

**BMS Harris & Dixon Insurance Brokers Limited
Pension and Life Assurance Scheme
(the Scheme)**

Investment Implementation Policy

June 2024

Purpose of the policy

This Investment Implementation Policy provides details about the Scheme's investment strategy and should be read in conjunction with the Statement of Investment Principles document dated June 2024.

Funds used to implement the investment strategy

Use of an investment platform

The Scheme's assets are invested in pooled funds, all of which are held via an investment platform operated by Mobius Life.

Growth Assets – pooled funds

The Scheme's Growth Assets are invested in the M&G Total Return Credit Investment Fund.

Matching Assets – pooled funds

The Scheme's Matching Assets are invested in Schroders buy & maintain credit funds and a Liability Driven Investment (LDI) portfolio which is also managed by Schroders. The credit funds used are:

- Schroders Buy & Maintain Credit 2018-2032 Fund
- Schroders Buy & Maintain Credit Over 2032-2040 Fund
- Schroders Buy & Maintain Credit Over 2037 Fund

Hybrid Assets – pooled funds

The Scheme's Hybrid Assets are invested in two funds:

- Columbia Threadneedle Overseas Equity-Linked UK Gilt Fund
- Columbia Threadneedle Overseas Equity-Linked UK Inflation Fund

Strategic Asset Allocation

The strategic split of the Scheme's assets between the funds used to implement the investment strategy is:

Type of Asset	Pooled Fund	Strategic allocation
Growth	M&G Total Return Credit Investment Fund	22%
Matching	Schroders LDI portfolio	13%
Matching	Schroders Buy & Maintain Credit 2018-2032 Fund	16%
Matching	Schroders Buy & Maintain Credit Over 2032-2040 Fund	13%
Matching	Schroders Buy & Maintain Credit Over 2037 Fund	11%
Hybrid	Columbia Threadneedle Overseas Equity-Linked UK Gilt Fund	15%
Hybrid	Columbia Threadneedle Overseas Equity-Linked Inflation Fund	10%
	Total Assets	100%

This allocation is not regularly rebalanced and will fluctuate as market conditions change.

The investment strategy is expected to deliver a long-term return of 1.8% per annum above gilt yields (after investment manager expenses). This was the best-estimate expected return as at 30 June 2023 and the value may fluctuate over time as market conditions change.

Cashflow management

The Trustees maintain a Cashflow Management Policy instructing how investments and disinvestments should be made. Please refer to the most recent Cashflow Management Policy.

LDI leveraged management policy

Schroders monitor the leverage of the LDI portfolio continuously and require collateral sufficient to cover 300 basis point movement in yields.

If the buffer drops below 300 basis points, Schroders will request a top-up and will advise the amount required to increase the collateral coverage back to 300 basis points. The Trustee has provided Mobius with an instruction to meet any such requests from Schroders by disinvesting from the M&G Total Return Credit Investment Fund.

On a quarterly basis, the Trustee's investment adviser will review the level of collateral held within the LDI portfolio and, if this is deemed to be excessive, the investment advisor will provide a recommendation on how the excess amount should be reallocated.

Fund details

Below is a summary of the funds used to implement the Scheme's investment strategy.

The following points should be noted:

- **AMC:** The Annual Management Charge applicable to each fund represents the fee payable to the fund manager and includes the Mobius Life platform fee.
- **Additional expenses:** These are third party costs associated with the operation of a fund such as fees paid to the administrator, the custodian and the auditor and the costs associated with the use of third-party funds where these are used. The level of the additional expenses may vary over time.

Fund	CT Overseas Equity-Linked UK Gilt Fund	CT Overseas Equity-Linked UK Inflation Fund
Objective	The investment objective of the Fund is to provide a total return by investing predominantly in UK government securities together with approximately 100% exposure to overseas equities through exchange traded futures.	The investment objective of the Fund is to provide a total return by investing predominantly in index-linked United Kingdom government securities together with approximately 100% exposure to overseas equities through exchange traded futures
Liquidity	This fund is daily dealt.	
AMC	0.25%	0.25%
Additional Expenses (Approx)	0.18%	0.06%

M&G Total Return Credit Investment Fund	
Objective	To provide investors with attractive returns from capital and income from a diversified pool of debt and debt like assets, including but not limited to, debt instruments with a fixed, variable or floating rate coupon.
Liquidity	This fund is daily dealt.
Fee	AMC: 0.45%
	Additional Expenses (approx.): 0.00%

Schroders liability portfolio	
Objective	<p>To provide exposure to interest rates and inflation in order to manage the volatility of the Scheme's funding position.</p> <p>On the Trustee's behalf, the Investment Adviser will agree the parameters of the liability hedge with Schroders. This will be designed to reflect the Scheme's liability profile.</p> <p>The fund can invest in UK government securities, total return swaps linked to UK government securities and cash.</p>
Fee	AMC: 0.30%*

* Based on original investment amount. The actual annual management charge will vary over time.

Schroders buy and maintain credit funds	
Objective	The Funds aim to provide income and capital growth by investing in fixed and floating rate securities by government and companies worldwide.
Liquidity	These funds are daily dealt.
Fee	AMC: 0.195%
	Additional Expenses (approx.): 0.06%