

## **Martin Currie Retirement and Death Benefits Plan**

### **Statement of Investment Principles (“SIP”)**

#### **Purpose of this Statement**

This SIP has been prepared by the Trustee of the Martin Currie Retirement and Death Benefits Plan (the “Plan”). This statement sets out the principles governing the Trustee’s decisions to invest the assets of the Plan.

The Trustee has consulted with the principal employer of the Plan, Martin Currie Management Limited (the “Company”), prior to finalising this Statement and has taken the Company’s comments into account as appropriate.

#### **1. Governance**

The Trustee of the Plan makes all major strategic decisions including, but not limited to, the Plan’s asset allocation and the appointment and termination of investment managers.

When making such decisions, and when appropriate, the Trustee takes proper written advice. The Trustee’s investment adviser, Isio Group Limited (“Isio”), are qualified by their ability in, and practical experience, of financial matters, and have the appropriate knowledge and experience.

Isio’s remuneration may be a fixed fee or based on time worked, as negotiated by the Trustee in the interests of obtaining best value for the Plan.

The Trustee reviews Isio’s performance at least on an annual basis against a set of objectives, as specified and agreed by the Trustee. These objectives are shared with Isio, and the Trustee’s views and comments are fed back to Isio as part of each formal review process.

#### **2. Investment objectives**

The Trustee invests the assets of the Plan with the aim of ensuring that all members’ current and future benefits can be paid. The Plan’s funding position will be reviewed on an ongoing basis to assess the position relative to the funding target and whether the investment arrangements remain appropriate to the Plan’s circumstances. The Plan’s funding target is specified in the Statement of Funding Principles.

The Trustee’s investment objective is to achieve a level of return above the return on a liability matching portfolio of UK Government bonds. The level of return the Trustee is currently targeting is specified in **Appendix A**.

In addition to the objective set out above, the Trustee looks to:

- i) Maximise investment returns at an acceptable level of risk, as determined by the Trustee's risk appetite in the context of the Plan's funding position and the strength of the Company's covenant; and
- ii) Ensure due regard is paid to the interests of the Company, in the size and incidence of contribution payments.

### **3. Investment strategy**

The Plan's investment strategy was derived following careful consideration of the factors set out in **Appendix B** and the Trustee's investment objectives. The objectives have been taken into account at all stages of planning, implementation and monitoring of the investment strategy.

Details on the Plan's investment arrangements are set out in **Appendix A**.

The Trustee takes a holistic approach to considering and managing risks when formulating the Plan's investment strategy.

The considerations include the nature and duration of the Plan's liabilities, the risks of investing in the various asset classes, the implications of the strategy (under various scenarios) for the level of Company contributions required to fund the Plan, and also the strength of the Company's covenant. The Trustee considered the merits of a range of asset classes.

The Trustee recognises that the investment strategy is subject to risks, in particular the risk of a mismatch between the performance of the assets and the calculated value of the liabilities. This risk is monitored by regularly assessing the funding position and the characteristics of the assets and liabilities. This risk is managed by investing in assets which are expected to perform in excess of the liabilities over the long term, and also by investing in a suitably diversified portfolio of assets with the aim of minimising (as far as possible) volatility relative to the liabilities.

The assets of the Plan consist of pooled investments which are traded on regulated markets.

### **4. Investment Management Arrangements**

The Trustee has appointed a number of investment managers to manage the Plan's assets as listed in **Appendix A**. The investment managers are regulated under the Financial Services and Markets Act 2000.

All decisions about the day-to-day management of the assets have been delegated to the investment managers via a written agreement. The delegation includes decisions about:

- Selection, retention and realisation of investments, including taking into account all financially material considerations in making these decisions;
- The exercise of rights (including voting rights) attaching to the investments;
- Undertaking engagement activities with investee companies and other stakeholders, where appropriate.

The Trustee takes investment managers' policies into account when selecting and monitoring managers. The Trustee also takes into account the performance objectives the investment managers are evaluated on.

The investment managers are expected to exercise powers of investment delegated to them, with a view to following the principles contained within this statement, so far as is reasonably practicable.

As the Plan's assets are invested in pooled vehicles, the custody of the holdings is arranged by the investment manager.

### **5. Liability hedging, leverage and collateral management**

The Trustee has appointed Insight Investment Management ("Insight") to manage a liability hedging strategy, which aims to manage the Plan's interest rate and inflation risk via a Liability Driven Investment ("LDI") mandate.

The Trustee adheres to all relevant regulatory guidance and requirements in relation to leverage and collateral management in relation to the Plan's liability hedging strategy.

The Trustee recognises the need to hold sufficient liquid (i.e. daily dealt) mandates to support the LDI mandate, acknowledging that from time to time Insight may call capital on short notice to maintain the Trustee's target level of liability hedging.

The Trustee has agreed a collateral framework. Assets held within the immediate collateral framework with Insight are shown in bold, reflecting the lower governance burden on the Trustee due to automated collateral management.

<b>Tier</b>	<b>Manager</b>	<b>Asset Class</b>	<b>Dealing frequency</b>
<b>1</b>	<b>LDI Manager</b>	<b>Asset Backed Securities (ABS)</b>	<b>Daily</b>
2	Non-LDI manager	Multi-Asset Credit	Daily
3	Non-LDI manager	Equity funds (Various)	Daily

The Trustee reviews this position on at least an annual basis to ensure there remains sufficient capital available for such purposes.

## 6. Investment Manager Monitoring and Engagement

The Trustee monitors and engages with the Plan's investment managers and other stakeholders on a variety of issues. Below is a summary of the areas covered and how the Trustee seeks to engage on these matters with investment managers.

Areas for engagement	Method for monitoring and engagement	Circumstances for further action
<b>Performance, Strategy and Risk</b>	<ul style="list-style-type: none"> <li>The Trustee receives a quarterly performance report which details information on the underlying investments' performance, strategy, and overall risks, which are considered at the relevant Trustee meetings.</li> <li>The Plan's investment managers are invited periodically, in person, to present to the Trustee on their performance, strategy and risk exposures.</li> </ul>	<ul style="list-style-type: none"> <li>There are significant changes made to the investment strategy.</li> <li>The risk levels within the assets managed by the investment managers have increased to a level above and beyond the Trustee's expectations.</li> <li>Underperformance vs the performance objective over the period that this objective applies.</li> </ul>
<b>Environmental, Social, Corporate Governance ("ESG") factors and the exercising of rights</b>	<ul style="list-style-type: none"> <li>The investment managers provide annual reports on how they have engaged with issuers regarding social, environmental and corporate governance issues.</li> <li>The Trustee receives information from their investment advisers on the investment managers' approaches to engagement.</li> </ul>	<ul style="list-style-type: none"> <li>The manager has not acted in accordance with their policies and frameworks.</li> <li>The manager's policies are not in line with the Trustee's policies in this area.</li> </ul>

Through the engagement described above, the Trustee will work with the investment managers to improve their alignment with the above policies. Where sufficient improvement is not observed, the Trustee will review the relevant investment manager's appointment and will consider terminating the arrangement.

The Trustee is aware of the importance of monitoring the investment managers' total costs and the impact these have on the value of the Plan's assets. The Trustee also recognises there are other costs incurred by the investment managers that can increase the cost incurred by their investments.

Further details of the Trustee's investment management policies are set out in **Appendix C**.

## **Compliance**

This Statement has been prepared in compliance with the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005. Before preparing or subsequently revising this Statement, the Trustee consulted the sponsoring company and took appropriate written advice. The Statement is reviewed at least every three years, and without delay after any significant change in the investment arrangements.

The Trustee confirms the information contained within this document reflects the Investment Strategy they have implemented for the Plan.

The Trustee acknowledges it is their responsibility, with guidance from the relevant Advisers, to ensure the Plan's assets are invested in line with these Principles.

**Signed for and on behalf of the Trustee of the Martin Currie Retirement and Death Benefits Plan.**

**Appendix A – Investment arrangements**

**Strategic breakdown**

<b>Asset class</b>	<b>Strategic benchmark</b>	<b>Control range</b>	<b>Return p.a. (above Gilts)</b>	<b>Volatility p.a.</b>
Equity	25.0%	+ / - 5%	+4.7%	19.0%
Diversified Credit	25.0%	+ / - 5%	+2.6%	6.5%
Asset Backed Securities	15.0%	+ / - 10%	+1.0%	2.5%
LDI	35.0%	+ / - 10%	+0.0%	12.6%
<b>Overall <sup>1</sup></b>	<b>100.0%</b>	<b>n/a</b>	<b>+2.3%</b>	<b>13.2%</b>

Notes: Totals may not sum due to rounding. <sup>1</sup>“Overall” portfolio return and volatility allows for asset class and liability correlations.

Source: Investment managers, Isio calculations

**Appendix B – Risks, Financially Material Considerations and Non-Financial matters**

A non-exhaustive list of risks and financially material considerations that the Trustee has considered and sought to manage is shown below.

The Trustee adopts an integrated risk management approach. The three key risks associated within this framework and how they are managed are stated below:

<b>Risks</b>	<b>Definition</b>	<b>Policy</b>
<b>Investment</b>	The risk that the Plan's position deteriorates due to the assets underperforming.	<ul style="list-style-type: none"> <li>• Selecting an investment objective that is achievable and is consistent with the Plan's funding basis and the sponsoring company's covenant strength.</li> <li>• Investing in a diversified portfolio of assets.</li> </ul>
<b>Funding</b>	The extent to which there are insufficient Plan assets available to cover ongoing and future liability cash flows.	<ul style="list-style-type: none"> <li>• Funding risk is considered as part of the investment strategy review and the actuarial valuation.</li> <li>• The Trustee will agree an appropriate basis in conjunction with the investment strategy to ensure an appropriate journey plan is agreed to manage funding risk over time.</li> </ul>
<b>Covenant</b>	The risk that the Sponsoring Company becomes unable to continue providing the required financial support to the Plan.	<ul style="list-style-type: none"> <li>• When developing the Plan's investment and funding objectives, the Trustee take account of the strength of the covenant ensuring the level of risk the Plan is exposed to is at an appropriate level for the covenant to support.</li> </ul>

The Plan is exposed to a number of underlying risks relating to the Plan's investment strategy, these are summarised below:

<b>Risk</b>	<b>Definition</b>	<b>Policy</b>
<b>Interest rates and inflation</b>	The risk of mismatch between the value of the Plan assets and present value of liabilities from changes in interest rates and inflation expectations.	To hedge a fixed proportion, as agreed by the Trustee, of these risks on the Plan's Technical Provisions basis via the LDI portfolio.
<b>Liquidity</b>	Difficulties in raising sufficient cash when required without adversely impacting the fair market value of the investment.	To maintain a sufficient allocation to liquid assets so that there is a prudent buffer to pay members benefits as they fall due (including transfer values) and to provide collateral to the LDI manager. The Plan's assets are invested in pooled funds which are readily realisable.

Martin Currie Retirement and Death Benefits Plan  
Statement of Investment Principles – January 2026

<b>Risk (cont.)</b>	<b>Definition</b>	<b>Policy</b>
<b>Market</b>	Experiencing losses due to factors that affect the overall performance of the financial markets.	To remain appropriately diversified and hedge away any unrewarded risks, where practicable.
<b>Credit</b>	Default on payments due as part of a financial security contract.	To diversify this risk by investing in credit markets across different geographies and sectors. To appoint investment managers who actively manage this risk by seeking to invest only in debt securities where the yield available sufficiently compensates the Plan for the risk of default.
<b>Environmental, Social and Governance ("ESG")</b>	Exposure to ESG factors, including but not limited to climate change, which can impact the performance of the Plan's investments.	To appoint managers who satisfy the following criteria, unless there is a good reason why the manager does not satisfy each criteria: 1. Responsible Investment ('RI') Policy / Framework 2. Implemented via Investment Process 3. A track record of using engagement and any voting rights to manage ESG factors 4. ESG specific reporting 5. Signatory to the UN Principles for Responsible Investment ('UN PRI') The Trustee monitors the managers on an ongoing basis.
<b>Currency</b>	The potential for adverse currency movements to have an impact on the Plan's investments.	Allow the Plan's active managers who invest in overseas securities the flexibility to hedge overseas currency exposure to manage risk.
<b>Non-financial</b>	Any factor that is not expected to have a financial impact on the Plan's investments.	Non-financial matters are not taken into account in the selection, retention or realisation of investments.

**Appendix C - Investment Management Arrangement Policies**

<p>How the investment managers are incentivised to align their investment strategy and decisions with the Trustee's policies.</p>	<ul style="list-style-type: none"> <li>As the Trustee invests the Plan's assets in pooled funds, there is not scope for these funds to tailor their strategy and decisions in line with the Trustee's policies. However, the Trustee invests in a portfolio of pooled funds that are aligned to the strategic objective.</li> </ul>
<p>How the investment managers are incentivised to make decisions based on assessments of medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with them to improve performance in the medium to long-term.</p>	<ul style="list-style-type: none"> <li>The Trustee reviews the investment managers' performance relative to medium and long-term objectives as documented in the investment management agreements (the investment managers' performance objectives are set out in Appendix A).</li> <li>The Trustee monitors the investment managers' engagement and voting activity as part of their ESG monitoring process.</li> <li>The Trustee does not incentivise the investment managers to make decisions based on non-financial performance.</li> </ul>
<p>How the method (and time horizon) of the evaluation of investment managers' performance and the remuneration for their services are in line with the Trustee's policies.</p>	<ul style="list-style-type: none"> <li>The Trustee reviews the performance of all of the Plan's investments on a net of cost basis to ensure a true measurement of performance versus investment objectives.</li> <li>The Trustee evaluates performance over the time period stated in the investment managers' performance objective, which is typically 3 to 5 years.</li> </ul>
<p>The method for monitoring portfolio turnover costs incurred by investment managers and how they define and monitor targeted portfolio turnover (or range of).</p>	<ul style="list-style-type: none"> <li>The Trustee does not directly monitor turnover costs. However, the investment managers are incentivised to minimise costs as they are measured on a net of cost basis.</li> </ul>
<p>The duration of the Plan's arrangements with the investment managers</p>	<p>Duration is considered in the context of the type of fund the Plan invests in:</p> <ul style="list-style-type: none"> <li>For closed ended funds (or lock-in periods) the Trustee ensures the timeframe of the investment is in line with their objectives and Plan's liquidity requirements.</li> <li>For open ended funds, the duration is flexible and the Trustee's will from time-to-time consider the appropriateness of these investments and whether they should continue to be held.</li> </ul>
<p>Voting and Engagement Policy - How the Trustee expects investment managers to vote and engage on their behalf</p>	<ul style="list-style-type: none"> <li>The Trustee has acknowledged responsibility for the voting and engagement policies that are implemented by the Plan's investment managers on their behalf.</li> </ul>