

The Dun & Bradstreet (UK) Pension Plan

Guidance for Member-Nominated Director (MND) candidates



Introduction

Trustee Directors are collectively responsible for managing all aspects of the Plan in much the same way as a board of directors is responsible for managing a company.

Being a Member Nominated Director (MND) is an important and demanding job, requiring particular skills and carrying significant personal responsibilities. You must act carefully, responsibly and honestly. You won't represent any specific group or section of the Plan — you must act fairly in the best interests of all the members. It is, however, a rewarding role, where you can build on your existing skills and learn new ones.

To fulfil these responsibilities, you'll need skills in organisation, communication, and attention to detail. You will also need to commit time to attending meetings, reading and preparing materials, and undergoing training. We estimate a minimum commitment of **one day per month** on average.

The government and The Pensions Regulator actively encourage pension scheme members to serve as trustees. Our Trustee Board supports the concept of MNDs as they can bring additional skills and diversity to the table while improving the level of transparency and member involvement.

All Trustee Directors hold equal powers, duties and responsibilities, whether they are appointed by the Company or selected by members. Trustees can delegate some of their functions (usually in the area of scheme administration) but cannot delegate their responsibility. Schemes are heavily regulated, and trustees must ensure that the scheme they oversee is compliant at all times.

Key requirements

The key requirements for MND candidates are outlined below. We expect a candidate to have, at minimum, the basic skills and hopefully a number of the desired skills listed before nominating themselves.

BASIC

- ✓ Ability to work pragmatically and collaboratively as part of a Board and manage effective relationships with tact and diplomacy.
- ✓ Ability to deal sensitively with individual members, including responding to complaints and maintaining confidentiality.
- ✓ Effective verbal and written communication skills and excellent interpersonal skills.
- ✓ Effective organisational, project and time management skills.
- ✓ Ability to work to a high degree of accuracy, paying close attention to detail.
- ✓ Ability to read, understand and work with detailed legislative, technical and financial information.

DESIRED

- ✓ Experience of working in a financial services environment.
- ✓ Experience of chairing a Board or Committee.
- ✓ Experience of or interest in pension matters generally.
- ✓ Experience of working in, or with, digital communications.
- ✓ Ability to form independent views, articulate them clearly and participate in group discussions.
- ✓ Ability to summarise discussions, present conclusions and make decisions.
- ✓ Ability to think critically, exercise judgement and use own initiative.
- ✓ Ability to prioritise work under pressure and to meet deadlines.

Funding

As a Trustee Director, you will be responsible for ensuring there is enough money in the Plan to pay members' pensions as and when they need to be paid.

Core Responsibilities

- Conducting regular valuations of the Plan's assets and liabilities every three years.
- Ensuring sufficient funding to pay out member pensions.
- Monitoring the financial health of the employer in relation to pension obligations.

Investment

Trustee Directors are responsible for deciding the Plan's investment policy with the help of a professional adviser.

Core Responsibilities

- Analysing the Plan's liabilities (the pension obligations owed to members).
- Determining an investment strategy that balances asset growth with the need for liquidity, ensuring there is enough cash flow to cover liabilities when due.
- Coordinating the investment policy with the employer's contributions to maintain the Plan's financial health over time.

While this role requires a level of understanding in institutional finance and investment, training will be provided to help Trustees develop the necessary skills and confidence.



Administration

The Plan depends on the timely and accurate processing of multiple transactions.

Core Responsibilities

- Overseeing that all transactions, such as contributions and benefit payments, are processed accurately and promptly.
- Implementing and maintaining processes to ensure complete and accurate records of all pension scheme data.
- Meeting the Pensions Regulator's expectations by:
 - Regularly monitoring Plan data to maintain accuracy and completeness for all members.
 - Implementing processes to improve data quality over time, supporting sound administration and compliance.



Governance

The Trustee is responsible for operating an effective system of governance to support the sound, prudent and long-term effective management of the Plan.

Core Responsibilities

- Establishing and maintaining systems to support the sound, prudent, and long-term management of the Plan.
- Covering a wide range of Plan operations, including investment management, funding, administration, risk management, and member communications.
- Proactively identifying, evaluating, and managing risks related to the Plan.
- Implementing internal controls to monitor and manage risks effectively, while recognising that some level of risk is inherent.

- Maintaining comprehensive processes to ensure complete and accurate records of all Plan data.
- Meeting the Pensions Regulator's standards for data accuracy and completeness for all Plan members, with regular monitoring and improvements.
- Ensuring all governance practices align with the Plan's Trust Deed, Rules, and relevant legislation.

Professionals are appointed to advise on legal, investment and actuarial issues, but only Trustee Directors have the power to make decisions.

Training requirements

The Pensions Regulator has published a Code of Practice — which sets out the standards expected.

This can be viewed on their website thepensionsregulator.gov.uk and is available to view in the Document library. Further details of the responsibilities of trusteeship can be found on the Regulator's website in the "Trustees" section.

For all but the most experienced trustee, meeting the standards expected will involve an initial period of formal training and subsequent updates. For new trustees, with little or no experience, the training process will be fairly demanding, involving a combination of several days' initial formal training and an ongoing programme of informal study.

The Regulator has also established a trustee e-learning programme which can be accessed at trusteetoolkit.com. Trustees are encouraged to complete this course and obtain the resulting certification of competence. Anyone wishing to investigate the nature of the learning programme should access the first module which provides a good indication of the level of difficulty.

New Trustee Directors of the Dun & Bradstreet (UK) Pension Plan have **six months** in which to reach the standard outlined by the Regulator and the Trustee expects new MNDs to have completed the Regulator's Trustee Toolkit within the first **six months** of appointment. The Regulator makes it clear that learning should be started immediately on appointment if not before.

It is anticipated that new MNDs will be expected to join one of the existing Trustee Board's sub-committees and in the future may be asked to chair a Board sub-committee.

Despite the demands of the role, being an MND is very rewarding. Safeguarding the pension rights of your fellow members, and support to help you in your role is available from fellow Board members, the Scheme Secretary as well as professional advisers. It is a varied role and gives you the opportunity to increase your knowledge and skills that would be useful in any career.



Logistics

Trustees must communicate with each other, their advisers and the employers on a continuous basis.

Statutory time limits apply to many processes. If a Trustee Director is operating from home, the necessary communication facilities must exist, and in addition to a telephone, a Trustee Director will need email and up-to-date computing facilities, e.g., MS office software, video conferencing and internet access.

Meetings may be held online or in person (usually in London). The Trustee is open to flexible working and will consider any request for reasonable adjustments for health conditions or disabilities.

Formal trustee meetings take place eight times a year (four at the full Trustee Board and four at a sub-committee), and usually last all day. In addition, from time to time it may be necessary to hold supplementary meetings. Many Trustee actions and decisions are time-sensitive so Trustee Directors must be willing to make themselves available when needed.



Personal responsibility

Trustees must make decisions and take actions which have the potential to affect members' lives.

Trustees must do these things within the framework of the Plan's Trust Deed and Rules and prevailing legislation. If they do this reasonably and in good faith, they are legally protected from the consequences by a wide-ranging indemnity.

However, if trustees are negligent or dishonest the indemnity may not apply, and trustees may be individually or collectively responsible personally for the consequences of those actions or omissions even if another trustee has committed the error. This may include the imposition of fines or compensation orders.

Any questions?

This is only a brief summary of the key issues affecting trustees.

If you are interested in becoming an MND but wish to discuss any of these points, please contact the Scheme Secretary using the details below:

Email: secretary@dnbpensionplan.co.uk

Telephone: 0330 123 9687

