

# Rabobank London Branch Pension Fund Defined Contribution Section

Statement of Investment Principles

October 2025

A decorative graphic consisting of numerous thin, wavy, orange lines that flow from the bottom left towards the top right, creating a sense of movement and depth.

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# 1. Introduction

**This document constitutes the Statement of Investment Principles (the SIP) required under Section 35 of the Pensions Act 1995 for the Trustee of the Rabobank London Branch Pension Fund (the Plan) for the Defined Contribution (DC) section of the Plan. The SIP also reflects the requirements of Occupational Pension Schemes (Investment) Regulations 2005. Please note that there is a separate Statement of Investment Principles governing the Defined Benefit Section of the Plan.**

The SIP applies from 1 July 2025 following changes to the underlying funds available to the Plan membership.

The DC section of the Plan is a defined contribution (also known as money purchase) arrangement that operates for the exclusive purpose of providing retirement benefits and death benefits to eligible participants and beneficiaries and is registered with HMRC under the Finance Act 2004.

The member's retirement benefits depend on:

- (i) The level of contributions made by or in respect of the member
- (ii) The investment return achieved by the selected unitised fund
- (iv) When and how members choose to access their accumulated fund

Before preparing this SIP, the Plan Trustee confirms that they have consulted with the Plan's Principal Employer. The Trustee has also considered advice from its appointed Investment Advisor.

The DC section is invested in a core selection of funds, provided by Legal & General, Baillie Gifford and HSBC, which, since 21 July 2017, have been accessed via the Legal & General Investment Management (LGIM) investment platform via an insurance policy.

The Trustee is responsible for the investment of the DC assets and arranging administration of this policy with XPS Administration (XPS). Where the Trustee is required to make an investment decision, it will first receive written advice from an Investment Adviser. The Trustee believes that this, together with their own expertise, ensures that they are appropriately familiar with the issues concerned.

The Trustee believes the Investment Adviser to be qualified by their ability in, and practical experience of, financial matters and to have the appropriate knowledge and experience of the investment arrangements that the Plan requires.

The SIP will be reviewed at least every three years or following any significant change in investment policy.

The Trustee also confirms that they will consult with the Principal Employer and take advice from the Investment Adviser prior to this SIP being revised.

## 2. Plan governance

The Trustee considers that the following governance structure is appropriate for the DC section, since it enables the Trustee to retain the decision-making role on the investments available to members, while delegating the day-to-day aspects to LGIM and their administrators, XPS as appropriate.

### **The Trustee**

The Trustee is responsible for, amongst other things:

- Reviewing from time to time (at least every three years or following any significant change in investment policy) the content of this SIP and modifying it if deemed appropriate in consultation with the Principal Employer and on advice from an Investment Adviser.
- Reviewing the investment options and the performance of the available funds at least every three years or following significant change in investment policy, or the demographic profile of relevant members.
- Assessing the quality of the performance and processes of Baillie Gifford, LGIM, and HSBC, by means of regular reviews of the investment results of each fund through meetings and written reports in consultation with an Investment Adviser.
- Appointing and dismissing of an Investment Platform Manager (currently LGIM) on advice from an Investment Adviser.
- Assessing the ongoing effectiveness of an Investment Adviser.
- Consulting with the Principal Employer when reviewing investment policy issues.
- Monitoring compliance of the investments with the SIP on an ongoing basis.
- Providing any appointed organisations/individuals with a copy of the SIP, where appropriate.

The Trustee considers that they have sufficient skills and investment knowledge to give appropriate focus to investment issues without appointing a separate investment sub-committee.

### **Investment Platform Manager**

The Investment Platform Manager, LGIM, along with XPS, will be responsible for, amongst other things:

- At their discretion, but within the guidelines agreed with the Trustee, selecting and undertaking transactions in specific investments within each fund.
- Acting in accordance with the principles set out in the SIP.
- Providing administration for the DC section on behalf of the Trustee, including investment of members' contributions in their chosen funds and providing information to the Trustee in an agreed format.
- Providing the Trustee with sufficient information to facilitate the review of their activities, including:
  - Performance and rationale behind past and future strategy for each fund,
  - A full valuation of the assets
  - A transaction report

- Informing the Trustee immediately of:
  - Any breach of this SIP
  - Any serious breach of internal operating procedures
  - Any material change in the knowledge and experience of those involved in the Plan's investment options

### **Investment Manager**

Each fund made available will be overseen by an Investment Manager who will be responsible for, amongst other things:

- At its discretion, but within the guidelines agreed with the Trustee, selecting and undertaking transactions in specific investments within each fund.
- Acting in accordance with the defined objective and mandate of the fund.
- Providing the Trustee through the Investment Platform provider, with sufficient information to facilitate the review of their activities, including:
  - Performance and rationale behind past and future strategy for each fund
  - A full valuation of the assets
  - A transaction report which includes details of any transaction costs
- Informing the Trustee through the Investment Platform provider or Investment Adviser immediately of:
  - Any change of fund objective
  - Any serious breach of internal operating procedures
  - Any material change in the knowledge and experience of those involved in the Scheme's investment options

The investment manager is remunerated implicitly through the annual management charge met by the members of the Plan. The Trustee ensures that the managers continue to deliver in line with the policies established in this Statement of Investment Principles, including ensuring decisions are made over an appropriate time horizon and with appropriate consideration of non-financial matters through its monitoring of the investment manager set out in Section 7.

The investment managers, accessed through the investment platform since July 2017, are:

- Legal & General Investment Management (LGIM)
- Baillie Gifford (Added to the investment platform with effect from 9 December 2020)
- HSBC

These arrangements are ongoing and are anticipated to remain in place for the duration of the Plan but remain subject to ongoing monitoring and reviews by the Trustee, for example, Standard Life were removed on 1 December 2023.

## **Investment Adviser**

An Investment Adviser would be responsible for, amongst other things:

- Participating with the Trustee in review of the SIP.
- Advising the Trustee how any changes, such as in the membership and legislation, may affect the manner in which the assets should be invested.
- Advising the Trustee of any changes relating to the Investment Platform Manager and other investment providers that could affect the interests of the Plan.
- Assisting the Trustee with monitoring the Investment Platform Manager and arrangements.
- Discussing with the Trustee any changes in the investment environment that could either present opportunities or problems for the DC section.
- Undertaking reviews of the DC section's investment arrangements when requested by the Trustee including reviews of the investment options and current Investment Platform Manager, and selection of new manager(s) as appropriate.

### 3. Risks

The Trustee recognises a number of risks involved in the investment of DC assets. Defined contribution members face four key risks:

- **Inflation risk** – the risk that the purchasing power of their retirement pot is not maintained.
- **Pension income risk** – the risk that the value of pension benefits (or annuity) that can be purchased by a given retirement pot amount is not maintained.
- **Investment risk** – the risk that the value of their retirement pot may fall in value. (This is most important to members approaching retirement who may not have sufficient time to regain the value of investments).
- **Opportunity risk** – the risk that members take insufficient investment risk, especially at younger ages, which results in a smaller pot of money with which to provide benefits.

The importance of each risk varies with time. Inflation is important throughout the savings period. Pension income and investment risks only become significant as retirement approaches.

Other risks involved in the investment of assets include the following:

- **Underperformance risk** – the risk that a fund does not perform in line with its objective - addressed through the quarterly monitoring of the performance of the Investment Platform Provider and Investment Managers and taking necessary action when this is not satisfactory.
- **Transaction cost risk** - this risk includes the potential impact of inefficient or expensive trading which through the cost of completing a transaction detract from the performance of the fund. Transaction costs are monitored and reported on quarterly by the appointed Investment Adviser and are detailed in the annual Chair's statement. The Trustee with the support of the Investment Adviser may investigate an alternative fund or funds, if the transaction cost operates at a level beyond which the Trustee deems acceptable.
- **Liquidity risk** – the risk that members or the Trustees will be unable to encash member's funds in a timely fashion to support member transactions. As far as possible the Scheme invests in liquid, unit-linked investments that can be quickly realised as required.
- **Communication risk** – the risk that communications (or the lack of communications) to members lead to poor decisions being made - addressed through the Trustee regularly monitoring member communications and updating them, where appropriate, as part of the ongoing governance of the Scheme.
- **Inappropriate member decision** – addressed through communications to members and highlighting the benefits of members seeking financial advice.
- **Organisational risk** – addressed through regular monitoring of the administrator, Investment Platform Provider, Investment Managers and Investment Adviser.
- **Country/political risk** – the risk of an adverse influence on investment values from political intervention is reduced by offering investment options for members to achieve diversification across several countries and regions.
- **Environmental and social risks** – the long-term risk factors can influence long-term performance of investments. Where applicable, these factors will be considered within investment monitoring and the review processes. For example, climate change is a financially material risk and as such the Trustee monitors progress against the net zero commitments that have been agreed by Legal & General Investment Management (LGIM), the Trustee's primary fund manager.

The Trustee will have regard for these risks when determining investment strategy and will keep these risks under regular review.

The Trustee has delegated day-to-day investment decisions, including the management of financially material considerations, to the fund managers of the chosen funds.

## 4. Investment aims and objectives

The Trustee's aims and objectives are:

- To ensure that a sufficiently diverse choice of investment funds are available to members
- To ensure that the range of funds includes those that aim to provide:
  - good long-term real rates of return (i.e. in excess of price and wage inflation) so that the value of members' assets is maximised.
  - protection for members' accumulated assets against sudden (and sustained) reductions in capital values or in the amount of pension that can be purchased.
- To allow members sufficient choice to tailor their investments in line with their own personal and financial circumstances.
- To offer a number of funds that will perform in line with the chosen benchmark over rolling three-year periods.
- To consider the cost and complexity of the Plan in terms of administration and communication.

Following reviews of the Plan's investments, the Trustee and their Investment Adviser, identified that:

- The current Plan membership profile can be considered to be relatively "financially sophisticated", however, the membership, in the main, behaves as per expectations for "more typical" members.
- The current age-related contribution structure and investment strategy provides members on average with a likely "marginally wealthy" income in retirement.
- The default strategy, whilst performing broadly in line with benchmarks, is taking less risk than may now be considered appropriate as a default fund for the current membership profile and the actual Plan experience of member at retirement behaviour.
- Additionally, the previous default strategy was targeting the purchase of an annuity at retirement – in view of the new pension freedoms, introduced after the 2015 Budget; this was no longer expected to be the norm for the Plan membership and the current "flexible" at retirement solution remains appropriate.
- Investment returns should therefore be targeted within a more sophisticated risk managed strategy.
- The Trustee has a desire to offer cost effective alternatives for the Plan members, including actively managed options.

The bespoke range of blended funds designed for incorporation into the current default lifestyle strategy and risk related variants, with effect from 21 July 2017, was in line with the Trustee aims and objectives.

However, further reviews of the default investment strategy and Plan membership have taken place. The 24 December 2024 and 22 August 2025 reviews concluded the following:

- **Growth phase** - the default investment strategy should have a growth phase that offers moderate to moderately high levels of investment risk while seeking long term investment growth. The growth phase of the current default investment option is the Rabobank Diversified Growth Fund (Higher Risk). Its objective is broadly in line with the above as its equity exposure of 50% seeks long term growth, whilst its exposure to diversified growth funds with downside risk management moderates the overall capital risk. However, an increase in the growth asset allocation is now to be considered.

- **Decumulation phase** - The glide path of the default investment option is 15 years, which provides a relatively smooth movement in terms of investment growth for members, without exposing members to excessive risks as retirement approaches. A change to the glidepath length is being considered subject to any changes made to the growth phase.
- **Retirement objective** - Whilst a diverse range of likely retirement objectives across the membership is likely (especially when deferred members are considered), based on the original 2016 analysis and the subsequent reviews, adopting a “flexible” profile target as the default remains the most appropriate default investment strategy objective. This approach also reflects the albeit still limited experience of actual Plan member behaviour.
- The remaining component funds of all the lifestyle strategies remain appropriate.
- Whilst environmental social and corporate governance (ESG) and ethical investing were not top priorities for all members completing the 2022 membership survey; comments received by the Trustee suggest additional options would now be welcomed.

Since the December 2024 and August 2025 default review the Trustee is to consider the proposed changes to the default strategy summarised above, alongside discussions with the sponsor, Rabobank London, regarding the merits of a transition to a master trust arrangement.

## 5. Responsible Investment, Stewardship and Corporate Governance

The Trustee believes that good stewardship can enhance investment performance and is therefore in the best interests of the Plan beneficiaries and is aligned with the Trustee fiduciary duty.

The Trustee believes that ESG issues can affect the performance of investment portfolios and should therefore be considered during the Plan's DC Section investment selection and monitoring process.

When reviewing or selecting investment funds, strategies and managers; the Trustee has considered a range of relevant matters including financially material considerations and the impact they may have over the time horizon of the Plan. It is the Trustee's view that an appropriate time horizon would be the period of time until a member draws their benefits. For those members further from retirement this time horizon could be 30 years or more. Over this period the Trustee acknowledges that environmental issues including climate change may have an impact on investment performance of the selected funds.

At present, the policy is to delegate the considerations of the long-term financial impact of these considerations to the Investment Manager of the selected funds. The Trustee has reviewed the managers' engagement processes to ensure these include engagement with relevant persons including companies invested in, other holders of those investments including equity and debt, and other key stakeholders.

When reviewing, selecting and monitoring funds and managers, the Trustee has also considered the means by which the manager takes into account the capital structure of an issuer of debt or equity and how any conflicts, real or potential, are managed. This is to ensure members' needs are met and the security of assets underpinning members' investments is robust.

The Trustee acknowledges that, from time to time, a conflict of interest may arise between key stakeholders regarding the Scheme's underlying investments. An example may be that the Investment Manager may take a position in the market that is at odds with the sponsoring employer. The Trustee will manage these conflicts through ensuring they continue to act in the best interest of its membership by engaging with the Investment Manager. The Trustee delegates the day-to-day management of the fund to the investment manager and will continue to do so as long as this aligns to the policies set out in the SIP.

The Trustee is also aware that some members will have further views on investment matters including investing in line with an ethical or religious mandate. The Trustee currently provides access to the LGIM Ethical Global Equity Index Fund and the HSBC Amanah Fund. The Trustee will continue to review this position as part of its investment fund review process and will again be considered as part of the next investment review.

The Trustee has given each respective fund manager full discretion when evaluating ESG issues and in exercising rights and stewardship obligations relating to each fund's investments.

It is accepted that collective or pooled investments will be governed by the individual policies of the Investment Managers. The Plan's Investment Manager or the selected fund manager exercise voting rights and undertake engagement in accordance with their own policies. The Trustee requests information from Investment Managers and individual fund managers on how they exercise their voting rights and whether these are used to positively influence businesses invested in through the pooled investment vehicle. The Trustee reviews this on an annual basis to reaffirm that the Investment Managers or individual fund managers views continue to align with the SIP.

Where the DC Section utilises a fund or an Investment Manager trading in UK equities, the authorised managers in the UK are expected to report on their compliance with the UK Stewardship Code on an annual basis.

ESG issues are considered as part of the regular investment strategy and fund review process.

The Trustee of the Rabobank London Branch Pension Fund DC Section also present their annual Statement of Investment Principles Implementation Statement setting out how the Trustee has followed the policies outlined in the SIP.

## 6. Policy on illiquid investments

The default strategy does not currently invest directly in illiquid assets such as private equity, infrastructure, and real estate.

The Trustee considers the operational complexity of these investments; the current levels of fees charged to invest in them relative to the likely returns and challenges of managing their illiquidity mean that they have not been selected to form part of its default strategy at this time.

The May 2025 Mansion House accord has accelerated the incorporation of private assets and illiquid investments within pension funds. The Trustee will keep this under review and may consider investing in this asset class as the illiquid investment market develops and if they believe that these investments provide compelling options that, in its belief, would enhance member outcomes at a cost that is attractive .

## 7. Investment Strategy

The DC arrangements have from their establishment placed members in unit linked funds, the funds and strategies now available to members are outlined below.

### Blended Funds

Fund name
Rabobank London Branch Pension Fund Global Equity Fund
Rabobank London Branch Pension Fund Global Equity Currency Hedged (50:50)
Rabobank London Branch Pension Fund Diversified Growth Fund (Higher risk)
Rabobank London Branch Pension Fund Diversified Growth Fund (Medium risk)
Rabobank London Branch Pension Fund Diversified Growth Fund (Low risk)
Rabobank London Branch Pension Fund Pre-Retirement Fund

Details of the blended funds asset allocation can be found in Appendix A.

### Default Investment Strategy

If a member does not make an active decision regarding their investments, their contributions (including those from the employer) to the Plan will be automatically invested in line with the Default Lifestyle Approach, which transitions from the Higher Risk blended fund to the Pre-retirement Fund over a 15-year period. See Appendix B for further details.

#### The aims of the default investment option

The Lifestyle Approach manages investment and other risks through a strategic asset allocation which changes over time, consisting of equities (with currency hedging) and fixed interest securities. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. Any investment in derivative instruments contributes to risk reduction, or efficient portfolio management (e.g. currency derivatives to reduce the exposure to fluctuations in exchange rates).

In designing the default investment option, the Trustee has explicitly considered the trade-off between risk and expected returns.

If members wish to, they can opt to choose their own investment strategy at any time.

Assets in the default investment option are invested in the best interests of members and beneficiaries, taking into account the profile of members.

Assets in the default investment option are invested in a manner which aims to ensure the security, quality, liquidity and profitability of a member's portfolio as a whole.

Assets are invested mainly in regulated markets (those that are not, are kept to prudent levels).

#### Policies in relation to the default option

In addition to the Trustee's investment aims and objectives (covered in Section 4), the Trustee believes that:

The growth phase structure of the Lifestyle Approach, will provide investment growth and some protection against inflation erosion.

As a member's pot grows, investment risk will have a greater impact on member outcomes. Therefore, the Trustee believes that a default investment option that seeks to reduce investment risk as the member approaches retirement is appropriate.

Based on the understanding of the Plan's membership, the Trustee believes after considering advice, an investment strategy that targets annuity purchase and a tax-free cash lump sum (up to 25% of a members' pot) at retirement is no longer appropriate in order to meet a typical member's requirements for income in retirement. Therefore the default investment strategy was designed and introduced to better reflect the requirements of the Plan's membership and to provide a solution that does not target one specific method of members accessing their benefits at retirement.

This does not mean that members have to take their benefits in this format at retirement - it merely determines the default investment option that will be in place pre-retirement. Members who intend to take their retirement benefits through a specific method have the option of choosing their own investment strategy.

Taking into account the demographics of the Plan's membership and the Trustee view of how the membership will behave at retirement, the Trustee believes that the current default investment option whilst appropriate following continual review over time; should now be either amended via an increase in growth assets and a shortening of the lifestyle de-risking period, or with a transition to a master trust.

## Alternative Lifestyle Strategies

There are four alternative Lifestyle Approaches also available to members. The Trustee has designed these to reflect a consistent risk profile to that of the Default Lifestyle Approach but with alternative retirement objectives. We set out details of these four strategies below:

### **Annuity Lifestyle Strategy**

This investment strategy was designed and introduced to provide a solution that targets taking 25% of the fund as a tax-free cash lump sum and the purchase of an annuity at retirement.

### **Cash Lifestyle Strategy**

This investment strategy was designed and introduced to provide a solution that targets taking benefits as a one off or series of lump sums (25% of which will be tax free).

### **Income Drawdown Lifestyle Strategy**

This investment strategy was designed and introduced to provide a solution that targets keeping the fund invested in retirement to be accessed through a drawdown product.

### **Income Drawdown Plus Cash Lifestyle Strategy**

This investment strategy was designed and introduced to provide a solution that targets taking 25% of the fund as a tax-free lump sum and keeping the remaining fund invested in retirement to be accessed through a drawdown product.

Further details about the alternative lifestyle strategies can be found in Appendix C.

In addition, there are two further variants of the default lifestyle strategy:

- Higher risk lifestyle strategy
  - This strategy is a higher risk version of the default strategy and maintains the member's Personal Fund within the Rabobank London Branch diversified growth fund (Higher Risk) until 5 years from their Target Retirement Age.

- Lower risk lifestyle strategy
  - This strategy is a lower risk version of the default strategy and maintains the member's Personal Fund within the Rabobank London Branch diversified growth fund (Lower Risk) until 5 years from their Target Retirement Age.

## Self-select options (Unit linked funds)

With effect from 21 July 2017, access to a wider range of stand-alone unit linked pooled funds was made available to Plan members via the LGIM investment only platform. The Baillie Gifford Multi Asset Fund has also been made available to members as a stand-alone choice since 9 December 2020.

There have been further changes made as follows since the previous July 2024 SIP:

- Following the passing of a resolution on 27th June 2025 the Baillie Gifford Multi Asset Growth Fund's name changed to the **Baillie Gifford Defensive Growth Fund** as a result of the merger of the Baillie Gifford Multi Asset Growth Fund into the Baillie Gifford Defensive Growth Fund.

The funds now available are:

Equity Funds	Bond Funds
LGIM Global Equity (50/50) Index Fund	LGIM Over 15 Year Gilts Index Fund
LGIM Global Equity (70/30) Index Fund	LGIM Over 5 Year Index-Linked Gilts Index Fund
LGIM Global Equity Currency Hedged (50/50) Index Fund	LGIM Active Aggregate All Stocks (50/50) Fixed Interest Fund
LGIM Rabobank Global Equity Fund (Global Equity Blend Fund)	LGIM Active Corporate Bond – All Stocks Fund
LGIM Ethical Global Equity Index Fund	<b>Multi-asset Funds</b>
LGIM UK Equity Index Fund	LGIM Dynamic Diversified Fund 3
LGIM UK Smaller Companies Index Fund	LGIM Retirement Income Multi-Asset Fund
LGIM North America Equity Index Fund	Baillie Gifford Defensive Growth Fund
LGIM Europe (ex-UK) Equity Index Fund	<b>Lifestyle Blended Funds</b>
LGIM Japan Equity Index Fund	LGIM Rabobank Diversified Growth Fund (Higher Risk)
LGIM Asia Pacific (ex-Japan) Developed Equity Index Fund	LGIM Rabobank Diversified Growth Fund (Medium Risk)
LGIM World Emerging Markets Equity Index Fund	LGIM Rabobank Diversified Growth Fund (Low Risk)
HSBC Amanah Fund	LGIM Rabobank Pre-retirement Fund
<b>Other Funds</b>	LGIM Rabobank Annuity Fund
LGIM Property Fund	
LGIM Cash Fund	
LGIM UK Treasury Bills Fund	

L&G passively manages 14 of the available funds with the aim of tracking the performance of the relevant index. The HSBC Amanah Fund is also passively managed.

The following funds are actively managed:

Fund	Benchmark	Performance target
LGIM Active All Stocks (50/50) Fixed Interest Fund	50% FTSE A Government (All Stocks) Index  50% iBoxx £ Non-Gilt Index	1% p.a. (gross) over rolling three year periods
LGIM Active Corporate Bond – All Stocks Fund	Boxx £ Non-Gilt Index	0.75% p.a (gross) over rolling three and five year periods
LGIM Property Fund	IPD All Balanced Property Funds	To outperform the benchmark over rolling three and five year periods
LGIM Cash Fund	7 Day LIBID <sup>1/2</sup>	To match the median returns of similar cash funds without incurring excessive risk
LGIM UK Treasury Bills Fund	7 Day LIBID <sup>2</sup>	To return a low risk return relative to the benchmark <sup>3</sup>
LGIM Dynamic Diversified Fund	B of E Base rate +4.5% T-1	The long-term expected annualised rate of return for this Fund is the Bank of England Base Rate +4.5% per annum, over a full market cycle.
LGIM Retirement Income Multi-Asset Fund	B of E Base rate +3.5% T-1	Provide long-term investment growth up to and during retirement, and to facilitate the drawdown of retirement income.
Baillie Gifford Defensive Growth Fund	Annualised return over rolling five-year periods that is 3.5% more than UK Base Rate; a positive return over rolling three-year periods; and annualised volatility of returns over rolling five-year periods that is below 10%.	To achieve an attractive level of return over the long term and to deliver it with low volatility

1 – The objective of the fund is to match the median return of similar cash funds

2 – For monitoring purposes, the Trustee uses the stated benchmark index

3 – The fund does not specifically aim to track the benchmark

## 8. Monitoring

The Trustee will monitor the performance of the Plan's Investment Platform Manager against the agreed performance of the objective for each fund.

The Investment Adviser provides a quarterly investment performance report to the Trustee to analyse the performance of the Investment Managers. The report will include short-term performance (3 month and 1 year) but focus on and draw conclusions from the long-term time performance (3 and 5 year). The Trustee will seek to also ensure that the Investment Manager's remuneration via the AMC delivers value in relation to the performance delivered as outlined below.

The Trustee will undertake regular reviews (at least annually) of the Investment Platform Manager to consider whether they are continuing to carry out their work competently and continue to have the appropriate knowledge and experience to manage the assets of the Plan.

In any event the Trustee will formally review the progress and performance of the Investment Platform Manager every three years. As part of this review, the Trustee will consider whether or not the Investment Platform Manager:

- is carrying out its work competently;
- has regard to the need for diversification of investments;
- has regard to the suitability of each investment and each category of investment; and
- has been exercising its powers of investment with a view to giving effect to the principles contained in this SIP, so far as is reasonably practical

### **Investment Manager**

In addition to the monitoring set out above, the Trustee will further monitor the underlying investment managers through the following processes:

- **Passive manager remunerations** – The majority of funds utilised by the Plan are passively managed. Managers are remunerated through the member's Annual Management Charge. The Trustee ensures that remuneration remains appropriate through ensuring they align with the broader passive management market while continuing to deliver in line with their stated objective, with particular focus on the medium to long-term strategy of the manager. This approach ensures the managers continue to align with the policies set out in this SIP.
- **Active manager remunerations** – Where funds are actively managed, managers are also remunerated through member's Annual Management Charge. Each active manager is currently remunerated on a fixed basis (i.e. no performance-related charging). The Trustee monitors the investment performance, underlying portfolio and asset allocation with a focus on medium to long-term decision making of the manager. Where the manager forms part of the default investment strategy, the Plan's Investment Adviser engages directly with the manager to understand its future strategy and drivers of past performance. This approach ensures the managers continue to align with the policies set out in this SIP.
- **Portfolio turnover** – The Trustee delegates underlying portfolio decisions to the investment manager without restriction. However, the Trustee reviews turnover costs as part of its annual process to assess transaction costs over each Plan Year. The Trustee will assess via their Value for Members analysis whether the level of turnover costs has provided value to its membership in the context of the investment manager's objective and performance. Within the review of actual portfolio turnover, the Trustee shall also have regard to the manager's targeted portfolio turnover.
- **Stewardship** - From October 2020 onwards, the Trustee has on a quarterly and on an annual basis gathered information on how the Investment Manager has exercised their stewardship, including how they exercise their voting rights and engagement with bond and equity issuers. The Trustee will

continue to report in its Implementation Report annually whether it believes the manager continues to act in line with Section 5 of this Statement of Investment Principles and the objective of the Investment Managers fund(s).

Should the Trustee, working with its adviser, have any concerns that the funds are not performing in line with the policies set out within this SIP or that the level of remunerations is inappropriate the Trustee would engage with the manager in the first instance. If required, the Trustee would review and replace a manager that was not meeting the policies within this SIP, with a focus on ensuring the Scheme's investment managers deliver in the medium to long-term time horizon appropriate to the Scheme membership.

### **Advisers**

The Trustee will monitor the advice given by an Investment Adviser on a regular basis.

### **Trustee**

The Trustee will monitor all the decisions they take by maintaining a record of all decisions taken, together with the rationale in each case.

### **Other**

The Trustee will review this SIP regularly (at least triennially) and modify it if deemed appropriate, in consultation with the Principal Employer and an Investment Adviser.

## 9. Charges

A total expense ratio TER is an annual fee levied on the members to cover the costs of managing their funds. It is calculated as a percentage of the value of the fund.

The TER for the unit-linked funds are currently as follows:

<b>Fund</b>	<b>TER</b>
Global Eqty 70:30 Index	0.160%
Global Equity FW 50:50 Index	0.165%
UK Equity Index	0.100%
UK Smaller Companies Index	0.250%
Ethical Global Equity Index	0.300%
North America Equity Index Fund	0.200%
Europe (ex-UK) Equity Index Fund	0.250%
Japan Equity Index	0.225%
Asia Pac exJap Dev Ind	0.275%
World Emerging Markets Equity Ind	0.450%
Active Agg All Stks 50:50 Fxd Int	0.200%*
Over 5y Index-Linked	0.100%
Managed Property	0.700%
Cash	0.125%
Over 15y Gilts Index	0.100%
Active Corp Bond - All Stocks	0.200%
UK Treasury Bills Fund	0.125%
Dynamic Diversified Fund	0.500%
Retirement Income Multi-Asset Fund	0.350%
HSBC Amanah	0.230%**
Baillie Gifford Defensive Growth Fund	0.35%***

\*Fee effective from 1 December 2023

\*\*Effective date of fee change, 21 November 2022

\*\*\*Effective date of fee (and fund name) change, 27 June 2025

## Blended Funds

Current blended fund charges are as follows:

<b>Fund</b>	<b>TER</b>
Rabobank London Branch Pension Fund Global Equity Fund	0.153%
Rabobank London Branch Pension Fund Global Equity Currency Hedged (50:50)	0.145%
Rabobank London Branch Pension Fund Diversified Growth Fund (Higher risk)	0.2575%*
Rabobank London Branch Pension Fund Diversified Growth Fund (Medium risk)	0.2585%*
Rabobank London Branch Pension Fund Diversified Growth Fund (Low risk)	0.3045%*
Rabobank London Branch Pension Fund Pre-Retirement Fund	0.1898%*
Rabobank London Branch Pension Fund Annuity Fund	0.125%

\*Reduced fee with effect from 27 June 2025 following the changes to the Baillie Gifford charge

# 10. Declaration

The Trustee confirms that this SIP reflects the investment strategy they have implemented for the DC section under the Plan. The Trustee acknowledges that it is its responsibility, with guidance from the Investment Adviser, to ensure the assets of the DC section are invested in accordance with these principles.

**SIMON RIVIERE**.....

Signed

On behalf of the Trustee of the Rabobank London Branch Pension Fund

**ALEX DAVIES**.....

Signed

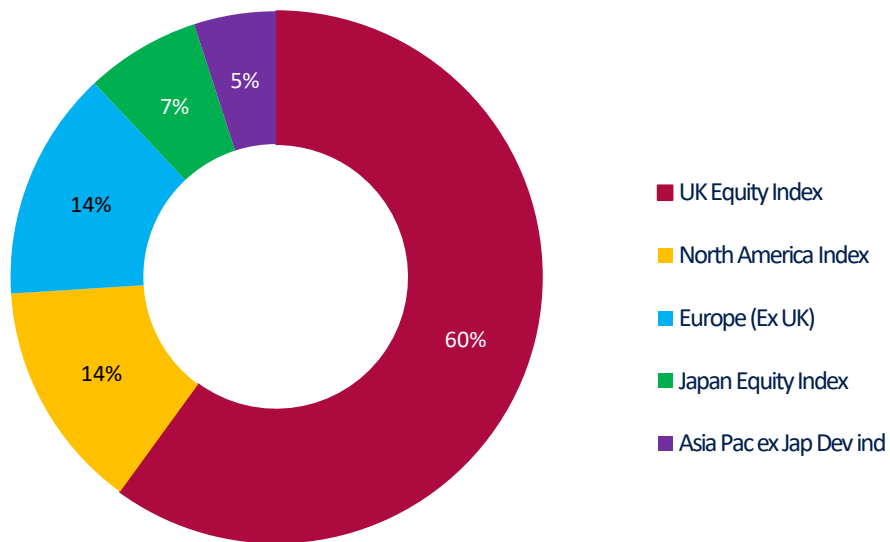
On behalf of the Trustee of the Rabobank London Branch Pension Fund

Date: **FEBRUARY 2026**.....

# Appendix A – Blended funds asset allocation

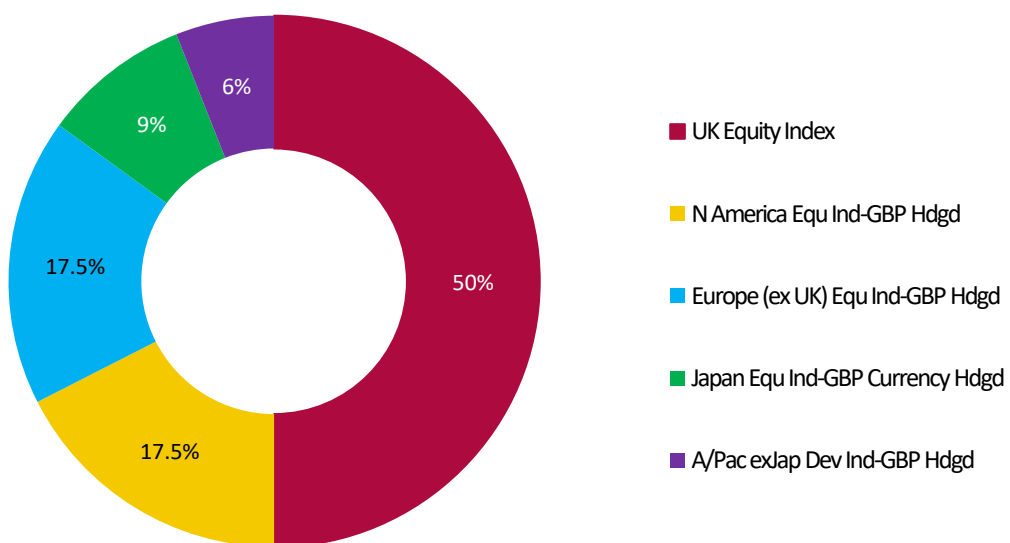
## Rabobank Global Equity Fund

### Fund allocation



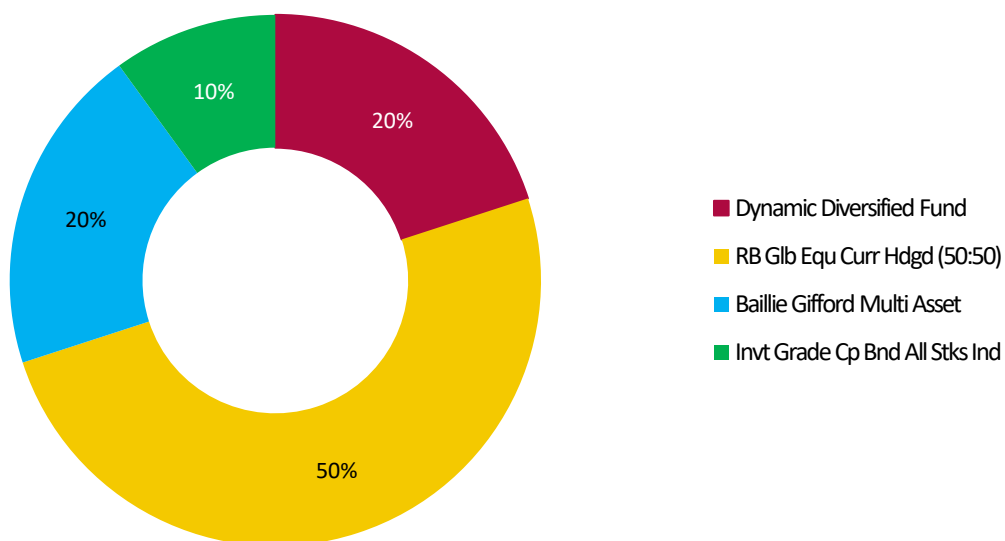
## Rabobank Global Equity Currency Hedged (50:50) Index

### Fund allocation



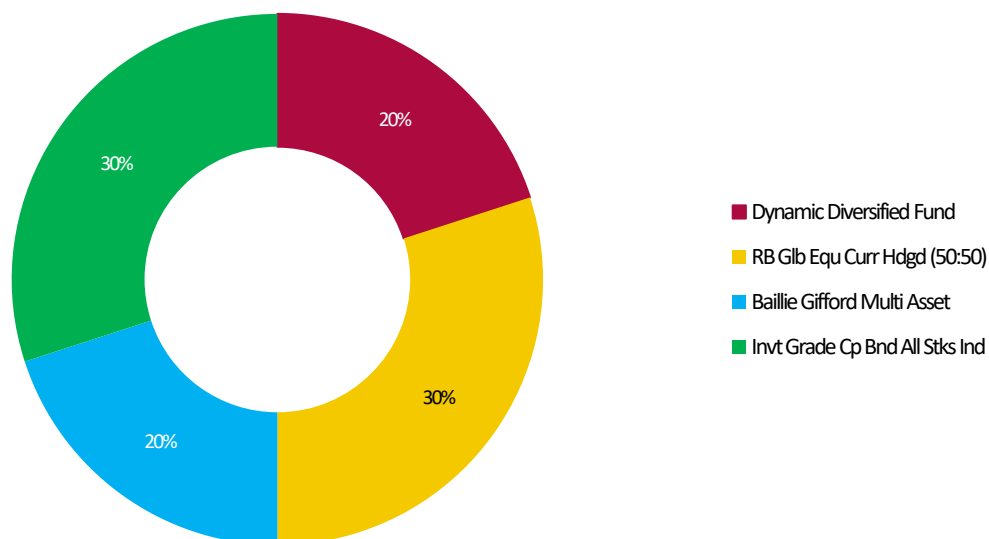
## Rabobank Diversified Growth Fund (Higher Risk)

### Fund allocation



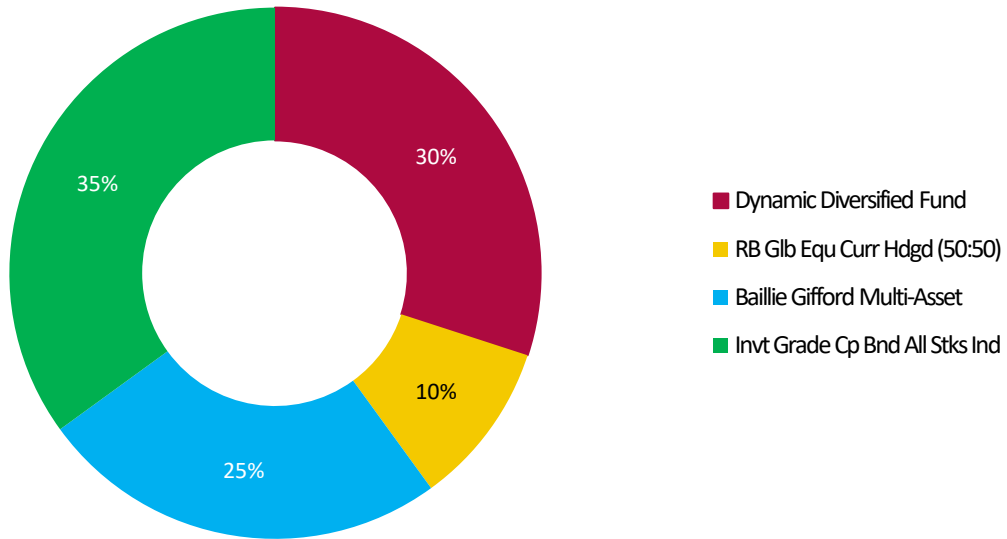
## Rabobank Diversified Growth Fund (Medium Risk)

### Fund allocation



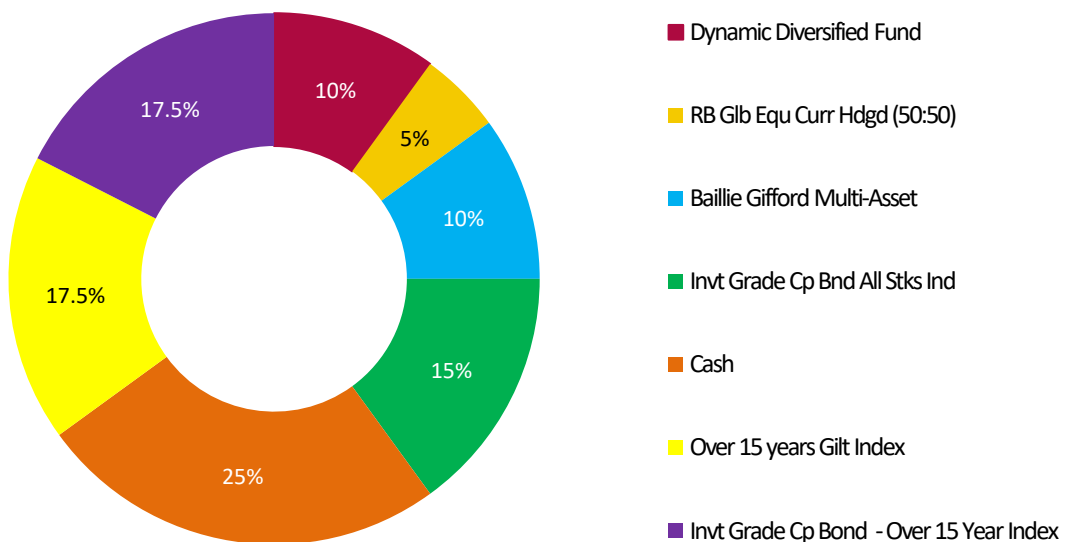
## Rabobank Diversified Growth Fund (Low Risk)

### Fund allocation



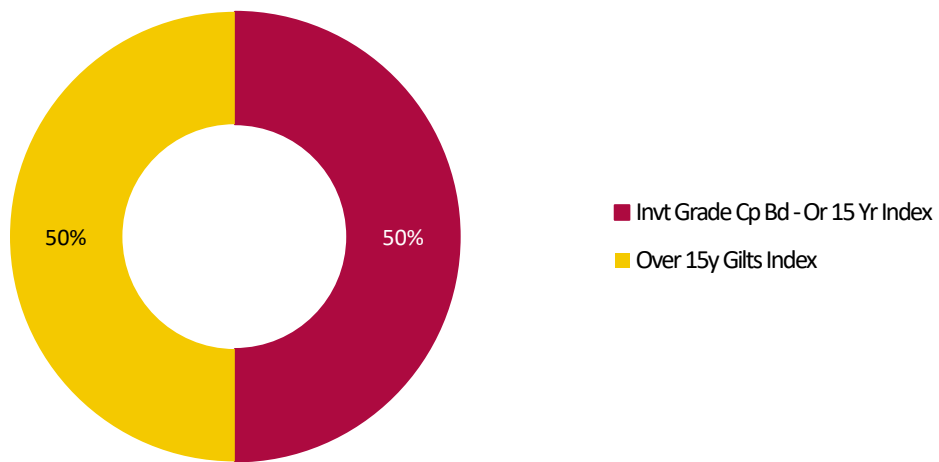
## Rabobank Pre-Retirement Fund

### Fund allocation

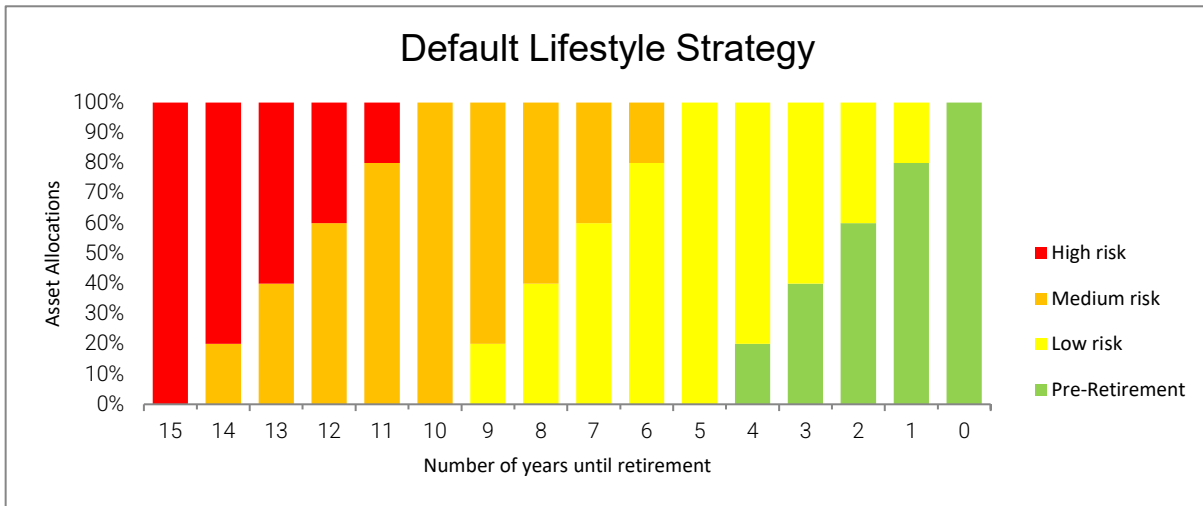


## Rabobank Annuity Fund

### Fund allocation

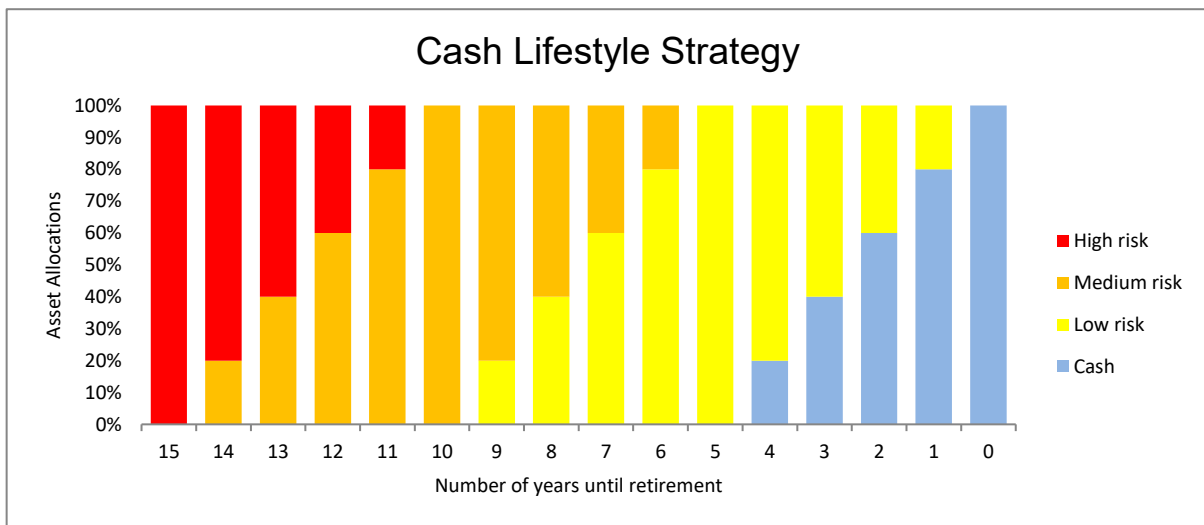
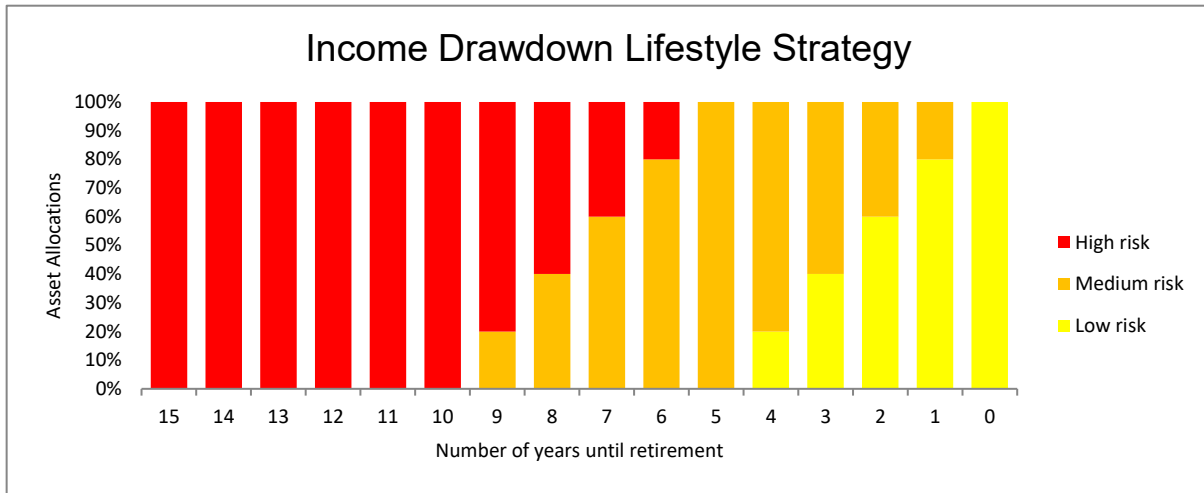


# Appendix B – Default investment strategy



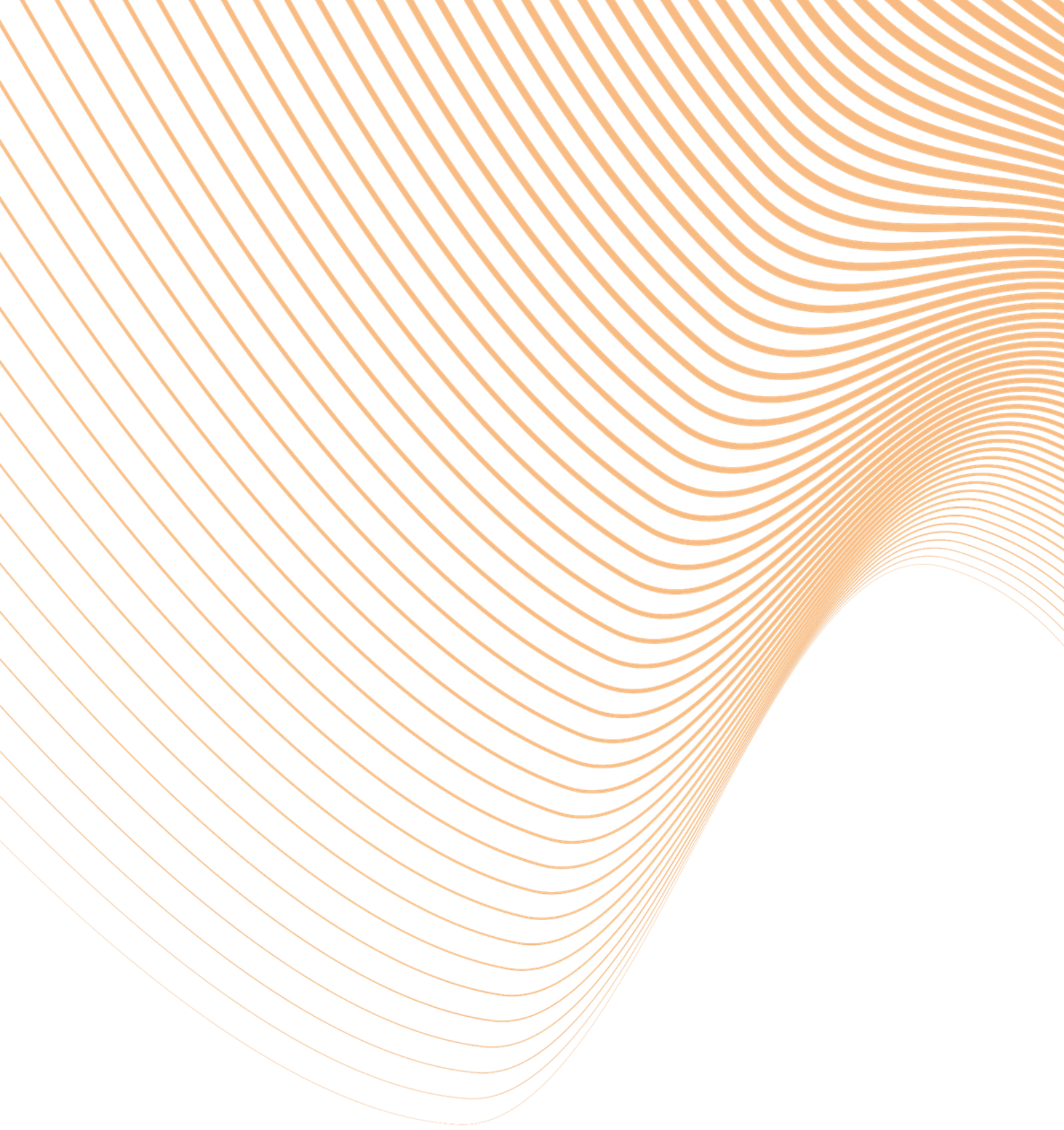
	Years until retirement															
Fund mix	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0
High risk	100%	80%	60%	40%	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Medium risk	0%	20%	40%	60%	80%	100%	80%	60%	40%	20%	0%	0%	0%	0%	0%	0%
Low risk	0%	0%	0%	0%	0%	0%	20%	40%	60%	80%	100%	80%	60%	40%	20%	0%
Pre-Retirement	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	20%	40%	60%	80%	100%

# Appendix C –Alternative lifestyle strategies



### Lower Risk Lifestyle Strategy





Second Sight is a trading name of Foster Denovo Limited, which is authorised and regulated by the Financial Conduct Authority. Registered Office: Foster Denovo Limited, Ruxley House, 2 Hamm Moor Lane, Addlestone, Surrey, KT15 2SA. Telephone: 01932 870 720 Email: [info@fosterdenovo.com](mailto:info@fosterdenovo.com) Website: [www.fosterdenovo.com](http://www.fosterdenovo.com) | SS\_IR\_0923.