

# Johnson Wax Retirement and Life Assurance Plan (“the Plan”)

## Statement of Investment Principles (“SIP”)

### Introduction

This Statement (“SIP”) has been prepared in accordance with section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004), and the Occupational Pension Schemes (Investment) Regulations 2005.

The effective date of this SIP is December 2025. The Trustee of the Johnson Wax Retirement and Life Assurance Plan (the “Trustee”) will review this SIP and the Plan’s investment strategy no later than three years after the effective date of this SIP and without delay after any significant change in investment policy.

### Investment Objective

The aim is to prudently invest the Plan assets to ensure promised benefits are provided. The Trustee has fully insured these benefits to minimise the risk that the Plan is unable to meet this objective.

### Strategy:

The Plan invests primarily in a Bulk Purchase Annuity Agreement (“Annuity Policy”) with Legal and General Assurance Society (the “insurer”), designed to fully match liabilities and remove market-related risks and demographic risks from the Plan.

Residual assets are invested in Sterling Liquidity Fund with Legal and General Asset Management (“L&G”) in suitably liquid arrangement.

Asset allocation considers funding position, liability profile, cashflow requirements, and Trustee objectives.

Written advice from investment advisers informs asset allocation decisions, considering diversification and alternative methods for securing benefits.

The Trustee also consulted with the sponsoring employer when setting this strategy.

### Risk Management:

Funding risk is addressed by insuring liabilities through the Annuity Policy.

Cashflow risk is managed by ensuring that the assets can be easily converted to cash when needed to meet liabilities. The Annuity Policy is structured to cover most of the payments required by the Plan.

Covenant risk and operational risks are mitigated through consultation with the sponsor and qualified advisers.

Annuity Policy default risk is assessed through due diligence on the insurer's credit strength, in addition to other factors such as the regulatory environment and other protections available (e.g., the Financial Services Compensation Scheme).

**Implementation:**

Aon provides investment advice, ensuring the Trustee is informed and decisions are monitored.

The Annuity Policy is a qualifying insurance policy. The insurer is responsible for the management of its assets and is expected to invest in a prudent approach to meet required obligations under each policy

Day-to-day asset management associated with the residual assets is delegated to L&G.

**Responsible Investment:**

The strategy aims to act in the best financial interests of beneficiaries, considering Environmental, Social and Governance factors (ESG). The Trustee elected to invest the majority of the Plan’s assets in an Annuity Policy and has limited ability to influence the ESG policies and practices of the insurer.

The Trustee accepts responsibility for how the insurer stewards assets on its behalf, including the casting of votes in line with its voting policies. The Trustee does not attempt to influence the stewardship policies and practices of the insurer.

The Trustee considered ESG and stewardship policies of the insurer at the point of purchasing the Annuity Policy, to the extent it was practical, to ensure the policies were in line with the Trustee’s beliefs.

Given the relatively small proportion of Plan assets invested with L&G and the limited materiality of stewardship to these asset classes, the Trustee does not have a formal stewardship policy in place for these assets.

**Cost and Performance Monitoring:**

Given the nature of the Annuity Policy and the fact that the Trustee does not directly remunerate the insurer, the Trustee considers it unnecessary to monitor the insurer’s performance.

**Governance:**

The Trustee sets investment objectives and monitors strategy success, consulting with the sponsor and advisers.

Direct investments of the residual assets are reviewed regularly, considering security, liquidity, profitability, and diversification.

Signed: ..... Date: .....

On behalf of the Trustee of the Johnson Wax Retirement and Life Assurance Plan.