

Statement of Investment Principles

This is the Statement of Investment Principles (the “Statement”) made by the Trustees of The John Swire & Sons Pension Plan (“the Plan”) in accordance with the Pensions Act 1995 (as amended). The Statement, which was approved by the Trustees on 28 April 2026, is subject to periodic review at least every three years and without delay after any significant change in investment policy.

In preparing this Statement, the Trustees have consulted with the employer to the Plan (John Swire & Sons Ltd) and have taken and considered written advice from the Investment Practice of Hymans Robertson LLP.

Plan objective

The primary objective of the Plan is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependants, on a defined benefits basis.

The value of liabilities is calculated on the basis agreed by the Trustees and the Plan Actuary. The funding position is monitored regularly by the Trustees and formally reviewed at each triennial actuarial valuation, or more frequently as required by the Pensions Act 2004.

The Trustees’ overriding funding principle for the Plan is to ensure that the Plan’s assets are sufficient (at their realisable value) to meet 100% of benefits as they fall due for payment to members.

Investment management

To secure the benefits of the Plan members, the Trustees have entered into three bulk annuity insurance contracts, which fully insure the Plan’s liabilities, with Aviva Life & Pensions UK Ltd (“Aviva”) and Legal & General Assurance Society Limited (“LGAS”).

The contract with LGAS was converted into a buy-out with an effective date of 2 April 2026 however, the members covered by the buy-in contracts with Aviva continue to be members of the Plan and the Trustees continue to have ultimate responsibility for the payment of benefits to these members. Under the buy-in contracts, the insurer makes regular payments to the Plan to cover members’ benefit payments.

Both Aviva and LGAS are authorised by the Prudential Regulation Authority and are regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Trustees carried out an extensive due diligence assessment in selecting both insurers and obtained written advice from their professional advisers prior to entering the contracts, as required by law.

Given the nature of the contracts, management of the vast majority of the Plan’s assets has been transferred to the appointed insurers. The Trustees no longer participate in the process of choosing investments for these assets.

The small pot of the remaining residual assets consist solely of cash and cash-like instruments. The Trustees’ investment strategy for the remaining assets is to maintain a portfolio that will provide sufficient liquidity to meet ongoing expenses and help facilitate timely payment of benefits as required. The Trustees have delegated all day-to-day investment decisions regarding the Plan’s invested assets to an authorised investment manager.

The level of liquidity is monitored periodically by the Trustees to ensure that it remains appropriate for controlling the risks identified under the ‘Risk’ section of this Statement. The Trustees do not formally monitor the performance of the residual assets, albeit the Trustees may carry out periodic reviews of performance of the invested assets vs the benchmark.

Given the nature of the Plan's assets (buy-in contracts and cash / cash-like instruments), portfolio turnover and realisation of assets are no longer considered relevant in these circumstances.

Investment manager remuneration

Remuneration for each mandate is determined at the inception of each mandate based on commercial considerations and typically set on an ad valorem basis. Given the nature of the remaining assets, the Trustees do not routinely conduct a review of the fees paid to their manager against industry standards, but are mindful of this and will review from time to time as required.

Expected return on investments

The Plan's remaining assets i.e. those not allocated to the buy-in policies, are invested in a cash fund (with small balances also retained in the Trustees' bank accounts) mainly for the purpose of liquidity management however, the Trustees expect the fund to also deliver investment returns broadly consistent with the prevailing short-term interest rates.

Realisation of investments

The proportion of the Plan's investments held in a cash fund may be realised quickly if required. The bulk annuity insurance contracts that the Trustees have entered into cannot be realised.

Risk

As part of their risk management strategy, the Trustees have entered into bulk annuity contracts to fully insure the Plan's liabilities. Under the policies, Aviva make monthly payments to the Plan sufficient to cover the routine benefit payments for the remaining Sections of the Plan.

The Trustees expect the bulk annuity purchases to immunise the Plan from market risks such as credit, interest rate, inflation and longevity risk. Under the buy-in contracts, the insurer carries the risk of longevity for members, as well as the investment risks for this proportion of the Plan's assets. The Trustees expect the buy-in provider risk to be addressed through the supervisory regime applicable to insurance companies but monitors the regular payments of benefits from the buy-in provider to the Plan.

The Trustees recognise that the Plan faces a number of risks in relation to the investment of its assets. The Trustees accept that a certain level of risk is inevitable in the effective management of investments and monitor these risks on a regular basis. Given the strong level of funding, low risk investment strategy and bulk annuities in place, the Trustees focus is on the risks associated with ongoing cashflow management for the Plan.

The principal risks affecting the Plan are:

- Systemic risk, the possibility of an interlinked and simultaneous failure of several asset classes and/or investment managers/ insurers, possibly compounded by financial 'contagion', resulting in an increase in the cost of meeting the Plan's liabilities.
- Third-party risk – The Trustees accept that the insurer may default on its obligations under the buy-in contracts and mitigated this risk by obtaining and carefully considering professional advice regarding the financial strength of the insurers and the applicable regulatory regime.
- Liquidity risk – The Trustees ensure the Plan maintains a sufficient cash balance in its bank accounts to meet its outgoings by obtaining advice on the Plan's cashflow requirements from the Plan's administrators.
- Concentration – The risk that a significant allocation to any single asset category and/or insurer and its underperformance relative to expectations would result in difficulties in achieving funding objectives. The

concentration risk associated with appointment of Aviva as the buy-in provider has been addressed through in-depth scrutiny of the insurer.

Consideration of financially material factors in investment arrangements

The Trustees recognise that the consideration of financially material factors, including Environmental, Social, and Governance (“ESG”) factors, is relevant at different stages of the investment process. The buy-in contracts the Trustees have entered into aim to match the Plan’s benefit obligations and have not been structured with expected return in mind.

Given the nature of the contracts and the remaining residual assets, the Trustees have not made explicit allowance for ESG factors in framing the strategic asset allocation.

Consideration of non-financially material factors in investment arrangements

The Trustees have not imposed any restrictions or exclusions to the investment arrangements based on non-financially material factors.

Stewardship

The Trustees regard stewardship as encompassing the exercise of voting rights and engagement with investee companies, engagement by and with investment managers, the monitoring of managers’ compliance with agreed policies, and participation of the Plan in ESG-related industry initiatives.

The Plan is predominantly invested in buy-in contracts and day-to-day management of its assets has been transferred to Aviva. As such, the Trustees no longer directly exercise any voting rights attached to these assets. The remainder of the Plan’s portfolio is made up of cash and cash-like instruments which do not have any voting rights attached.

The Trustees are supportive of the UK Stewardship Code which seeks to improve the quality of engagement between institutional investors and investee companies. Where appropriate, the Trustees expect the Plan’s insurer and investment manager to comply with the code.

Given the nature of the remaining residual assets, the Trustees do not meet with the investment manager on a regular basis but may consider ad hoc meetings, as required.

Additional Voluntary Contributions (AVCs)

Members are not permitted to open new AVC policies.

Signed For and on Behalf of the Trustees of the John Swire & Sons Pension Plan.

Trustee

Trustee