

INVESTMENT POLICY IMPLEMENTATION DOCUMENT

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Page 1 of 3

for the *Miller Retirement Benefits Scheme* *August 2023*

1. Introduction

This Investment Policy Implementation Document ("IPID") for the Miller Retirement Benefits Scheme ("the Scheme") sets out details of the Scheme's investment arrangements, based on the principles set out in its Statement of Investment Principles.

The IPID should be read in conjunction with the SIP.

Details of the benchmark, performance objective and investment guidelines for each investment manager within the Scheme are provided in the sections below.

2. The equity portfolio

The Trustee has selected Legal & General Investment Management ("Legal & General") as the investment manager for all of the Scheme's equity portfolios. Legal & General's benchmark is as follows:

Asset class	Benchmark allocation (%)	Benchmark index
UK equities	30.00	FTSE All Share
Overseas equities	70.00	
North America Equity Index Fund-GBP Currency Hedged	8.35	FTSE North America – Hedged Sterling
North America Equity Index Fund	8.35	FTSE North America
Europe (ex-UK) Equity Index Fund-GBP Currency Hedged	8.35	FTSE Europe (ex UK) – Hedged Sterling
Europe (ex-UK) Equity Index Fund	8.35	FTSE Europe (ex UK)
Japan Equity Index Fund-GBP Currency Hedged	4.15	FTSE Japan – Hedged Sterling
Japan Equity Index Fund	4.15	FTSE Japan
Asia Pacific (ex-Japan) Developed Equity Index Fund – GBP Currency Hedged	4.15	FTSE Asia-Pacific (ex Japan) – Hedged Sterling
Asia Pacific (ex-Japan) Developed Equity Index Fund	4.15	FTSE Asia-Pacific (ex-Japan)
Global Emerging Markets Equity Index Fund	20.00	S&P/IFC Investable Composite
Total	100.00	

Legal & General's objective is to track the relevant indices.

3. The corporate bond portfolio

The Trustee has also selected Legal & General as the investment manager for the Scheme's corporate bond portfolio.

The corporate bond portfolio (AAA-AA-A Corporate Bond – Over 15 Year - Index Fund) aims to track the iBoxx sterling Non-Gilts (ex-BBB) Over 15 Year Index.

4. The LDI portfolio

The Trustee has selected Columbia Threadneedle Investments ("CT") as the investment manager for the Scheme's LDI portfolio. The CT portfolio will invest in the Dynamic Real LDI and Dynamic Nominal LDI funds. These funds have the flexibility to invest in either swaps or gilts based hedging instruments depending on which type of instrument has a higher yield.

5. The cash portfolio

The Trustee has also selected Legal & General and CT as the investment managers for the Scheme's cash portfolios. The Legal & General Sterling Liquidity Fund aims to offer access to liquidity whilst providing capital stability. The fund is benchmarked against 7 day LIBID, although it has no specific performance target.

The CT Sterling Liquidity Fund is a daily-dealt fund which aims to perform in line with its cash-based benchmark – the Sterling Overnight Index Average (SONIA) rate.

6. The synthetic credit portfolio

The Trustee has also selected Legal & General as the investment manager for the Scheme's synthetic credit portfolio.

The synthetic credit portfolio aims to gain capital efficient exposure to changes in credit spreads. The fund is designed to provide leveraged credit exposure by investing in 10-year investment grade US (CDX) and European (iTraxx) credit default swap indices.

7. The absolute return bond portfolio

The Trustee has selected CT as the absolute return bond fund investment manager. The CT portfolio is solely comprised of the CT Global Absolute Return Bond Fund.

The Trustee monitors CT's performance against a target of 3% pa in excess of LIBOR over the medium term, gross of fees, with positive returns over a 12 month period.

8. Rebalancing between managers

In order to ensure that the assets are rebalanced in line with the asset allocation strategy, the Trustee will oversee the rebalancing of the Scheme's assets between the managers and monitor the split of assets from time to time.

9. Additional Voluntary Contributions ("AVCs")

Additional Voluntary Contributions ("AVCs") arrangements are not available to members. However historic AVC arrangements with Phoenix Life exist, which offer a choice of

various investment funds. In addition, some members have AVC arrangements held as cash in a Lloyds deposit account.

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