

Role of a Trustee

The role of a pensions trustee is to ensure that the Scheme is administered properly and in particular that:

- the Scheme is administered and carried on as required by law, including the Trust Deed and Rules and other Scheme documents;
- members receive on an ongoing basis the benefits to which they are entitled and that proper records are kept;
- all contributions due are received from the Company and the members;
- the Scheme's assets are invested and managed prudently for the benefit of members;
- annual accounts are prepared and audited properly;
- the Scheme has an adequate funding strategy on the basis of independent actuarial advice;
- any other statutory requirements are met; and
- they act in the best interests of all members of the Scheme and their beneficiaries.

Trustees are required to familiarise themselves with the Scheme's Trust Deed and Rules and keep themselves informed about topical pensions issues.

All Trustees have the same powers, duties and responsibilities whether they are selected by the Company or the members.

Being a Trustee

A Trustee's role is demanding and should not be taken lightly. Trustees are expected to:

- make themselves familiar with the Trust Deed and Rules, other governing documentation, the Plan's investments and other relevant matters;
- carry out their duties as a conscientious, honest and prudent person would in dealing with their own affairs;
- act impartially between all classes of members;
- not delegate their duties except where permitted by law or the Scheme Rules;
- obtain and consider expert advice in areas where they are not expert;
- take steps to collect all money owing to the Scheme;
- keep proper accounts of the trust property.

Legislation imposes on trustees of occupational pension schemes a greatly increased responsibility to ensure that individually and collectively they have appropriate knowledge and understanding of the issues involved in pension funds and of the role of the trustee. This includes, but is not limited to:

- the law relating to trusts;
- the law relating to pensions;
- Scheme documentation;
- Investment, including characteristics of different asset classes, asset allocation, benchmarks, manager selection, performance evaluation and controls;
- Scheme liabilities; and
- Funding requirements, including assessment of employer covenants.

The Trustee has signed a Memorandum of Understanding and Trustee Charter with the Company and has defined the role of a Trustee. Any member interested in being nominated should seek copies of these documents from Tristan Claffey.

Further details of the general responsibilities of trusteeship can be found in the "Guidance for trustees" issued by The Pensions Regulator at www.thepensionsregulator.gov.uk

Trustee training requirements

For newly appointment Trustees the training requirements are;

- Completion of The Pension Regulator's Trustee toolkit within six months of appointment;
- Attendance at a one day basic Trustee training course within six months;
- Attendance at an advanced Trustee training course within 12 months

For existing Trustees:

- Completion of any periodic updates of The Pension Regulator's Trustee toolkit; Completion of 25 hours of relevant continued professional development (CPD) each calendar year. A minimum of 12 hours of this must be structured CPD. Structured CPD is a formal learning activity designed to meet a specific learning outcome. CPD is generally obtained by attending Babcock specific pension training days or courses, attending pension conferences, watching webinars, attending pension seminars and reading pension publications.

If you are interested in becoming a Trustee in the future and would like to find out when an opening will become available to apply, or you would like more information about the role please contact:

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