

The Hewlett-Packard Limited Retirement Benefits Plan

Member Nominated Director Process 2019

This announcement/e-mail is being sent to you as a member of the Hewlett-Packard Limited Retirement Benefits Plan (HP and Digital Sections).

As you may know, the law requires at least one-third of the trustee directors of a pension scheme to be Member-Nominated Directors (“MNDs”) and the HP Plan complies with this requirement. The term of office of all three MNDs expires in November 2019 and it is necessary to run a new selection process. The Trustee would like to seek nominations from the membership of the Plan. The information below provides full details of the process if you would like to nominate yourself or another member of the Plan to be considered for MND selection

Introduction

The Hewlett-Packard Limited Retirement Benefits Plan (the Plan) is overseen by a board of trustees who are responsible for the running of the Plan.

The board is currently made up of seven trustee directors and legislation requires that at least a third of the board should be nominated by the membership of the Plan. These trustees are known as Member Nominated Directors (“**MNDs**”).

From 1 November 2019 there will be three vacancies when the term of office for the existing MNDs expires.

Although the current MNDs are putting themselves forward for reselection, you have the opportunity to nominate yourself or another Plan member for selection.

This document sets out the process for appointing the MNDs. Each candidate requires a nomination from one other member of the Plan. If you wish to be nominated or would like to nominate someone else, please complete and return the attached Trustee Nomination Form by **17 June 2019**.

In addition to the candidate or person nominating a candidate completing the nomination form, the candidate must also complete the Selection Statement form which is attached. This should include:-

- **Why you wish to become an MND**
- **How you would see your role if appointed**
- **Details of any activities, relevant background or qualifications that you believe would be pertinent to the role, including financial and investment aspects**

What duties does a Trustee Director have?

The Trustee Directors are responsible for running the Plan in accordance with the Plan’s rules and UK pension legislation.

The Trustee Directors hold regular meetings during which they carry out the business of the Plan. With the help of advisers, the Trustee Directors monitor and review the Plan’s investment performance, invest any contributions to the Plan and ensure that legal requirements are met.

This is a big responsibility and requires considerable commitment. A Trustee Director should expect to spend approximately ten days a year attending Trustee meetings together with an additional day per month spent on general trustee matters. This gives a total time commitment of 25-30 days per year. In view of this it is suggested that employees discuss

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this commitment with their manager/employer. If you are an HPE employee, the Company has an obligation to support you in the role if you are selected.

All new Trustee Directors will be required to complete the “toolkit” provided by the Pensions Regulator and to sit the Pensions Management Institute Award in Pensions Trusteeship.

Details can be found at: <https://trusteetoolkit.thepensionsregulator.gov.uk/>
<https://www.pensions-pmi.org.uk/qualifications-and-learning/awards-in-pension-trusteeship-overview/>

To help them in their role, new Trustee Directors will receive training. This is important to ensure that Trustee Directors have sufficient knowledge and understanding of pension matters and is also required under the regulations covering pension arrangements.

To help them fulfil their duties the Trustee has appointed advisers who provide the Trustee Directors with pensions’ law expertise.

If you are thinking of becoming a Trustee Director, you should look at the guidance for new trustees provided by the Pensions Regulator. You can find this online at:

<http://www.thepensionsregulator.gov.uk/trustees/understanding-your-role.aspx>

Who is eligible to become a Member Nominated Director?

To be eligible you must be an active, deferred or pensioner member of the Plan. UK law, however, prohibits some people from becoming trustees. You will not be eligible if you:

- are aged under 18
- are an undischarged bankrupt
- have been disqualified from being a director
- have been convicted of an offence involving dishonesty or deception.

Who nominates the Trustee Directors?

Any active, deferred or pensioner member can nominate an eligible member. Only one nomination is required.

What is the procedure for selecting Member Nominated Directors?

The Trustee will follow the Pensions Regulator’s principles of proportionality, fairness and transparency when carrying out the nomination and selection of MNDs.

The Trustee’s procedures for selecting MNDs are as follows:

1. A nomination is made in writing to the Trustee.
2. Each application is accompanied by a selection statement which includes a brief biography of the applicant and the reasons why they feel they should be selected.
3. The applications are reviewed by a selection panel who will invite suitable applicants to an interview. Following the interviews the selection panel will make a recommendation on the appointment of MNDs to the Trustee, excluding any Trustee Directors seeking re-selection.
4. If the number of nominations is less than or the same as the number of new MNDs required, the nominated individual(s) will not automatically be appointed. MNDs will only be selected if the panel believes that they would be able to satisfactorily fulfil the role of a Trustee Director.

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5. The selection panel consists of at least three of the current Trustee Directors not seeking re-selection and a Company representative.
6. If, at the end of the process MND posts are not filled, unfilled posts will be left vacant for 12 months, after which further nominations will be invited. If there are more nominations than appointed, the nominations will be kept on file and reviewed if a post becomes vacant during the normal MND term.

Term of Office

MNDs will hold office for **three** years. At the end of the term, MNDs will be allowed to offer themselves for re-selection.

However, where an MND is appointed to fill a vacancy due to a post not being filled at a previous selection process, the new MND will serve until the term of office of that position would have expired had the vacancy been filled in the original selection process.

Ceasing to be an MND

The Pensions Regulator's Code of Practice will be complied with at all times and in particular, to ensure that the Main Board has at least one-third of its number comprising of MNDs.

Individuals will lose their role as MNDs before the end of their three year term of office if:

- they resign as a Trustee Director;
- the law prevents them from continuing;
- all of the other Trustee Directors vote to remove them.

If an individual ceases to be an MND and a vacancy arises mid-term, selection of a replacement MND will be run at the next selection process. A selection process may be run earlier if the Trustee Directors decide or a replacement MND may be selected from applicants kept on file from the previous selection process.

Next steps?

If you are being nominated or nominating another Plan member, please complete and submit the attached nomination form.

More information

If you have any questions or would like to discuss the role with an existing Trustee Director, you can also contact Beryl Whittaker, Secretary to the Trustees at Inside Pensions at the following address:

Secretary to the Trustees
HP Ltd. Retirement Benefits Plan
Inside Pensions, First Floor, 42-48 Victoria Street
Herts, AL1 3HZ

Telephone 01727 733150

Email: hpplan@insidepension.com

Nomination forms must be received by 17 June 2019