT IM, whose key responsibility it to appoint suitable investment managers to each of the mandates within the Trustees' agreed investment strategy as set out in Appendix 1.

The assets for the underlying managers are hosted on an investment platform provided by Mobius Life Limited.

JLT IM will monitor the investment managers. If one of the managers is significantly downgraded by Mercer's Manager Research Team, that manager will automatically be replaced by JLT IM with a suitable alternative manager.

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

The Trustees monitor the underlying managers appointed from time to time, and are informed by JLT IM of any changes to those managers.

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) and custodian (if required)
- Assessing the quality of the performance and processes of the Investment Manager(s) and the underlying 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 of Investment Principles
- Production of performance monitoring reports
- Informing the Trustees of any significant changes in the internal performance objectives and guidelines of any pooled fund used by the Plan as and when the Investment Adviser is made aware of them
- Advising the Trustees, at their request, on the following matters:
  - Through consultation with the Scheme Actuary, how any changes within the Plan's benefits, membership, and funding position may affect the manner in which the assets should be invested
  - How any significant changes in the Investment Managers' organisation, or that of underlying investment managers, could affect the interests of the Plan
  - How any changes in the investment environment could present either opportunities or problems for the Plan
- Liaising with JLT IM to determine funds and investment managers that are suitable to meet the Trustees' objectives
- Monitoring the underlying investment managers to ensure their continuing appropriateness to the mandates given
- Undertaking project work, as requested, including:
  - Reviews of asset allocation policy
  - Research into and reviews of Investment Managers
- Advising on the selection of new managers and/or custodians

INVESTMENT MANAGERS

As noted in this SIP, JLT IM has been appointed as Investment Manager and will select underlying investment managers on behalf of the Trustees.

JLT IM'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 and a report on their actions and future intentions, and any changes to the processes applied to their portfolios

- Informing the Trustees of any changes in the internal performance objectives and guidelines of any pooled fund used by the Plan as and when they occur
- Having regard to the need for diversification of investments, so far as appropriate for the particular mandate, and to the suitability of investments
- Replacing a manager that is significantly downgraded by Mercer's Manager Research Team with a suitable alternative
- Managing the Plan's cashflows in line with the IMA
- Rebalancing the Plan's assets in line with the IMA
- Appointing a suitable Platform provider

The underlying investment managers are selected by JLT IM 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 Plan's investment strategy given the financial characteristics of the Plan
- Assessing the funding position of the Plan and advising on the appropriate response to any shortfall
- Performing the triennial (or more frequent, as required) valuations and advising on the appropriate contribution levels

ADMINISTRATOR

The Administrator's responsibilities include the following:

- Ensuring there is sufficient cash available to meet benefit payments as and when they fall due
- Paying benefits and making transfer payments
- Investing contributions not required to meet benefit payments with the Investment Managers according to the Trustees' instructions.