

# Wilfred T Fry Limited Retirement Benefits Scheme

## Statement of Investment Principles – Implementation Statement

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The purpose of this Statement is to provide information which is required to be disclosed in accordance with the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as subsequently amended, including amendments to transpose the EU Shareholder Rights Directive (SRD II) into UK law. It confirms how the investment principles, objectives, and policies of the Trustee's Statements of Investment Principles (SIP) dated December 2023 has been implemented.

It also includes the Trustee's voting and engagement policies, as well as details of any review of the SIP during the year, subsequent changes made with the reasons for the changes (if any). A description of the voting behaviour during the year, either by or on behalf of the Trustee, or if a proxy voter was used, is also included within this Statement.

This Statement covers the period 1 April 2024 to 31 March 2025.

### Investment objectives of the Scheme

The Trustee's primary objective at the end of the year is set out on page 2 of the December 2023 SIP and reflects the buy-in policy purchased during the year. The objective is to invest sufficient assets in a bulk annuity contract that backs all the liabilities of the Scheme to enable the Trustee to meet all the Scheme's benefits as they fall due.

### Review of the SIP

The SIP was last reviewed in December 2023. The Trustee updated the SIP following changes to the investment strategy made during the year, namely the purchase of a bulk annuity contract with an insurer, Just Retirement ('the Insurer').

Prior to this, the SIP had last been updated in November 2022 to take account of previous investment strategy changes.

The Trustee has a policy on financially material considerations relating to ESG issues, including the risk associated with the impact of climate change. In addition, the Trustee has a policy on the exercise of rights and engagement activities, and a policy on non-financial considerations. These policies are set out later in this Statement and are detailed in the Trustee's latest SIP.

The Trustee's policy on engagement and voting rights was also updated in the SIP to include the voting policy of the Scheme's Insurer and show that the Trustee believes that the Scheme's assets should be invested in such a way to aim to improve the ESG behaviours of any underlying investee companies.

### Investment manager

During the year, the Scheme held a bulk annuity contract with the Insurer that is expected to provide cashflows to match future benefit outgo for all Scheme liabilities, with any residual cash held in the Trustee's bank account.

## Investment governance

The Trustee is responsible for making investment decisions and seeks advice as appropriate from Broadstone Pensions Limited ('Broadstone'), as the Trustee's investment consultant. From 1 July 2025 the investment consultancy business of Broadstone Pensions Limited was novated to Broadstone Corporate Benefits Limited.

The Trustee does not actively obtain views of the membership of the Scheme to help form its policies set out in the SIP as the Scheme is comprised of a diverse membership, which the Trustee expects to hold a broad range of views on ethical, political, social, environmental, and quality of life issues.

The Trustee has put in place objectives for Broadstone, as the Trustee's investment consultant, as required by the Occupational Pension Schemes (Governance and Registration) (Amendment) Regulations 2022, which were last reviewed by the Trustee in March 2024. These objectives cover advising on and assisting the Trustee with investment governance and compliance, scheme management, and service standards.

In addition, the Trustee periodically reviews its advisers (including Broadstone as its investment consultant).

## Monitoring of investment arrangements

The Trustee will periodically review the Insurer and its approaches to ensure the investment objectives set out in the SIP are being met.

## Trustee's policies

The table below sets out how, and the extent to which, the relevant policies in the Scheme's SIP have been followed:

Requirement	Policy	Implementation of Policy
<b>Selection of Investments</b>	<p>The Trustee holds an insurance policy with the Insurer which provides income to the Scheme, matching all the future liabilities due from it.</p> <p>The Trustee may hold a working cash balance to allow the Trustee to purchase annuities for the remaining liabilities of the Scheme and for the purpose of meeting the expenses of running the Scheme.</p>	No deviation from this policy over the year to 31 March 2025.
<b>Delegation to the Insurer</b>	<p>The Trustee will delegate the day-to-day management of the Scheme's assets to the Insurer and will not be involved in the buying or selling of investments.</p>	No deviation from this policy over the year to 31 March 2025.
<b>Realising Investments</b>	<p>The bulk annuity contract generates cashflows to meet the benefit outgo of the Scheme.</p> <p>The Trustee also maintains a bank account and aims to maintain a cash balance to cover the Scheme's benefits and may meet Scheme expenses. The cash balance will only meet expenses should the Principal Employer contribute the amount of expense due into the bank account for the Trustee to use the account for this purpose, or if the bank account holds any residual cash once all benefits have been secured with annuities.</p>	No deviation from this policy over the year to 31 March 2025.

<b>Financially and Non-Financially Material Considerations</b>	The Trustee's policy on financially and non-financially material considerations is set out on page 5 of the SIP and in full below.	No deviation from this policy over the year to 31 March 2025.
<b>Engagement and Voting Rights</b>	<p>The Trustee's voting and engagement policy is to use its investments to improve the Environmental, Social and Governance behaviours of the underlying investee companies. These ESG topics encompass a range of priorities, which may over time include climate change, biodiversity, the remuneration and composition of company boards, as well as poor working practices. The Trustee believes that having this policy and aiming to improve how companies behave in the medium and long term will protect and enhance the value of its investments and is in the members' best interests.</p> <p>The voting policy of the Insurer can be found at the following website:</p> <p><a href="https://www.justgroupplc.co.uk/sustainability/esg-investors">https://www.justgroupplc.co.uk/sustainability/esg-investors</a></p>	No deviation from this policy over the year to 31 March 2025.
<b>Additional Voluntary Contributions (AVCs)</b>	The Scheme holds AVCs separately to the Scheme's assets backing defined benefits, in funds held with Utmost Life & Pensions. The liability in respect of these AVC funds is equal to the value of the investments bought by the contributions.	No deviation from this policy over the year to 31 March 2025.

## Financially and non-financially material considerations

The Trustee recognises that Environmental, Social and Governance (ESG) issues can and will have a material impact on the companies, governments and other organisations that issue or otherwise support the assets in which the Scheme invests. In turn, ESG issues can be expected to have a material financial impact on the returns provided by those assets. The Trustee delegates responsibility for day-to-day decisions on the selection of investments to the Insurer. The Trustee has an expectation that the Insurer will consider ESG issues in selecting investments or will otherwise engage with the issuers of the Scheme's underlying holdings on such matters in a way that is expected to improve the long-term return on the associated assets.

The Trustee has not imposed any specific restrictions on the Insurer regarding ESG issues as part of the buy-in policy purchased. However, the Trustee reserves the right to request information from the Insurer on its approach to selecting investments and engaging with issuers with reference to ESG issues.

The Trustee has taken into consideration the Financial Reporting Council's UK Stewardship Code, and the Insurer has stated corporate governance policies which comply with these principles.

With regard to the specific risk to the performance of the Scheme's investments associated with the impact of climate change, the Trustee takes the view that this falls within its general approach to ESG issues. The Trustee regards the potential impact of climate change on the Scheme's assets as a longer-term risk and likely to be less material in the context of the short-term development of the Scheme's funding position than other risks. The Trustee will continue to monitor market developments in this area in conjunction with its investment adviser.

The Trustee's views on how ESG issues are taken account of in each asset class used during the Scheme year are set out below.

Asset Class	Active/Passive	ESG Views
Buy-in policy	Active	The Trustee expects the Insurer to take financially material ESG factors into account, given the underlying assets held by the Insurer are actively managed and the ability of the Insurer to use its discretion to generate higher risk-adjusted returns. The Trustee also expects the Insurer to engage with investee companies, where applicable, although it appreciates that fixed income assets (which make up a large proportion of the buy-in policy) do not typically attract voting rights.

The Trustee does not currently impose any specific restrictions on the Insurer regarding ESG issues but will review this position from time to time. The Trustee receives information from the Insurer on its approach to selecting investments and engaging with issuers with reference to ESG issues.

Regarding the specific risk to the performance of the Scheme's investments associated with the impact of climate change, the Trustee take the view that this falls within its general approach to ESG issues. The Trustee regards the potential impact of climate change on the Scheme's assets as a longer-term risk and likely to be less material in the context of the short to medium term development of the Scheme's funding position than other risks. The Trustee will continue to monitor market developments in this area with their investment adviser.

Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustee believes these should not drive investment decisions. The Trustee expects the Insurer, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment.

## Voting rights and engagement activities

The buy-in policy held during the year, does not contain any equity holdings. Therefore, none of the Scheme's assets have voting rights attached.

The Trustee has also delegated engagement activities to the Insurer. Just have put in place targets to reduce the carbon emission across its bulk annuity policies, as well as making a positive impact (in line with the United Nations' Sustainability Development Goals). These targets and policies are set out in Just's Responsible Investment Framework and reported on each year. Some of the key highlights are summarised below:

- Just have raised debt via green bonds and sustainability bonds to target investment of £825 million in green and social assets by 2025.
- Carbon emissions were reduced by 42% over 2023 across the investments held by Just.
- Just have partnered with EcoTree to plant 50,000 trees each year.
- Just have met its target to have women in at least 33% of its senior leadership positions in 2023.

Just's ESG and sustainability insight and reports can be found at the following web address:

<https://www.justgroupplc.co.uk/sustainability>.

The Trustee is comfortable with the approach used by the Insurer for exercising rights and conducting engagement activities.

**Signed:** Joanne Fairbairn

**Date:** 29/10/2025

**On behalf of the Trustee of the Wilfred T Fry Limited Retirement Benefits Scheme**