



Investment Consultant Objectives

Overall Fund Objective

The primary objective of the Lincolnshire Pension Fund is to provide pension benefits for members on their retirement and/or benefits on death, whether before or after retirement, and for their dependents.

To enable this objective to be met, the assets of the Fund are invested to spread the risk by ensuring a reasonable balance between different categories of investments. The Pensions Committee takes a long term approach to investment and invests in asset classes and individual investments that are expected to generate an attractive risk-adjusted return for the Pension Fund.

The Pensions Committee has concluded that, subject to being consistent with the agreed investment consultancy services to be provided by the appointed Investment Consultant (IC), the following objectives for the IC will, if well executed, contribute towards achieving the Fund's overall objective.

1. Alignment of services with overall objective

In aligning their services, the IC will take into account the overall objective above and, in doing so, will give due consideration to the relevant circumstances of the Fund. Those relevant circumstances include, but are not limited to:

- the Fund's Investment Beliefs;
- the Funding Strategy Statement;
- developments in the funding level;
- the Pension Committee's, and the employers (where appropriate), tolerance for investment risk;
- the current and future economic and market conditions; and
- the Fund's Responsible Investment Beliefs.

2. Investment strategy setting objective

In setting the investment strategy of the Fund, the IC will:



- guide the Fund in determining appropriate investment objectives, levels of investment risk, and a diversified investment strategy;
- advise the Fund on new investment opportunities and emerging risks and periodically propose amendments to the investment strategy where appropriate;
- ensure any strategy advice contributes to the overall objective by way of either improved performance and/or of management of investment risk, over the long term; and
- support the Fund in developing and reviewing the Investment Strategy Statement, relevant to the Fund's current funding level and risk appetite.

3. Investment strategy implementation objective

In implementation of the investment strategy, the IC will:

- work with the Fund Officers and Border to Coast on the creation of investment vehicles (sub-funds) within the asset pool;
- make recommendations on the suitability of the sub-funds available within Border to Coast to meet aspects of the investment strategy;
- make recommendations on the transition path from the current managers to the Border to Coast sub-funds, consistent with the overall investment objectives and the investment strategy; and
- assist with achieving timely and cost-effective implementation of the Fund's investment decisions where appropriate.

4. Investment monitoring objective

In monitoring the performance of the Fund, the IC will

- assist with measuring the success of the Fund's chosen investment strategy against the overall objective; and
- support the Pensions Committee in monitoring the performance of the Fund's investment managers/Birder to Coast sub-funds and propose an appropriate course of action where poor performance is identified.



5. Investment advice objective

In providing investment advice to the Pensions Committee, the IC will:

- ensure all advice given is clear, concise and understandable;
- identify and advise the Pensions Committee on emerging risks that may impact upon existing investments of the Fund; and
- provide advice and assistance to the Pensions Committee on any other relevant issues that could impact the Pension Fund's ability to meet its strategic objectives.

6. Review of performance of IC

The performance of the IC against these objectives will be formally reviewed at least every three years by the Pensions Committee.