

Statement of Investment Principles

For the Senior plc Pension Plan

Effective from: September 2025



1. Introduction

This Statement of Investment Principles (“SIP”) has been produced by Senior Trustee Limited (the “Trustee”) on various matters governing investment decisions for the Plan.

This SIP replaces the previous SIP dated September 2022.

This SIP has been prepared after obtaining and considering written advice from LCP, the Plan’s investment adviser, whom the Trustee believes to be suitably qualified and experienced to provide such advice. The advice considered the suitability of investments including the need for diversification given the circumstances of the Plan and the principles contained in this SIP.

The Trustee has consulted with the sponsor in producing this SIP.

The Trustee will review this SIP from time to time and will amend it as appropriate. Reviews will take place without delay after any significant change in investment policy.

This SIP contains the information required by legislation, and also considers the Pension Regulator’s guidance on investments.

2. Investment objective and strategy

The primary objective for the Plan is to ensure that the benefit payments are met as they fall due.

The Trustee, with the help of its advisers and in consultation with the sponsor, reviewed the investment strategy in 2025, taking into account the Plan’s primary objective.

To achieve this, the Trustee has entered a bulk annuity contract with M&G which matches the benefits payable to the Plan’s members. The annuity policy is a full buy-in and therefore remains an asset of the Plan.

The annuity policy with M&G represents the majority of the Plan’s assets. Residual assets may be invested in a money market fund and / or gilt funds with the appointed investment manager, Legal & General Asset Management (“L&G AM”) from time to time.

3. Considerations in setting the investment arrangements

When deciding how to invest the Plan’s assets, the Trustee considers a range of asset classes, taking account of the expected returns and risks associated with those asset classes, as well as the Trustee’s beliefs about investment markets and which factors are most likely to impact investment outcomes.

In setting the strategy for the Plan the Trustee took into account:

- the best interests of members and beneficiaries;
- the circumstances of the Plan, including the profile of the benefit cash flows (and the ability to meet these in the near to medium term), the funding level, and the strength of the employer covenant;
- the risks, rewards and suitability of a number of possible asset classes and investment strategies and whether the return expected for taking any given investment risk is considered sufficient given the risk being taken; and
- any other considerations which we consider financially material over the time horizon that is needed for the funding of future benefits by the investments of the Plan.

Our key investment beliefs, which influenced the setting of the investment arrangements, are as follows:

- asset allocation is the primary driver of long-term returns;
- risk-taking is necessary to achieve return, but not all risks are rewarded;
- risks that do not have an expected reward should generally be avoided, hedged or diversified;
- environmental, social and governance (ESG) factors are likely to be one area of market inefficiency and managers may be able to improve risk-adjusted returns by taking account of ESG factors and is one factor that the Trustee should consider when making investment decisions;
- long-term environmental, social and economic sustainability is one factor that trustees should consider when making investment decisions;
- costs have a significant impact on long-term returns and therefore obtaining value for money from the investments is important;
- and voting and engagement are important and can create long term value which is in the best interest of Plan members and therefore the Trustee encourages managers to improve their voting and engagement practices.

4. Implementation of the investment arrangements

Before investing in any manner, the Trustee obtains and consider proper written advice from its investment adviser as to whether the investment is satisfactory, having regard to the need for suitable and appropriately diversified investments.

The Trustee has signed an agreement transferring the liability for paying member benefits to M&G, an insurance company authorised by the Prudential Regulatory Authority (“PRA”) and regulated by the PRA and Financial Conduct Authority (“FCA”).

With respect to any residual assets, the Trustee has signed agreements with the investment managers setting out in detail the terms on which the portfolios are to be managed. The investment managers’ primary role is the day-to-day investment

management of the Plan’s investments. The managers are authorised under the Financial Services and Markets Act 2000 (as amended) to carry out such activities.

The Trustee has limited influence over managers’ investment practices because all the Plan’s residual assets are held in pooled funds, but it encourages its manager to improve its practices within the parameters of the funds it is managing.

The Trustee’s view is that the fees paid to the investment managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high quality service that meets the stated objectives, guidelines, and restrictions of their fund. However, in practice, managers cannot fully align their strategy and decisions to the (potentially conflicting) policies of all their pooled fund investors in relation to strategy, long-term performance of debt/equity issuers, engagement, and portfolio turnover.

It is the Trustee’s responsibility to ensure that the managers’ investment approaches are consistent with our policies before any new appointment, and to monitor and to consider terminating any arrangements that appear to be investing contrary to those policies. The Trustee expects investment managers to make decisions based on assessments of the longer-term performance of debt/equity issuers, and to engage with issuers to improve their performance (or where this is not appropriate to explain why). It assesses this when selecting and monitoring managers.

The Trustee evaluates investment manager performance over both shorter- and longer-term periods as available. If a manager is not meeting its performance objectives, it will consider alternative arrangements.

The Trustee’s policy is to evaluate each of its investment managers by considering performance, the role it plays in helping to meet its overall long-term objectives, taking account of risk, the need for diversification and liquidity. Each manager’s remuneration, and the value for money it provides, is assessed in light of these considerations.

The Trustee recognise that portfolio turnover and associated transaction costs are a necessary part of investment management. Since the impact of these costs is reflected in performance figures used in our assessment of the investment managers, the Trustee does not explicitly monitor portfolio turnover. The Trustee

expects its investment consultant to incorporate portfolio turnover and resulting transaction costs as appropriate in its advice on the Plan's investment mandates.

5. Realisation of investments

When appropriate, the Trustee decides on the amount of cash required for benefit payments and other outgoings and inform the investment managers of any liquidity requirements.

The Trustee's annuity provider, M&G, has the liability for paying the benefits of the members of the Plan. At present, M&G pays the pension payroll into the Trustee bank account, with the Plan's administrator processing the payments to members.

6. Financially material considerations and non-financial matters

The Trustee has considered how environmental, social, governance ("ESG") and ethical factors should be taken into account in the selection, retention and realisation of investments, given the time horizon of the Plan and its members. The Trustee expects its investment managers to take account of financially material considerations (including climate change and other ESG considerations).

The Trustee seeks to appoint managers that have appropriate skills and processes to do this, and from time to time reviews how its managers are taking account of these issues in practice. The Trustee has limited influence over managers' investment practices where assets are held in pooled funds (eg with respect to any residual assets), but it encourages its managers to improve their practices where appropriate.

The Trustee considers it is necessary to act in the best financial interests of Plan members and therefore it expects its investment managers to take account of these issues where they may be financially material, taking into account the nature and time horizon of the investments. It seeks to appoint managers that have appropriate skills and processes to do this, and from time to time reviews how its managers are taking account of these issues in practice.

The Trustee considered how ESG factors (including but not limited to climate change) should be addressed when selecting M&G as the insurer, and reviewed how M&G are taking account of these issues in practice in its decision.

The Trustee recognise it now has a limited influence on the Plan's approach to ESG, ethics, and other financially material considerations now that a bulk annuity policy has been purchased to insure all member benefits. The parameters of the

policy limit the scope for significant incorporation of ESG factors. However, the Trustee expect M&G to take account of these considerations in its decisions.

7. Voting and engagement

As the majority of the Plan's assets are held in a bulk annuity with M&G, the Trustee has limited influence over the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, risks and ESG considerations.

However, in selecting M&G as the insurer, the Trustee sought to appoint an insurer that has strong stewardship practices as described in Section 6 above.