

## **Mettler Toledo Pension Scheme**

### **Default Statement of Investment Principles (“SIP”) in Respect of Utmost Assets**

The Trustees have created a new “technical” default arrangement, as per the broader definition of a default in the Occupational Pension Scheme (Preservation of Benefit and Charges and Governance) (Amendment) Regulations 2018. As the Scheme has a DC arrangement (the “DC Section”), this requires the Trustees to produce this “Default Statement of Investment Principles”.

The Trustees’ investment policies that are not explicitly mentioned in this Appendix are in line with those outlined in the main SIP. In line with regulatory requirements, the Trustees will continue to review the following over time.

#### *Aims, Objectives and Policies*

The aims, objectives and policies of each fund utilised within the default investment strategy are considered in more detail in the following pages. The Trustees have focussed on what they consider to be ‘financially material considerations’. The Trustees believe the appropriate time horizon over which to assess these considerations should be viewed at a member level. This will be dependent, for example, on the member’s age and when they expect to retire.

### **Utmost Life and Pensions Limited (‘Utmost’)**

#### **Investing by Age Journey**

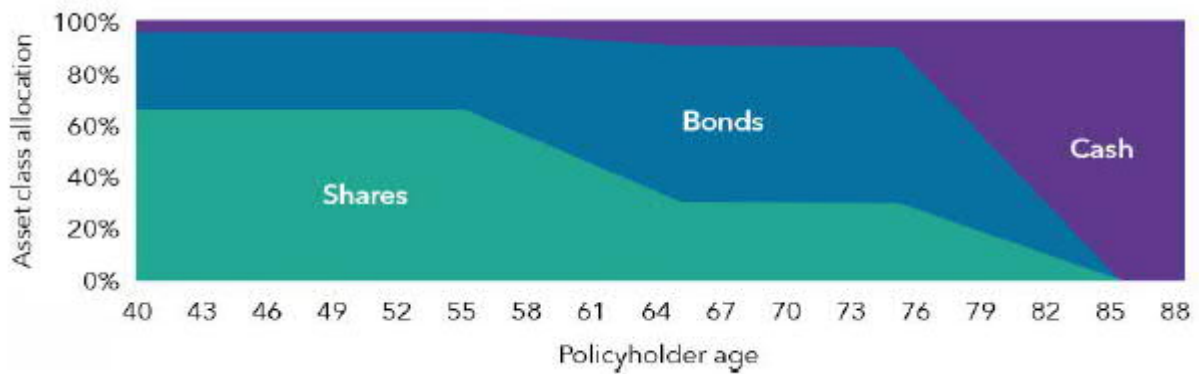
**Assets previously held in the Equitable Life With Profits Fund were transferred into the Utmost Secure Cash Fund without members’ consent. This occurred as part of the transfer of the Equitable Life Assurance Society’s UK policies to Utmost. From 1 July 2020, the assets were gradually moved into the “Utmost Investing by Age Journey” strategy, again without members’ consent, a consequence of the closure of the Secure Cash fund on 30 June 2020. The transition will take place over a 6 month period. This affects two members of the Scheme.**

#### Investing by Age Journey

The Investing by Age Journey takes into account a member’s current age and aims to grow savings by investing in equities at younger ages. The Strategy then de-risks by investing in bonds and cash as the member approaches retirement. A range of Utmost self-select funds were made available to members.

The asset allocations are shown in the chart below. The strategy does not take into account the age at which the member intends to retire.

Investing by Age Journey					
	To 55	55-65	65-75	75-85	Over 85
Growth Phase: Multi Asset Moderate	100%	100% to 0%	0%	0%	0%
Defensive Phase: Multi Asset Cautious	0%	0% to 100%	100%	100% to 0%	0%
Cash Phase: Money Market	0%	0%	0%	0% to 100%	100%



Other policies are in line with the main DC Section.

### Risk

The Trustees have considered risks from a number of perspectives. The list below is not exhaustive but covers the main risks that the Trustees consider and how they are managed.

<b>Risk</b>	<b>How it is managed</b>	<b>How it is measured</b>
<b>Market Risk</b>	The strategy will predominantly be invested in shares at younger ages. The strategy then gradually invests in bonds and cash as the member gets older.	The Trustees will monitor the performance of this strategy and underlying funds, which are managed by JP Morgan Asset Management.
<b>Inflation Risk</b>	The strategy is not aiming to keep pace with inflation.	The Trustees will monitor the performance of the strategy, and will ensure members are aware of the strategy's objectives.
<b>Counterparty Risk</b>	Underlying investments are considered in line with the main DC Section.	In line with the main DC Section.
<b>Operational Risk</b>	In line with the main DC Section.	In line with the main DC Section.
<b>Liquidity Risk</b>	In line with the main DC Section.	In line with the main DC Section.
<b>Valuation Risk</b>	In line with the main DC Section.	In line with the main DC Section.
<b>Environmental, Social and Governance Risk</b>	In line with the main DC Section.	In line with the main DC Section.
<b>Manager Skill / Alpha Risk</b>	In line with the main DC Section.	In line with the main DC Section.

### **Members' Interests**

The Investing by Age Journey Fund is designed to meet its objective as outlined above.

The underlying Utmost Multi Asset Funds are managed by JP Morgan Asset Management (JPMAM). Under this approach, members are also able to move away from the default strategy at any time, without explicit charge, and have access to a range of unit linked funds at Utmost. Members can construct their own strategy depending on their own risk appetite.