

Pinnacle Pension Scheme (“the Scheme”)

Statement of Investment Principles

Pi Consulting (Trustee Services) Limited (“PTS”), the trustee of the Scheme, has drawn up this Statement of Investment Principles (“the Statement”) to comply with the requirements of section 35 of the Pensions Act 1995 (“the Act”) and subsequent legislation.

PTS was appointed by the Pensions Regulator on 13th March 2020 as the sole trustee of the Scheme.

Following our appointment we have established that the previous trustees invested the bulk of the assets of the Scheme in storage pods. As Trustee we have not seen any evidence that they took any professional independent regulated advice on these investments, nor that they have previously produced a Statement of Investment Principles.

The investments are unregulated and are potentially illiquid, difficult to value and market. Before attempting to realise the value of the investments PTS need to establish title to the properties.

The investment strategy implemented by the previous Trustees does not comply with the requirements of the Occupational Pension Schemes (Investment) Regulations 2005. These require:-

- assets of the Scheme must consist predominantly of investments admitted to trading on regulated markets.
- investment in assets which are not admitted to trading on such markets must in any event be kept to a prudent level.
- Assets must be properly diversified in such a way as to avoid excessive reliance on any particular asset to avoid excessive risk concentration.

A small cash balance is held on deposit with a regulated bank.

Environmental, Social and Governance (“ESG”) Issues

PTS believes that ESG issues may have a material impact on investment risk and return outcomes and that good stewardship can create and preserve value for companies and markets as a whole. PTS also recognises that long-term sustainability issues including, but not confined to, climate change present risks and opportunities that may require explicit consideration. PTS considers these issues in the context of the anticipated time horizon over which the assets will be held.

We have not found any evidence that ESG factors were considered in setting the investment policy for the Scheme. The priority is to realise the investments for cash as soon as possible and, bearing in mind that the cost of any advice would be borne by members’ notional accounts within the Scheme, PTS does not consider that it would be in members’ interests to incur these costs at the present time.

PTS will monitor compliance with this Statement as appropriate, and take regulated advice as required.

Signed by Nigel Hill on behalf of

The Trustee of the Pinnacle Pension Scheme
12th June 2020