Bard Limited Crawley Pension Scheme ("the Scheme")
Statement of Investment Principles

Investment Objective
The Trustee aims to invest the assets of the Scheme prudently to ensure that the benefits promised to members are provided.

STRATEGY

In setting the investment strategy, the Trustee first considered the lowest risk asset allocation that they could adopt in relation to the Scheme's liabilities. The asset allocation strategy they have selected is designed to achieve a higher return than the lowest risk strategy, while maintaining a prudent approach to meeting the Scheme's liabilities. The overall strategy has been agreed with the Sponsoring Employer.

The assets of the Scheme are all held with BlackRock; 60% of the assets are invested in return seeking growth assets and 40% in fixed income assets and index linked bonds.

The strategic benchmark for the Scheme is shown below:

Asset Class	Benchmark Index	Target Weighting %
GROWTH:		60.0
Equities		50.0
UK Equities	FTSE All-Share TR Index	*16.7*
US Equities	FTSE United States in GBP	*10.8*
Europe (ex-UK) Equities	FTSE All World Developed Europe ex-UK Net of Tax GBP	*10.8*
Japanese Equities	FTSE All World Japan Net of Tax GBP	*4.6*
Pacific Rim (ex Japan) Equities	FTSE All World Developed Asia Pacific Ex Japan Net of Tax GBP	*4.6*
Emerging Market Equities	S&P IFCI Emerging Markets Composite Ex Malaysia Index in GBP	*2.5*
Diversified Growth Fund	3 Month Sterling LIBOR (Daily Average)	10.0
MATCHING:		40.0
Leveraged Sterling 2032 Index linked gilt	Leveraged GBP 2032 index linked gilt	12.0
Leveraged Sterling 2040 Index linked gilt	Leveraged GBP 2040 index linked gilt	
Leveraged Sterling 2050 Index linked gilt	Leveraged GBP 2050 index linked gilt	
Over 5 Years Index-linked Gilts	FTSE Actuaries UK Index-linked Gilts Over 5 years Index	
Over 25 Years Index-linked Gilts	FTSE UK Gilts Index-Linked Over 25 Years Index	13.0

This Statement of Investment Principles is produced to meet the requirements of the Pensions Acts 1995 & 2004, the Occupational Pension Schemes (Investment) Regulations 2005 and to reflect the Government's Voluntary Code of Conduct for Institutional Investment in the UK. The Trustee also complies with the requirements to maintain and take advice on the Statement and with the disclosure requirements.

Over 15 years Corporate Bonds	iBoxx Sterling Non-Gilts 15+ years Index	15.0
Institutional Sterling Liquidity Fund	GBP 1 Week LIBID	0.0
TOTAL		**100.0**

Assets within the portfolio will be allowed to deviate from their target weightings and the Trustee will consider rebalancing periodically. Disinvestments are taken from UK equities. Any cash investments will be considered when required.

Although it is not intended that cash will form part of the long term strategic benchmark of the Scheme, it will hold cash balances both to meet short term cash outflows and on a tactical basis pending investment into other asset classes. The Scheme's cash holdings are invested in the Trustee bank account and the BlackRock Sterling Liquidity Fund is also available. In the normal course of events, cash balances up to a maximum of 5% of total Scheme assets may be held. If circumstances arise in which holding a higher percentage of the Scheme's assets in cash is deemed appropriate, the Trustee will obtain written advice from their investment adviser and consult with the sponsoring employer before breaching the 5% limit.

When choosing the Scheme’s planned asset allocation strategy, the Trustee considered advice from their investment adviser and, in doing so, addressed the following:

- The need to consider a full range of asset classes.
- The risks and rewards of a range of alternative asset allocation strategies.
- The suitability of each asset class.
- The need for appropriate diversification.

In considering these issues, the Trustee took into account the fact that the size of the Scheme's assets meant that it would not be practicable to invest in some asset categories. In addition, the Trustee consulted with the Sponsoring Employer, Bard Limited, when setting this strategy.

RISK

The Trustee maintains a 'Statement of Funding Principles' which specifies that the funding objective is to have sufficient assets so as to make provision for 100% of the Scheme's liabilities as determined by an actuarial calculation.

The Trustee recognises that the key risk to the Scheme is that it has insufficient assets to make provisions for 100% of its liabilities ("funding risk"). The Trustee has identified a number of risks which have the potential to cause deterioration in the Scheme's funding level and therefore contribute to funding risk. These are as follows:

- The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("mismatching risk").
- The risk of a shortfall of liquid assets relative to the Scheme's immediate liabilities ("cash flow risk"). The Trustee and its advisers will manage the Scheme's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.
- The failure by the fund manager to achieve the rate of investment return assumed by the Trustee ("manager risk"). This risk is considered by the Trustee and its advisers both upon the initial appointment of the fund manager and on an ongoing basis thereafter. The bond and equity assets of the Scheme are managed on an index-tracking basis which reduces the risk of substantial underperformance relative to the benchmark indices.
- The failure to spread investment risk ("risk of lack of diversification"). The Trustee and its advisers considered this risk when setting the Scheme's investment strategy.
- The possibility of failure of the Scheme's Sponsoring Employer ("covenant risk"). The Trustee and its advisers considered this risk when setting investment strategy and consulted with the Sponsoring Employer as to the suitability of the proposed strategy.
- The risk of fraud, poor advice or acts of negligence ("operational risk"). The Trustee has sought to minimise such risk by ensuring that all advisers and third-party service providers are suitably qualified and experienced, and that suitable liability and compensation clauses are included in all contracts for professional services received.
- The risk of the extent to which ESG factors are not appropriately reflected in asset prices and/or not considered in investment decision making processes, leading to underperformance relative to targets.
- The risk of the extent to which climate change causes a material deterioration in asset values as a consequence of factors, including but not limited to policy change, physical impacts and the expected transition to a low-carbon economy.

Due to the complex and interrelated nature of these risks, the Trustee considers the majority of these risks in a qualitative rather than quantitative manner. Some of these risks may also be modelled explicitly during the course of an investment review.

The Trustee's policy is to monitor, where possible, these risks and to receive reports from time to time showing:

- Performance versus the Scheme's investment objective.
- Performance of individual asset classes versus their respective targets.
- Any significant issues with the fund manager that may impact its ability to meet the performance targets set by the Trustee.

IMPLEMENTATION

Aon Solutions UK Limited ("Aon") has been selected as investment adviser to the Trustee. It operates under an agreement to provide a service which ensures the Trustee is fully briefed to take decisions itself and to monitor those it delegates. Aon is paid a fixed fee for regular work carried out for the Scheme and on a time cost basis for any other work they undertake for the Scheme although separate fixed fees may be negotiated by the Trustee for certain projects. This structure has been chosen to ensure that cost-effective, independent advice is received.

The fund manager structure and investment objective for BlackRock is as follows:

BlackRock
The objective of each Aquila Life and leveraged gilt fund is to achieve a return which is in line with that of each fund's benchmark (before taking account of fees). The objective of the Dynamic Diversified Growth Fund is to outperform the benchmark by 3.0% p.a. over rolling 3-year periods net of fees and the objective for the liquidity fund is to outperform its benchmark.

The Trustee has delegated all day-to-day decisions about the investments that fall within each mandate, including the realisation of investments, to the relevant fund manager through a written contract. When choosing investments, the Trustee and the fund managers (to the extent delegated) are required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4). The managers' duties also include:

- Taking into account social, environmental or ethical considerations in the selection, retention and realisation of investments.
- Voting and corporate governance in relation to the Scheme's assets including taking into account the Institutional Shareholders' Committee Statement of Principles on the Responsibilities of Institutional Shareholders and Agents.

GOVERNANCE

The Trustee is responsible for the investment of the Scheme's assets. It takes some decisions itself and delegates others. When deciding which decisions to take and which to delegate, the Trustee has taken into account whether it has the appropriate training and expert advice in order to take an informed decision. The Trustee has established the following decision making structure:

Trustee • Monitor actual returns versus Scheme investment objective. • Set structures and processes for carrying out their role. • Select and monitor planned asset allocation strategy. • Select direct investments (see below).
Investment Adviser • Advise on all aspects of the investment of the Scheme assets, including implementation. • Advise on this statement. • Provide required training**.**
Fund Manager • Operate within the terms of this statement and their written contract. • Select individual investments with regard to their suitability and diversification. • Comment on the suitability of the indices in its benchmark.

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly, eg the purchase of an insurance policy or units in a pooled vehicle. The latter are known as **direct investments.**

The agreement with BlackRock has been entered into by an Investment Management Agreement and therefore BlackRock is defined as a fund manager under the Act.

Environmental, Social and Governance

In setting the Scheme's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. This includes the risk that environmental, social and governance factors, including climate change, negatively impact the value of investments held if not understood and evaluated properly. The Trustee considers this risk by taking advice from their investment adviser when setting the Scheme's asset allocation, when selecting managers and when monitoring their performance.

Stewardship – Voting and Engagement

The Trustee recognises the importance of their role as a steward of capital and the need to ensure the highest standards of governance and promoting corporate responsibility in the underlying companies in which its investments reside. The Trustee recognises that ultimately this protects the financial interests of the Scheme and its beneficiaries.

The Trustee regularly reviews the suitability of the Scheme's investment managers and takes advice from the investment adviser regarding any changes. Where applicable, this advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers. If an incumbent manager is found to be falling short of the standards the Trustee expects, the Trustee undertakes to engage with the manager and seek a more sustainable position but may look to replace the manager.

The Trustee reviews the stewardship activities of their investment managers on an annual basis, covering both engagement and voting actions. In line with the required actions from the Pensions Regulator, on an annual basis the Trustee will produce an Implementation Statement which will be included in the annual reports and accounts.

The Trustee will review the alignment of the Trustee's policies to those of the scheme's investment managers and ensure the managers, or other third parties, use their influence as major institutional investors to carry out the Trustee's rights and duties as a responsible shareholder and asset owner. This will include voting, along with – where relevant and appropriate – engaging with underlying investee companies to promote good corporate governance, accountability, and positive change.

The Trustee will engage with the investment managers as necessary for more information, to ensure that robust active ownership behaviours, reflective of their active ownership policies, are being actioned.

The Trustee may engage on matters concerning an issuer of debt or equity, including their performance, strategy, risks, social and environmental impact and corporate governance, the capital structure, and management of actual or potential conflicts of interest. Where such a concern is identified, the Trustee will engage with the investment adviser to consider the methods by which, and the circumstances under which, they would monitor and engage an investment manager and other stakeholders.

Members' Views and Non-Financial Factors

In setting and implementing the Scheme's investment strategy the Trustee does not explicitly take into account the views of Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors"[1]).

Additional Voluntary Contributions ("AVCs")

The direct investments that the Scheme has are as those used for members' additional voluntary contributions and are managed by the following managers

- Utmost Life and Pensions
- Standard Life

Historically, there were a small number of transfers of benefits into the Scheme, where following transfer, these benefits have been treated in the same manner as AVCs made to the Scheme.

[1] The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018

The Trustee does not have a 'default arrangement', on the basis that the DC Section of the Scheme relates to benefits provided from the Scheme's AVC arrangements and so no such default arrangement (for this purpose) exists.

In investing the assets of the Scheme in a prudent manner, the Trustee's key aim with respect to the AVCs is to provide a range of investments that are suitable for meeting members' long and short-term investment objectives allowing for differing attitudes to risk and terms to retirement.

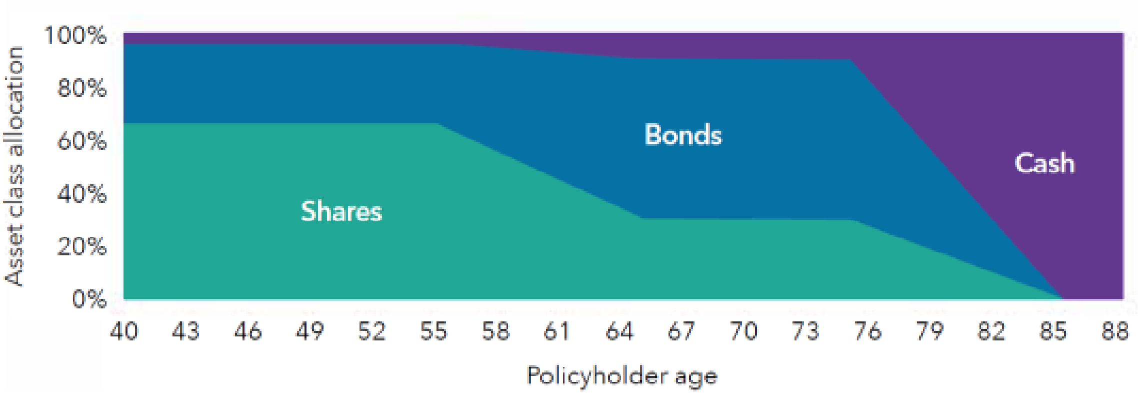
The table below shows the funds available to members with Utmost Life and Pensions and the objectives of the funds:

Self-select fund	Investment Objectives	AMC
Multi-Asset Growth	To provide capital growth in the long term by investing in a combination of asset classes including equities, fixed interest and cash with the potential for high price fluctuations.	0.75%
Multi-Asset Moderate	To provide capital growth in the long term by investing in a combination of asset classes including equities, fixed interest and cash with the potential for moderate to high price fluctuations.	0.75%
Multi-Asset Cautious	To provide capital growth in the long term by investing in a combination of asset classes including equities, fixed interest and cash with the potential for low to medium price fluctuations.	0.75%
Asia Pacific Equity	To achieve capital growth in the long term by investing mainly in Asia-Pacific companies excluding Japanese companies.	0.75%
European Equity	To achieve capital growth in the long term by investing mainly in European companies excluding UK companies.	0.75%
US Equity	To achieve capital growth in the long term by investing mainly in US companies.	0.75%
Global Equity	To achieve capital growth in the long term by investing in a diversified global portfolio of companies.	0.75%
UK Equity	To achieve capital growth in the long term by investing mainly in UK companies.	0.75%
UK FTSE All Share Tracker	To achieve long term capital growth and to produce a return that, before charges and expenses, matches the total return of the UK FTSE All Share Index.	0.50%

Managed	To maximise the overall return from investments covering the UK and overseas equities, gilt-edged and fixed interest stocks and property.	0.75%
UK Government Bond	To achieve a positive return by investing primarily in a portfolio of UK Government bonds.	0.50%
Sterling Corporate Bond	To achieve a positive return by investing primarily in a portfolio of Sterling denominated Corporate Bonds.	0.75%
Money Market (cash)	To preserve capital whilst aiming to provide a return in line with prevailing short-term money market rates.	0.50%

Source: Utmost Life and Pensions

Utmost Life and Pensions also offers an "Investing by Age" lifestyle strategy which invests members funds in a portfolio of assets that gradually changes to less risky investments as members age. Over time, investments automatically transition from the Multi-Asset Moderate Fund to the Multi-Asset Cautious Fund and eventually to the Money Market Fund. Further detail is shown in the chart and table below.



Source: Utmost Life and Pensions

Age	Investing by Age lifestyle strategy underlying fund
Under 55	Multi-Asset Moderate Fund only
55 to 65	Gradual switch to Multi-Asset Cautious Fund
65 to 75	Multi-Asset Cautious Fund only
75 to 85	Gradual switch to the Money Market Fund
Over 85	Money Market Fund only

Source: Utmost Life and Pensions

The table below shows the funds held by members with Standard Life and the objectives of the funds:

Fund	Fund Objective
Overseas Equity	To provide long term growth by investing predominantly in the shares of companies listed on the Global (ex-UK) stock markets
UK Equity	To provide long term growth by investing in a diversified portfolio of UK equity assets. The fund invests predominantly in the shares of large and medium sized companies listed on the UK stock markets
FTSE Tracker	To track the performance of the FTSE All-Share Index (this fund invests primarily in the Vanguard FTSE U.K. All Share Index Unit Trust Fund)
Money Market	To maintain capital and provide returns in line with money market rates, before charges. To meet this aim, the fund invests in a portfolio of money market instruments and invests not only in bank and building society deposits but also in a variety of other money market instruments such as Certificates of Deposits, Floating Rate Notes including Asset Backed Securities where, when purchased, repayment is within 2 years
Managed	To provide long term growth whilst investing in a diversified portfolio of assets (including equities, bonds, property, cash deposits and money-market instruments) in order to reduce the risk associated with being solely invested in any one asset class. These assets can be from both the UK and overseas. The fund is predominantly equity-based (with a bias to the UK).
Ethical	To provide long term growth by investing in a diversified portfolio of assets (including equities and corporate bonds) that meet strict ethical criteria. The fund's assets can be from both the UK and overseas and are predominantly equity based. The ethical criteria are agreed with Standard Life's ethical committee and may be amended from time to time if considered appropriate. The fund manager will exclude companies which fail to meet the ethical criteria whilst seeking to include companies whose business activities are regarded as making a positive contribution to society.
Mixed Bond	To provide long term growth mainly from the re-investment of income generated by investing predominantly in UK bonds such as gilts and corporate bonds. The fund manager may also invest a proportion of assets in other bonds (e.g. overseas bonds) and/or money market instruments, such as Certificates of Deposits and Floating Rate Notes
At Retirement Multi Asset Universal	To help make sure that, at a member's retirement date, the investments are appropriate if the member has decided to adopt drawdown or has not decided how to take their retirement income. It is used as part of a lifestyle profile. Standard Life state that it is not suitable as a standalone fund, or if members are building their own portfolio from their full fund range. The fund aims to meet its goal by investing in a range of

	different investments, including but not limited to, bonds equities, commercial property and cash. These investments can be from around the world and may be exposed to foreign currency.
Annuity Purchase	To reduce the effect of changes in long term interest rates on the value of annuity that can be purchased. It invests predominantly in bonds whose prices are normally expected to rise and fall broadly in line with the cost of purchasing an annuity
SL Invesco Perpetual High Income	To achieve a high level of income, together with capital growth. The fund intends to invest primarily in UK companies, with the balance invested internationally. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, unlisted securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions. This fund invests primarily in the Invesco Perpetual High Income Fund.

The Standard Life arrangements also offer access to a lifestyle strategy that targets cash at retirement.

The Trustee's policy is to review its direct investments and to obtain written advice about them at regular intervals. When deciding whether or not to make any new direct investments the Trustee will obtain written advice and consider whether future decisions about those investments should be delegated to the fund manager.

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustee (or, to the extent delegated, by the fund manager) against the following criteria:

The best interests of the members and beneficiaries
Security
Quality
Liquidity
Profitability
Nature and duration of liabilities
Tradability on regulated markets
Diversification
Use of derivatives

Arrangements with Investment Managers

The Trustee monitors the Scheme's investments to consider the extent to which the investment strategy and decisions of the investment managers are aligned with the Trustee's policies, including those on non-financial matters. This includes the extent to which investment managers:

- make decisions based on assessments about medium- to long-term financial performance of an issuer of debt or equity; and
- engage with issuers of debt or equity in order to improve their performance in the medium- to long-term.

The Trustee is supported in this monitoring activity by their investment adviser.

The Trustee receives regular reports and verbal updates from the investment adviser on various items including the investment strategy, performance, and longer-term positioning of the portfolio. The Trustee focuses on longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Scheme's objectives and assess the investment managers over the long-term.

Before appointment of a new investment manager, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies.

The Trustee believes that having appropriate governing documentation, setting clear expectations to the investment managers (where possible), and regular monitoring of investment managers' performance and investment strategy, is sufficient to incentivise the investment managers to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial performance.

Where investment managers are considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustee will typically first engage with the manager, but could ultimately replace the investment manager where this is deemed necessary.

There is typically no set duration for arrangements with investment managers, although the continued appointment for all investment managers will be reviewed periodically, and at least every five years. Where the Scheme holds closed ended vehicles, the duration may be defined by the nature of the underlying investments.

Cost Monitoring

BlackRock is remunerated on an ad valorem basis in which the fees are calculated according to the amount of assets under management. For equities and bonds, the Annual Management Charge ("AMC") is 0.16% p.a. The AMC for the BlackRock Dynamic Diversified Growth Fund is 0.55% p.a. The AMC for the LDI funds (leveraged gilts) is 0.15% p.a. The AMC for the Sterling Liquidity Fund is 0.125% p.a.

In addition, BlackRock pays commissions to third parties on many trades it undertakes in the management of the assets and also incurs other ad hoc costs. The Trustee receives statements from BlackRock setting out these costs and reviews them from time to time to ensure that the costs incurred are commensurate with the goods and services received.

The Trustee is aware of the importance of monitoring their investment managers' total costs and the impact these costs can have on the overall value of the Scheme's assets. The Trustee recognises that in addition to annual management charges, there are a number of other costs incurred by the investment managers that can increase the overall cost incurred by their investments.

Evaluation of Investment Managers performance and remuneration

The Trustee evaluates the performance of their investment managers relative to their respective objectives on a regular basis via their investment monitoring reports and updates from the investment managers. The Trustee also reviews the remuneration of the Scheme's investment managers on at least an annual basis to ensure that these costs are reasonable in the context of the kind and balance of investments held.

Portfolio turnover costs

The Trustee is aware of the portfolio turnover costs, defined as the expected frequency with which each underlying investment managers' fund holdings change over a year. The Scheme's investment adviser monitors this on behalf of the Trustee as part of the manager monitoring they provide to the Trustee and flags to the Trustee where there are concerns.

The Trustee accepts that transaction costs will be incurred to drive investment returns and that the level of these costs varies across asset classes and by manager style within an asset class. In both cases, a high level of transaction costs is acceptable as long as it is consistent with the asset class characteristics, manager's style and historic trends. Where the Trustee's monitoring identifies a lack of consistency the mandate will be reviewed.

The Trustee is supported in cost transparency monitoring activity by the investment adviser.

The Trustee will review this SIP at least every three years and immediately following any significant change in investment policy. The Trustee will take written investment advice and consult with the Sponsoring Employer, Bard Limited, over any changes to the SIP.

30 September 2020