

The James Walker (Leith) Ltd Retirement Benefits Scheme ("the Scheme")

Statement of Investment Principles

1. Introduction

This Statement is the framework on which we, the Trustees of the Scheme, base our policy on various matters governing decisions about the assets of the Scheme. In constructing this Statement, we have obtained and considered written advice on investment strategy from our investment adviser.

We have drawn up this Statement in accordance with the requirements of Regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005, Section 35 of the Pensions Act 1995 ("the Act"), the sections of the Act referred to in Section 35 and it complies with subsequent legislative amendments.

2. Investment Objective

As Trustees, our new investment objective is to protect the Scheme's buyout funding level. In setting this objective we are guided by the strength of the employer, the state of maturity of the Scheme and its funding position.

3. Identifying and Managing Risks

The strategy is now being implemented using an annuity buy-in policy with an insurer, which minimises the mismatching risk in the Scheme. The insurer is Just Retirement Limited, which is a subsidiary of Just Group plc, a FTSE 250 insurance company established in 2004, with a market capitalisation of £0.8bn as at 15 December 2021. Just has three main business lines: bulk annuities (in the market since 2012), retail annuities and life time mortgages. It is a UK regulated insurance company, with a solvency level of 150% (assets as a percentage of liabilities) as of 31 December 2020.

4. Realisation of investments

Any remaining cashflows not covered by the annuity policy will be met from the Trustees' bank account or additional funding from the sponsoring employer.

5. Environmental, Social and Governance Considerations

As there are no longer any main Scheme investments held, other than the annuity policy, the governance aspects of this section are largely no longer applicable.

The Trustees will still publish their SIP online for general public access. However, the Trustees are no longer required to publish annually online an engagement policy implementation statement.

6. Additional Voluntary Contributions

As the Scheme is closed to accrual and member contributions there are no facilities for AVCs.

The Trustees hold assets invested separately from the main fund in the form of individual insurance policies securing additional benefits on a money purchase basis for those members who elected to pay additional voluntary contributions. Such contributions ceased when accrual of main scheme benefits ceased, but the policies continue in paid up form. Members participating in the arrangement each receive an annual statement confirming the amounts held to their account and the movements in the year.

7. Review

This Statement will be reviewed at least once every three years and in the event of an unexpected change in annuity provider, we will consult with our investment adviser, Scheme Actuary and employer.

For and on behalf of the Trustees of the James Walker (Leith) Ltd Retirement Benefits Scheme

Signed:

John Campbell, Chair of Trustees

Date:.....

4th March 2022