

Metaswitch Networks Ltd Plan88 Pension Fund

Statement of Investment Principles

This statement is prepared by the Trustees in accordance with the requirements of Section 35 of the Pensions Act 1995. It sets out the principles governing decisions about investments of the Metaswitch Plan 88 ("the Plan").

Investment Strategy

The overall investment policy is to maximize the long term investment performance of the Plan's assets. The Trustees have appointed a Fund Manager to be responsible for the selection of types of investment and individual holdings within each type of investment. The Plan will be invested in the following.

- UK equities and fixed interest stocks
- Overseas equities and fixed interest stocks
- Collective funds (insurance policies, unit trusts and investment trusts) containing such investments
- Property which may be held via collective funds
- The balance between the different types of investment will be determined by the Fund Manager in consultation with the Trustees.

Compliance and Monitoring

- The Fund Manager will be required to comply with the Statement of Investment Strategy in achieving the objectives of the Fund so far as reasonably practical.
- The Trustees will also require the Fund Manager to consider the need for diversification of investments, insofar as appropriate to the circumstances of the Plan, and to the suitability to the Plan of types of investment and individual investments within each type.
- The Trustees will review the distribution of assets and the performance of the pension fund on at least an annual basis. The Trustees will obtain sufficient information from the Fund Manager to enable them and the administrators of the fund to review the returns on cash deposits and make changes as appropriate.
- If, over a five year period, the performance of the fund is less than the average performance of other UK pension funds, the Trustees may look to replace the Fund Manager.