

# Letsbuyhealthcare Co-operative Society Limited

## Private Healthcare Co-Op Scheme

### Statement of Investment Policy Principles for the Healthcare Coin Fund

#### 1. Introduction

The purpose of this Statement of Investment Policy Principles (the "Statement") is to document the policies and parameters that govern the management of the assets of the Healthcare Coin Fund ("the Fund") under Private Healthcare Co-Op Scheme ("the Scheme") which was established by the Letsbuyhealthcare Co-operative Society Limited. This Statement has been reviewed and adopted by the Trustee of the Scheme.

In preparing this Statement, the Trustee has consulted with their advisors to ensure that the information provided is realistic and appropriate. It is intended that this Statement be sufficiently specific to be meaningful but adequately flexible as to be practical.

This Statement will be reviewed at least every three years, or following any change in investment policy which impacts the content of the Statement.

#### 2. Fund Details

The Fund operates for the purpose of investing Healthcare Coins payable by Members of the Scheme. Under the Scheme, Members are entitled to withdraw the value of their Healthcare coins only for qualifying medical expenses.

#### 3. Investment Objectives

The primary investment objectives of the Trustee are to take reasonable measures to:

- a) protect and safeguard the value of the Healthcare Coin Fund including making suitable arrangements with one or more suitably professionally qualified, competent, regulated and recognised third parties; and
- b) put in place arrangements to safeguard the availability of assets equivalent to a member's Healthcare Coin contributions needed at the time that a member has a private healthcare requirement.

While the Trustee will endeavour to achieve a positive return on the assets of the Fund, which will be for the ultimate benefit of members of the Scheme, the main objective will be to maintain the value, security and liquidity of the Fund.

#### 4. Asset allocation

The Fund may be invested in cash deposits, short term bonds (government and corporate), medium term bonds (government and corporate) and equities or in unitised funds made up of these assets. The maximum allocation to equity investments is initially set at 10%. The strategic and tactical asset allocation strategies employed by the Trustee will aim to deliver returns above prevailing Euro cash rates over time.

#### 5. Manager Selection and Implementation

Investment managers and funds will be assessed and selected based on the following quantitative and qualitative criteria:

# Letsbuyhealthcare Co-operative Society Limited

## Private Healthcare Co-Op Scheme

### Statement of Investment Policy Principles for the Healthcare Coin Fund

- Security and credit rating
- Historical volatility and downside risk
- Management style and discipline
- Correlation among securities and asset classes
- Opportunity costs and annual management fees

The Trustee recognises that past performance is not usually indicative of future returns, but will be considered to demonstrate that the manager has the ability to deliver on the target objective.

The manager selection process may be initiated by a professional investment consultant and then presented to the Trustee for final decision and appointment of the investment manager(s) and funds. All investment managers employed by the Trustee are subject to termination at any time.

The Trustee has initially determined that the Fund will be invested in cash deposits with Bank of Ireland.

#### **6. Ongoing Monitoring & Reporting**

The ongoing monitoring of fund performance will be a regular and disciplined process. An investment manager may be added or removed based on factors such as performance, market conditions, firm structure, or access to new investment products.

Although investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. In general, single quarter results are not immediately considered indicative of a longer-term concern. Investment fund that consistently underperform in terms of risk and return will be carefully reviewed to determine if any action is warranted.

#### **7. Environmental, Social and Governance (ESG)**

The Trustee believes that sustainability / ESG factors have a long-term impact on risk /return. The Trustee recognises the risk that companies or governments in which the Fund invests fail to appropriately manage environmental, social and governance risks leading to a permanent loss of capital for the Fund.

The Trustee believes that shareholder engagement is the most effective approach through which it can best effect positive change and enhance long-term financial performance to the benefit of Members. The Trustee will delegate responsibility for active engagement with underlying investments to the Fund' s investment managers.

The Trustee monitors ESG risks in the overall investment process through the oversight of the underlying investment manager' s ESG policies and engagement activities.

**August 2021**