

## **ACTUARIAL & FUNDING SUB-COMMITTEE**

### **Objective**

- To operate in accordance with the Terms of Reference
- To ensure that the Trustee Board is able to discharge its responsibilities in connection with the funding of the Plan.

### **Aims in the next 12 months**

- To investigate and take a view on the employer's covenant, using external advisers where necessary;
- To receive training so that informed decisions can be taken in terms of the assumptions to be used to calculate the Plan's Technical Provisions
- Using this information, to set the assumptions to calculate the Plan's Technical Provisions;
- To review the Funding section of the Trustee's Risk Register;

### **Future-projects**

- To develop the Long Term Funding Objective (LTO) for the Plan in accordance with the requirements of the Pensions Act 2020

### **TERMS OF REFERENCE**

1. The Sub-Committee will comprise at least four members of the Board of Directors of AB InBev UK Pension Trust Ltd who are not employed in a senior capacity by the company plus the AB InBev UK Pensions Manager.
2. The responsibilities of the Sub-Committee are:
  - a. To maintain sufficient understanding of the funding process to properly carry out its duties;
  - b. To maintain an assessment of the strength of the employer's covenant;
  - c. To arrange an actuarial valuation of the Plan at least every three years;
  - d. To set, or at least agree, the Valuation Forecast Assumptions
  - e. To discuss with the employer, taking advice from the Plan actuary, the funding of the Plan and to recommend to the Trustee Board a Statement of Funding Principles and Recovery Plan to enable the Plan to meet its liabilities;
  - f. To liaise with the Investment Subcommittee to ensure that the Plan's investment and funding strategy are aligned;
  - g. To develop the LTO for the Plan, to liaise with the Company to reach understanding, and with the ISC to maintain consistency with the investment strategy;
  - h. To identify and arrange for all suitable training as deemed necessary – this may or may not be delivered by third parties;
  - i. To ensure that the Plan meets its regulatory obligations to provide information to its members and to the Pensions Regulator.
3. The Sub-Committee will meet regularly, usually once a year, and at other times as deemed appropriate, particularly during the triennial valuation process.

4. The Sub-Committee agenda will be published for the whole Trustee Board prior to any regular Sub-Committee meeting.
5. If requested to do so by the Trustee Board, a member of the Sub-Committee will give a presentation on its activities at the Trustee meeting.
6. The Sub-Committee shall have powers of delegated decision making subject to the restrictions set out below.
7. Members of the Sub-Committee can communicate by e-mail and telephone in order to make decisions. Decisions can be made by a majority (i.e. by the agreement of three of the Sub-Committee members).
8. The Sub-Committee may refer any decision back to the main board in circumstances where it feels it to be appropriate.
9. The Sub-Committee will make a report to the Trustee Board at each Trustee meeting during the triennial valuation process and at other times in the event of significant events or changes.
10. The Sub-Committee will tackle ad-hoc funding matters as determined with the Trustee board.
11. The Sub-Committee shall undertake an annual review of its objectives and terms of reference.