Mono Pumps Limited Pension Scheme

Statement of Investment Principles

February 2022
## Contents

1 Introduction
   - Scheme background ............................................. 2
   - Regulatory requirements and considerations .................. 2

2 Statement of Investment Principles ............................ 3
   - Introduction .................................................. 3
   - Key investment principles .................................. 3

3 Appointments and Responsibilities ............................. 9

Appendix 1 – Strategic Benchmark and Objectives .......... 11
   - Scheme’s target asset allocation .................................. 11
   - De/re-risking adjustments to asset allocation .................. 11
   - Benchmarks and performance objectives ....................... 13

Appendix 2 – Fees ................................................... 14
   - Investment manager fees ....................................... 14
   - Investment consultancy fees ..................................... 14
1 Introduction

Scheme background

- This Statement of Investment Principles (the “Statement”) details the principles governing investment decisions for the Mono Pumps Limited Pension Scheme (the “Scheme”).

- The Scheme:
  - operates for the exclusive purpose of providing retirement and death benefits to eligible participants and beneficiaries,
  - provides benefits calculated on a defined benefit (DB) basis, and money-purchase AVCs,
  - is closed to new entrants.

Regulatory requirements and considerations

- This statement covers the requirements of, and the Scheme’s compliance with, the provisions of the Pensions Act 1995 (as amended) and the Occupational Pension Schemes (Investment) Regulations 2005 as well as additional non-statutory information recommended to be included following the Myners review of “Institutional Investing in the UK”, the results of which were first published in 2001 (referred to as the “Myners Principles”).

- The Myners Principles require Trustee Boards to act in a transparent and responsible manner. The information set out in this document helps ensure that the Trustee Directors of the Scheme (the “Trustees”) are complying with this requirement.

- In respect of the additional voluntary contributions provided on a money-purchase basis within the Scheme, the Trustees have taken into account the requirements and recommendations within the Pension Regulator’s DC code and regulatory guidance.
2 Statement of Investment Principles

Introduction

- This section of the Statement covers the requirements of the Pensions Act 1995 (as amended) and the Occupational Pension Schemes (Investment) Regulations 2005.

- In accordance with section 35 of the Pensions Act 1995, the Trustees have reviewed and considered written advice from their investment consultant, Willis Towers Watson, prior to the preparation of this Statement and have consulted the Sponsoring Employer.

- The Trustees will review this Statement, in consultation with the investment consultant and the Sponsoring Employer, at least once every three years, or more frequently if there are any significant changes in the Scheme’s circumstances or investment policy. However, ultimate power and responsibility for deciding investment policy lies solely with the Trustees.

Key investment principles

Kind of investments to be held

- The Trustees have full regard to their investment powers under the Trust Deed and Rules of the Scheme and the suitability of the various types of investments, the need to diversify, the custodianship of assets and any self-investment.

- The Scheme may invest in quoted and unquoted securities of UK and overseas markets including equities, fixed interest and index-linked bonds, cash, property, hedge funds and pooled investment vehicles considered appropriate for tax-exempt registered occupational pension schemes. The Trustees have considered the attributes of the various asset classes (including derivative instruments), these attributes being:
  - security (or quality) of the investment,
  - yield (expected long-term return),
  - spread (or volatility) of returns,
  - term (or duration) of the investment,
  - exchange rate risk,
  - marketability/liquidity (i.e., the tradability on regulated markets),
  - taxation.

- The Trustees consider all of the stated classes of investment to be suitable to the circumstances of the Scheme.

Investment decisions

- All investment decisions are taken by the Trustee Board as a whole. The Trustees believe that collective responsibility is the appropriate structure, given the size of the board, except for specific projects when an investment sub-committee may be set up. The Trustees will examine regularly whether additional investment training is desirable for any individual Trustee.

- All investment decisions relating to the Scheme are under the Trustees’ control without constraint by the Sponsoring Employer. The Trustees are obliged to consult with the Sponsoring Employer when changing this Statement.
• All day-to-day investment decisions are delegated to properly qualified and authorised investment managers of pension scheme portfolios appointed under section 36 of the Pensions Act 1995 and authorised under the Financial Services and Markets Act 2000. Investment management agreements and/or an insurance contract have been exchanged with the investment managers, and are reviewed from time-to-time to ensure that the manner in which they make investments on the Trustees’ behalf is suitable for the Scheme, and appropriately diversified.

**Investment objectives and suitability of investments:**

• The Scheme’s investment strategy has been agreed by the Trustees having taken advice from the investment consultant and takes due account of the Scheme’s liability profile along with the level of disclosed surplus or deficit.

• The Trustees’ agreed investment strategy is based on an analysis of the Scheme’s liability profile, the required investment return and the returns expected from the various asset classes over the long-term. Long-term returns from return-seeking assets are expected to exceed the returns from liability-matching assets, although returns and capital values may demonstrate higher volatility. The Trustees are prepared to accept this higher volatility in order to aim to achieve the overall investment objectives.

• The Trustees’ primary objectives are:
  – to provide appropriate security for all beneficiaries,
  – to achieve long-term growth sufficient to provide the benefits from the Scheme, and
  – to achieve an appropriate balance between risk and return with regards to the cost of the Scheme and the security of the benefits.

• The Trustees have translated their objectives into a suitable strategic asset allocation benchmark for the Scheme, details of which are included in the appendices.

• In accordance with the Financial Services & Markets Act 2000, the Trustees are responsible for setting the general investment policy, but the responsibility for all day-to-day investment management decisions has been delegated to investment managers authorised under the Act. Details are included in the appendices.

• The Trustees are responsible for reviewing both the Scheme’s asset allocation and investment strategy as part of each actuarial valuation in consultation with the Scheme’s investment consultant. The Trustees may also reconsider the asset allocation and the investment strategy outside the triennial valuation period where necessary.

• The Trustees consider the Scheme’s current strategic asset allocation to be consistent with the current financial position of the Scheme. This assessment is updated with reference to the Technical Provisions set out in the Scheme’s Statement of Funding Principles. “Technical Provisions” is the value of the Scheme’s liabilities for funding purposes as at the latest available Scheme-specific actuarial valuation date.

**Diversification and balance between investments**

• The Trustees, after seeking appropriate investment advice, have selected a strategic asset allocation benchmark for the Scheme (see Appendix 1).

• Subject to their respective benchmarks and guidelines (shown in Appendix 1) the investment managers are given full discretion over the choice of stocks and are expected to maintain diversified portfolios.

• The Trustees are satisfied that the investments selected are consistent with their investment objectives, particularly in relation to diversification, risk, expected return and liquidity.
• Given the size and nature of the Scheme, the Trustees have decided to invest the Scheme’s assets on a pooled fund basis. All such investments are effected through direct agreements with the investment managers and/or through an insurance contract.

• The Trustees are satisfied that the range of vehicles in which the Scheme’s assets are invested provides adequate diversification.

Risk

• The Trustees consider the main risk to be that of the assets being insufficient to meet the Scheme’s liabilities as they fall due. The Trustees have assessed the likelihood of undesirable financial outcomes arising in the future.

• Investment policies are set with the aim of having sufficient and appropriate assets to cover the Scheme’s Technical Provisions, and with the need to avoid undue contribution rate volatility.

• In determining their investment strategy, the Trustees received advice from the investment consultant as to the likely range of funding levels for strategies with differing levels of investment risk relative to the Scheme’s liability profile. Taking this into account, along with the expected returns underlying the most recent actuarial valuation, the strategy outlined in Appendix 1 of this Statement has been adopted.

• Although the Trustees acknowledge that the main risk is that the Scheme will have insufficient assets to meet its liabilities, the Trustees recognise other contributory risks, including the following. Namely the risk:
  – associated with the differences in the sensitivity of asset and liability values to changes in financial and demographic factors,
  – of the Scheme having insufficient liquid assets to meet its liabilities,
  – of the investment managers failing to achieve the required rate of return,
  – due to the lack of diversification of investments,
  – of failure of the Scheme’s Sponsoring Employer to meet its obligations.

• The Trustees manage and measure these risks on a regular basis via actuarial, investment and covenant reviews, and in the setting of investment objectives and strategy.

• The Trustees have invested in a Liability Driven Investments (LDI) portfolio to reduce the risk of differences in the sensitivity of asset versus liability values by accessing a mandate that hedges interest rate and inflation exposures via a list of permitted instruments and leverage. The LDI manager has discretion, within agreed parameters, to maintain the hedge of interest rates and inflation against a target hedge ratio, set equivalent to 100% of the Scheme’s assets (protecting the funding level from the impact of changes in interest rate and inflation on the value of the Scheme’s liabilities).

• The Trustees undertake monitoring of the investment managers’ performance against their targets and objectives on a regular basis.

• Each fund in which the Scheme invests has a stated performance objective by which investment performance will be measured. These are shown in Appendix 1. Within each asset class, the investment managers are expected to maintain a portfolio of securities (or funds), which ensures that the risk being accepted in each market is broadly diversified.

• The divergence of the actual distribution of the investments from the benchmark weighting will be measured periodically by the Scheme’s investment consultant. Any deviation from the target asset allocation will be discussed with the Trustees.
Expected return on investments

• The investment strategy is believed to be capable of exceeding, in the long run, the overall required rate of return assumed in the Scheme Actuary’s published actuarial valuation report in order to reach a fully funded status under the agreed assumptions.

Realisation of investments

• In the event of an unexpected need to realise all or part of the assets of the portfolio, the Trustees require the investment manager(s) to be able to realise the Scheme’s investments in a reasonable timescale by reference to the market conditions existing at the time the disposal is required and subject to the best interests of the Scheme. The majority of the assets are not expected to take an undue time to liquidate.

Investment manager monitoring

• The Trustees will assess the performance, processes and cost effectiveness of the investment managers by means of regular, but not less than annual, reviews of the results and other information, in consultation with the investment consultant.

• All investment decisions, and the overall performance of the investment managers, are monitored by the Trustees with the assistance of the investment consultant.

• The investment managers will provide the Trustees with quarterly statements of the assets held along with a quarterly report on the results of the past investment policy and the intended future policy, and any changes to the investment processes applied to their portfolios. The investment managers will also report orally on request to the Trustees.

• The investment managers will inform the Trustees of any changes in the internal performance objective and guidelines of any pooled funds used by the Scheme as and when they occur.

• The Trustees will assess the quality of the performance and processes of the investment managers by means of a review at least once every three years in consultation with the investment consultant.

• Appropriate written advice will be taken from the investment consultant before the review, appointment or removal of the investment managers.

Performance monitoring

• Each of the funds in which the Scheme invests has a stated performance objective against which the performance is measured.

• The Trustees will review the performance of the investment managers from time to time, based on the results of their performance and investment process and in conjunction with the Trustee’s engagement policy set out in the section titled ‘Engagement with investment managers, including policies on alignment, incentivisation and monitoring’ below.

• The investment managers are expected to provide written reports on a quarterly basis; and

• The Trustees receive an independent investment performance monitoring report from their investment consultant on a quarterly basis.

Engagement with investment managers, including policies on alignment, incentivisation and monitoring

• To maintain alignment with the Trustees’ overall investment objectives and policies (including the Trustee’s views on sustainable investments set out in this Statement), the investment managers are
The Trustees expect the investment managers to invest with a medium to long time horizon, and to use their engagement activity to drive improved performance over these periods and investment managers are selected with this in mind. Managers are incentivised to do this in order to maintain their appointments. The appropriateness of the Scheme’s allocation to such mandates is determined in the context of the Scheme’s overall objectives.

The Trustees appoint investment managers with an expectation of a long-term partnership, which encourages active ownership of the Scheme’s assets. When assessing a manager’s performance, the focus is on longer-term outcomes, and the Trustees would not expect to terminate a manager’s appointment based purely on short term performance. However, a manager’s appointment could be terminated within a shorter timeframe due to other factors such as a significant change in business structure or the investment team.

The Trustees use many different managers and mandates to implement its investment policies. The Trustees ensure that, in aggregate, its portfolio is consistent with the policies set out in this Statement, in particular those required under regulation 2(3)(b) of the Occupational Pension Schemes (Investment) Regulations (2005). The Trustees will also ensure that the investment objectives and guidelines of any particular pooled vehicle are consistent with its policies, where relevant to the mandate in question.

Managers are paid an ad valorem fee, in line with normal market practice, for a given scope of services which includes consideration of long-term factors and engagement. The fees are reviewed on an annual basis throughout their appointment. The Trustees also monitor portfolio turnover costs as part of their monitoring of investment performance, with advice from the investment consultant. The Trustees do not have their own target for the turnover over assets, given the use of pooled funds, however, monitoring of portfolio turnover is produced annually, with data received directly from the investment managers specific to each fund they manage and covers: 1) The experienced portfolio turnover of the fund over the year; 2) A range of expected long-term portfolio turnovers; and 3) A high level range of typical long-term portfolio turnovers for that specific asset class (provided by WTW).

Should the Trustees’ monitoring process reveal that a manager’s portfolio is not aligned with the Trustee’s policies, the Trustees will engage with the manager further to encourage alignment. This monitoring process includes specific consideration of the sustainable investment/ESG characteristics of the portfolio and managers’ engagement activities. If, following engagement, it is the view of the Trustees that the degree of alignment remains unsatisfactory, the manager will be terminated and replaced.

Sustainable investment considerations and non-financial matters

The Trustees recognise that long-term sustainability issues can have a financially material impact on risk and outcomes. To the extent possible, the Trustees will delegate the responsibility to take Environmental, Social and Governance (“ESG”) principles, including climate change, to its investment managers for them to take into account when selecting, retaining and realising investments within their portfolios. The Trustees will periodically review these policies with the assistance of its investment adviser and engage with its investment managers as appropriate. The Trustees acknowledge that they act on behalf of the Scheme’s members in relation to ESG principles.

The Trustees do not take non-financial matters, such as the views of members, into account when selecting, retaining and realising investments.

Voting rights attaching to Investments and engagement activities

The Trustees’ policy is to delegate responsibility for the exercising of rights (including voting rights) attaching to investments to the investment managers and to encourage the managers to exercise those
rights and to engage with the organisations with whom they invest. The investment managers are expected to provide regular reports for the Trustees detailing their voting and engagement activity. The Trustees will take corporate governance policies into account when appointing and reviewing such investment managers.

**Additional voluntary contributions (AVCs)**

- The Trustees have full discretion as to the appropriate investment vehicles made available to members of the Scheme for their voluntary contributions. Only investment vehicles normally considered suitable for voluntary contributions will be considered by the Trustees, having taken appropriate written advice from properly qualified and authorised financial advisers.

- The Trustees make available a range of investment options for the members’ AVCs from the following providers:

<table>
<thead>
<tr>
<th>AVC Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal &amp; General</td>
</tr>
<tr>
<td>Equitable Life Assurance Society</td>
</tr>
</tbody>
</table>

- In selecting this range of funds offered the Trustees have taken advice from their professional advisers on:
  - the risks faced by members in investing on a money purchase basis, and
  - the Trustees’ responsibilities in the selection and monitoring of the investment options offered.

- The Trustees will continue to manage the AVC arrangements having taken professional advice on these matters.

- The Trustees will monitor the performance of AVC providers periodically.

- Members are directed to seek independent financial advice when considering their AVC arrangements.
3 Appointments and Responsibilities

This section sets out the key appointments and responsibilities with respect to the investment aspects of the Scheme.

**Trustees**

The Trustees’ primary responsibilities include:

- preparation of this Statement, reviewing its contents and modifying it if deemed appropriate, in consultation with the Sponsoring Employer and the investment consultant, at least every three years. The Statement will also be reviewed following a significant change to investment strategy, the Scheme's circumstances and/or the managers,

- appointing investment consultants and investment managers as necessary for the good stewardship of the Scheme’s assets,

- reviewing the investment strategy as part of each triennial actuarial valuation, and/or asset liability modelling exercise, and/or significant changes to the Scheme's liabilities, taking advice from the investment consultant,

- assessing the processes (and therefore the performance) of the investment managers by means of regular, but not less than annual, reviews of information obtained (including investment performance),

- monitoring compliance of the investment arrangements with this Statement on a regular basis, and

- monitoring risk and the way in which the investment managers have cast votes on behalf of the Trustees in respect of the Scheme’s equity holdings.

**Investment Consultant**

The main responsibilities of the investment consultant include:

- assisting the Trustees in the preparation and periodic review of this Statement in consultation with the Sponsoring Employer,

- undertaking project work including reviews of investment strategy, investment performance and manager structure as required by the Trustees,

- advising the Trustees on the selection and review of the investment manager(s),

- advising the Trustees on any opportunities for de-risking,

- providing training or education on any investment related matter as and when the Trustees see fit, and

- monitoring and advising upon where contributions should be invested or disinvested on a periodic basis.

**Investment Managers**

The investment managers’ main responsibilities include:

- investing assets in a manner that is consistent with the objectives set and in line with the Trustees’ principles as set out in the 'Engagement with investment managers, including policies on alignment, incentivisation and monitoring' section of the Statement,
• ensuring that investment of the Scheme’s assets is compliant with prevailing legislation and the constraints detailed in this Statement,
• providing the Trustees with quarterly reports including any changes to their investment process and a review of the investment performance,
• attending meetings with the Trustees as and when required,
• informing the Trustees of any changes in the fee structure, internal performance objectives and guidelines of any pooled fund used by the Scheme as and when they occur, and
• exercising voting rights on shareholdings in accordance with their general policy.

Custodian

The custodians used are responsible for the safe-keeping of the Scheme’s assets.

• The custodianship arrangements are those operated by the investment managers for all clients investing in their pooled funds.

Administrators

• The administrator’s primary responsibilities are the day to day administration of the Scheme and the submission of specified statutory documentation, as delegated by the Trustees.

• The Scheme’s administrator is Willis Towers Watson.

Scheme Actuary

The Scheme Actuary’s main responsibilities in respect of investment policy include:

• commenting on the suitability of the Scheme’s investment strategy given the financial characteristics of the Scheme; and

• performing the triennial (or more frequently as required) actuarial valuation and advising on the Scheme’s funding level and therefore the appropriate level of contributions in order to aid the Trustees in balancing short-term and long-term investment objectives.

The Scheme Actuary is Stephen Postill of Willis Towers Watson.
Appendix 1—Strategic Benchmark and Objectives

Scheme’s target asset allocation

The Scheme’s target asset allocation at the time of reporting is tabulated below:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Investment Style</th>
<th>Allocation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global equities</td>
<td>Passive</td>
<td>6.0</td>
</tr>
<tr>
<td>Multi-asset strategies</td>
<td>Active</td>
<td>29.0</td>
</tr>
<tr>
<td><strong>Return focused assets</strong></td>
<td></td>
<td><strong>35.0</strong></td>
</tr>
<tr>
<td>Liability Driven Investments (LDI)</td>
<td>Passive</td>
<td>63.5</td>
</tr>
<tr>
<td>Cash</td>
<td>Passive</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Liability focused assets</strong></td>
<td></td>
<td><strong>65.0</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Note: The liability focused portfolio has been constructed in order to achieve a target hedge of interest rate and inflation sensitivities equivalent to 100% of the Scheme’s assets, protecting the funding level from any pricing impacts changes in interest rates and inflation might otherwise have on the Scheme’s liabilities. The LDI manager has discretion, within set guidelines, to maintain the target hedge within a reasonable tolerance through the use of an agreed range of permitted instruments and leverage. This mandate will be reviewed from time-to-time as deemed appropriate, and in line with any material new information becoming available, for example as new liability cashflow data becomes available as part of the triennial actuarial valuation.

The Scheme has appointed two managers: Towers Watson Investment Management for the active management of the Scheme’s multi-asset strategy and Legal & General Investment Management (“Legal & General”) for the passive management of the Scheme’s remaining equity and fixed income portfolios. The Trustees have agreed a strategic allocation of 35% to return focused assets and 65% to liability focused assets.

The Trustees will continue to monitor the allocation of the Scheme’s assets through their quarterly investment monitoring, and will review whether they should take steps to rebalance Scheme assets.

De/re-risking adjustments to asset allocation

The Trustees have put in place a de/re-risking framework for asset allocation whereby the Scheme’s allocation to liability focused assets is increased as the Scheme’s funding level (as measured on a self-sufficiency basis), increases in line with the de-risking framework agreed by the Trustees in October 2020.

The proposed switching points and the corresponding target allocation to return/liability focused investments under the prevailing de-risking framework are set out in the table below.

Consideration needs to be given to a re-risking policy if the funding level reverses.
<table>
<thead>
<tr>
<th>De-risking framework</th>
<th>As at 31 Dec '18</th>
<th>Trigger 1</th>
<th>Trigger 2</th>
<th>Trigger 3</th>
<th>Trigger 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-sufficiency funding level</td>
<td>89%</td>
<td>95%</td>
<td>98%</td>
<td>100%</td>
<td>101%</td>
</tr>
<tr>
<td>Target return-seeking portfolio %</td>
<td>56%</td>
<td>45%</td>
<td>35%</td>
<td>25%</td>
<td>15%</td>
</tr>
<tr>
<td>Target date</td>
<td>-</td>
<td>Nov-21</td>
<td>Aug-23</td>
<td>Apr-25</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: Trigger 2 was hit in Q4 2021, and subsequently the Trustees agreed to move to the pre-agreed de-risked portfolio of 35% return-seeking assets / 65% liability-matching assets. The funding position is tracked on a live basis by WTW’s Asset Liability Suite (ALS) and if a trigger is being approached, or indeed hit, an automated alert is distributed via email to initiate discussions between the Trustees and WTW on the appropriate decisions and next steps required.
Benchmarks and performance objectives

Benchmark indices and relative performance objectives for each of the funds in which the Scheme is invested are outlined overleaf.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Benchmark Index</th>
<th>Performance objective relative to benchmark</th>
<th>Allocation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>L&amp;G Global Fixed Weights Equity (50:50) Index</td>
<td>Composite: 50% FTSE All Share 17.5% FTSE-AW North America 17.5% FTSE-W Europe ex UK 8.75% FTSE-AW Japan 6.25% FTSE-AW Developed Asia Pacific ex Japan</td>
<td>The Fund aims to capture the returns of the UK and overseas equity markets, as represented by the benchmark indices</td>
<td>6.0</td>
</tr>
<tr>
<td>TWIM Partners Fund</td>
<td>CPI</td>
<td>+5% pa over the long term</td>
<td>14.5</td>
</tr>
<tr>
<td>TWIM Core Diversified Fund</td>
<td>GBP 3-month LIBOR</td>
<td>+3% pa over the long term</td>
<td>14.5</td>
</tr>
<tr>
<td>L&amp;G Liability Driven Investments (LDI)</td>
<td>To hedge 100% (as a proportion of Scheme assets) the interest rate and inflation sensitivities of the Liability Proxy</td>
<td>n/a</td>
<td>63.5</td>
</tr>
<tr>
<td>Trustee bank account</td>
<td>n/a</td>
<td>n/a</td>
<td>1.5</td>
</tr>
</tbody>
</table>
Appendix 2 – Fees

Investment manager fees

<table>
<thead>
<tr>
<th>Manager</th>
<th>Fund</th>
<th>Management Fee % p.a.</th>
</tr>
</thead>
</table>
| L&G     | Global Fixed Weights Equity (50:50) Index                           | For the first £2.5 million 0.165  
                           |                                                                     | For the next £7.5 million 0.155  
                           |                                                                     | For the next £15 million 0.140  
                           |                                                                     | For the next £25 million 0.115  
                           |                                                                     | For the balance over £50 million 0.090  
|         | Liability Driven Investments (LDI)                                  | Composite including:  
                           |                                                                     | Single Stock Gilt Fund Range 0.04  
                           |                                                                     | Leveraged Swap / Gilt Fund Range 0.012  
                           |                                                                     | Enhanced Overlay Fee 0.03  
| TWIM***  | Core Diversified Fund                                               | Based on a <£50m investment 0.59*  
|         | Partners Fund                                                       | Based on a <£50m investment 1.30** |

*includes TWIM manager fee and underlying manager fees  
**includes TWIM manager fee and underlying manager fees, but excludes performance related fees  
***fees accurate as at the outset of the investment but may change depending on the composition of underlying managers over time

Investment consultancy fees

The investment consultant provides agreed services on a fixed fee basis, with specific additional projects identified provided on a time cost/project basis subject to agreement in advance.

The basis of remuneration is kept under review.