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

Royal Exchange Trust Company Limited (the "Trustee"), as trustee of the Bard Limited Crawley Pension Scheme ("the Scheme"), has drawn up this Statement of Investment Principles ("the Statement") to comply with the requirements of the Pensions Act 1995 ("the Act") and subsequent legislation. This Statement is intended to affirm the investment principles that govern decisions about the Scheme's investments.

In preparing this SIP, the Trustee has consulted suitably qualified persons by obtaining written advice from Goldman Sachs Asset Management International ("GS AM") the "Fiduciary Manager". In addition, consultation has been undertaken with Bard Limited (the "Sponsoring Employer") to ascertain whether there are any material issues of which the Trustee should be aware in agreeing the Scheme's investment arrangements and, the Trustee's objectives.

INVESTMENT OBJECTIVE

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

STRATEGY

The Trustee seeks to manage the Scheme's assets in a responsible and prudent manner. They do so in the best interests of its members and beneficiaries; so as to protect the Scheme's assets and ensure that sufficient resources are available to meet its obligations as they come due and the investment objective as set out above.

Responsibility for the setting and oversight of investment strategy lies with the Trustee, although they do so in consultation with the Sponsoring Employer. While the Trustee comprises of directors who bring various expertise, background, and perspective, it has chosen to seek expert outside advice to assist in achieving the Scheme's investment objectives.

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 main tool the Trustee employs to manage the Scheme's investments is the Strategic Asset Allocation ("SAA"). The SAA is the basic guideline that determines in which asset classes the Scheme's assets will be invested, in what proportions and within what ranges. This decision is driven by the Trustee's risk tolerance, time horizon, and overall Scheme objectives. Although regularly reviewed, the SAA has a long-term perspective and generally will not change significantly – but rather gradually, as the Scheme evolves over time.

The basic principle the Trustee has adopted in developing the SAA is to view the Scheme's assets in two primary categories: Growth Assets (which seek to achieve superior market returns); and Matching Assets (which seek to match the risk profile of the Scheme's liabilities and thereby manage funding level risk).

Currently the target split between Growth Assets and Matching assets is as set out below:

	Growth Assets	Matching Assets
Minimum	60%	30%
Maximum	70%	40%

The Trustee understands that managing the Scheme's investments is a complex and full-time task, and accordingly have sought the advice of outside experts to assist them in implementing the SAA.

The Trustee recognises that investing in Growth Assets will bring increased risk of funding level volatility, but with the expectation of improvements in the Scheme's funding level through equity and other Growth Asset outperformance of the liabilities over the long term.

In order to manage this risk, the Trustee has adopted certain risk management tools (in addition to establishing the SAA, and seeking the advice of outside investment management experts). The SAA is captured in the IMA objectives and guidelines provided to the Fiduciary Manager.

The current permitted ranges for the Growth Assets SAA are as follows:

Asset Class	Permitted Asset Class Allocation Range (as % of Market Value of the Growth Assets)	
	Minimum	**Maximum**
Public Equity	40%	70%
Non-Core Fixed Income	25%	45%
Real Assets	0%	20%
Hedge Funds	0%	20%
Alternative Risk Premia	0%	20%
Tactical Tilts	0%	20%
Combined weight of Hedge Funds, Alternative Risk Premia and Tactical Tilts	0%	20%

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"). To mitigate this risk, the Trustee has implemented a Liability-Driven Investment ("LDI") mandate, which aims to 'hedge' against c.100% of the expected movement in the Scheme's liability value as a result of changes to interest rates and market-implied inflation as measured on the Technical Provisions liabilities measure.
- The risk of a shortfall of liquid assets relative to the Scheme's immediate liabilities ("cash flow risk"). The Fiduciary Manager manages the Scheme's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.
- The failure of the Scheme's assets to achieve the rate of investment return assumed by the Trustee ("manager risk"). This risk is considered by the Trustee and Fiduciary Manager when setting the SAA and on an ongoing basis thereafter.

- The failure to spread investment risk ("risk of lack of diversification"). Subject to managing the risk from a mismatch of assets and liabilities, the Fiduciary Manager aims to ensure that the implementation of the asset allocation policy results in an adequately diversified portfolio. Investment exposure is primarily obtained via pooled vehicles.
- To help diversify manager specific risk, the Fiduciary Manager has, where appropriate given the size of allocations, made multiple manager appointments within each asset class.
- 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. The Trustee has sought to manage ESG risk and climate change risk by ensuring that the Fiduciary Manager's delegated responsibilities include a need to consider financially material considerations (including ESG factors such as long-term risks posed by sustainability concerns, including climate change risks).

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 and funding updates.
- Performance of individual asset classes versus their respective targets.
- Additional reporting to support effective decision-making and risk oversight as required

To facilitate this, the Fiduciary Manager provides regular reporting to the Trustee.

IMPLEMENTATION

The Trustee has delegated the day-to-day management of the Scheme's assets to the Fiduciary Manager, who in turn selects externally and internally managed funds in which to invest the Scheme's assets. The underlying investment managers have full discretion to buy and sell investments as described in the offering memorandum or prospectus of the relevant funds (or the investment management agreement in the case of separate accounts).

The Trustee has taken steps to satisfy themselves that the Fiduciary Manager is fit to manage the Scheme's investments, and has the appropriate knowledge and experience to choose and combine the underlying investments.

The Trustee has appointed the Northern Trust Company ("Northern Trust") as Custodian of the Scheme's assets.

The Trustee regularly reviews the continuing suitability of the Scheme's investments including the Fiduciary Manager's ability to select, appoint, remove and monitor the investments managed by the appointed managers. In order to help with this process the Trustee appoints an independent Investment Consultant (currently PWC) to assist the Trustee in reviewing the performance and recommendations of the fiduciary Manager periodically. GS AM, as current Fiduciary Manager, is authorised and regulated by the Financial Conduct Authority.

When choosing investments, the Fiduciary manager (to the extent delegated) is required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4).

Realisation of Investments

The Fiduciary Manager and the underlying investment managers selected by the Fiduciary Manager have discretion in the timing of realisation of investments and in considerations relating to the liquidity of those investments within parameters stipulated in the relevant appointment documentation.

Cashflow Policy

Cash flows, whether positive or negative, are used to move the Scheme's asset allocation to the individual underlying managers back towards the strategic allocation appropriate at that point in time given the level of de-risking that may have occurred.

Rebalancing

Rebalancing ranges have been set within the Growth and Matching portfolios to ensure the Scheme's assets remain invested in a manner which is consistent with SAA, and the commensurate guidelines within the Fiduciary Management Agreement in place between the Trustee and the Fiduciary Manager (the "FMA").

GOVERNANCE

The Trustee has appointed GS AM as a Fiduciary Manager who has been delegated the task of day-to-day management of the Scheme's investments. The Trustee and the Fiduciary Manager have agreed to a legally binding contract, the FMA, which obligates the Fiduciary Manager to follow a prescribed investment strategy as determined by the Trustee. It spells out the guidelines under which the Fiduciary Manager must implement and execute the asset allocation.

In appointing a Fiduciary Manager, the Trustee has delegated the responsibility for investment decision making to the Fiduciary Manager (in line with the agreed guidelines as specified within the FMA). As such, the Fiduciary Manager may use internal or external investment managers (or separate accounts) as agreed with the Trustee. Accordingly, the Fiduciary Manger has overall responsibility for hiring, firing and ongoing monitoring of the Scheme's investment managers. The Fiduciary Manager shall provide the Trustee with regular reports regarding the appointed investment managers to monitor consistency between the expected and experienced levels of risk and return.

Finally, in considering the appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of GS AM as Fiduciary Manager, whom the Trustee believes to be suitably qualified to provide such advice. The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).

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 financially material considerations such as environmental, social and governance factors, including climate change, negatively impact the value of investments held if not understood and evaluated properly.

The Trustee has delegated all day-to-day decisions about the Scheme's investments, including the selection, retention and realisation of investments and the selection and retention of investment managers, to the Fiduciary Manager. As part of its delegated responsibilities, the Trustee expects the Fiduciary Manager to consider financially material considerations (including ESG factors such as long-term risks posed by sustainability concerns, including climate change risks).

Investment managers may be delegated responsibility for the selection, retention and realisation of the investments, within their respective mandates. As part of their delegated responsibilities, the Trustee expects the investment managers to consider financially material factors, which may include corporate governance, social, and environmental considerations (including ESG factors such as long-term risks posed by sustainability concerns, including climate change risks) in the selection, retention and realisation of investments.

GS AM's selection process for investment managers includes the consideration of ESG factors where deemed relevant as part of the criteria which may be taken into consideration in their research and selection of investment managers and investments included in the portfolio. The Trustee expects that for some types of investment, ESG factors may be less relevant e.g. liquid alternatives and Hedge Funds.

The Trustee regularly engages with GS AM to monitor performance of the portfolio, including, where relevant, how it takes account of financially material factors.

Stewardship – Voting and Engagement

The Trustee recognises the importance of its 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 does not engage with debt or equity issuers directly but has adopted a policy of delegating voting decisions to GS AM and investment managers.

When selecting and reviewing the performance of investment managers, the Trustee expects GS AM to take into account the managers' stewardship and ESG polices relative to both the Trustee's and GS AM's policies.

The Trustee believes it is appropriate for GS AM and investment managers to engage in stewardship activity with key stakeholders. Such stakeholders may include corporate management of debt or equity issuers, other holders of the debt or equity, others with an interest in the issuer or debt or equity, or regulators and governance bodies (as appropriate to the Trustee's investments). As part of this, the Trustee expects GS AM and investment managers to discuss with these stakeholders matters concerning the relevant issuer of debt or equity, including corporate governance, management of potential conflicts of interest, capital structure, performance, strategy, risks and ESG factors.

The Trustee expects that investment managers will provide details of their stewardship policy and activities on a periodic basis and will monitor this with input from GS AM.

GS AM will engage with the investment managers where necessary for more information.

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

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

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.

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.

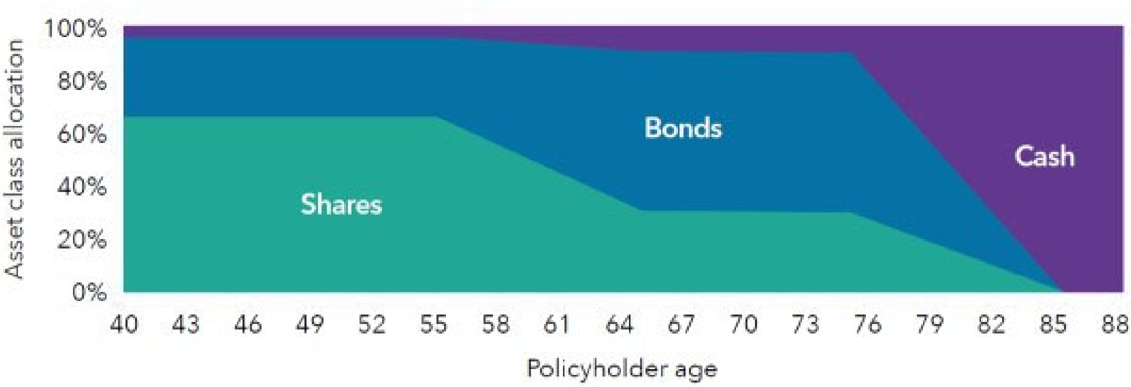
The table below shows the funds available to members with Utmost Life and Pensions and the objectives of the funds:

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

GS AM selects investment managers and negotiates their fees on behalf of the Trustee. The Trustee expects GS AM to ensure (where possible) that investment managers' investment guidelines and restrictions align to this statement and focus on medium to long-term performance in order to align manager actions to the Trustee's investment time horizons where appropriate. The Trustee also expects, and where possible requires, investment managers to use any rights associated with the investment to drive better long-term financial and non-financial outcomes (including on ESG and stewardship matters).

Investment managers are typically paid an ad valorem fee which is normal market practice, with some investment managers paid a performance fee with appropriate hurdle rates and high water marks. As part of the selection process, GS AM considers the fee structures of investment managers and seeks to ensure fee structures are aligned to an appropriate degree with Trustee's interests. Additionally, GS AM reports regularly to the Trustee setting out portfolio costs and charges at a total portfolio level but also for each individual strategy within the portfolio. GS AM also provides regular reporting which includes turnover costs based on calculation assumptions in line with MiFID costs and charges reporting in relation to allocation changes at the overall portfolio level.

The Fiduciary Manager levies a fee based on a percentage of the value of the assets under management which covers the provision of strategic advice and investment management of the assets.

The Trustee and GS AM appoint investment managers with an expectation of a long-term partnership, which encourages active ownership of the Scheme's assets. Given this, the Trustee's arrangements with its investment managers have no set duration, but have appropriate termination rights included in their terms.

Cost Monitoring

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 Manager performance and remuneration

Investment managers' performance is regularly reviewed and monitored by GS AM and reported to the Trustee monthly with a process in place to identify investment managers that either have underperformed or are at risk of future underperformance with appropriate action taken by GS AM. Investment manager fees are also reviewed by GS

AM periodically to confirm that they are in line with market practices and remain in line with the Trustee's policies and investment strategy.

Portfolio turnover costs

The Trustee expects GS AM to be cognisant of the turnover of the portfolio and costs associated with turnover but the Trustee has no target turnover or turnover ranges. GS AM considers turnover and associated costs at several levels: 1) at the total portfolio level turnover costs are taken into account as part of regular rebalancing decisions; 2) turnover at the level of investment managers is periodically reviewed as part of the wider ongoing investment manager review processes; 3) investment manager performance is reviewed net of turnover costs; and 4) total portfolio turnover costs are incorporated into portfolio costs reporting.

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.

The Trustee is supported in cost transparency monitoring activity by the Fiduciary Manager.

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 over any changes to the SIP.

16th May 2022