



▶ Fiduciary Oversight

**Make sure your provider  
stays on track**

**first** actuarial

## ► Are your investments roadworthy?

Letting one organisation make decisions on your entire investment portfolio means placing a lot of trust in them.

Whether or not you're happy with your fiduciary manager, it makes sense to oversee investment performance by putting an impartial adviser in place.

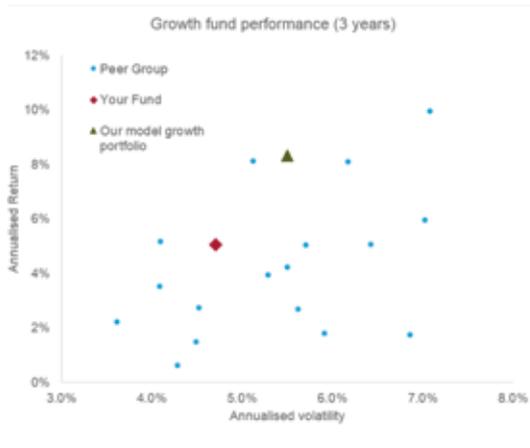
We can help you.

Our evaluation service includes benchmarking of fees and analysis of all the components of your strategy.

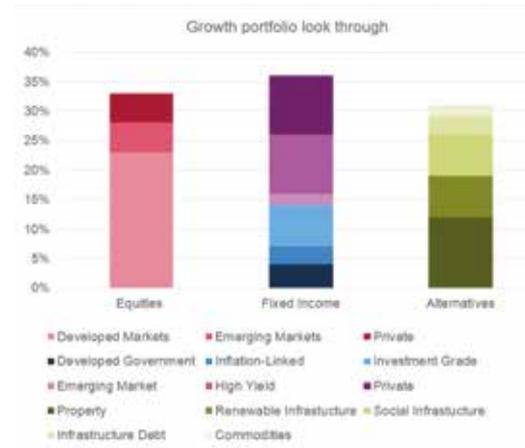
### We'll soon spot if any element of your approach needs a tune-up:

- How do providers compare to the market rate?
- Do the investments reflect industry best practice?

Things change quickly in investment markets. New classes appear. Certain investment classes become cheaper. New providers and approaches come to market. We make sure that fiduciary offerings start off and remain fit for purpose so you get the best possible results at a reasonable price.



On the left we plot the performance of a fiduciary manager's growth portfolio against equivalent fiduciary managers and diversified growth funds. Those at the top left of the plot have achieved higher returns with lower levels of volatility and have therefore performed well. You should be concerned if your fiduciary manager appears in the bottom right of the diagram, as they will be achieving low returns and exhibiting high levels of volatility.



On the right we look through the fiduciary manager's portfolio. We would expect a fiduciary manager to gain access to a broad range of asset classes. In particular the fiduciary manager should give you access to alternative assets that would otherwise be difficult to obtain. This is the case here with material exposures to renewable and social infrastructure (wind and solar farms as well as schools and hospitals).

**First Actuarial gives you peace of mind by giving your investments an objective appraisal.**



► Fit for the journey ahead?

The investment governance requirements of the Pensions Act apply to all fund managers, including fiduciary managers.

It's important to ensure that the right provider is selected and that they remain suitable over time.

## ► Components of the investment strategy

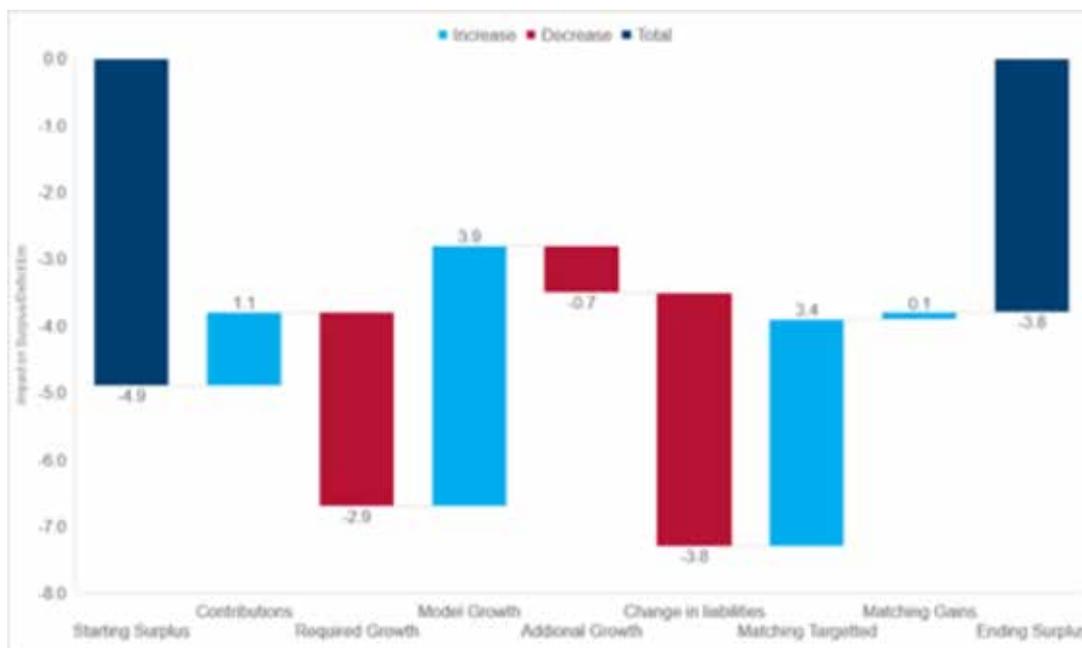
We have authoritative and up-to-date fund manager research that covers all major asset classes.

We are well placed to carry out specialist assessment of fiduciary strategy, including credit, multi-strategy, illiquid markets and liability-driven investment (LDI).

## ► Fiduciary product testing and analysis

Our evaluation work is supported by detailed portfolio analysis. We split performance into its statistical components, so you can understand the impact of key decisions made by the provider.

The chart below shows how this client's deficit reduced from £4.9million to £3.8million.



In our reporting to clients, we identify the reasons for any improvement by splitting it into its components. Factors resulting in improvement are shown in blue, and reasons for any deterioration are set out in red:

- |   |  |
|---|--|
|  Contributions were paid.  |  Some asset growth was required to maintain the funding position.         |
|  The model growth portfolio performed strongly.                              |  Decisions of the manager led to underperformance of the model portfolio. |
|  The matching portfolio matched the majority of the increase in liabilities. |  Liabilities increased due to market movements.                           |
|  The matching portfolio also made modest gains over its target.              |  |

This analysis will gauge the impact of changes to your investment portfolio, highlight any problems you need to address, and help assess your fiduciary manager.

## Fiduciary oversight services

Our experienced advisory and research teams can offer all the services you require to oversee your fiduciary manager.

- Fiduciary manager selection services
- Pensions Act 1995 – Section 36 advice
- Strategy calibration / ratification of suggested approaches
- Setting of suitable performance objectives
- Independent performance reporting and evaluation
- Fee benchmarking exercises
- Asset transition advice.

We are independently owned and have no ties to any fiduciary manager. We will review performance and costs and give you full and honest feedback.

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Without the help and guidance of your consultants we're fairly sure that we would not have been in the position we are today and going forward.

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## ▶ Get in touch

We'd love to talk to you about how First Actuarial can help



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## ▶ About Us

First Actuarial LLP is a nationwide partnership with over 250 staff spread across 5 offices. Each office provides our whole range of services.

Our investment team gives sensible, practical advice using the latest techniques to help you make the most of your investments.

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