

Pension Fund Investment Panel

Terms of Reference

The Investment Panel ("the Panel") provides expert professional advice to the Pension Fund Committee in relation to investment strategy. The Panel also supports the Head of Fund with the specialist advice required by the Lancashire County Pension Fund ("**the Fund**").

The Panel will:

- Review the Fund's long term investment strategy and where necessary make recommendations to the Pension Fund Committee.
- Advise on strategic and/or tactical asset allocations proposed by the **Local Pensions Partnership Ltd (LPPL)**.
- Restrict and control the range of asset allocations used by LPPL as set out in the Statement of Investment Principles.
- Consider appropriate risk management strategies to include the matching of pension liabilities with suitable investments, possibly involving derivatives, and where necessary make recommendations to the Pension Fund Committee.
- Consider foreign exchange hedging strategies relating to the equity and/or other asset allocations and where necessary make recommendations to the Pension Fund Committee.
- Monitor and review the investment activity; and
- Review and report on the performance of the Fund and where necessary make recommendations to the Pension Fund Committee.

The Panel does not exercise any delegated powers but instead will provide advice to the Head of the Fund who will either exercise his/her delegated powers or make recommendations to the Pension Fund Committee **taking account** of advice and views from the Panel.

The membership of the Panel comprises:

- (a) Head of Fund (as Chair); and
- (b) Not less than two independent advisers appointed in accordance with arrangements determined by the Pension Fund Committee

The Panel may operate through sub-groups to undertake **specific** tasks but will formulate recommendations to the Head of Fund and/or the Pension Fund Committee through meetings of the full Panel.

The Panel may **secure** specialist advice within allocated budgets.

The Panel will meet at least quarterly, or otherwise as necessary

At least one member of the Panel will attend the LPPL Investor's Forum on a 6 monthly basis.