

## **CN Group Supplementary Pension Plan** **Schedule of Investment Arrangements**

The Statement of Investment Principles ("SIP") of the CN Group Supplementary Pension Plan ("the Plan") sets out the guiding principles upon which the Plan's investments are based (and was last updated in September 2020.) The purpose of this schedule is to provide details of the specific investments that are in place from time to time.

The planned asset allocation is summarised in the following table:

<b>Asset Class</b>	<b>Central Asset Allocation (%)</b>	<b>Tolerance Ranges (%)</b>
Global Equities (Market cap - passive) Hedged	17.0	7 – 27
Global Equities (Low volatility - passive)		
Global Equities (Fundamental Indexation "RAFI" - passive) Hedged		
UK Property	16.0	6 – 26
Credit	22.0	12 – 32
LDI	45.0	35 – 55
Cash	0.0	0 – 10
<b>Total</b>	<b>100.0</b>	

The Plan's fund manager was selected following thorough reviews of its track record, methodology and investment style. The process undertaken included a detailed appraisal by the Trustee and its investment adviser, and interviews to ensure suitable candidates were selected. The current manager structure and investment objectives for the fund manager ("mandates") are as follows:

<b>Mandate</b>	<b>Investment Objectives</b>	<b>Annual Management charge</b>
Legal & General Investment Management (Passively Managed Global Equity, LDI and Cash Portfolios)	To perform closely in line with the respective benchmarks for each underlying pooled fund.	FTSE-RAFI All World 3000 Equity Fund Hedged 0.20% p.a.  MSCI World Minimum Volatility Index Fund 0.12% p.a.  World Developed Equity Index Fund – GBP Hedged 0.125% p.a.  Liability Driven Investment 0.16% p.a. on first £100m and 0.15% p.a. thereafter  Over 15 Year Index Linked Gilts 0.035% p.a.  Single Gilt/ Index Linked Gilt Funds 0.035% p.a.  Sterling Liquidity Fund 0.125% p.a.
Legal & General Investment Management (Property Portfolio)	To provide an income stream that rises annually in line with LPI (RPI between 0% and 5%).	LPI Income Property Fund 0.40% p.a.
Legal & General Investment Management (Actively Managed Credit Portfolio)	Core Plus Fund: To exceed the iBoxx Sterling Non-Gilts Index by 1.15% p.a. (before fees) over a three year rolling period.	Core Plus Fund 0.30% p.a.

Separate to the managers detailed above, the Plan has access to a bank account with the Royal Bank of Scotland which serves to provide a day to day liquidity facility in order to meet short-term cash flow requirements.

Date:  
**September 2020**