Quantum Advisory

Stewardship Code

October 2024

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Purpose, strategy & culture

1.1. Business overview

Quantum Advisory (Quantum) is the trading name of Quantum Actuarial LLP, a Limited Liability Partnership. We are an independent financial services consultancy that provides solution-based investment, pension and employee benefit services to institutional clients, including charities, endowments & foundations, employers, pension scheme trustees and members.

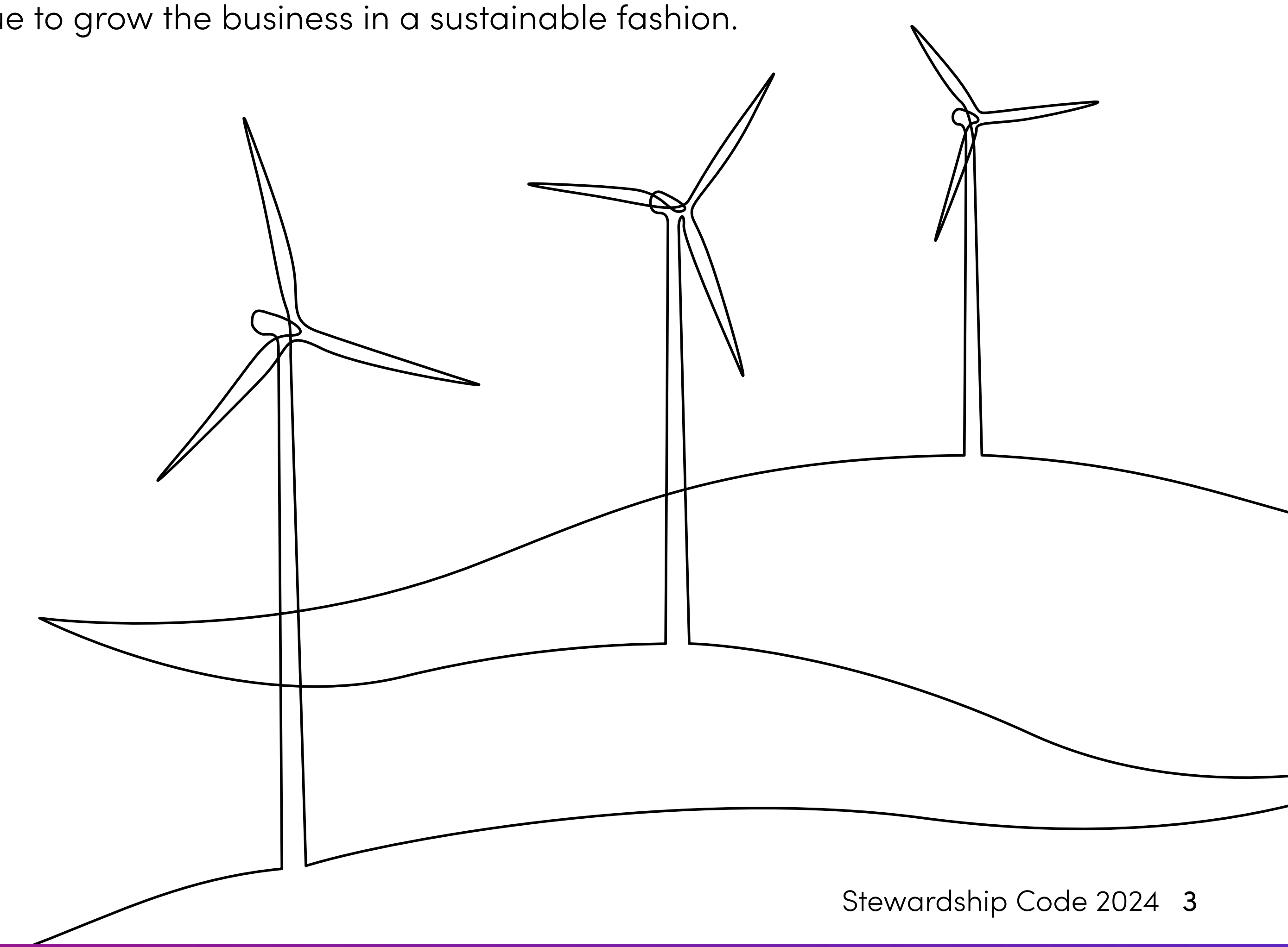
Quantum offers a range of services including actuarial, investment, benefit consultancy, administration (including banking, accounting and payroll), risk benefits, flexible benefits, trustee secretarial services, trustee training and communication to public and private sector pension schemes and other professional clients.

In addition, we have been appointed by the Pension Protection Fund (PPF) to the Specialist Administration & Actuarial Services panel to provide services to schemes in a PPF assessment period. Quantum Advisory is one of only four firms appointed by the PPF to this panel.

Our operational structure is deliberately simple to facilitate efficient use of time and the ability to make operational decisions quickly. The Board, made up of Partners and a non-Executive Chairman, meets formally twice a year, but also have informal meetings as and when required to consider and monitor on-going objectives, general governance and any risks in the business. This is supplemented by weekly Partner conference calls, which are used as a forum to update each other on latest market developments, recent experience (both professional and commercial), as well as providing input/views on pressing management issues.

Our objectives are to:

- have a strategic business partnership with clients,
- provide clients with a premium service by investing in talented people and leading technology, enabling us to provide innovative and pragmatic solutions,
- continue to grow the business in a sustainable fashion.

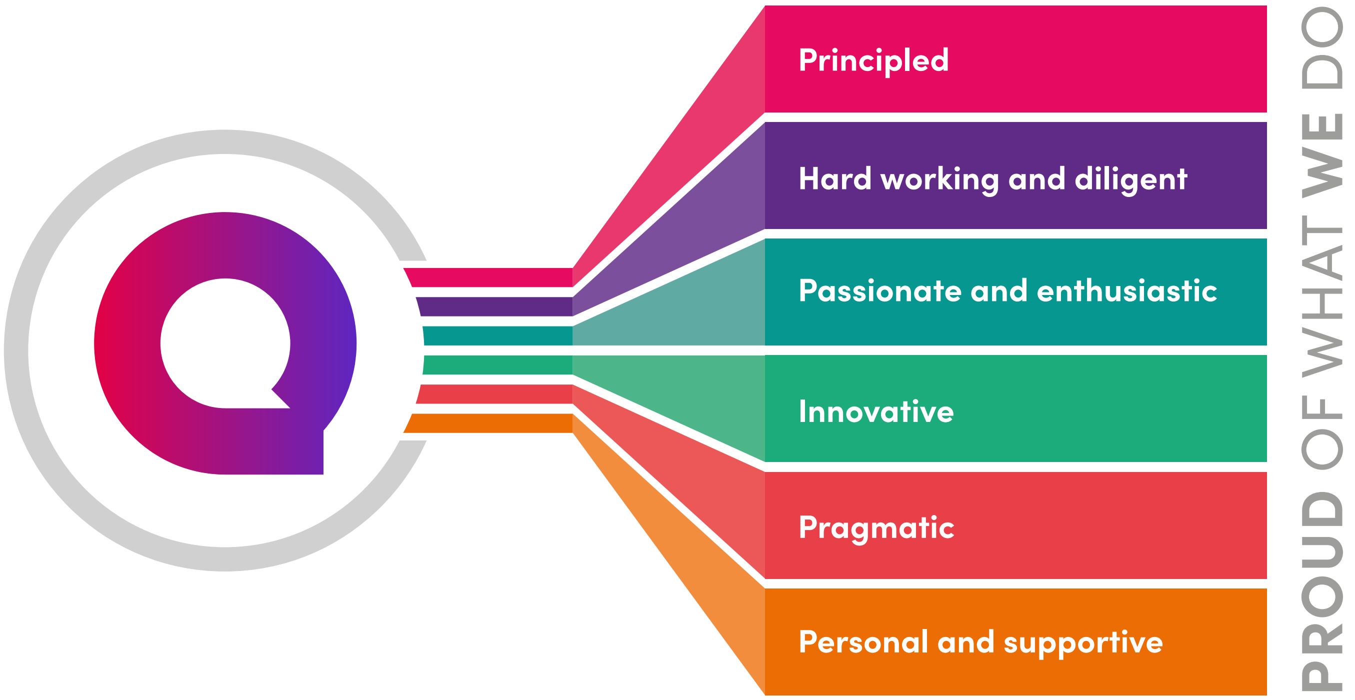


1.2. Culture and values

Our business is founded on six core principles. These govern how we approach our relationships with clients and the services we offer. We aim to be:

- Innovative,
- Passionate and enthusiastic,
- Hard working and diligent,
- Pragmatic,
- Personable and supportive, and
- Principled.

Quantum has a clear objective – to have a strategic business partnership with our clients. This business objective is supported by our approach to managing client relationships.



1.3. Our people

The Firm's workforce numbers over 130, with ten Partners and six Principals across our four offices. More than three-quarters of our people, including the Partners, are actively involved in the provision of services to clients.

We believe that participation in relevant professional bodies is important, and our employees are members of the following organisations:-

- Institute and Faculty of Actuaries
- Association of Consulting Actuaries
- Pensions Management Institute
- Chartered Insurance Institute
- Institute of Chartered Accountants in England and Wales
- The CFA Society of the UK
- Chartered Management Institute
- Chartered Institute for Securities & Investment
- Association of Chartered Certified Accountants
- Chartered Institute of Payroll Professionals

In addition, we are members of:

- The Pensions Administration Standards Association (PASA)
- Member and Chair of the Global Association of Pensions Specialists
- Pensions for Purpose
- Corporate members of the Charity Finance Group

We are also a Commercial Partner of Community Housing Cymru.

1.4. Positive working environment

We place great emphasis upon providing a positive working environment to promote engagement with our employees. Examples of measures employed are:

- encouraging career development through the attainment of professional qualifications. Employees who choose to study for professional qualifications receive full financial support for study materials, examination fees and a generous allocation of study days;
- delivery of internal training courses;
- a discretionary bonus scheme linked to an individual's performance against agreed objectives, targets and profitability;
- participation in charitable events;
- regular social events;
- volunteering leave is offered to all employees and we engage with local charities to facilitate team participation in events;
- a new initiative we have introduced is to hold events in our offices on "pay day" each month to encourage socialising and collaboration;
- we will be hosting our first firmwide "away day" in October 2024, bringing together employees across the business, from all offices.

We undertake an employee engagement survey annually to help us to understand the working environment and address any areas of improvement that are highlighted. The results of this year's survey were very positive and showed:

- Over 80% of all answers were rated 4 or 5 (Agree Positively or Strongly Agree Positively)
- Across Quantum as a whole, average scores had increased from the prior year in all areas and scoring a positive outcome, including:

  - I enjoy the work I do.
  - I am motivated to do a good job.
  - Everyone treats each other with respect.
  - Quantum provides a supportive and inclusive working environment.
- This year's results were the most positive of the three years the survey has been run in the current format.

1.5. ESG across the Firm

We have always taken Environmental, Social and Governance (ESG) issues very seriously. This is not static, and we continue to monitor and update our processes as we strongly recognise its evolving nature and the importance of moving with that.

In terms of the delivery of advice to clients, we recognise that different clients have different perspectives. The time we take to understand our clients means that we are in an ideal position to engage and support them with ESG issues.

We show below the improvements that the Firm has introduced internally to date.

Environmental

- Season ticket loans for staff to encourage greater use of public transport.
- Bike to work scheme allowing the discounted purchase of bicycles.
- Recycling points at all offices to reduce general waste and encourage greater recycling.
- A greater use of local suppliers, including milk deliverers who supply re-useable glass bottles instead of plastic.
- Removing single use plastic from all offices, including poly pockets, plastic cups etc.
- Providing all staff with re-usable bags and drinking bottles.
- Bee friendly planting outside of our Cardiff office.
- Installing motion sensitive lighting in all offices to reduce energy consumption.
- Offering ESG fund choices in our staff pension scheme.

Social

- Provide anti-bribery and corruption policy and training for all employees.
- Have a diversity and inclusion policy and annual training for all employees.
- Volunteering leave with paid time off for these.
- Have a nominated “charity of the year” and hold team fundraising events.
- Have developed our modern day slavery policy.
- Undertake screening for all suppliers on various areas, including compliance with environmental, social, labour law and financial regulations (this also assists us with our GDPR requirements).
- Have trained first aiders and mental health first aiders in all offices to support teams.
- Provide information and training on different health topics every six months, recent examples/topics have included Endometriosis, Cervical cancer and teaming up with “It’s On The Ball”, a charity which provides information and support on testicular cancer.
- Celebrating cultural and religious events across our offices.

Governance

- We are an independent limited liability partnership. We have no external owners and no plans to change this.
- Our governance structure is set out **earlier in this section**.
- We value transparency and have always provided full accounting disclosures in relation to our business functions via Companies House, even before we were required to by law (given our then size). We have never had an account qualified by our auditors.
- We hold a number of accreditations/certificates that ensure quality assurance and information security. Further details on these are set out in **section 6.2.**
- We are an equal opportunities employer and our policy is to employ, train and promote employees in the same way, free of an employee's Protected Characteristics. We ensure our recruitment and development processes reflect this and provide "Unconscious bias" training for managers to aid its implementation.
- All employees must conduct themselves in accordance with our Equal Opportunities and Dignity at Work Policy (for which training is provided annually) and action will be taken under the Firm's Disciplinary Procedure if this is not followed. Our HR team are responsible for ensuring the policy is implemented, maintained and adhered to.
- The Firm will not condone or tolerate any form of harassment, whether engaged in by employees or by outside third parties who do business with the Firm, such as clients, customers, contractors and suppliers.
- We emphasise and support a "Speaking up" culture across the businesses in line with the various principles/codes required by the bodies our employees are members of, including The Actuaries' Code.
- Our salary and promotion process (including senior promotions) is overseen by the Operations team and Partners.

1.5.1. ESG committees

In addition to firm-led initiatives, we also have an employee-led ESG working group that work closely with our Health & Wellbeing and Social committees to improve our ESG credentials for employees, clients and wider society. They generate ideas and initiatives to run and arranges these. Over the last year, this has included the following activities/events:

June 2023
Encouraging employees to participate in the RSPB Big Garden Birdwatch and providing them with information on this

June 2023
Arranging volunteering opportunities for employees to use their volunteering leave, including at Forest Farm Tree nursery

June 2023
The Cotswolds Way Ultra Challenge, walking 50km for the British Heart Foundation, as well as running a "Have a Heart" fundraiser across our offices

June 2023
Participating in the Wildlife Trust's annual "30 Days Wild" challenge, encouraging employees to do at least one "wild" outdoor activity during the month

August 2023
A group walk to celebrate National Dog Day

September 2023
Raising £2,000 for Ty Hafan by entering a five-a-side football tournament

October 2023
Entering a team into the Cardiff Half Marathon raising £3,396 for Parkinson's UK

September & November 2023
Bake sales to raise money and awareness for Macmillan, and Movember

December 2023
"Tinsel Tuesday" – themed activities across our offices, raising £300 for Age UK and bringing staff together

December 2023
Donating 75kg of food to the local foodbank at Christmas

December 2023
Gifting presents to children in local refuge homes

March 2024
Celebrating International Women's Day attending a local lunch and the Women in Pensions South Wales networking event

April 2024
"Quantum Wiggle" – designed to get people moving

Lastly, we also have established an ESG Investment Committee that focusses on designing ESG solutions for clients and researching suitable investments, which is discussed in detail **later in this report**.

1.5.2. ESG commitments

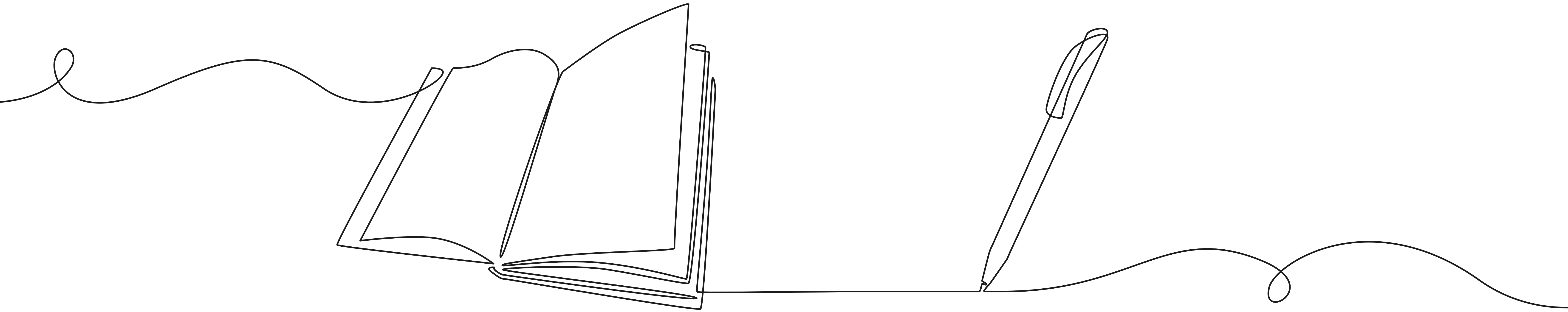
Whilst we are a knowledge-based service organisation, Quantum is environmentally conscious in relation to its activities. We continue to seek ways to protect the environment by:

- Reducing waste and preventing pollution.
- Minimising water use.
- Engaging suppliers and contractors that have and adhere to acceptable environmental policies.
- Encouraging our people to identify any potential threats to the environment so that we can take action to eliminate them or reduce their impact as far as is practicable.
- Following the guidance of the Environmental Agency.
- Looking at ways to reduce our carbon footprint, concentrating specifically on our electricity usage.

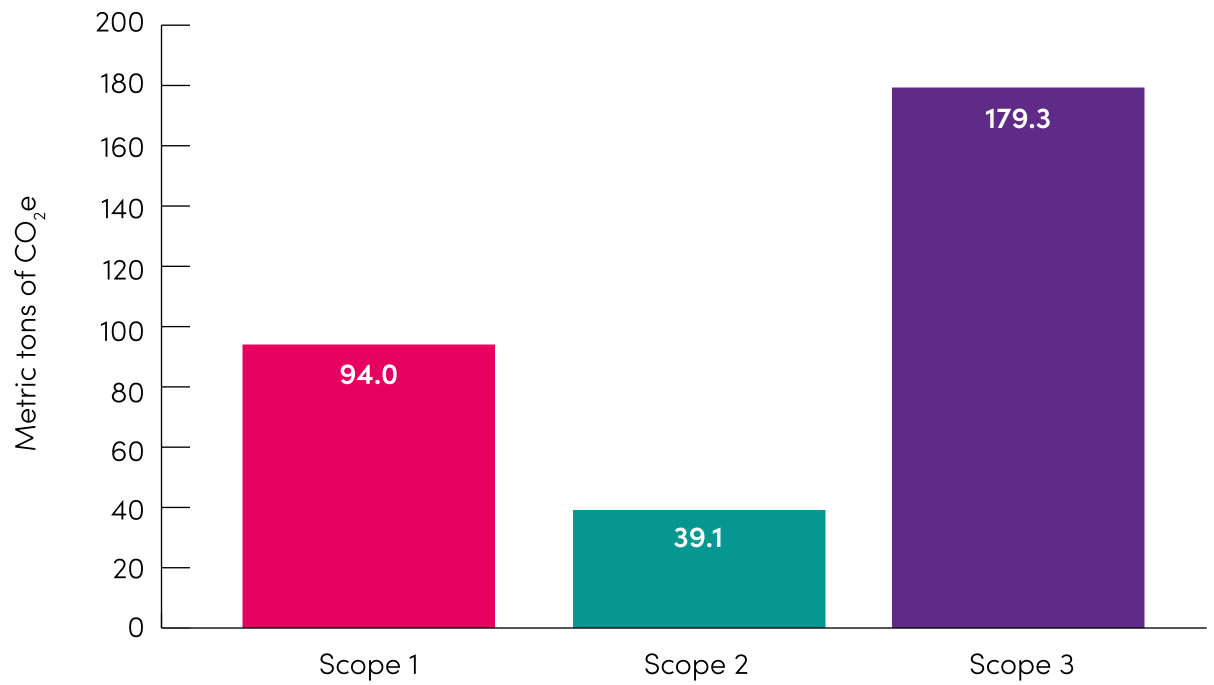
We evaluate the environmental effects of our operations and have established goals and targets to enhance our environmental performance, which are reviewed regularly as part of our Environmental and Sustainability Plan.

Through our Plan we:

- Foster responsibility for the environment within the organisation, communicating and implementing this policy at all staffing levels.
- Decrease energy, water, and other resource usage.
- Reduce waste through downgrading, reusing, and recycling methods.
- Comply with all pertinent environmental legislation and regulations.
- Ensure that our policies and services align with this environmental policy.
- Encourage all suppliers to adopt the sustainable development philosophy.
- Provide relevant training, advice, and information to staff, encouraging innovative ideas.
- Allocate adequate resources to fulfil the commitments of this policy.
- Support involvement in local environmental programs and initiatives.
- Measure the Scope 1, 2 and 3 emissions of our operations.



The following chart shows our Carbon Footprint measured as at 30th April 2024:



Our scope 1 emissions were materially higher than baseline because of essential work undertaken during the period on our air-conditioning units within our largest office (contributing all 94 metric tons of CO2e).

Our Scope 2 emissions are comparable/consistent with other similar businesses that operate within the financial services sector.

Scope 3 emissions contain estimated figures based on established patterns relating to travel and entertainment. Quantum has made a commitment to achieve net zero in line with the targets outline by the Net Zero Coalition and will continue to monitor and report on progress towards this goal through our Environmental and Sustainability Action Plan.

1.6. Assessment of effectiveness

Our goal is not just to ensure that our clients' needs (stated or not) are met, but ultimately for clients to be delighted by the service we provide. To do this, it is essential to have a good governance model and look to continually enhance this with feedback received from our clients. Examples of these assessments and feedback we have received are set out in sections **5.2.3** and **6.2.3**.

Governance, resources and incentives

2.1. Investment team

Our investment team is led by Amanda Burdge, Partner. The team is a diverse mix of experienced consultants and analysts. The team is made up of nine Consultants, four Senior Analysts and four Analysts.

The team hold a mix of qualifications/accreditations and professional memberships, including:

- Investment Management Certificate
- Certificate in ESG Investing and Diploma in Investment Management (ESG)
- Chartered Financial Analyst
- Chartered Institute for Securities & Investment
- Fellow Institute of Actuaries
- CII Diploma in Financial Planning
- Fellow of the Pensions Management Institute

Each of these qualifications complement each other and help to provide diverse thought and challenge/debate at team meetings/forums.

2.2. Investment process

We see the investment process as a cycle that we take our clients through, as depicted in the following graphic.

We have created sub-groups that support each of our advisers as they guide clients through this process. We have created inter-linked committees to encourage sufficient challenge and discussion to ensure our client solutions are robust and innovative.

Each of these sub-groups have terms of reference and prepare minutes to ensure the purpose and activities are clear.

2.3. Investment sub-committees/groups, meetings and processes

2.3.1 Strategy Group

Investment strategy decisions are guided by the 'Strategy Group' led by our Head of Strategy. The Group's membership comprises Investment Consultants and Senior Investment Analysts. The Strategy Group is therefore able to draw on a wide range of experience and each specialism is represented within the Group e.g. asset classes, ESG etc.

The Group meets quarterly and, in each meeting, key strategic issues are tabled and discussed with a 'house view' formed. Examples of issues discussed in 2023-24 include:

- Investment strategy considerations arising from the new Funding Code
- Optimal hedge ratios and hedge ratio monitoring
- Buy-out investment considerations
- Investment implications of peak interest rates
- Cashflow management

The views of the Strategy Group are applied to specific client circumstances by the Investment Consultants, supported by the modelling and research provided by the Strategy Team.

2.3.2. Manager research process and team

We have appointed a Head of Manager Research. Manager research responsibilities are split across the team covering the main asset classes: Equity, Multi Asset, Alternative Assets, Credit, Liability Driven Investments and government bonds, ESG and Defined Income Funds. Each team is comprised of 2-3 individuals of different seniority levels and is led by an Investment Consultant.

The entire team meets quarterly to discuss the research of each of the asset class sub-teams. These quarterly meetings tie in with the quarterly investment monitoring reports prepared by the team and have a clear structure. Each sub-team provides an overview of the research they have carried out over the quarter, detailing meetings held with investment managers and ratings of existing/new funds, any changes in fund ratings (including the addition of any new funds) and relevant regulatory changes to particular asset classes. Attendees are encouraged to ask questions to challenge specialists and spark debate.

Each of the sub-teams meet with the managers at least once a year. Existing funds are monitored within a set process for consistency across teams and between funds. A formal manager research note is prepared following each meeting. These notes are kept on file for use by client teams who put forward the funds for clients and use the research information collected. All funds are scored against a numerical rating system in the following areas:

- Organisation / Team
- Investment Processes
- Risk Management
- Performance
- ESG Capabilities

Asset class teams also carry out ongoing research to identify new funds which may be of interest to our clients. Lists of funds signed off for investment are readily available and controlled by each asset class team. The addition of new funds to our recommended fund list follows a rigorous screening process:

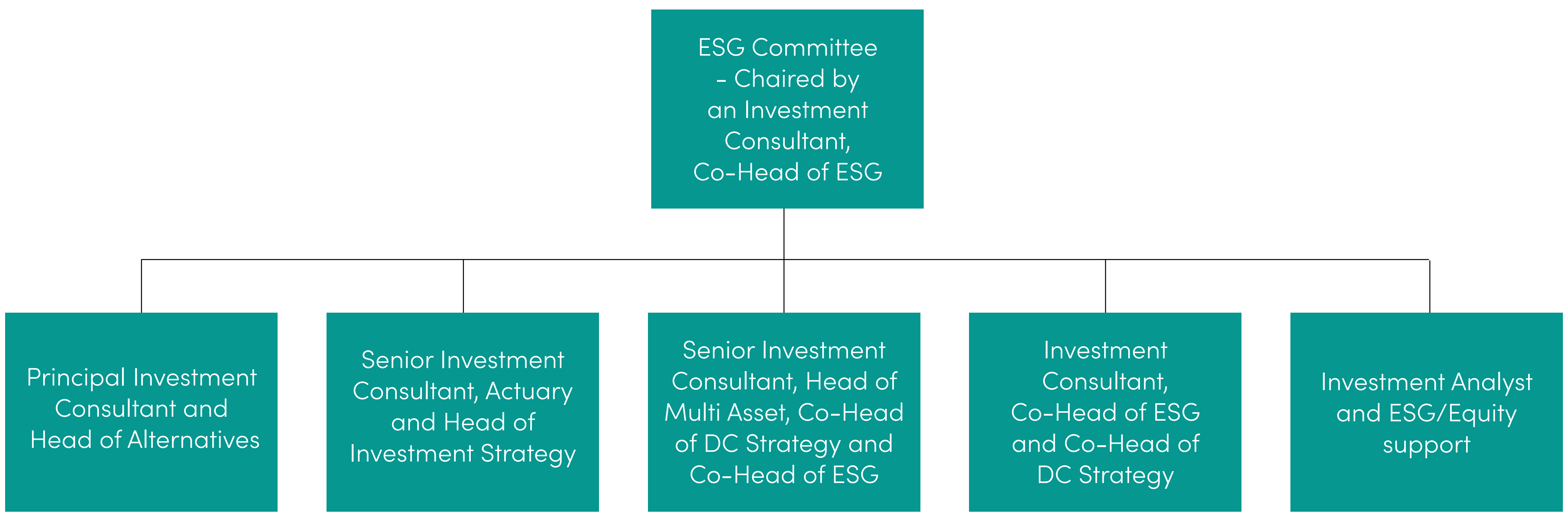
- The fund must generally pass an initial screening test using data from MorningStar, and for active funds, be found to be performing well relative to similar funds.
- A series of fund information will then be collected from the manager using a specific template. This information will be compiled and analysed to select the funds which may be most suitable for our clients.
- An in-depth research meeting will then be held for funds progressing to this stage in the process.
- Following a successful research meeting, a detailed due diligence document will be completed. This requires sign off from the Consultant in charge of the relevant asset class specialism.
- Finally, the fund and relevant due diligence will be discussed in our quarterly manager research meeting, before final sign off is given and the fund is available for investment by our clients.

2.3.3. ESG team and process

ESG Research committee
We have set up an ESG Committee. The aim of the Committee is to provide strategic development, oversight and guidance on our approach to ESG issues, including stewardship. The responsibilities of the committee are to:

- Set and review our ESG proposition/framework to support clients.
- Review manager research processes and ESG/stewardship rating methodology, to ensure consistency across asset class teams.
- Review/consider our approach to stewardship.
- Discuss market and regulatory updates and share with the wider team/Firm.

The ESG Committee is constituted as follows:



Two of the Committee members hold the CFA Level 4 Certificate in ESG Investing. The ESG Committee meets formally every 2 months (and more frequently if required) to fulfil the responsibilities outlined above.

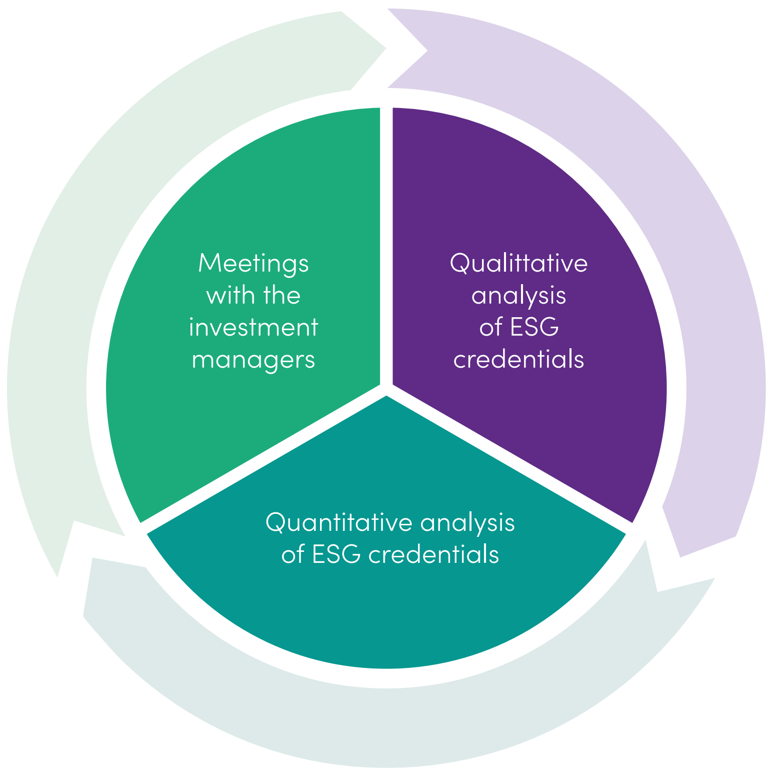
We believe it is important that everyone within the investment team and the wider Firm knows that stewardship is a key issue for our clients and is comfortable incorporating stewardship into their advice. Because of this, the ESG Committee is responsible for ensuring that we have in-depth knowledge of investment managers and their approach to stewardship, providing training and resources to help colleagues and setting the approach for effectively reviewing the stewardship activities of the investment managers.

Embedding ESG into our investment research and strategy
ESG is one of the factors we consider when reviewing and selecting investment managers/ funds for our core list of recommended funds.

We review and assess each investment manager's approach to and integration of ESG/ stewardship priorities through a variety of methods, ranging from qualitative and quantitative factors. We have set up specialist research teams, which are responsible for researching their respective areas. Members of the ESG specialist team will often be involved in research across various asset class groups to assist with ESG/stewardship related research. Ultimately, what we seek to reveal is specifically how the investment managers integrate ESG and manage material ESG risks.

We place equal importance on information gathering (primary and secondary) from, and regular meetings with, the investment managers that we research. Meetings are held at least annually, or more frequently if needed. Prior to all investment manager meetings, we issue an agenda outlining the key areas we would like to discuss, which always includes an item for ESG and stewardship.

Our approach can be summarised as follows:



We issue targeted ESG questionnaires to investment managers ahead of each meeting, which provides an overview of their approach to ESG at both a fund and firmwide level. The qualitative questionnaire asks investment managers to comment on things such as (but not limited to):

- How their approach to ESG has evolved over time
- If the fund in question has objectives linked to sustainability or impact investing
- The most financially material ESG risks
- If any exclusions are applied and if so the reasons for this
- How they are addressing climate-related risks and opportunities
- Their approach to stewardship, their engagement priorities over the coming year and how they define success of their engagement activity
- What external initiatives the investment managers have signed up to

The quantitative questionnaire asks investment managers to provide metrics such as (but not limited to):

- Carbon emissions and footprint (absolute and relative to sales/investment)
- Implied Temperature Alignment
- Green revenues
- Fossil fuel exposure
- Diversity and board independence metrics

The output of the primary qualitative and quantitative questionnaires provides us with a clearer picture of each investment manager's approach to ESG and how risks are managed. Where possible, we also supplement our primary research using a third-party data provider, which allows us to quickly see how exposed funds are to material ESG factors, evaluate ESG risks and understand exposure to "controversial" investments.

Following meetings with investment managers, the specialist team will convene to discuss their opinions of the funds and score the investment managers/funds on various factors, including their ESG/stewardship capabilities. We are currently in the process of introducing an enhanced scoring framework for ESG/stewardship factors, to ensure consistency of our assessments across asset classes.

The specialist team works closely with the relevant asset class manager research team to rate the fund and assigns or reassigns a "Buy", "Hold" or "Sell" rating.

In addition to regular reviews of existing funds, we will often undertake targeted research projects, to uncover the most appropriate solutions to be used by clients.

Targeted ESG research case study
A client appointed us as their new Investment Consultant in 2023. High on their list of priorities was to review to their investment and ESG objectives, and ultimately the investment strategy and funds used. After some initial discussions, it was clear that the client's main objective was to ensure that they were able to generate sufficient income to meet their needs and preserve/grow capital in real terms, but to also integrate ESG considerations strongly throughout the portfolio.

After agreeing the level of return and income required, we set out to ascertain the client's views and beliefs surrounding ESG. The first step was to provide a training session on ESG and stewardship, where we outlined the various approaches that the client could take, the benefits and drawbacks and reporting options. We followed this up with a targeted questionnaire to draw out the client's views and beliefs, collated the results and drafted a statement outlining the findings. After discussing and agreeing the policy/beliefs statement, we reviewed the current investment funds to check if the integration of ESG aligned with the client's beliefs.

As a result of the review, the following changes were implemented immediately:

- The number of equity funds in the portfolio was reduced and streamlined and a new equity fund which explicitly incorporates ESG considerations and delivered on the income objective was added.
- Other asset classes and funds were added, such as private markets and infrastructure funds, which met the client's belief that the portfolio should support positive impact on society through its investments.

The client agreed to monitor various ESG metrics over time to ensure the ESG characteristics of the portfolio was improving over time.

Impact investing research case study

We recently joined Pensions for Purpose, which is an organisation dedicated to supporting the investment industry in accelerating the flow of capital towards impact investments, creating positive outcomes for people and the planet.

Whilst we have been aware of impact investing in the past, the area is still fairly niche/new and we have not undertaken targeted research on this area of the market yet.

The aim of this project was to improve our understanding of impact investing more generally and research funds in this space, with an initial focus on public equities. Ultimately, we want to ensure we are in a strong position to help clients who wish to pursue impact objectives and these types of strategies.

As part of the project, we coordinated various meetings with investment managers so that they could share their expertise and approaches to impact investing. The standard research process (detailed above) was carried out and we now have a shortlist of funds that we feel comfortable recommending to clients, should they wish to pursue impact objectives. A key takeaway from the project was the importance of stewardship and engagement with investee companies, to help further pursue their impactful services/products.

2.3.4. Monthly team meetings

The team meet monthly to discuss issues impacting the team, including investment markets, projects, compliance and topical matters. A training session is also arranged to coincide with this; for example, a recent topic was "Investing in Natural Capital". The team also meets bi-annually to discuss strategic matters that are instrumental to the future success of the team.

2.4. Quality assurance

Our business ensures staff are appropriately qualified and incentivised to provide high quality services to our clients. This includes annual performance assessments, which feed into salary reviews and bonus awards.

Employees are encouraged to undertake professional qualifications, and full support is provided by the Firm in terms of study leave and financial incentives. The Firm also believes that participation in relevant professional bodies is important for personal and professional development. Some of our employees sit on committees for their professional bodies, as well as acting as examiners for professional qualifications.

Furthermore, the Firm appreciates how important leadership and management is to the development of culture within the business, to better deliver member and client focussed services. As such, we are continually looking for effective ways to enhance these skills and support our employees. The following are some of the ways we do this:

- We run a Leadership and management programme (LAMP) for high-potential senior managers. The programme includes, amongst other areas, performance-management, coaching, giving feedback, identifying your personality style, presentation skills. The course is run over an 18-month period by an external agency.
- Our HR team provide ongoing training for managers to help with their role. Furthermore, we have a manager support group and hold "drop in" sessions that provide managers with training on relevant technical, leadership and management topics and is a forum to discuss relevant topics and share experiences with their peers confidentially.
- Employees have participated in the Pensions Management Institute's Mentorship Programme for the last three years. This has allowed Mentees and Mentors to participate and attain a certificate in Leadership and Management, and develop their skills.

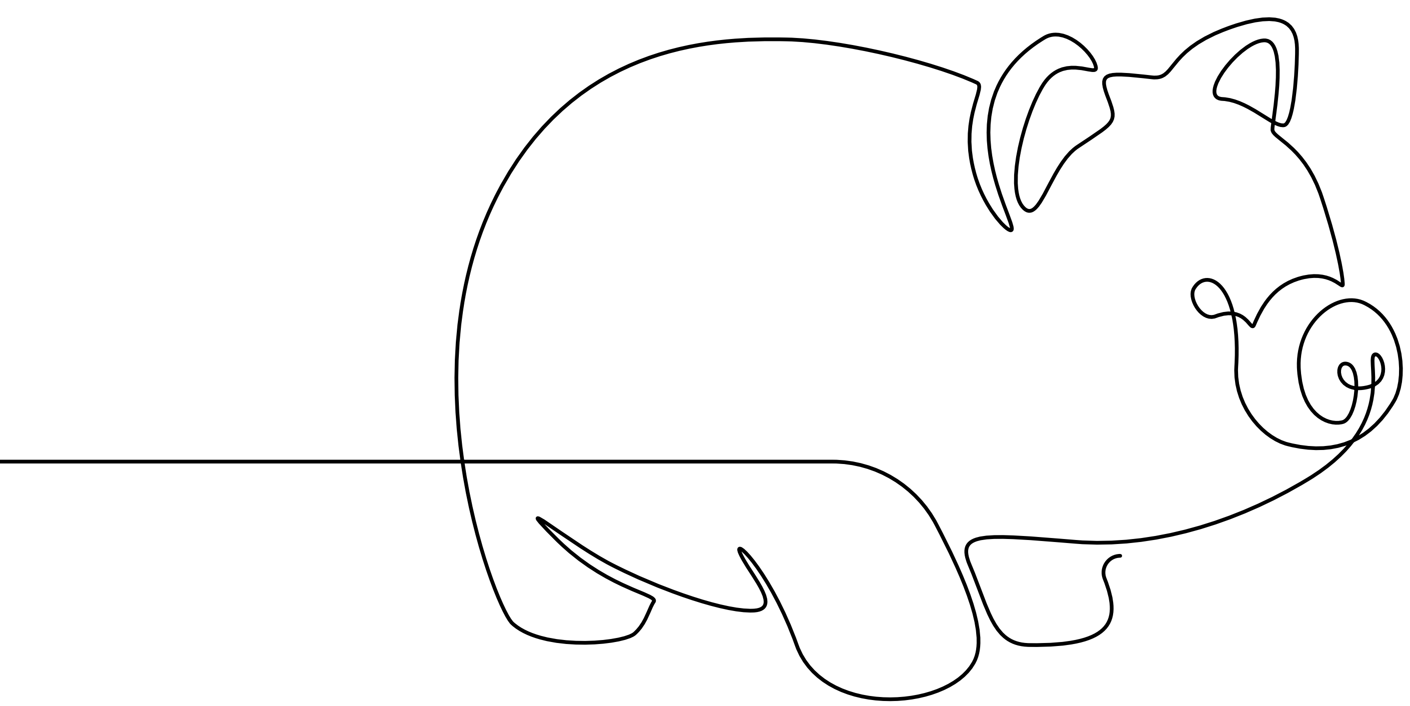
We also hold several certifications and accreditations that are set out in **Principle 6**, which provide quality assurance.

2.5. Fees/charging structure

We place great emphasis on our services meeting clients' needs. We adopt the same approach in relation to fees.

We appreciate the need for transparent fee structures so that clients can budget reliably. We therefore offer fixed fees for services where the level of effort can be predicted reasonably accurately. Where the extent of the work involved is indeterminable, we agree budgets and clear terms of reference prior to starting any work outside the core provision. The fees are based on the hourly rates of the individuals involved and a reasonable estimate of the time that we would take to complete the task.

We do not accept commission from third parties such as investment managers or insurers unless this has been discussed and agreed with the client beforehand. Instead, we negotiate improved terms on our clients' behalf. In addition, we can confirm that we do not ordinarily charge for travel time.



2.6. Effectiveness of governance

The interlinked nature of our governance structure provides robust client services, challenge and oversight. We periodically reflect on this, identifying and implementing improvements where appropriate.

Example 1: We created an ESG committee from the ESG manager research group to consider ESG for clients holistically, including developing new solutions/frameworks as well as manager research/fund selection. One of our new solutions included a framework to guide clients through their ESG journey to set beliefs and stewardship priorities and capture these within their investments and policies.

Example 2: We improved the structure of our manager research process, such that the entire team meets on a quarterly basis, and each sub-team presents to the wider team on their individual asset class, including the managers they have met with, and the funds on the buy/sell list etc. We have also sought to ensure research is comparable and consistent by preparing template documents and agendas that are used when undertaking fund research.

Development of new propositions - We work closely with our clients to understand their evolving needs and requirements (which are sometimes led by regulatory changes); clients are at the core of our development of new propositions/solutions. For example, we have created a suite of services for our clients to help them in their ESG and stewardship journey.

Training & competence – We ensure all employees have the relevant skills, training and qualifications to provide high-quality services to our clients and that this develops with the market. We are proud that one of our advisers was one of the first in the country to gain the Certificate in ESG Investing in 2019 when the qualification was launched. We are rolling out the Certificate in ESG Investing across our Investment Consultants.

Third party providers: We make use of third party data providers to support our research and services. This includes Morningstar for fund and market research, and Moody's for investment modelling.

Conflicts of interest

3.1. Within the business

All our senior staff (including the Partners) are members of professional bodies which operate their own professional standards and conflicts policies. The fundamental point in dealing with conflicts is the early recognition of aspects where potential conflicts of interest may arise and then to address the position before any such conflicts become real. To manage conflicts of interest, we have the following in place:

- A Conflicts of Interest policy.
- A Code of Ethics.
- Annual confidentiality declarations – issued to all employees regarding their obligations and confirmation that they have reported all suspicions relating to money laundering.
- Annual conflicts of interest declarations – issued to all employees regarding potential or actual personal conflicts or investment in clients.
- Conflicts of Interest and bribery/hospitality training is also provided internally with emphasis on the areas of importance for specific business lines.
- The Firm maintains a Conflicts Register to record the details of conflicts/potential conflicts and the action that has been taken to manage the conflict.
- Employees are required on joining Quantum, and thereafter on an annual basis, to confirm they have read and understood the Conflicts of Interests policy and declare any actual conflict or potential conflicts.

Our employees are also required to comply with the Conflicts of Interest policies employed by the bodies they are members of, including the "Impartiality" principle of The Actuaries' Code.

3.2. Our clients

3.2.1 Trustee and Sponsoring Company

Externally there may be situations where the Trustees' and the Company's objectives are clearly at odds. This may require each party to take separate advice. However, where both parties have similar ambitions and concerns, it is possible to work together for the common good. Co-operation can save time and costs.

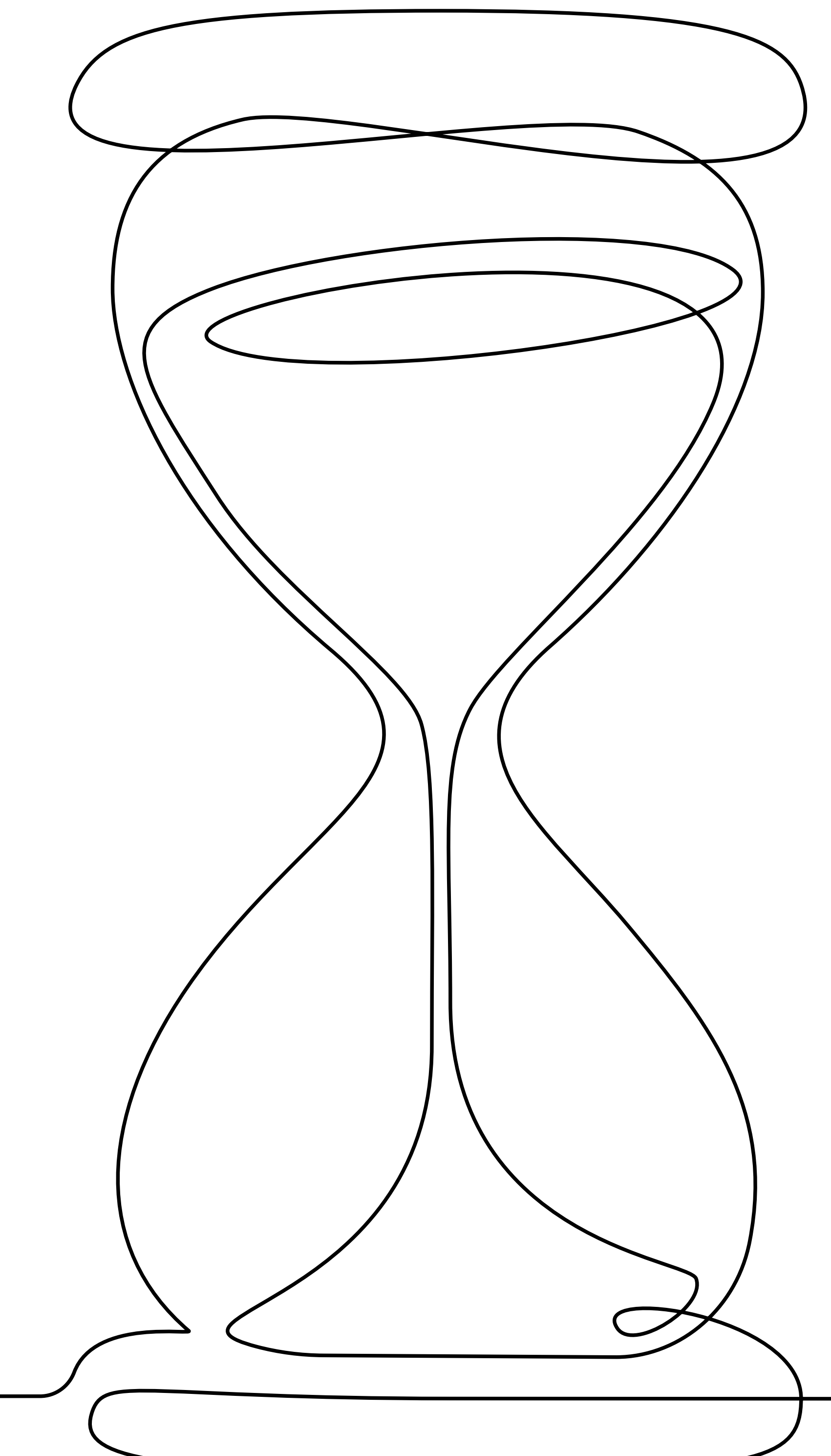
For each of our Pension Scheme clients, each Scheme Actuary has a mandatory Conflict Management Plan in place, which is a document signed by the Scheme Actuary, Company and Trustee(s) and sets out how the Scheme Actuary can act for the Company and when they have recourse to the Trustees.

Where we are advising both the Trustees and the Company, our attitude to this is:

- Sometimes a conflict is more apparent than real e.g. when the employer and the Trustees agree on an otherwise contentious issue. In such cases, it would be reasonable for the same firm to comfortably advise both parties, as this avoids unnecessary expense and professional point scoring.
- Sometimes the area is grey; in which case we can split the provision of advice within Quantum and set up effective ethical walls.
- Sometimes the conflict is so great that separate advice must be taken and be seen to be taken. In such cases we recommend that the sponsor takes advice from another consultancy firm and will work effectively with them to provide relevant information.

The fundamental point in dealing with conflicts is the early recognition of aspects where potential conflicts of interest may arise and then to address the position before any such conflicts become real. Our policy has always been that any work that we might be asked to undertake for the sponsoring employer of any of our clients will only be performed with the knowledge and full consent of the Trustees.

We do not provide Fiduciary Management services/manage assets for clients and are therefore not conflicted when advising clients on their investments. Furthermore, for those clients that have appointed a Fiduciary Manager, we provide oversight services to help them strengthen their governance and oversight and provide necessary challenge to manage their conflicts.



3.2.2 Treating clients fairly

Investment information and recommendations are fairly distributed to clients. The process is broadly as follows:

1. Change/recommendations discussed at weekly consultants meetings.
2. Template correspondence is drafted (where appropriate) to be issued to clients.
3. Recommendation is rolled out to all clients at the same time.

3.3. Examples of conflicts we have faced/identified

Example 1: We recently changed our view of a fund that is held by multiple clients. We compiled a list of all clients that were invested in the fund, and ensured all investment consultants issued the communication to their clients within a 24-hour window. Our consultancy team worked with each client to agree the action that should be taken.

Example 2: Clients set investment objectives for their investment consultant and undertake performance assessments annually. When requested, we support clients by providing factual information (not opinions) to assist them in completing this independent assessment.

Example 3: For our own pension scheme, QTrust, we provide all services to the Trustee Board. We manage conflicts by:

- Having a 2-stage review process, and in addition a peer review on investment advice by somebody independent of the client discussions.
- Having sufficient expertise on the board to challenge advisers/service providers.
- Treating the pension scheme trustees in the same way as all other clients.

Example: At Quantum, we provide an income drawdown solution that can be used by members of defined contribution pension schemes, whilst remaining invested in the scheme, known as ***adapt***. Members pay a fixed % of assets fee for this service. We share information about the product with clients and members, but do not provide direct recommendations on using it. We allow clients to assess the merits of the solution independently to manage the potential conflict.

Promoting well-functioning markets

Our role as investment advisers is to help our clients achieve their investment objectives. Identifying and mitigating risks is a key part of making this achievable.

4.1. Market-wide risk management

We seek to identify market wide and systemic risks primarily through engaging with other market participants, in particular regular meetings with asset managers to understand the potential risks that our clients are exposed to, coupled with our own wider capital market research. We acknowledge that it is not always possible to identify these issues in advance, so we advocate a 'prepare don't predict' approach, attempting to diversify risk exposures and identify potential portfolio vulnerabilities.

We provide investment strategy advice to a range of clients, including Occupational Trust based pension scheme (defined benefit and defined contribution), contract-based pension schemes, endowments, and charities.

Whilst there are many commonalities in client requirements, there are factors that might impact each client in a slightly different way. The circumstances relevant to each client is considered at the outset, including the specific risks they face.

Common risks include those of concentration, currency, liquidity and ESG. These are considered when setting and reviewing the investment strategy for our clients. We ensure our clients have a clear policy with regards to these matters, such that they can be managed/reflected in the investment strategy. Mitigation tools include diversification (across regions, asset classes, funds/managers and liquidity structures etc), currency hedging and identifying funds that are aligned with the client's views/policy, including that of ESG.

For defined benefit schemes specifically, liability risk is unique and is managed by employing interest rate and inflation hedging strategies.

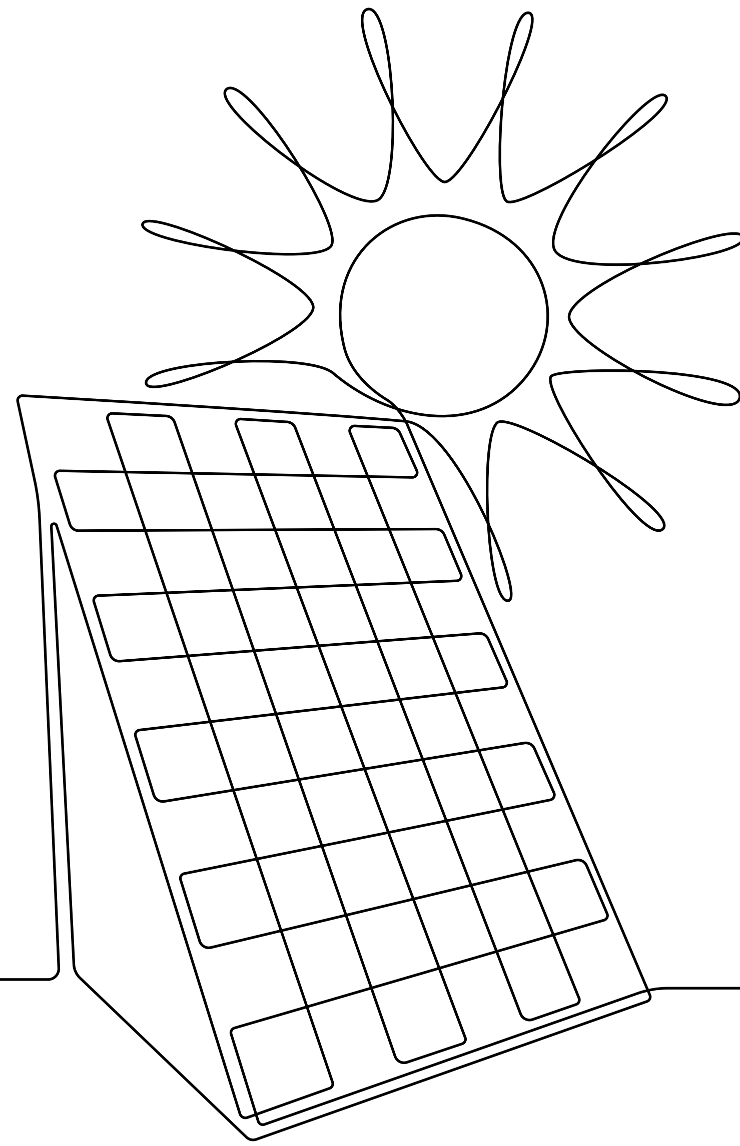
When reviewing investment strategies for clients, we firstly consider market risk based upon modelling tools and Value at Risk measure that look at a range of potential economic outcomes. For defined benefit schemes, this considers the impact of adverse interest rate and inflation movements on the scheme's funding (deficit/surplus), where appropriate. Our portfolios are constructed such that risks are appropriately managed using the mitigation actions set out to the left.

Case study: All of our defined benefit pension scheme clients invest in bonds/LDI to hedge interest rate and/or inflation risk that is inherent in the liabilities. As a result of inflation caps that are built into the benefit structure for most schemes, when inflation was running above 5%, schemes found themselves in a position where their liabilities were less affected by movements in inflation, whilst their hedging assets remained sensitive. This would have had an adverse impact on the funding position, when inflation started to fall. We therefore worked with clients to measure their hedge ratio and reduce the exposure where suitable to mitigate this risk, as well as encouraging them to monitor the hedging level to manage this risk on an ongoing basis.

4.2. Climate change

We recognise that climate change and a rise in global temperatures present a systemic risk and could have an adverse effect on our clients' investments. It is therefore important that clients understand and consider climate-related risks and the management of these. We help clients by:

- Having a dedicated ESG committee that designs materials, tools and solutions for clients to address ESG issues, including climate risk.
- Preparing client briefings and thought leadership pieces on ESG and climate risk.
- Ensuring our investment team have sufficient knowledge and awareness around the issue to be able to advise and manage it appropriately.



4.3. Investment strategy modelling & risk analysis

Our Strategy Team specialises in providing investment strategy and portfolio analysis for our clients, using third party software to produce stochastic investment strategy analysis and portfolio stress testing.

Our analysis is focused on the risk and return balance of a particular strategy. At its simplest, this may be an expected investment return, coupled with a Value at Risk analysis (e.g. on deficit increase for Defined Benefit Pension Schemes, or asset value for other investors).

Where clients wish to investigate investment strategies and journey plans in further detail, we project these forward in time to better understand the risk and return trade-offs; looking at measures such as the probability of success/failure against pre-defined objectives.

We also advocate the use of portfolio stress testing to help better understand risk exposures.

For example, where DB pension schemes use leveraged Liability Driven Investment ("LDI") products we will subject portfolios to severe interest rate and inflation stress scenarios to understand 1) the likely impact on funding positions of these scenarios; and 2) the likely collateral requirements and where this would be sourced from. These can be combined with stresses in other asset classes to better understand the potential impact if assets need to be sold.

Whilst this analysis is an important part of our process, it is only used to support decision making. We recognise that our clients have different circumstances and views, and we do not believe that there is a one size fits all approach to investment strategy. We work closely with our clients to understand their risk appetite, governance budget and need for investment return to achieve their objectives to design a strategy that is appropriate for their needs.

Our investment recommendations consider the long-term investment horizon of our clients, and how their objectives can be met over this period, whilst managing risk. We do not advise clients to invest in "speculative holdings" as these are higher risk and can be more complex.

4.4. Integrating Risk Management with the Business Strategy

Each year, Quantum begins its planning period with a set of strategic goals/objectives. Each of these goals/objectives carries with it a profile of varying risks and therefore a robust and effective risk framework is key to assist with a pragmatic assessment of competing strategy options versus the firm's financial resources.

A streamlined risk framework enables the Firm to meet business objectives by providing an independent view based on the best available information and facilitating an environment of continued improvement across the firm.

4.4.1. Risk management

Our Risk Management Framework is designed to identify, measure, manage, monitor and report the significant risks to which the Firm may be exposed currently or potentially. Risk Management is fully integrated and embedded into the culture of the organisation, its processes and activities.

To manage its risks, Quantum ensures it has a coordinated application of resources which helps to minimise, monitor, and control the probability and/ or impact of risk events or to maximise the realisation of opportunities.

Identify risks that might prevent the organisation and our clients from achieving their goals/objectives.

Measure the risk score based on its likelihood and severity.

Manage risks using a risk management database, that captures events and issues, implementing effective controls to mitigate risks.

Monitor risks by reviewing events and issues that have been logged, including the impact they have had and ensuring appropriate actions have been considered and remedied.

Report to management and team managers to ensure the relevant people are aware of potential risks and events that have occurred.

Case study: An issue/risk that was logged on our database over the year related to concerns over the valuation of private market assets in light of the macroeconomic environment and remains open. We have reviewed the robustness of the valuation practises/processes of the investment managers our clients use, including independent review/oversight. The FCA is undertaking a multi-firm review of private market valuation practices. We are monitoring developments and the implications for private market assets (and those who manage them).

At our firmwide monthly consultants meetings an update is provide on new risks, issues or events and these are openly discussed. An update is also provided at this meeting on regulatory news and developments to help with horizon scanning.

4.4.2. Investment Compliance Risk Committee

In addition to the above, the Firm also has an Investment Compliance Risk Committee (ICR) that was established to have a more focussed and holistic approach (across the business) to managing investment-related risks and consider the impact of regulatory changes to the clients we service across locations to achieve best customer outcomes.

The broad purpose of the ICR committee is to:

- act as a forum for investment and Compliance to discuss investment-related compliance matters;
- discuss and analyse the root cause of events, issues and complaints, identify trends and themes, and agree actions required to address any concerns and management of future risks;
- work together to ensure a culture of continuous improvement is embedded through the area by all parties agreeing to the most efficient, effective, and productive methods of working;
- to share information on any relevant regulatory updates for the advisors, within the regional offices and Compliance; and
- identify any training requirements or gaps that feeds into the Training and Competence framework.

The Committee is formed of our Senior Management Function 1 (“SMF1), Compliance Manager, Risk and Internal Audit Manager and FCA authorised investment advisers. The Committee meet on a quarterly basis and discuss the following areas:

- Action points from previous meetings.
- Review of events, issues and complaints raised/logged through the Risk Management Database.
- Risk register – controls and improvements.
- Horizon scanning – regulatory changes & impact, and systemic risks.
- Client review - services/products and file audits.
- Training and Competency.
- Any other business.

Furthermore, external expertise is drawn upon through regulatory risk committee meetings, that are held twice a year. This helps us to be aware of and consider wider issues/practises in the regulatory landscape.

4.5. Working with wider stakeholders and industry collaboration

We continually work with other stakeholders and the wider to raise awareness and promote well-functioning markets. Examples of how we have demonstrated this over the year include:

- Being awarded the PPF Trustmark, which recognises the expertise and high standards of service provided by the PPF's panel firms.
- Joining the Pensions For Purpose community.
- Engaging with our clients and other market participants and sharing our knowledge by preparing various thought leadership pieces and presenting at various conferences/seminars.
- Commercial Partner of Community Housing Cymru where we draw upon our existing engagement with members by sharing valuable market and sector insights at dedicated sessions, exhibiting at the trade body's conferences and identifying opportunities for tailored solutions.

Example 1: In February 2023, we provided training at a Charity Finance Group conference on "Investment Strategies, Planning and Policy", to raise awareness around the importance of setting a suitable investment strategy, and managing risks, with reference to the CC14 guidance specifically.

Example 2: Hosting bi-annual "Pensions for Breakfast" seminars, where one of our Investment Consultants provides an update on investment markets and the outlook/risks.

Example 3: Preparing quarterly vodcasts reviewing investment markets.

Example 4: Writing publications for our website, and providing comments for industry publications/magazines. Some examples include:

1. "In the wake of a Crisis – 12 months later"
2. "Pension scheme liability hedges – Risks and how to manage them",
3. "What can the pensions industry do to make a real difference in the battle against climate change?"
4. "Fiduciary Management – ensuring focus is on the 'end game'"
5. "Are UK equities an attractive enough investment (both for the short and long term) for pension schemes to buy into the government's drive for them to increase allocations?" for a Pensions Age article.

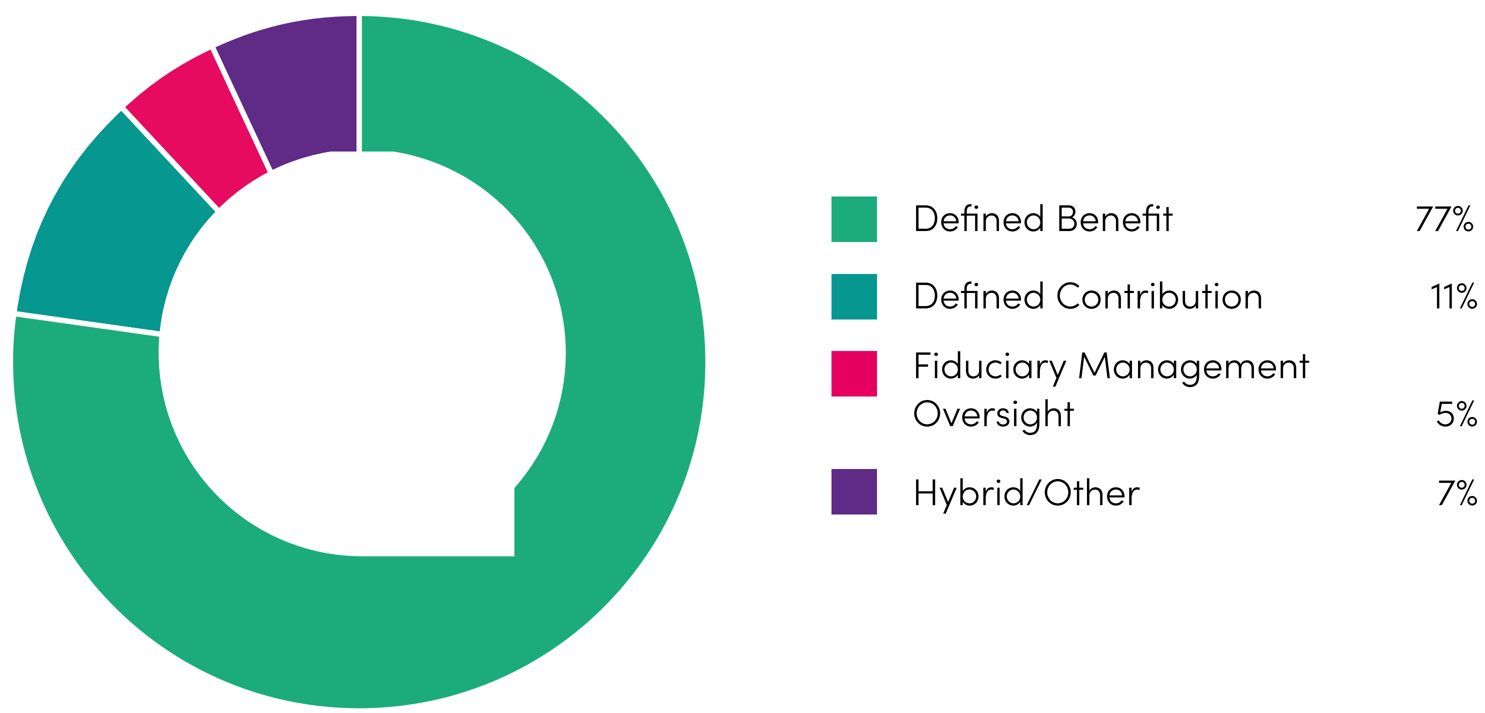
Principle 5

Supporting clients' integration of stewardship and investment

5.1. Client composition

We provide investment consulting services to institutional defined benefit and defined contribution pension schemes, charities and endowments. We also provide fiduciary management oversight services to institutional pension scheme clients.

Client breakdown



5.2. Our services that support clients' stewardship

We have developed a suite of services to help clients on their ESG journey. This involves:

1. Providing training on ESG matters so clients can make informed decisions and choices.
2. Identifying ESG beliefs, preferences and objectives.
3. Recommending and implementing suitable investments that are aligned with those.
4. Setting a framework for monitoring ESG progress, including ESG metrics that can aid this.
5. Monitoring progress and re-visiting ESG objectives periodically.

5.2.1. How we help clients develop their approach

ESG and stewardship is an integral part of our investment decision-making and forms an important part of our advice to clients.

How strongly clients wish to consider to ESG and stewardship issues is ultimately client-driven. We actively work with our clients to uncover their beliefs and attitudes, to ensure our approach is tailored appropriately. For example, we have undertaken training sessions with trustees on ESG and stewardship, to help them understand the potential benefits and drawbacks that integrating ESG and effective stewardship can deliver. Following the training session, we issue a targeted questionnaire to collate and summarise their views, discuss the results with them and help them implement their views into the investment strategy. From experience, trustees have found this very helpful. Our aim is to carry out this process for all of our clients over time.

Case study 1: A trustee board approached Quantum to help them define a clear policy on fossil fuel investments and to help mitigate some of the risk that climate change poses on the scheme's investments.

We started working with the trustees and provided training on the history of responsible investing and the various approaches that can be adopted, helping the trustees to set their objectives and focus on their core beliefs. Following this, we provided information on products available which could help the trustees meet their objectives.

The first step, in conjunction with the trustees, was to help design a robust policy to manage the scheme's level of fossil fuel exposure with the ultimate aim of reducing the scheme's investments in the global fossil fuel industry over a five-year period. This involved reviewing the scheme's existing direct investments and third-party investment managers and considering alternative options for implementing the scheme's strategy, without compromising on the return expectations of the portfolio, or amending the risk / return characteristics of the portfolio.

The following changes were implemented immediately:

- The existing equity fund, with no specific ESG criteria, was replaced with an equity fund which explicitly incorporates ESG considerations and makes use of exclusionary measures, based on the client's requirements.
- The existing multi-asset fund, which had a significant direct exposure to fossil fuels, was replaced with an alternative fund, specifically designed to address key ESG factors, with no direct exposure to the oil & gas industry that better met the client's needs.

As a result of these actions, the scheme's overall direct exposure to fossil fuels fell by over a third in year one and continues to fall as further changes to the strategy are implemented. Performance has remained strong and the risk characteristics of the portfolio remain comparable to the original portfolio. Quantum continues to work with the trustee board to monitor the scheme's exposure and identify areas that can be improved upon further, where possible.

More recently, for certain clients who express strong conviction on ESG issues, we have drafted standalone ESG reports. The aim of the reports is to measure and monitor progress on various ESG metrics, which were agreed by the clients. The metrics include carbon emissions, exposure to fossil fuels, forward-looking climate metrics, diversity and independence of investee companies and exposure to controversial sectors. The reports set a clear starting point for each metric with the idea being that the metrics are improved over time. The reports inform us, and our clients, as to whether any targeted engagement is required and whether the stewardship activities of the investment managers are resulting in clear, positive outcomes.

Stewardship

Whilst the vast majority of our clients acknowledge the constraints they face in terms of influencing change due to size and nature of their investments. They do, however, acknowledge the need to be responsible stewards and exercise the rights associated with its investments in a responsible manner.

We help our clients consider how stewardship factors are integrated into the investment processes when: (i) appointing new investment managers; and (ii) reviewing existing investment managers (as detailed above). We assist trustees in drafting their annual Implementation Statement. As part of this, we ask all investment managers to complete the vote reporting template created by the Pensions Lifetime and Savings Association ("PLSA"). This allows us to regularly review the investment managers' policies on the exercise of voting rights and monitor their engagement practice and proxy voting activity throughout the year.

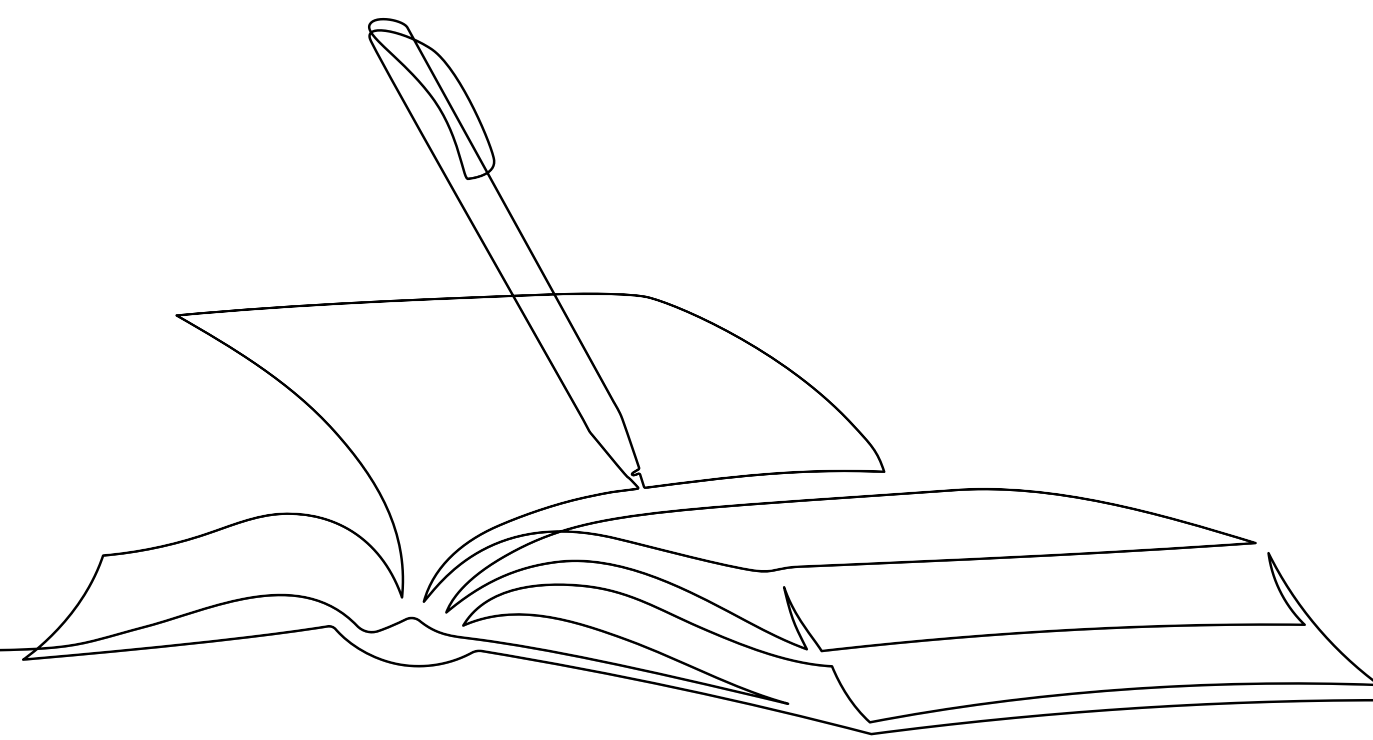
Case study 2: One example of how we monitor and raise issues we deem important is as follows. A client of ours held two investment funds managed by two separate investment managers, both of which invested in a large and well-known oil and gas company. Upon reviewing the significant votes provided by the investment managers, we noticed that the fund managers voted differently on the same resolution concerning Climate Change Targets for the company in question. This was raised with the Trustees. We understand that differences of opinion are to be expected (and even encouraged in certain circumstances), but we sought to understand the rationale for the difference in opinion and explained this to the client. Whilst no immediate action was agreed, we agreed to monitor any divergences over time and report these back to the client.

More recently, and following guidance issued by Department for Work and Pensions, we have been helping our trustee of pension scheme clients to consider their own stewardship priorities. This involves providing an initial training session setting out the key actions, highlighting the engagement tools our client's can use and ultimately helping clients set stewardship priorities. We then help trustees monitor whether or not their investment managers are addressing these priorities appropriately.

Case study 3: We recently helped trustees of a large defined benefit pension scheme set their stewardship priorities. A training session was provided where we covered what is expected of the trustees and the key points in the guidance. Following discussions, the trustees felt that all ESG matters are important, it decided to focus its stewardship efforts on:

- Managing climate-related risks, as they recognise that a rise in global temperatures could have an adverse effect on the Plans' investments over the long-term; and
- Board structure, as it recognises that a good level of diversity in company boards can help improve long-term returns for investors.

It was agreed that we will monitor and discuss instances where the investment managers' voting activity does not align with the trustees' priorities, and seek to understand the reasons for this in the first instance. The Trustee will then escalate the matter if it persists and may review their holding in the respective funds if deemed appropriate.

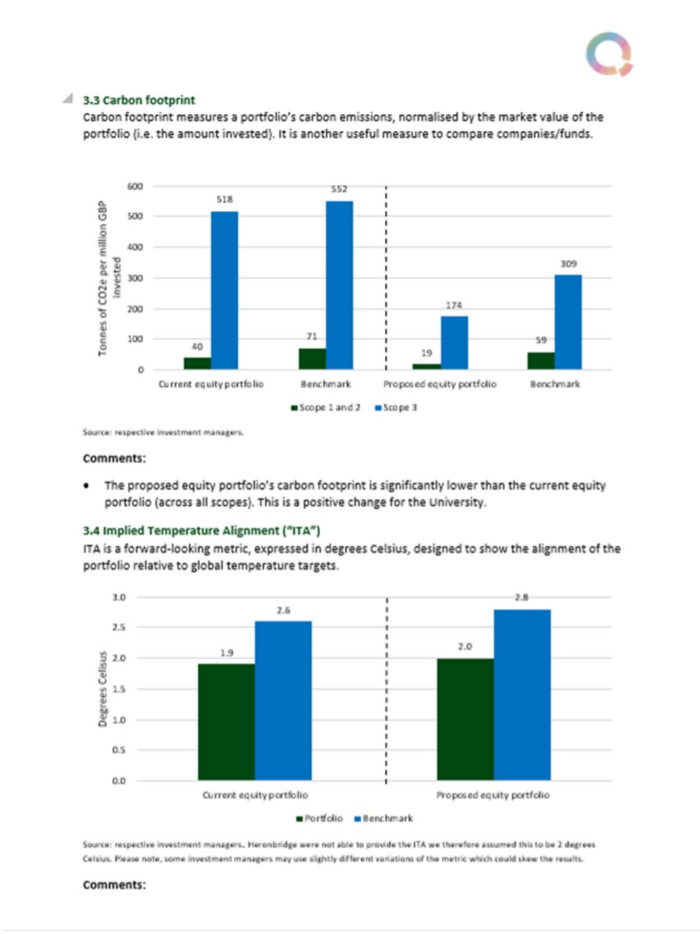


5.2.2. Communicating with our clients

We communicate with our clients by holding regular meetings and providing reporting to support/guide client discussions and decision-making.

We provide regular reporting for clients who wish to monitor and measure ESG progress more closely. Such reports include information on climate metrics (both backward and forward looking), exposure to certain sectors such as fossil fuels, alignment with the United Nations Global Compact Principles and Governance Metrics relating to Board Structure.

Example report:


3.3 Carbon footprint

Carbon footprint measures a portfolio's carbon emissions, normalised by the market value of the portfolio (i.e. the amount invested). It is another useful measure to compare companies/funds.

Source: respective investment managers.

Comments:

- The proposed equity portfolio's carbon footprint is significantly lower than the current equity portfolio (across all scopes). This is a positive change for the University.

3.4 Implied Temperature Alignment ("ITA")

ITA is a forward-looking metric, expressed in degrees Celsius, designed to show the alignment of the portfolio relative to global temperature targets.

Source: respective investment managers. Heronbridge were not able to provide the ITA we therefore assumed this to be 2 degrees Celsius. Please note, some investment managers may use slightly different variations of the metric which could skew the results.

Comments:

5.2.3. Client feedback

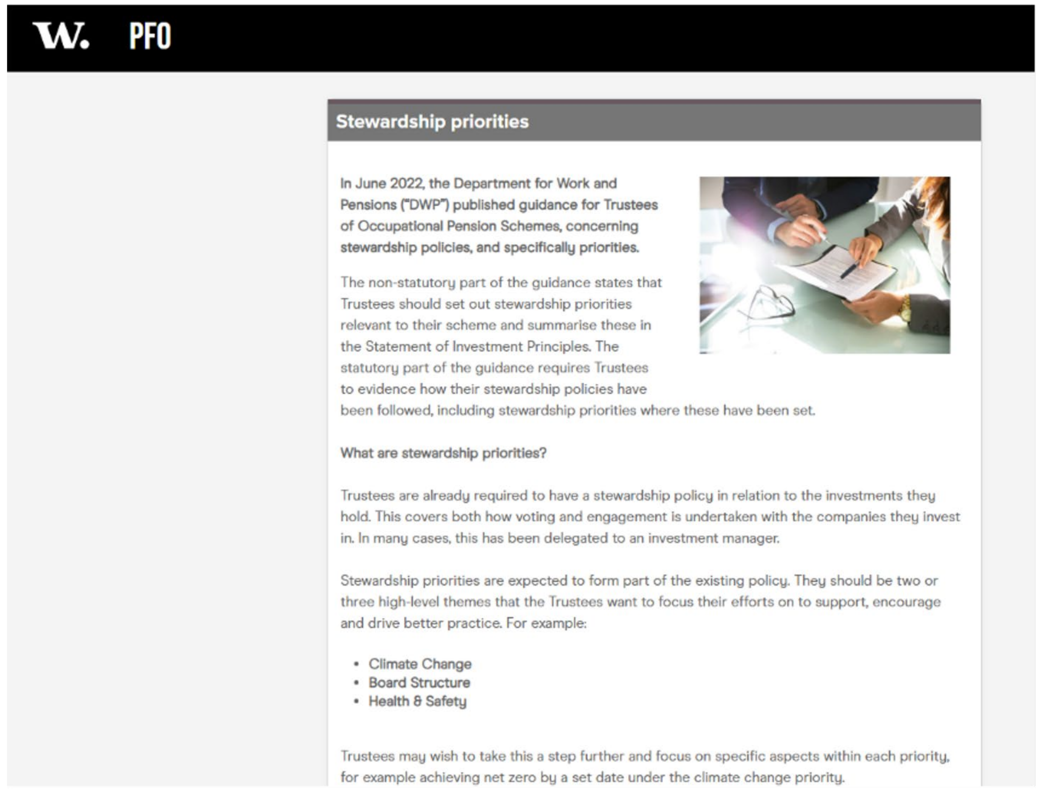
In line with the Competitive Markets Order 2019, our clients set objectives for us, as their Investment Consultant, prior to providing investment services. Clients monitor and review our performance against these on an annual basis. The feedback we have received following these reviews has been very positive and we pride ourselves on exceeding client expectations. Furthermore, for each client, an independent partner will undertake a review meeting to ensure clients' needs are met and identify any areas for improvement.

Examples of client feedback are provided in **section 6.2.3**.

5.2.4. Thought leadership pieces

Sharing knowledge and views with clients and wider society is important to us. We regularly publish thought leadership pieces on strategic matters including ESG & stewardship and share thoughts for industry publications, including:

- "DWP Stewardship Priorities" for the Pensions Fund online blog
- Comments for a Pension Age article "Are Trustees prepared for the evolving ESG fiduciary responsibility"
- "What can the pensions industry do to make a real difference in the battle against climate change?"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Stewardship priorities

In June 2022, the Department for Work and Pensions ("DWP") published guidance for Trustees of Occupational Pension Schemes, concerning stewardship policies, and specifically priorities.

The non-statutory part of the guidance states that Trustees should set out stewardship priorities relevant to their scheme and summarise these in the Statement of Investment Principles. The statutory part of the guidance requires Trustees to evidence how their stewardship policies have been followed, including stewardship priorities where these have been set.

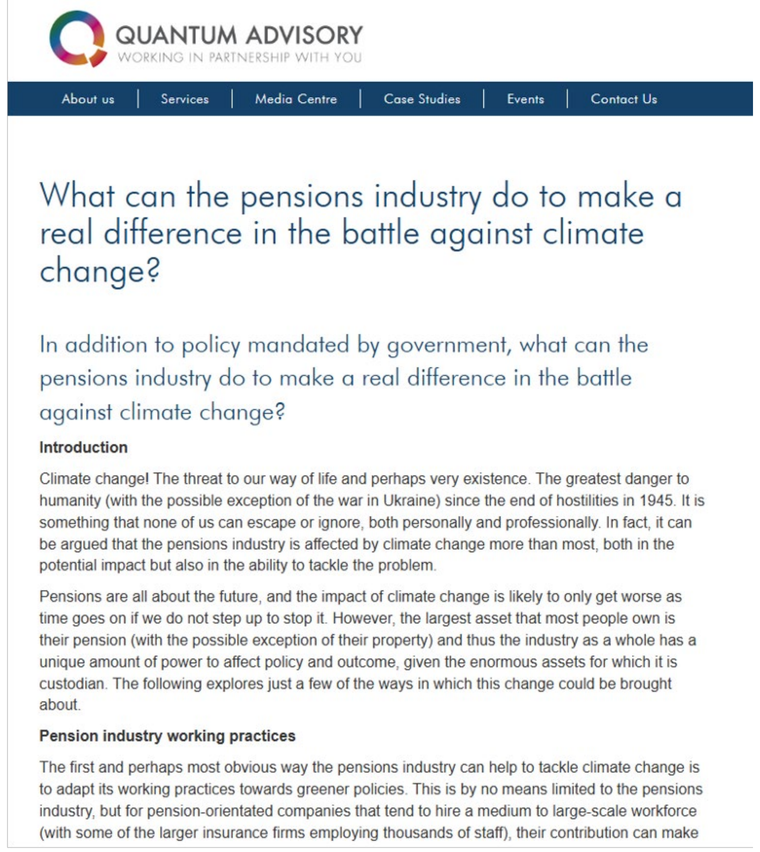
What are stewardship priorities?

Trustees are already required to have a stewardship policy in relation to the investments they hold. This covers both how voting and engagement is undertaken with the companies they invest in. In many cases, this has been delegated to an investment manager.

Stewardship priorities are expected to form part of the existing policy. They should be two or three high-level themes that the Trustees want to focus their efforts on to support, encourage and drive better practice. For example:

- Climate Change
- Board Structure
- Health & Safety

Trustees may wish to take this a step further and focus on specific aspects within each priority, for example achieving net zero by a set date under the climate change priority.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What can the pensions industry do to make a real difference in the battle against climate change?

In addition to policy mandated by government, what can the pensions industry do to make a real difference in the battle against climate change?

Introduction

Climate change! The threat to our way of life and perhaps very existence. The greatest danger to humanity (with the possible exception of the war in Ukraine) since the end of hostilities in 1945. It is something that none of us can escape or ignore, both personally and professionally. In fact, it can be argued that the pensions industry is affected by climate change more than most, both in the potential impact but also in the ability to tackle the problem.

Pensions are all about the future, and the impact of climate change is likely to only get worse as time goes on if we do not step up to stop it. However, the largest asset that most people own is their pension (with the possible exception of their property) and thus the industry as a whole has a unique amount of power to affect policy and outcome, given the enormous assets for which it is custodian. The following explores just a few of the ways in which this change could be brought about.

Pension industry working practices

The first and perhaps most obvious way the pensions industry can help to tackle climate change is to adapt its working practices towards greener policies. This is by no means limited to the pensions industry, but for pension-orientated companies that tend to hire a medium to large-scale workforce (with some of the larger insurance firms employing thousands of staff), their contribution can make

Review and assurance

6.1. Internal assurance

We follow a two-stage checking process internally, and for advice, this also requires a peer review. We have procedure notes and forms to guide the sign off process for advice. Furthermore, a log of all advice provided is maintained and the Compliance Manager periodically spot checks advice pieces.

The Firm has a robust and comprehensive process for approving new investment advisers and monitoring its existing investment advisers. This includes a review of Continued Professional Development that has been undertaken during the year, ensuring relevant training has taken place and knowledge has been maintained at a high standard. Training on the Senior Management and Certification Regime (SMCR), including Conduct Rules is provided to all relevant staff.

6.2. External assurance

6.2.1. Accreditations/certifications

We are authorised/regulated by the Financial Conduct Authority and each of our investment advisers is listed on the FCA register.

We hold a range of accreditations, certificates across the business that provide assurance of the quality and robust nature of our controls and processes. These include:

- Quality Assurance Scheme (QAS) – Accreditation from the Institute & Faculty of Actuaries.
- AAF 01/20 – An Assurance Report in respect of our internal controls for our pension administrations services and related IT controls. An independent audit is undertaken annually by Assure UK.
- ISO 27001 certification – An independent assessment of the systems and processes that we have in place to assess and prevent information security risks.
- ISO 9001 certification – An independent assessment of the systems and processes that we have in place for pension administration, reporting and accounting, and banking services. This is subject to annual audits to ensure compliance.
- Cyber Essentials Plus certification.

6.2.2. Third party feedback

We have reached out to investment managers that we work with to review our existing research processes and the relationships we have with them.

The feedback has been very positive, and suggests that the investment managers enjoy working with us, value our transparency and believe we have good technical understanding of matters (demonstrated by the challenge/questions we pose). They have also commented on our research process, agenda and meeting structure being clear, well-organised and thorough.

There has been little negative feedback, but we have sought to address any areas of improvement that have been highlighted. For example, one investment manager asked if in future we could provide more information on our organisation/team, changes and current thoughts/trends we are seeing with clients. To address this, we will be preparing an update quarterly that our asset class research teams can share with investment managers. Another example is where the investment manager received a duplicate request asking for the same information. We have addressed this by setting up asset class group email addresses, such that each team is aware of information that has already been requested and that we may already have.

6.2.3. Client feedback

As set out in principles 1 and 5, we actively seek client feedback to ensure our services and market-leading and that any improvements are identified and addresses appropriately. The feedback we have received following our reviews has been very positive and we pride ourselves on exceeding client expectations.

Comments from clients include:

> "..no surprises or delays in providing meeting papers and clear explanation of the proposals such that the Trustees understand the advice being given."

> "We were impressed by the Investment Consultant's presentation and advice at the last Trustee meeting, and find it encouraging that there is strength in depth in the team."

> "I have always valued the highly professional and reliable services provided by Quantum Advisory."

> "Our investment consultant has:
>
> - effectively worked with the scheme actuary in identifying where the scheme could take advantage of a further de-risking opportunities that do not compromise the ability of the scheme to reach its funding objective.
> - provided timely and clear updates where manager and platform fees and terms have been advised by the managers / platform
> - provided timely notification of collateral events
> - provided relevant training to the trustees at the time when the Trustees need to understand a topic
> - ensured investment papers for the trustee meetings have been provided in sufficient time for distribution of the trustee meeting packs
> - ensured that proposed matters for inclusion in the trustee meetings have been raised with the Trustee Chair in good time so that they can be shaped to meet the trustee board needs
> - ensured the trustees have met regulatory compliance"

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