

International Planned Parenthood Federation Central Office Pension Fund (the Scheme)

Investment Implementation Policy

August 2024

Purpose of the policy

This Investment Implementation Policy provides details about the Scheme's investment strategy and should be read in conjunction with the Statement of Investment Principles dated August 2024.

Investment strategy implementation

Use of an investment platform

The Scheme's assets are invested in pooled funds, all of which are held via an investment platform operated by Mobius Life.

Growth Assets – pooled funds

The Scheme's Growth Assets are invested in the following funds:

Asset class	Fund
Equity	LGIM Future World Global Equity Index Fund
Equity	LGIM Future World Global Equity Index Fund – GBP Hedged
Diversified Credit	M&G Total Return Credit Investment Fund

Matching Assets – pooled funds

The Scheme's Matching Assets are invested in Insight's LDI Partially Funded Gilts and Index-Linked Gilts funds and an LGIM Active Corporate Bond fund.

The Matching Assets are designed to match 94% of the liability sensitivity to changes in interest rates and inflation (with the liabilities measured on a SFO basis).

Strategic asset allocation

The strategic split of the Scheme's Growth assets between the funds used to implement the investment strategy is:

Asset class	Funds	Strategic allocation
Equity	LGIM Future World Global Equity Index Fund LGIM Future World Global Equity Index Fund – GBP Hedged	59%
Diversified Credit	M&G Total Return Credit Investment Fund	41%
Total		100%

The strategic allocation for the Liability Matching Assets is as follows:

Asset class	Fund(s)	Strategic allocation
LDI	Insight LDI Partially Funded Gilt Funds Insight LDI Partially Funded Index-Linked Gilt Funds	53%
Corporate Bonds	LGIM Active Corporate Bond Over 10 Year Fund	47%
Total		100%

The allocation of the Growth and Matching Assets is not regularly rebalanced and will fluctuate as market conditions change.

The Insight LDI funds are leveraged Liability Driven Investment (LDI) funds which are designed to match the sensitivity of a pension scheme's liabilities to changes in gilt yields and inflation.

Cashflow management

Unless the Trustee instructs otherwise, disinvestments from the Scheme's assets will be structured to move the overall allocation of the Scheme's Growth Assets closer to the strategic allocation.

LDI leverage management policy

As gilt yields and expectations of future inflation fluctuate, the leverage of an LDI fund will change. The LDI fund manager will monitor leverage to ensure it remains within a permissible range and, if the leverage moves towards either extreme of the range, the manager may:

- require a recapitalisation payment be paid into the LDI fund to reduce leverage; or
- make a releveraging payment out of the LDI fund to increase leverage.

The Trustee has provided Mobius with authority to fund any LDI recapitalisation payments requested by surrendering units from funds in the following order:

1. M&G Total Return Credit Investment Fund
2. LGIM Future World Global Equity Index Fund
3. LGIM Future World Global Equity Index Fund – GBP Hedged

If a releveraging payment is made from any of the LDI funds, the Trustee has provided Mobius with authority to invest the proceeds in the M&G Total Return Credit Investment Fund.

Fund details

Below is a summary of the funds used to implement the Scheme's investment strategy. The details provided below were correct as at June 2024.

The following points should be noted:

- **AMC:** The Annual Management Charge applicable to each fund represents the fee payable to the fund manager and includes the Mobius Life platform fee.
- **Additional expenses:** These are third party costs associated with the operation of a fund such as fees paid to the administrator, the custodian and the auditor and the costs associated with the use of third-party funds where these are used. The level of the additional expenses may vary over time.

Fund	LGIM Future World Global Equity Index Fund	LGIM Future World Global Equity Index Fund – GBP Hedged
Objective	The investment objective of the fund is to track the performance of the Solactive L&G ESG Global Markets Index (less withholding tax where applicable) to within +/-0.60% p.a. for two years out of three.	The investment objective of the fund is to track the performance of the Solactive L&G ESG Global Markets –Index - GBP Hedged (less withholding tax where applicable) to within +/-0.60% p.a. for two years out of three.
Liquidity	These funds are daily dealt.	
AMC	0.145%	0.170%
Additional expenses (approx.):	0.00%	0.00%

M&G Total Return Credit Investment Fund	
Objective	To provide a return of SONIA plus 3.0% - 5.0% p.a. (gross of fees)
Liquidity	This fund is daily dealt.
Fee	AMC: 0.45%
	Additional Expenses (approx.): 0.00%

Insight LDI Partially Funded Gilt & Index-Linked Gilt Funds	
Objective	To deliver nominal (and inflation-linked) returns through primarily investing in UK government gilts and index-linked gilts, on a leveraged basis. Due to the leveraged nature of the funds, every £1 invested in the funds provides more than £1 worth of exposure to the underlying gilts.
Liquidity	These funds are daily dealt.
Fee	<p>The cost of each fund is determined by the exposure value of units held. The AMC for each fund is the leverage of the fund multiplied by 0.06% per annum. In addition, Mobius Life charges a flat platform fee on the value of assets held of 0.075% per annum.</p>
	<p>Additional Expenses (approx.): 0.00%</p>

LGIM Active Corporate Bond Over 10 Year Fund	
Objective	To outperform the iBoxx Sterling Non-Gilts Over 10 Years Index by 0.75% p.a. (gross of fees) over a three year rolling period.
Liquidity	This fund is daily dealt.
Fee	AMC: 0.25%
	Additional Expenses (approx.): 0.00%