



ICI Pension Fund

Trustee Director Role Description

Fundamental purpose

To ensure members receive their benefits in accordance with the Trust Deed and Rules and the law and that, as far as possible, sufficient assets are available and contributions paid to enable this fundamental objective to be met.

Background

The Trust Deed and Rules of the Fund set out what benefits are to be provided to members and the powers that the Trustee has in relation to the Fund.

Trustee Directors are not expected to be pension experts and in order to carry out their responsibilities they must seek, and make decisions based on appropriate professional advice. By law, all Trustee Directors must build up and maintain a certain level of knowledge and understanding of both the Fund and pensions in general. New Trustee Directors are not required to have this knowledge when they are first appointed, but are expected to build it up rapidly and keep it up-to-date.

The Trustee is ultimately responsible for setting the strategic direction and administering the Fund in accordance with the Trust Deed and Rules, the law of trusts and pensions legislation.

A full time Secretariat (Pensecserv) carries out the day to day running of the Fund on behalf of the Trustee and provides all strategic support services. In addition, the Trustee Directors have access to a number of external advisers such as the Fund's actuary, legal advisers and investment specialists to assist their decision making.

Trustee Directors must be able to dedicate sufficient time and be flexible to attend essential meetings, sometimes at short notice. The time commitment is about 30 days a year (although it may be more in the first year) including attendance at meetings, preparation

and training. Meetings are usually held in London or Southeast England and may require overnight stays if Trustee Directors do not live within an easily commutable distance.

Principle accountabilities

As part of the Trustee Board and as a member of certain work groups:

- **Benefits** - Work to ensure that members' benefits are always paid in accordance with the trust deed and rules and with applicable laws.
- **Funding** - Reduce reliance on Company by negotiating contributions and strengthening funding principles over time in order to clear any deficit as soon as affordable.
- **Investment and the Management of Risk** - Work to ensure that the Fund is able to provide the benefits set out in the Trust Deed by optimising the return on a diversified portfolio of assets, taking account of the Fund's liabilities, and its tolerance of risk given the Trustee's evaluation of the strength of the covenant of the Principal Employer.
- **Capability and Operational Effectiveness** - Work collaboratively with other Trustee Directors, Pensecserv, advisers and service providers to ensure that the Fund is run to very high standards for the benefit of its members.
- **Governance** - Ensure that the Fund is governed effectively and complies with the principles and practice of good governance and applicable laws. Take part in the selection and monitoring of appropriate advisers and service providers.
- **Communications** - Ensure that appropriate communications are made with members to help them understand their rights within the Fund and understand how changes of legislation relating to pensions may affect them.

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Special features

Trustee Directors need to:

- Keep all Trustee Board business confidential and to be able to recognise conflicts of interest and take appropriate action.
- Act impartially, prudently and honestly and in the best interests of all beneficiaries in accordance with the Trust Deed and Rules.
- Develop a good working knowledge of the Fund's key documents, such as the Trust Deed and Rules, investment strategy, funding position, Fund accounts, in order to be able to contribute actively at meetings.
- Work as part of a close team but be willing constructively to challenge other colleagues and advisers in order to assist thorough discussion and good decision making.
- Continue to develop a rounded set of skills and experience in order to be able to make an increasingly valuable contribution to the work of the Trustee Board.
- Be comfortable using computers and other relevant IT systems, because the Board uses technology to improve efficiency and largely eliminate the use of paper documents.