

# THE MUFG BANK UK PENSION FUND

## STATEMENT OF INVESTMENT PRINCIPLES FOR THE DC SECTION- AUGUST 2020

### 1. **Introduction**

The Trustees of The MUFG Bank UK Pension Fund (“the Fund”) have drawn up this Statement of Investment Principles (“the Statement”) to comply with the requirements of the Pensions Act 1995 (“the Act”) and subsequent legislation. The Statement is intended to affirm the investment principles that govern decisions about the Fund’s investments.

The Trustees have obtained written advice from the Fund’s investment consultant regarding the investment policy described by this Statement, who the Trustees believe is qualified and has the appropriate knowledge and experience.

In preparing this Statement, the Trustees have consulted the Sponsoring Company to ascertain whether there are any material issues of which the Trustees should be aware of in agreeing the Fund’s investment arrangements.

As the Statement covers broad principles, the Trustees do not expect to revise it frequently. The Statement will be reviewed following any significant change in the Fund’s investment arrangements and, in any event, at least once every three years. The Investment Policy Implementation Document (“IPID”) records the current investment arrangements and is updated as and when required.

The Trustees’ investment responsibilities are governed by the Fund’s Trust Deed and this Statement takes full regard of its provisions. A copy of the Fund’s Trust Deed is available upon request.

The Fund is a hybrid arrangement; it has a Defined Benefit (“DB”) Section and a Defined Contribution (“DC”) Section. This Statement refers to the DC Section.

#### 1.1 **Process for choosing investments**

The process for choosing investments is as follows:

- Identify appropriate investment objectives
- Agree the level of risk consistent with meeting the objectives set
- Construct a portfolio of investments that is expected to maximise the return (net of all costs) given the targeted level of risk

In considering the appropriate investments for the Fund, the Trustees will obtain and consider the written advice of Mercer Limited, whom the Trustees believe to be suitably qualified with the appropriate knowledge and experience to provide such advice. The advice received and arrangements implemented are, in the Trustees' opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).

## 2. **Investment objectives**

The Trustees recognise that individual members have differing investment needs and that these may change during the course of their working lives. The Trustees also recognise that members have differing attitudes to risk. The Trustees' objectives are therefore:

- To provide members with a range of investment options to enable them to tailor an investment strategy to their own needs. In particular, to make available vehicles which aim:
  - a. To maximise the value of members' assets at retirement.
  - b. To maintain the purchasing power of members' savings.
  - c. To provide protection for members' accumulated assets in the years approaching retirement against:
    - Sudden (downward) volatility in the capital value; and
    - Relative fluctuations in the (implicit and explicit) costs of retirement benefits.
- To establish a default investment strategy and lifestyle investment strategies reasonable for any member not wishing to make his/her own investment strategy decisions.
- To avoid over-complexity in investment strategy in order to keep administration costs and employee understanding to a reasonable level.

The objectives set out above and the risks and other factors referenced in this statement are those that the Trustees consider to be financially material considerations in relation to the Fund as a whole. The Trustees believe that the appropriate time horizon within which to assess these considerations should be viewed at the member level. This will be dependent upon the member's age and when they expect to retire.

## 3. **Lifestyle strategies**

The Trustees recognise that members' investment needs change as they progress towards retirement age. Younger members have a greater need for real growth to attempt to ensure their investment account keeps pace with inflation and, if possible, salary escalation but are better able to tolerate short term fluctuations in value. Older members require mitigation of the risks which could impact the magnitude of benefits in retirement, whether taken in the form of an annuity, cash, or via income drawdown.

The Trustees therefore offer three 'lifestyle' strategies, where members' funds are initially allocated to moderately volatile investments and are progressively switched into investments more suitable for different benefit types near to retirement.

For all three lifestyle strategies, switching takes place, on a quarterly basis, over the 5 years leading up to a members' retirement age. Normal retirement age is 65 unless the member specifies otherwise.

### 3.1 **Default Lifestyle Strategy**

The Income Drawdown Lifestyle Strategy is the default option for members who have not expressed an investment choice. It is aimed at members who plan to withdraw benefits flexibly over time.

Typically, a proportion of members will actively choose the default option because they feel it is most appropriate for them. However, the vast majority of members invested in the default option have not made an active investment decision.

The aims of the default option, and the ways in which the Trustees seek to achieve these aims are detailed below:

- To generate returns in excess of inflation during the growth phase of the strategy whilst managing downside risk.

*The default option's growth phase invests in equities and other growth-seeking assets (through the Moderate Growth Fund). These investments are expected to provide a real return over the long term with some downside protection.*

- To provide a strategy that reduces investment risk for members as they approach retirement.

*As a member's pot grows, investment risk will have greater impact on member outcomes. Therefore, the Trustees believe that a strategy that seeks to reduce investment risk as the member approaches retirement is appropriate. Moreover, the Trustees believe that the majority of the Fund's DC membership who are enrolled in the default option will seek to access an income drawdown arrangement when they draw their DC benefits from the Fund, so the Income Drawdown Lifestyle Strategy is designed to provide a balanced mix of assets, including growth, defensive and cash investments in the lead up to retirement.*

*In view of the above, the Trustees consider the level of risk within the default option in the context of the variability of the value of a member's retirement account at their target retirement date.*

*The Income Drawdown Lifestyle Strategy therefore aims to reduce volatility while maintaining a growth assets allocation as a member approaches retirement via automated lifestyle switches over the five year period to a member's selected retirement date. Investments are switched into the Cash Fund (30%), which allows for members to take tax-free cash, with 70% remaining in the Moderate Growth Fund (to retain exposure to growth assets with the aim of generating returns over the medium to longer term).*

To provide exposure, at retirement, to assets that are broadly appropriate for an individual planning to access an income drawdown arrangement when they take their DC benefits from the Fund.

*At the member's selected retirement date, 30% of member's assets will be invested in the Cash fund and 70% of member's assets will be invested in the Moderate Growth fund.*

The Trustees' policies in relation to the default option are detailed below:

- The default option manages investment risks through a diversified strategic asset allocation consisting of traditional and alternative assets with advice taken from the Fund's investment consultant when deciding on this asset allocation. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. In designing the default option, the Trustees have considered the trade-off between risk and expected returns. The asset allocation is designed to take into account the age of a member and when they expect to retire.
- Assets in the default option are invested in the best interests of members and beneficiaries, taking into account the profile of members. In particular, the Trustees considered high level profiling analysis of the Fund's membership in order to inform decisions regarding the default option. Based on this understanding of the membership, a default option that targets income drawdown is considered appropriate.
- Members are supported by clear communications regarding the aims of the default and the access to alternative investment approaches. If members wish to, they can opt to choose their own investment strategy or an alternative lifestyle strategy on joining but also at any other future date. Moreover, members do not have to take their retirement benefits in line with those targeted by the default option; the target benefits are merely used to determine the investment strategy held pre-retirement.
- Assets in the default option are invested, through an insurance contract, in daily traded pooled funds which hold highly liquid assets. The pooled funds are commingled investment vehicles which are managed by various investment managers. The selection, retention and realisation of assets within the pooled funds are delegated to the respective investment managers in line with the mandates of the funds. Likewise, the investment managers have full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments.
- As a general policy, the Trustees take into account the current demographics of the Fund's membership and the Trustees' views of how the membership will behave at retirement when deciding on the appropriateness of the default investment option. Member views are not explicitly taken into account in the selection, retention and realisation of investments within the default investment options, but the Trustees welcome member views.

- The Trustees will continue to review the default strategy (a) at least every three years; and (b) without delay after any significant change in investment policy or the demographic profile of relevant members. Furthermore, the performance of the default arrangements is reviewed every six months.

The considerations in this section are those that the Trustees consider financially material in the default investment option. The Trustee believes the appropriate time horizon for which to assess these considerations within should be viewed at a member level. This will be dependent on the member's age and when they expect to retire. It is partly for this reason that the default arrangement investment option is a lifestyle strategy.

In addition to the Trustees' Policy to risk monitoring and management set out for the Fund in general, the Trustees have considered the following items to monitor and manage the risk in relation to the default investment option. When reviewing the investment strategy of the default investment option, the Trustees consider risk quantitatively in terms of the variability of investment returns and potential retirement outcomes for members. From a qualitative perspective, the Trustees also consider risk in terms of the (mis)alignment of investments with the retirement benefits targeted by the default investment option. The Trustees have considered how to monitor risks from a number of perspectives in the default investment option. The items below are not exhaustive but cover the additional risks that the Trustees consider specifically with regards to the default and how they are managed.

**Market Risks** – The Trustees regularly monitor the performance of the growth phase against inflation. The strategy for the default option is set with the intention of diversifying the market risks to reach a level of risk deemed appropriate. Within active funds, management of many of the market risks is delegated to the investment managers.

**Benefit Conversion Risk** – The default option is a lifestyle strategy which automatically switches member assets into investments whose value is expected to be less volatile relative to the growth phase approaching retirement age and is appropriate for members planning to draw their benefits flexibly over time.

Further details on the default investment option are provided in the IPID.

### 3.2 Additional Lifestyle Strategies

In addition to the default option, the Income Drawdown Lifestyle Strategy, the Trustees also offer two additional lifestyle strategies for members .

The Cash Lifestyle Strategy is aimed at members wishing to withdraw 100% of their savings in the DC Section as cash at retirement and the Annuity Lifestyle Strategy is aimed at members looking to take a cash lump sum and purchase an annuity with the remainder of their pot. Further details are provided in the IPID.

### 4. Additional Default Arrangements

In accordance with the Occupational Pension Schemes (Charges and Governance) Regulations 2015, the Fund has identified the investment options listed in the table below as 'default arrangements' (as defined by these regulations). These have been identified as 'default arrangements' as members' contributions have been automatically directed to these funds without members having instructed the Trustees where their contributions are to be invested; this is due to historic fund removals and is further explained in the table below. The performance of these funds are monitored at least every six months, with a strategic review being carried out at least triennially since falling under the categorisation of a 'default arrangement'.

Fund	Reason for identification as a 'default arrangement'	Date
<b>Annuity Lifestyle Strategy</b>	This option was the DC Section's default investment option from February 2016 to July 2019. Also, when the Core Lifestyle and Self-Select Lifestyle Strategies were removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016
<b>L&amp;G Asia Pacific (ex Japan) Developed Equity Index Fund</b>	When the Martin Currie Asia Pacific Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016
<b>Baillie Gifford UK Alpha Fund</b>	When the AXA Framlington UK Select Opportunities Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016
<b>BlackRock MSCI World Index</b>	When the M&G Global Leaders Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016

Fund	Reason for identification as a 'default arrangement'	Date
	When the Odey Opus Fund was closed to new contributions, members who did not choose another investment option had their contributions automatically redirected to this option.	November 2017
<b>BNY Mellon Absolute Return Bond Fund</b>	When the L&G Overseas Bond Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016
	When the Defensive Fund was removed as a self-select option, members who did not choose another investment option had their contributions automatically redirected to this option.	November 2017
<b>L&amp;G Sterling Liquidity Fund</b>	When the L&G Cash Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	February 2016
<b>Moderate Growth Fund</b>	When the Aberdeen Standard Global Absolute Return Strategies (GARS) Fund was removed, members who did not choose another investment option had their contributions automatically redirected to this option.	November 2017
	When the Jupiter Ecology Fund, JPM Natural Resources Fund, BlackRock Gold & General Fund and the Jupiter China and India Funds were removed, members who did not choose another investment option had their contributions automatically redirected to this option.	July 2020

The aims and objectives as well as the Trustees' policies in respect of these 'default arrangements' is summarised in the table below.

	L&G Asia Pacific (ex Japan) Developed Equity Index Fund	Baillie Gifford UK Alpha Fund	BlackRock MSCI World Index	BNY Mellon Absolute Return Bond Fund	L&G Sterling Liquidity Fund	Moderate Growth Fund	Annuity Lifestyle Strategy
<b>Trustees' aims and objectives of investment primarily held</b>	To provide members with a fund that invests in shares of companies based in Asia Pacific (excluding Japan), which aims to deliver a return in line with that market's index	To provide members with a fund that invests in shares of companies listed in the UK, which aims to outperform the wider UK share market (as measured by the FTSE All Share Index)	To provide members with a fund that invests in shares of companies across developed markets, which aims to deliver a return in line with the MSCI World Index	To provide members with a fund that invests globally in a wide range of different fixed income assets, currencies and derivative securities based on those assets	To provide members with a fund that invests in bank deposits and short-term loans to governments and companies	To provide members with a fund that invests in shares and other growth-seeking assets	To provide members with a strategy that initially invests in shares and other growth-seeking assets, but reduces risk automatically by switching into assets consistent with annuity purchase at retirement
<b>Balance between different kinds of investments</b>	Only invests in shares	Only invests in shares	Only invests in shares	Only invests in bonds, currencies and derivatives	Only invests in bonds and currencies	Invests in shares, bonds, currencies, property and other assets	Invests in shares, bonds, currencies, property and other assets
<b>Expected risk and return</b>	The fund aims to produce returns in line with the FTSE Developed Asia Pacific (exJapan) and the risk is measured by the tracking error (the variation of deviations from the benchmark)	The fund aims to produce returns in excess of the FTSE All Share Index and the risk is measured by the tracking error (the variation of deviations from the benchmark)	The fund aims to produce returns in line with the MSCI World Index and the risk is measured by the tracking error (the variation of deviations from the benchmark)	This fund aims to produce returns above short term interest rates at a lower level of risk than conventional fixed income markets and risk is measured by the absolute volatility of returns	This fund aims to produce returns in line with short term interest rates and risk is measured by the absolute volatility of returns	This fund is expected to provide a real return over the long term with some downside protection, with moderate levels of risk	This fund is expected to provide a real return over the long term, with moderate levels of risk, moving into safer assets that move in line with annuity prices as a member approaches retirement age
<b>The realisation of investments</b>	The selection, retention and realisation of assets within the pooled funds are delegated to the respective investment managers in line with the mandates of the funds.						
<b>The extent (if at all) to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments</b>	The investment managers have full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments.						



## 5. **Investment options**

Recognising members' desires for a degree of choice in the Defined Contribution section, the Trustees have also made available a range of actively and passively managed funds from a variety of asset classes for those members who do not wish to choose a 'lifestyle' approach.

The Trustees believe that the range of funds is appropriate taking into account the objectives set out in section 2 of this document. Specifically, funds investing predominantly in equities are likely to be volatile especially in the short term but are expected to provide positive long-term and real rates of return. Diversified growth funds aim to produce an equity-like return but with lower volatility by investing in a range of asset classes. Property is also expected to deliver real rates of return over the longer term. Funds invested in gilts, corporate bonds and cash provide varying degrees of protection for accumulated assets. The lifestyle options aim to provide a balance between the conflicting return and risk characteristics for a typical member. The Trustees are satisfied that the spread of assets available to members through these funds and the investment managers' policies on investing in individual securities within each fund, provide adequate diversification of investments.

Further details of the funds available to members are included in the IPID.

## 6. **Risk management and measurement**

The Trustees believe that risk is effectively controlled through the diversification of investments across asset classes, lifestyle strategies, through the range of funds offered to members, and through the internal investment controls and processes used by the investment managers.

In considering the range of funds to offer to members, the Trustees acknowledge that the investment time horizon of each individual member is different and will be dependent on their current age and when they expect to retire. In designing the lifestyle options, the Trustees have taken the proximity to the target retirement date into account when designing the strategy and the associated financially material risks over the strategy's full time horizon.

The Trustees recognise that there are a number of risks facing members of the Fund and have taken these into consideration when determining the range of funds on offer to members. The Trustees believe the fund range offers members sufficient choice across the risk/return spectrum to allow them to manage the risks they face within the Fund.

The main risks faced by members and how the Trustees help members manage them are listed below.

- **Inflation risk** – This refers to the risk of investments not keeping pace with inflation. The Trustees offer equity based investments which are expected to achieve a real rate of return over both price inflation and earnings growth in the long term. In addition, index linked gilts are expected to maintain purchasing power for members looking for a lower risk alternative to equities.

- **Currency risk** – This refers to the risk that fluctuations in foreign exchange rates will cause the value of overseas investments to fluctuate.
- **Credit risk** – This refers to the risk that the issuer of a financial asset, such as a bond, fails to make the contractual payments due.
- **Equity, property and other price risk** – This refers to the risk that investment market movements lead to a substantial reduction in the anticipated level of the benefit.

*These risks are managed by the Trustees making a range of funds available, across various asset classes with the majority expected to keep pace with inflation. Members are able to set their own investment allocations, in line with their own risk tolerances. Within active fund management, many of these risks are the responsibility of the investment manager.*

- **Environmental, Social and Corporate Governance risk** – This refers to the risk that environmental, social or corporate governance (“ESG”) concerns, including climate change, have a financially material impact upon the return of the Fund’s assets.

*The management of ESG related risks is delegated to the investment managers. See section 10 of this Statement for the Trustees’ responsible investment and corporate governance statement.*

- **Investment manager risk** – This refers to the risk that the investment manager underperforms its objectives, fails to carry out operational tasks, does not ensure safe-keeping of assets or breaches agreed guidelines.

*The Trustees regularly review the performance of investment funds. A range of actively managed and passively managed fund are available to members.*

- **Liquidity risk** – This refers to the risk that the Fund’s assets cannot be realised at short notice in line with member demand.

*The Fund is invested in daily dealt and daily priced pooled funds. Units in the pooled funds in which the Fund invests are believed to be readily redeemable.*

- **Benefit conversion risk** – This refers to the risk that a member is invested in a strategy that does not reflect the way in which they intend to take their benefits at retirement.

*The Trustees make available three lifestyle strategies for members. These lifestyle strategies automatically switch members’ assets into investments whose value is expected to be less volatile relative to how the member wishes to access their pension savings as they approach retirement age.*

The Trustees regularly monitor these risks and the appropriateness of the investments in light of the risks described above.

## 7. **Day-to-day management of the assets**

The Trustees delegate the day-to-day management of the assets to a number of investment managers. The Trustees have taken steps to satisfy themselves that the managers have the appropriate knowledge and experience for managing the Fund's investments and that they are carrying out their work competently.

The Trustees have determined, based on expert advice, a benchmark mix of asset types and ranges within which each appointed investment manager may operate.

The Trustees regularly review the continuing suitability of the Fund's investments, including the appointed managers and the balance between active and passive management, which may be adjusted from time to time.

Details of the appointed managers can be found in the IPID.

## 8. **Additional assets**

The Fund provides a facility for members to pay Additional Voluntary Contributions ("AVCs") into the Fund to enhance their benefits at retirement. The Fund's current AVC investment arrangements are offered on the Phoenix Wealth investment platform provided through the Trustees' insurance policy with Phoenix Life Limited<sup>1</sup> ("Phoenix"), which provides members the same choice of funds as available to DC Section members, in which to invest their AVC payments.

The Fund also maintains legacy AVC assets with Prudential Assurance Company Limited.

## 9. **Realisation of investments**

The investment managers have discretion in the timing of the realisation of investments and in considerations relating to the liquidity of those investments within parameters stipulated in the relevant appointment documentation and pooled fund prospectuses.

The Trustees monitor the allocation between the appointed managers and between asset classes.

## 10. **Environmental, Social and Governance (ESG) Considerations**

The Trustees believe the following:

- Long-term sustainability issues, particularly climate change, present both risks and opportunities that increasingly require explicit consideration.

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<sup>1</sup> Phoenix Life Limited trades under the name of Phoenix Wealth.

- ESG issues present financially material risks and opportunities, contributing to the long term ability to meet investment objectives and the Trustees would fail in their fiduciary duty if they were to disregard ESG issues.
- Stewardship, exercised through voting and engagement, can help create and preserve long term value and can be considered as a useful means of communicating with company management.
- The Trustees may consider non-financial issues such as ethical considerations.

Investment managers are granted discretion in evaluating ESG issues, including climate change, and exercise voting rights and stewardship obligations attached to the investments. The Trustees encourage the Fund's managers to exercise best practice with respect to ESG integration, stewardship and climate change, including supporting the UK Stewardship Code and UN supported Principles for Responsible Investment.

The Trustees consider how ESG, stewardship and climate change are integrated within investment processes in appointing new investment managers and monitoring existing investment managers.

The monitoring of ESG issues is essential as part of oversight of investee companies and to identify future financial risks. Monitoring of managers is undertaken on a regular basis using the investment adviser's ESG ratings and managers who are judged to be lagging their peers are targeted for engagement. The Trustees will endeavour to monitor managers' stewardship activities, particularly with reference to the UK Stewardship Code where applicable.

ESG best practice is rapidly evolving and the Trustees will continue to evolve and build on its approach in this area.

#### *Investment Restrictions*

The Trustees have not set any investment restrictions on the appointed investment managers in relation to particular products or activities, but ethical and moral considerations may be considered in future. The Trustees have asked appointed managers to confirm their approach to restrictions in order to better understand the managers' approach in this area.

#### *Member Views*

The Trustee does not currently explicitly consult members when making investment decisions but is actively exploring ways to incorporate member views in future and welcomes member feedback.

### **11. Investment Manager Appointments**

Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class in which they invest.

The Trustees consider its Investment Adviser's forward-looking assessment of a manager's ability to outperform over a full market cycle. This view will be based on an assessment of the manager's idea generation, portfolio construction, implementation and business management in relation to the particular investment fund that the Fund invests in.

The Trustees will consider how ESG and stewardship are integrated into the investment process as well as ensuring fees are competitive within the asset class. The Trustees consider the Investment Adviser's manager research ratings for both when taking decisions on selection and retention of manager appointments.

If the investment objective for a particular manager's fund changes, or if other factors change that could have an impact on the manager's ability to meet its objectives, the Trustees will review the fund appointment to ensure it remains appropriate and consistent with the Trustees' wider investment objectives.

As the Trustees invest in pooled investment vehicles, it accepts that it has no ability to specify the risk profile and return targets of the manager, but appropriate mandates have been selected to align with the overall investment strategy.

## 12. **Monitoring Investment Managers**

The Trustees receive regular investment manager performance reports on a semi-annual basis, which present performance information over a variety of time periods. The Trustees review the absolute and relative performance (against a suitable benchmark index), and against the manager's stated performance target.

The Trustees maintain a focus on long term performance. It may review a manager's appointment if the manager has extended periods of underperformance, there is a material change in personnel or there are developments that may severely impact the outcome of the investment.

Manager fees are calculated as a percentage of assets under management. If managers fail to meet their performance objectives, the Trustees may ask managers to review their fee. As part of the annual Value for Money assessment, the Trustees review the investment manager fees.

The Trustees may meet with investment managers if they are dissatisfied with their performance or engagement activity, and may choose to terminate the relationship with the manager if they see fit.

## 13. **Portfolio Turnover Costs**

Portfolio turnover costs for each of the funds are reviewed on an annual basis as part of the annual value for members assessment. The ability to assess the appropriateness of these costs is limited by the availability of data. The Trustee will monitor industry developments in how to assess these costs and incorporate this in future value for members assessments. Importantly, performance is reviewed net of portfolio turnover costs.

14. **Investment Manager Turnover**

The Trustees are a long-term investor and are not looking to change investment arrangements on a frequent basis. All the funds are open-ended with no set end date for the arrangement. The fund range and Default Strategy are reviewed on at least a triennial basis. A manager's appointment may be terminated if it is no longer considered to be optimal nor have a place in the default strategy or general fund range.

15. **Investment Consultant**

Mercer has been appointed to provide Investment Consultancy services.

Whilst the day-to-day management of the Fund's assets is delegated to investment managers, all other investment decisions including strategic asset allocation and selection and monitoring of investment managers are made by the Trustees based on advice received from the Investment Consultant.

Mercer fees are usually based on a time-cost basis or on pre-agreed budgets.

16. **Review of this Statement**

The Trustees will review this Statement at least once every three years and after any significant change in investment policy. Any change to this Statement will only be made after having obtained and considered the written advice of someone who the Trustees reasonably believe to be qualified in their ability and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension Fund investments.