

## Trustee's Report (continued)

### Investment Matters

#### Overview

The Trustee, with the assistance of its appointed investment consultant, determines the overall investment strategy for the Plan and sets out the broad policy to be adopted by the appointed investment managers.

#### Implementation Statement

The Statement of Investment Principles (SIP) was reviewed on 15 August 2019, to reflect the move of provider from Phoenix Investment Management Services to Mobius Life. It was also reviewed after the year end on 15 September 2020, purely in order to meet additional governance requirements, but there was no change in the investment strategy or in the range of pooled funds offered to members. The SIP is available online, and has been followed during the year, with no breaches.

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustee has elected to invest in pooled funds and cannot therefore directly influence the environmental, social, and governance policies and practices of the companies in which the pooled funds invest. The Trustee excludes non-financial matters in the selection, retention and realisation of investments. The Trustee has no formal policy on either Environmental, Social and Governance (ESG) or delegation of voting rights. Instead, they have delegated the responsibility for these matters to their investment managers. The Trustee has been able to access voting information from one of the underlying managers, but not from the others.

As the Trustee uses pooled funds, their asset managers are not incentivised to align their investment strategy and decisions with the Trustee's policies, nor are they incentivised to make decisions based on assessments about medium to long-term performance of an issuer of debt or equity, nor to engage with those issuers in order to improve their performance. However, the managers may make such decisions and/or engage of their own accord. As the Trustee uses pooled funds, there is no targeted portfolio turnover or turnover range. As the Trustee uses pooled funds, they do not need to have an engagement policy in relation to monitoring the capital structure of companies they invest in, or any associated potential conflicts of interest.

#### Investment managers

The names of those who have managed the Plan's investments during the year are listed on page 2. The Trustee has delegated the day-to-day management of investment to its appointed fund manager. A written agreement between the Trustee and the manager sets out the terms on which the manager will act.

The manager's duties include the consideration of social, environmental or ethical issues in the selection, retention and realisation of investments as well as voting and corporate governance in relation to the Plan's assets. The Trustee has reviewed the investment manager's policies on these issues. The Trustee believes that the policies adopted by the manager are consistent with their own views.

During the year, Mobius Life were appointed as investment managers and the investments of the Plan were transferred from the previous investment manager, Phoenix Investment Management Services, to Mobius Life.

#### Investment principles

In accordance with Section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles which includes the Trustee's policy relating to ethical investment and the exercise of the rights attaching to investments. Any member may request a copy. This Statement may change from time to time according to advice received from the investment manager or consultants.

## Trustee's Report (continued)

## Investment Matters (continued)

**Departures from investment principles**

To the best of their knowledge, the Trustee can report that there has not been any departure from the SIP by the Plan's investment managers during the year ended 5 April 2020.

**Employer-related investments**

There were no employer related investments held at any time during the year under review.

**Asset allocation**

The assets held as at 5 April 2020 are shown on pages 43 to 44.

**Investment risk disclosures**

Investment risks are disclosed in note 12 on pages 45 to 48.

**Review of investment performance**

The investment performance of the Mobius funds is not available due to the short period for which they have been held, having been instituted in October 2019. The performance of the Phoenix Investment Management Services Funds held during the year is shown below.

**Performance to 31 March 2020****Teams Long Gilts Tracker**

	<b>12 Months</b>	<b>3 years (pa)</b>	<b>5 years (pa)</b>
Return	<b>17.9%</b>	<b>8.0%</b>	<b>8.1%</b>
Benchmark	<b>17.6%</b>	<b>8.0%</b>	<b>8.0%</b>

**Teams UK Long Corporate Bond Tracker**

	<b>12 Months</b>	<b>3 years (pa)</b>	<b>5 years (pa)</b>
Return	<b>3.9%</b>	<b>3.6%</b>	<b>5.0%</b>
Benchmark	<b>3.6%</b>	<b>3.5%</b>	<b>4.8%</b>

**Teams Active Cash Fund**

	<b>12 Months</b>	<b>3 years (pa)</b>	<b>5 years (pa)</b>
Return	<b>0.7%</b>	<b>0.5%</b>	<b>0.5%</b>
Benchmark	<b>0.5%</b>	<b>0.4%</b>	<b>0.4%</b>

**Teams Global Equities 60/40 Tracker**

	<b>12 Months</b>	<b>3 years (pa)</b>	<b>5 years (pa)</b>
Return	<b>(13.9)%</b>	<b>(2.1)%</b>	<b>2.8%</b>
Benchmark	<b>(13.9)%</b>	<b>(2.2)%</b>	<b>2.7%</b>