

Jenkins IP Ltd 1987 Retirement Savings Scheme

Statement of Investment Principles

Date: October 2022

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1. Introduction

- 1.1. This is the Statement of Investment Principles prepared by the Trustees of the Jenkins IP Ltd 1987 Retirement Savings Scheme ("the Scheme"). This Statement sets down the principles which govern the decisions about investments that enable the Scheme to meet the requirements of:
 - the Pensions Act 1995, as amended by the Pensions Act 2004;
 - the Occupational Pension Schemes (Investment) Regulations 2005 as amended by the Occupational Pension Schemes (Investment) (Amendment) Regulations 2010;
 - the Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018;
 - the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.
- 1.2. In preparing this statement the Trustees have consulted Jenkins IP Ltd, the Principal Employer, and obtained advice from Barnett Waddingham LLP, the Trustees' investment consultants. Barnett Waddingham is authorised and regulated by the Financial Conduct Authority.
- 1.3. As the Scheme has more than 100 members and is a wholly-insured scheme, this Statement is required to cover:
 - the Trustees' policy for compliance with the requirements of section 36 of the Pensions Act 1995 (choosing investments); and
 - the reasons for the Scheme being a wholly-insured scheme.
- 1.4. The Trustee will review this Statement at least every three years or if there is a significant change in any of the areas covered by the Statement.
- 1.5. The investment powers of the Trustees are set out in Clause 2 (D) of the Scheme Rules and supported by the Trust Deed dated 27 January 1987. This Statement is consistent with those powers.

2. Choosing investments

- 2.1. The Trustees' policy for compliance with the requirements of section 36 of the Pensions Act 1995 (choosing investments) is as follows:
- 2.2. The Trustees have obtained and considered proper advice on the question of whether their investment in the Group Pension Contract with Aviva Life & Pensions UK Limited ("the Contract") is satisfactory having regard to the requirements of the Investment Regulations, so far as relating to the suitability and diversification of investments, and to the principles contained in this Statement.
- 2.3. The Trustees have also considered at what intervals the circumstances, and in particular the nature of the investment, make it desirable to obtain such advice as is mentioned in 2.1 above. The Trustees have determined that they will obtain and consider such advice at least every three years or more frequently in the event of significant changes in the Scheme's circumstances.
- 2.4. The Contract is a With Profits investment product. It is designed to generate smoothed capital growth and provide some guarantees over the medium to long term. This is achieved by combining the Scheme's assets with that of other With Profit investors sharing in the fortunes of the With Profits Fund. The fund is then invested in a mix of assets – shares in the UK and overseas companies, property, fixed interest investments and other types of investments (including cash). In the view of the Trustees, the Contract therefore meets the diversification requirement under section 36 of the Pensions Act 1995.

2.5. Under the terms and conditions of the Contract all contributions must be invested in the Contract.

3. Reasons for being wholly-insured

3.1. The reasons for the Scheme being a wholly-insured scheme with Aviva are as follows:

- the financial strength of Aviva;
- the security given by:
 - Aviva's regulation by the Financial Conduct Authority and Prudential Regulation Authority; and
 - The Financial Services Compensation Scheme;
- the professional management of Aviva's investment funds;
- Aviva's pensions administration and investment expertise;
- Aviva offers value for money by providing a package of investment and administration services. The cost of these services is included within the net declared interest rate.
- Risk is controlled through the provision of certain guarantees within the Contract.

4. Environmental, Social and Governance Factors

4.1. The Trustees have considered the long-term financial risks to the Scheme and believes that environmental, social and governance ("ESG") issues, including but not limited to climate change, are potentially financially material over the future investment horizon of the Scheme.

4.2. Given that pensioner members of the Scheme are typically insured, the future investment horizon of the scheme will likely be until the last deferred member retires, or alternative provision is made for the Scheme benefits. This may typically be a horizon of around 20 years. The Trustees have considered this time horizon in setting their policy regarding ESG issues.

4.3. The Trustees receive a report covering ESG considerations in respect of the Scheme's assets from the fund manager, Aviva. The Trustees may also obtain further training on ESG consideration from its investment consultant to consider any future market developments or if there are any changes to their investments that require reassessment or expansion of the Trustees' current policy on ESG factors.

4.4. The Trustees' views on how the ESG factors are taken into account for the Scheme's investments are set out below:

- the Trustees believe that ESG factors may be financially material to the risk-adjusted returns achieved by the Scheme's assets;
- as a wholly-insured scheme, consideration of all financially material factors, including ESG factors, in relation to determining the underlying investment holdings is delegated to Aviva as part of their day-to-day management of the Contract;
- the Trustees will consider Aviva's approach to ESG considerations, alongside other material factors, when determining the appropriateness of continuing as a wholly-insured scheme.

4.5. The Trustees will take into account how ESG factors are integrated into the Scheme's manager's fund management processes when appointing, monitoring, engaging with and replacing its investment manager.

4.6. The Trustees have not taken into account the Scheme members' and beneficiaries views on ethical considerations, social and environmental impact, or present and future quality of life of the members and

beneficiaries of the Scheme (i.e. "non-financial matters in the relevant legislation) in the selection, retention and realisation of investments. The Trustees will review its policy on non-financial matters periodically.

5. Agreement

- 5.1. This Statement was agreed by the Trustees, and replaces any previous Statements. Copies of this Statement and any subsequent amendments will be made available to the employer, the investment managers, the actuary and the Scheme auditor upon request.

Signed:.....

Date:.....

On behalf of the Jenkins IP Ltd 1987 Retirement Savings Scheme