July 2023

Statement of Investment Principles

For the Halcyon Business Solutions Pension Scheme

Contents

1. Introduction

Purpose

This Statement describes the investment policy of the Trustees of the Scheme and is issued by the Trustees to comply with the Act and the Regulations. It supersedes the previous Statement dated September 2020 and reflects the Trustees' current agreed investment strategy. The wording of the Statement was agreed by the Trustees in July 2023.

Scheme details

The exclusive purpose of the Scheme is to provide retirement benefits and death benefits to eligible participants and beneficiaries. It qualifies as a registered pension scheme, registered under Chapter 2 of Part 4 of the Finance Act 2004.

The Scheme invests its assets in a Trustee Investment Policy (TIP) with Mobius Life. Investments are held in 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.

Advice and consultation

Before preparing this Statement, the Trustees have sought advice from the Scheme's Investment Consultant. The Trustees have also consulted the Principal Employer. The Trustees will consult the Principal Employer on any future changes in investment policy as set out in this Statement

Investment powers

The Scheme's Trust Deed and Rules sets out the investment powers of the Trustees. This Statement is consistent with those powers. Neither this Statement nor the Trust Deed and Rules restrict the Trustees' investment powers by requiring the consent of the Principal Employer.

In accordance with the Financial Services and Markets Act 2000, the Trustees set general investment policy but delegate responsibility for the selection of the specific securities and any financial instruments in which the Scheme invests to the Investment Managers.

Review of the Statement

The Trustees will review this Statement at least every three years in conjunction with each triennial valuation or immediately following any significant changes in investment policy. The Trustees will also review this Statement in response to any material changes to any aspect of the Scheme, its liabilities, finances and attitude to risk of either the Trustees or Principal Employer which they judge to have a bearing on the stated investment policy.

Definitions

Capitalised terms in this document mean the following:

Act - The Pensions Act 1995 (as amended by section 244 of the Pensions Act 2004)

AVCs **-** Additional Voluntary Contributions

Investment Consultant - XPS Pensions Group (trading name of XPS Pensions Group PLC)

Investment Manager **-** A person or organisation who manages investments on behalf of the Scheme

Platform Provider – Mobius Life

Principal Employer – Adare Sec Limited

Regulations - The Occupational Pension Plans (Investment) Regulations 2005

Recovery Plan - The agreement between the Trustees and the Principal Employer to address the funding deficit dated April 2022.

Scheme – Halcyon Business Solutions Pension Scheme

Statement - This document, including any appendices, which is the Trustees' Statement of Investment Principles

Technical Provisions - The amount required, on an actuarial calculation, to make provision for the Scheme's liabilities

Trustees - The Trustees of the Halcyon Business Solutions Pension Scheme

Value at Risk - a technique which uses historical correlations of asset class returns and volatilities to estimate the likely worst case scenario loss for a given portfolio of assets.

2. Division of responsibilities

The Trustees are accountable for all aspects of the Scheme's investments, however, as permitted within the Trust Deed and Rules, the Trustees have delegated some of the responsibilities as set out below.

Trustees

The Trustees have retained the following responsibilities and powers for themselves:

- The content and the reviewing of this Statement.
- Reviewing the investment policy.
- Choosing and appointing the Platform Provider, the Investment Managers (where held separately from the Platform) and (where appropriate) the Custodian(s).
- Assessing the performance and investment process of the Investment Managers.
- Consulting with the Principal Employer when reviewing investment policy issues.
- Monitoring compliance of the investment arrangements with this Statement on an ongoing basis.

In addition, the Trustees will make decisions relating to the Scheme's investments, including issues such as:

- The kinds of investments to be held.
- The balance between different kinds of investments.
- The level of risk to which the Scheme is exposed.
- The Investment Manager arrangements.
- The performance target of the Investment Managers.
- Investment Consultant
- The Investment Consultant's responsibilities include:
- Participating with the Trustees in regular reviews of this Statement, and in the review of investment related issues as described in this Statement.
- Undertaking project work as required, including reviews of asset allocation policy and reviews or selection of Investment Managers.
- Advising the Trustees how any changes in the Scheme's benefits, membership and funding position may affect the way in which the Scheme's assets should be invested.
- Participating with the Trustees in the review of investment performance and the appropriateness of the Investment Managers or Platform Provider

Investment Managers

Each Investment Manager's responsibilities will include:

- Investing in diversified portfolios of assets suitable for pension schemes in accordance with their mandate.
- At their discretion, but in accordance with their mandate, implementing changes in the asset mix and selecting individual securities and financial instruments within each asset class.
- Exercising the rights attached to the shareholdings of the Scheme so as to protect and enhance the long-term value of a stock holding for the Scheme.

Platform Provider

The Platform Provider's responsibilities will include:

- Providing the Trustees with regular portfolio valuations and records of transactions, along with a report at least annually, on actions and future intentions, and any changes to the processes, objectives and guidelines applied to their management of the Scheme's assets to enable the Trustees to review the Investment Manager's activities.
- Appointing Investment Managers and allocating money to funds in accordance with the Trustees' instructions for the TIP.

Custodian

Each custodian's responsibilities include some or all of the following:

- The safekeeping of all of the assets held under the TIP or separately as appropriate.
- Providing the Investment Managers and/or Platform Provider with statements as required of the assets, cashflows and schedules of transactions.

- Undertaking all appropriate administration relating to the Scheme's assets.
- Processing all dividends and tax reclaims in a timely manner
- Dealing with corporate actions.

For pooled assets, the custodian is usually appointed by the Investment Managers with the above functions undertaken on behalf of the pooled fund as a whole.

3. Strategic investment policy and objectives

Choosing investments

The Trustees rely on professional Investment Managers for the day-to-day management of the Scheme's assets. However, the Trustees retain control over some investments. In particular, the Trustees make decisions about pooled investment vehicles in which the Scheme invests through the TIP and AVC investment vehicles.

The Trustees' policy is to regularly review the investments and to obtain written advice about them when necessary. When deciding whether or not to make any new investments the Trustees will obtain written advice and consider whether future decisions about those investments should be delegated to the Investment Managers. The written advice will consider suitability of the investments, the need for diversification and the principles within this Statement. The adviser will have the knowledge and experience required under Section 36(6) of the Act.

Long-term objectives

The Trustees' long-term objectives are:

- The acquisition of suitable assets of appropriate liquidity which will generate income and capital growth to meet, together with contributions from the Principal Employer should they be necessary, the cost of the benefits which the Scheme provides, as set out in the Trust Deed and Rules.
- To limit the risk of the assets failing to meet the liabilities over the long term, in particular in relation to the Technical Provisions under Section 222 of the Pensions Act 2004.
- To minimise the long-term costs of the Scheme by optimising the return on the assets whilst having regard to the objectives shown above.

Expected returns

By undertaking the investment policy described in this Statement, the Trustees expect that future investment returns will at least meet the rate of return underlying the Recovery Plan.

Investment Policy

Following advice from the Investment Consultant, the Trustees have set the investment policy and objectives with regard to the Scheme's liabilities and funding level.

The Trustees intend to achieve these objectives through investing in a diversified portfolio of return seeking assets (such as equities and liability matching assets (e.g. bonds). The Trustees recognise that the return on return seeking assets, whilst expected to be greater over the long-term than that on liability matching assets, is likely to be more volatile. A mixture across asset classes should nevertheless provide the level of returns required by the Scheme to meet its liabilities at an acceptable level of risk (of underperforming the liabilities) for the Trustees, and an acceptable level of cost to the Principal Employer.

The investment policy the Trustees have adopted is detailed in Appendix I. The specific Investment Manager mandates against which performance of the assets will be assessed are specified in Appendix II.

Range of assets

The Trustees consider that the combination of the investment policy detailed in Appendix I and the specific manager mandates detailed in Appendix II will ensure that the assets of the Scheme include suitable investments that are appropriately diversified and provide a reasonable expectation of meeting the objectives. In setting out the mandates for the Investment Managers, the Trustees will ensure that they hold a suitably diversified range of securities in each category, avoiding an undue concentration of assets.

The amounts allocated to any individual category or security will be influenced by the overall benchmark and objectives, varied through the Investment Managers' tactical asset allocation preferences at any time, within any scope given to them through asset allocation parameters set by the Trustees or governing the pooled funds in which the Scheme is invested.

Based on the structure set out in Appendix I, the Trustees consider the arrangements with the Investment Managers to be aligned with the Scheme's overall strategic objectives. Details of each specific mandate are set out in the Investment Manager agreements and pooled fund documentation. The amounts allocated to any individual category or security will be influenced by the overall benchmark and objectives, varied through the Investment Managers' tactical asset allocation preferences at any time, within any scope governing the pooled funds in which the Scheme is invested.

Investment Managers are incentivised to perform in line with expectations for their specific mandate as their continued involvement as Investment Managers as part of the Scheme's investment strategy – and hence the fees they receive – are dependent upon them doing so. They are therefore subject to performance monitoring and reviews based on a number of factors linked to the Trustees' expectations, including the selection / deselection criteria set out in Section 7.

The Trustees will ensure that the Scheme's assets are predominantly invested in regulated markets to maximise the security of the Scheme's assets.

The Trustees expect Investment Managers to make decisions in the long-term interests of the Scheme. The Trustees expect engagement with management of the underlying issuers of debt or equity and the exercising of voting rights. This expectation is based on the belief that such engagement can be expected to help Investment Managers to mitigate risk and improve long term returns As covered in more detail in Section 3, the Trustees also require the Investment Managers to take ESG factors and climate change risks into consideration within their decision-making as the Trustees believe these factors could have a material financial impact in the long-term. The Trustees therefore make decisions about the selection and retention of Investment Managers, accordingly.

4. Responsible investment

The Trustees take account of all financially material risks and opportunities when making investment decisions, in consultation with their advisors. All risks and opportunities are considered for materiality and impact. This takes account of the Scheme's investment time horizons and objectives as appropriate.

The Trustee's policy is that non-financially material matters should not be taken into account in the selection, retention and realisation of investments.

Environmental, Social & Governance

The Trustees have considered their approach to Environmental, Social and Governance ("ESG") factors and believe there can be financially material risks relating to ESG.

The Trustees will take their views on ESG factors into account in any future Investment Manager selection exercises for the underlying investments that the Scheme makes. The Trustees recognise that the extent to which ESG factors can be material may depend on the asset class being invested in.

The Trustees will monitor the ESG integration practices of the managers they are invested in using the research capability of their Investment Consultants. The Trustees receive regular reporting on their Investment Managers which will consider ESG factors. The Trustees will take ESG factors into account when deciding whether to retain or remove an individual manager.

Recognising that the Trustees use pooled funds, they have delegated the ongoing monitoring and management of ESG risks in individual stocks to the Scheme's Investment Managers. The Trustees recognise that how, and the extent that, the Investment Managers do this will be dependent on the asset class characteristics. They have also delegated responsibility for the exercise of rights (including voting rights) attached to the Scheme's investments to the Investment Managers.

Corporate governance

The Trustees have examined the issues in relation to corporate governance and on the exercise of voting rights. The Trustees recognise that good corporate governance creates the framework within which a company can be managed in the long-term interests of shareholders. In particular, voting at Annual and Extraordinary General Meetings on the election of directors, the issuance of equity and the appointment of auditors are fundamental in protecting shareholder interests.

As the Scheme invests in pooled funds through the TIP, the Trustees acknowledge that they cannot directly influence the policies and practices of the companies in which the pooled funds invest.

Having considered these issues, the Trustees are satisfied that the Investment Managers' policies on corporate governance and exercise of voting rights, reflect the key principles. The Trustees have thus delegated their responsibility in relation to corporate governance (including voting rights) to the Investment Managers and will monitor the Investment Managers' exercise of such powers. The Trustees expect the Investment Managers to report on significant votes made on behalf of the Trustees' investment through the TIP.

If the Trustees become aware of an Investment Manager engaging with the underlying issuers of debt or equity in ways that they deem inadequate or that the results of such engagement are mis-aligned with the Trustees' expectation and the investment mandate guidelines provided, then the Trustees may consider revising the relationship with that Investment Manager.

5. Risk measurement and management

The Trustees recognise a number of risks involved in the investment of the assets of the Scheme. The Trustees measure and manage these risks as follows:

Solvency risk and mismatching risk - The risk that the assets do not respond to market changes in the same way as the liabilities, resulting in volatility in the funding position, is addressed through the strategic asset allocation and through ongoing triennial actuarial valuations. In setting the investment strategy, the Trustees will consider (for example) the Value at Risk.

Strategy risk - The risk that the Investment Managers' asset allocation deviates from the Trustees' investment policy is addressed through regular review of the asset allocation and/or the imposition of investment ranges as described in Appendices I and II. In reviewing the investment strategy on a periodic basis, the Trustees will consider the current economic factors affecting the asset classes in which they are invested and the short to medium term outlook for performance by reference to e.g. current and historic yields, GDP growth forecasts and other relevant factors. The Trustees will also consider how far the actual asset allocation has drifted from the strategic asset allocation and take action to rebalance if necessary.

Liquidity risk - The risk that assets cannot be sold quickly enough to enable benefits to be paid or that the Trustees cannot exit a particular investment is addressed through the process by which the administrator estimates the monthly benefit outgo and ensures that sufficient cash balances are available, and through the Trustee's policy on realisation of assets (see overleaf) and the Trustee's arrangements for managing collateral requirements with Mobius life (see Appendix 1).

Inappropriate investments - The risk that an Investment Manager invests in assets or instruments that are not considered to be appropriate by the Trustees is addressed through the Trustees' policy on the range of assets in which the Scheme can invest (see section 3).

Counterparty risk – The risk that a third party fails to deliver cash or other assets owed to the Scheme is addressed through the Investment Managers' guidelines with respect to cash and counterparty management.

Manager risk - The risk that an Investment Manager fails to meet its stated objective is addressed through the performance objectives set out in Appendix II and through the ongoing monitoring of the managers as set out in Section 7. In monitoring the performance of the Investment Managers the Trustees measure the returns relative to benchmark and objective and the volatility of returns. In addition, the Trustees will regularly review each Investment Manager's approach to risk within each fund in order to highlight any unintended risk being taken.

Custodian risk - The risk that the custodian fails to provide the services expected is addressed through the agreement with the third party custodian and ongoing monitoring of the custodial arrangements. In pooled arrangements this is invariably delegated to the Investment Managers.

Political risk - The risk of an adverse influence on investment values from political intervention is reduced by diversification of the assets across many countries.

Fraud/Dishonesty – The risk that Scheme assets are reduced by illegal actions is addressed through restrictions applied as to who can authorise transfer of cash and the account to which transfers can be made.

6. Realisation of assets and investment restrictions

Realisation of investments

The Trustees recognise that funds may need to be realised for a number of unanticipated reasons at any time. They are keen to retain a high degree of flexibility to cater for unexpected changes in circumstance. The Trustees will monitor closely the extent to which any assets not readily realisable are held by the Investment Managers and will limit such assets to a level where they are not expected to prejudice the proper operation of the Scheme.

The Trustees have considered how easily investments can be realised for the types of assets in which they are currently invested. As such, the Trustees believe that the Scheme currently holds an acceptable level of readily realisable assets. The Trustees will also take into account how easily investments can be realised for any new investment classes they consider investing in, to ensure that this position is maintained in the future.

The Trustees will hold cash to the extent they consider necessary to meet impending anticipated liability outflows. A bank account is used to facilitate the holding of cash awaiting investment or payment.

Investment Restrictions

The Trustees have established the following investment restrictions:

- The Trustees may not hold in excess of 5% of the Scheme's assets in investments related to the Principal Employer.
- Whilst the Trustees recognise that borrowing on a temporary basis is permitted, this option will only be utilised where it is deemed absolutely necessary or where the Trustees have received advice from the Investment Consultant that the Scheme's overall exposure to risk can be reduced through temporary borrowing, e.g. during an asset transfer.
- Investment in derivative instruments may be made only insofar as they contribute to the reduction in risk or facilitate efficient portfolio management.

The Investment Managers impose internal restrictions that are consistent with their house style. In some instances, the Trustees may impose additional restrictions and any such restrictions are specified in the Appendices.

7. Investment Manager arrangements and fee structure

Delegation to Investment Manager(s)

In accordance with the Act, the Trustees have appointed one or more Investment Managers and delegated to them the responsibility for investing the Scheme's assets in a manner consistent with this Statement.

The Investment Managers are authorised and regulated to provide investment management services to the Scheme. Within the UK, the authorisation and regulation of the Investment Managers falls under the Financial Conduct Authority (FCA). Specific products in which the Scheme invests may also be regulated by the Prudential Regulatory Authority (PRA). For non-UK Investment Managers, authorisation and regulation is undertaken by the home state regulator.

Where Investment Managers are delegated discretion under section 34 of the Pensions Act 1995, the Investment Managers will exercise their investment powers with a view to giving effect to the principles contained in this Statement so far as reasonably practicable. In particular, the Investment Managers must have regard to the suitability and diversification of the investments made on behalf of the Scheme.

The Investment Managers will ensure that suitable internal operating procedures are in place to control individuals making investments for the Scheme.

Performance objectives

The individual benchmarks and objectives against which each Investment Manager mandate is assessed are given in Appendix II.

Review process

Arrangements with Investment Managers are expected to be long-term, Similarly the appointment of the Platform Provider is also expected to be long term.

The Trustees will review the arrangements with their Investment Managers in accordance with their responsibilities. Such reviews will include analysis of each Investment Manager's performance and service and an assessment of the diversification of the assets held by the Investment Manager. The review will include consideration of the continued appropriateness of the mandate given to the Investment Manager within the framework of the Trustees' investment policy.

The Trustees receive quarterly performance monitoring reports from the Investment Consultant which consider performance over the quarter, one and three year periods. In addition, any significant changes relating to the criteria below that the Investment Consultant is aware of will be highlighted, which may lead to a change in the Investment Consultant's rating for a particular mandate. These ratings help to determine an Investment Manager's ongoing role in implementing the investment strategy. If there are concerns, the Trustees may carry out a more in-depth review of a particular Investment Manager. Investment Managers may also attend Trustees meetings as requested although it is recognised that this is not part of the mandate with Mobius Life.

Fund manager remuneration is considered as part of the manager selection process. It is also monitored regularly with the help of the Investment Consultant to ensure it is in line with the Trustees' policies and with fee levels deemed by the Investment Consultant to be appropriate for the particular asset class and fund type. The Trustees may also, from time to time, review the Platform Provider. Such a review will consider factors such as the service level, range of underlying funds and fees

(De)selection criteria

The criteria by which the Trustees will select (or deselect) the Investment Managers include:

- Past performance.
- Quality of the investment process.
- Role suitability e.g. level of fees, reputation of the Investment Manager, familiarity with the mandate, internal objectives and restrictions of any pooled funds.
- Service - e.g., reporting, administration.
- Personnel - e.g., the individual fund managers working for the Scheme.

An Investment Manager may be replaced, for example (but not exclusively), for one or more of the following:

- The Investment Manager fails to meet the performance objectives set out in Appendix II.
- The Trustees believe that the Investment Manager is not capable of achieving the performance objectives in the future.
- The Investment Manager fails to comply with this Statement.

Investment Managers’ fee structure

The Investment Managers are remunerated by receiving a percentage of the Scheme’s assets under management. In addition, a performance related fee may be payable. Details of the fee arrangements in place for each Investment Manager are set out in Appendix II.

It is felt that this method of remuneration provides appropriate incentives for the Investment Managers to target the agreed level of outperformance whilst adhering to the level of risk specified by the Trustees.

Portfolio turnover

The Trustees require the Investment Managers to report on actual portfolio turnover at least annually, including details of the costs associated with turnover, how turnover compares with the range that the Investment Manager expects and the reasons for any divergence.

Investment Consultant’s fee structure

The Investment Consultant, is remunerated by a combination of fixed fees and work completed on a project-fee or time-cost arrangement.

It is felt that this method of remuneration is appropriate because it enables the Investment Consultant to provide the necessary advice and information to facilitate the Trustees undertaking their responsibilities as described in Section 2.

8. Additional Voluntary Contribution arrangements

Provision of AVCs

In the past, the Scheme provided a facility for members to pay additional voluntary contributions (AVCs) to enhance their benefits at retirement. Since the Scheme is now closed to future accrual, no new contributions can be made in respect of AVCs. However, members who paid additional voluntary contributions in the past retain investments in respect of those contributions.

The AVC facility is managed by Utmost and Clerical Medical and was available to all Scheme members. A choice of fund options was available.

Review process

The AVC providers and the choice of AVC funds offered to members are reviewed by the Trustees. Given the quantum of AVC investments, there is limited prospect for the appointment of a new provider.

9. Compliance statement

Confirmation of advice

Before a Statement of Investment Principles, as required by the Pensions Act 1995, is prepared or revised by the trustees of a pension scheme, they must have consulted with the principal employer and obtained and considered the written advice of a person who is reasonably believed by them to be qualified by his ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of the investments of such schemes.

The investment consultant hereby confirms to the Trustees that they have the appropriate knowledge and experience to give the advice required by the Act and has provided the necessary written advice to the Trustees.

Signatures

On behalf of XPS Pensions Group

Loui Quelcutti CFA

Senior Investment Consultant

Date: 04 August 2023

On behalf of the Trustees

Alison Creasy, For Capital Cranfield Pension Trustees Limited, Chair of Trustees

Date: 1 August 2023

Appendices

Appendix I - Investment structure

Overall strategy

The Trustees hold insurance policies with Sun Life, Canada and ReAssure. These policies are assets of the Trustees and they provide income to match insured members' benefit payments.

This Statement primarily focuses on the remaining invested assets which will be used to pay for benefits for the non-insured members.

Remaining invested assets

The Scheme's investment strategy is expected to achieve a long term rate of return no less than that assumed by the Actuary in calculating the Scheme's Technical Provisions and the contributions necessary to remove any revealed deficit. The table below shows the intended overall strategy for the Scheme's assets immediately following implementation:

	Allocation (%)
Return Seeking Assets	**64.5**
BlackRock Dynamic Diversified fund	20.0
Allianz Global Multi Asset Credit Fund	12.0
Payden & Rygel Absolute Return Bond fund	12.5
Insight High Grade ABS Fund	20.0
Matching Assets	**35.5**
Legal & General LDI Portfolio	35.5
Total	**100.0**

In addition to the invested assets shown above, the Scheme holds cash in a bank account to be used to pay benefits as they fall due.

Mobius Life

The Scheme's investments are held with a platform provider, Mobius Life Limited, in order to reduce ongoing governance and allow the Scheme to take advantage of reduced fee agreements.

Liability matching assets

The Scheme's matching assets are invested in leveraged Liability Driven Investment funds managed by Legal & General.

These funds invest in leveraged gilts and swaps across a range of durations to achieve exposure to interest rates and inflation. The LDI portfolio aims to match over 100% of movement in liabilities due to changing interest rate and inflation expectations. The LDI portfolio will be reviewed periodically to ensure the hedging coverage is sufficient.

The Trustees have instructed an automated collateral waterfall with Mobius which nominates funds in advance to meet future capital calls and in which order. The agreed order is that assets are first taken from the Insight High Grade ABS Fund, followed by the BlackRock Dynamic Diversified Fund and then the Allianz Global Multi Sector Credit Fund. This process ensures capital calls are managed automatically and enables the Scheme to access a wide pool of collateral assets.

The allocations to the individual funds have been chosen to best match the profile of the Scheme's liabilities.

Return seeking assets

In order to achieve the required rate of investment return, the Trustees invest in return seeking assets.

The Scheme invests in four such funds which are:

- the BlackRock Dynamic Diversified Growth Fund,
- the Allianz Global Multi Asset Credit Fund, and
- the Payden & Rygel Absolute Return Bond fund.
- the Insight High Grade ABS Fund

The BlackRock fund aims to deliver equity-like returns over a full market cycle without the volatility present in typical equity investments. This is achieved by investing in a wide range of assets including the use of derivatives.

The Payden & Rygel, Allianz and Insight funds invest in a broad range of credit instruments to generate stable returns through contractual income.

Appendix I - Investment structure

Rebalancing and cashflow

There is no automatic rebalancing back to the allocations given above. The Trustees regularly review the asset allocation to determine if any rebalancing is necessary.

For LDI rebalancing trades necessary to manage the leverage of the LDI funds, the Trustees will utilise monies within the return seeking assets to be the source of cash required and the destination for surplus cash.

Realising investments

Where assets need to be realised, the Trustees will consult with the Investment Consultant regarding the source and timing of disinvestments.

In addition to the above, the Trustees have established monthly standing orders, set in line with the Scheme's benchmark allocation, to disinvest:

- £30,800 from the BlackRock Dynamic Diversified Growth Fund
- £24,600 from the Payden Absolute Return Bond Fund
- £24,600 from the Allianz Global Multi-Asset Credit Fund

These disinvestments are paid into the nominated bank account operated by the Scheme.

Appendix II - Investment Manager mandates and fees

Mobius Life

From 1 September 2023, Mobius Life will introduce the "Mobius Life Policy Administration Fee", a flat rate of £250 per month which the Scheme meets the requirements for. The new fee will be charged in addition to the current platform fees paid by the Scheme and will rise with CPI annually, automatically being disinvested from the largest liquid asset held on the platform.

BlackRock

Dynamic Diversified Growth Fund

Benchmark 3 Month SONIA

Objective To outperform the benchmark by 3.0% p.a. (net of fees) over a rolling 3 to 5 year period

Fees (AMC) 0.55% p.a.

In addition to the fees above, there is an additional charge of 0.05% for platform services to Mobius Life.

Payden & Rygel

Absolute Return Bond Fund

Benchmark SONIA Overnight Rate Index

Objective To outperform the benchmark by 3% p.a. (net of fees)

Fees (AMC) 0.40% p.a.

In addition to the fees above, there is an additional charge of 0.05% for platform services to Mobius Life.

Allianz

Global Multi Asset Credit Fund

Benchmark SONIA Overnight Rate Index

Objective To outperform the benchmark by 3% p.a. (gross of fees)

Fees (AMC) 0.42% p.a.

In addition to the fees above, there is an additional charge of 0.05% for platform services to Mobius Life.

Insight

High Grade ABS Fund

Benchmark 1 Month SONIA

Objective To produce an interest rate based return, primarily through investment in a portfolio of asset-backed securities (ABS) and corporate floating rate notes (FRNs)

Fees (AMC) 0.35% p.a.

In addition to the fees above, there is an additional charge of 0.05% for platform services to Mobius Life.

Legal & General

Objective The Scheme invests in a range of funds providing leveraged exposure to matching assets. Funds invest in leveraged Gilts and Swaps to provide exposure to interest rates and or inflation across a range of durations.

Fees 0.18% p.a.

Leverage The current and maximum leverages for the funds held by the Scheme are as follows (as at 31 May 2023)

Fund	Fund Leverage	Maximum Leverage
Matching Core Long Fixed	2.59x	2.81x
Matching Core Long Real	2.75x	2.94x
Matching Core Short Fixed	4.64x	4.73x
2030 Leveraged Index-Linked Gilt Fund	7.20x	6.96x

In addition to the fees above, there is an additional charge of 0.075% for platform services to Mobius Life.