

**Britvic Northern Ireland Pension Plan**

**Summary of Investment Arrangements**

**February 2024**

## Strategic benchmark and objectives

### Plan's target asset allocation

The Plan's target asset allocation is tabulated below:

Asset type	Investment style	Allocation (%)	Control Ranges
Diversified Fund	Passive <sup>1</sup>	55.0	±10.0
Active Corporate Bond Over 10 Year	Active	15.0	±5.0
Fixed Short Duration	Passive	1.0	
Fixed Long Duration	Passive	5.0	±10.0
Real Short Duration	Passive	1.0	
Real Long Duration	Passive	23.0	
<b>Total</b>		<b>100.0</b>	

The Trustee targets a hedge ratio of 95% for interest rate and inflation hedging of the Plan's liabilities. This target takes precedence over the allocations above.

1 - Exposure to each asset class will primarily be through investing in passively managed funds, although active management may be used for some asset classes where LGIM believes there is an advantage in doing so.

## Benchmark and performance objectives

Benchmark indices and relative performance objectives for each of the funds in which the Plan's assets are invested are outlined below. All performance targets are gross of fees and relate to rolling three-year periods.

<b>Fund</b>	<b>Benchmark Index</b>
Diversified Fund	FTSE Developed World Index (50% hedged to GBP)
Active Corporate Bond Over 10 Year	Markit iBoxx £ Non-Gilts Over 10 Years Index
Fixed Short Duration	Custom benchmark designed by LGIM and Markit to include both swaps and gilts depending on their relative value
Fixed Long Duration	Custom benchmark designed by LGIM and Markit to include both swaps and gilts depending on their relative value
Real Short Duration	Custom benchmark designed by LGIM and Markit to include both swaps and gilts depending on their relative value
Real Long Duration	Custom benchmark designed by LGIM and Markit to include both swaps and gilts depending on their relative value

# Fees

## Investment manager fees

Fund	Management Style	Management fee % p.a.
Diversified Fund	Passive	0.30 on first £25m 0.25 thereafter
Active Corporate Bond Over 10 Year	Active	0.20
Fixed Short Duration	Passive	
Fixed Long Duration	Passive	0.24 on first £25m of the total LDI portfolio
Real Short Duration	Passive	0.17 thereafter
Real Long Duration	Passive	

## Investment consultancy fees

The investment consultant provides agreed services on predominantly a fixed fee basis but also on a time cost basis from time to time. The basis of remuneration is kept under review.