

The Motor Industry Pension Plan (the 'Plan')

The Jacksons (Basingstoke) Limited section of the Plan (the 'Section') Statement of Investment Principles

Scope of Statement

This Statement has been prepared in accordance with s35 and s36 of the Pensions Act 1995, as amended by s244 and s245 of the Pensions Act 2004, respectively, and the Occupational PensionSchemes (Investment) Regulations 2005.

The effective date of this Statement is 13 May 2025. The Trustee will review this Statement and the Section's investment strategy no later than three years after the effective date of this Statement and without delay after any significant change in investment policy.

This Statement sets out the principles governing decisions about the investment of the assets of the Section.

The Plan is an industry-wide scheme. This Statement is issued by the Trustee to the Plan, Independent Governance Group Limited (the "Trustee").

Consultations made and parties involved

The principal employer, Jacksons (Basingstoke) Limited ("the Employer") entered administration on 24 October 2006, therefore the Trustee has been unable to consult with the Employer prior to finalising this Statement.

The Trustee is responsible for the investment strategy of the Section. It has obtained and considered written advice on the investment strategy appropriate for the Section and on the preparation of this Statement. The advice on the preparation of this Statement was provided by Aon Investments Limited ('Aon') who are authorised and regulated by the Financial Conduct Authority.

A copy of this Statement is available to the members of the Section and is available on-line via a publicly accessible website.

Strategy

The Trustee purchased a bulk annuity policy from Rothesay, which insures the members' liabilities. Rothesay pays the Section an amount equal to the pension payment of the members underlying the policy. This insurance contract is an asset of the Section and the pension liability remains within the Section. The annuity policy is the sole asset of the Section.

Choosing Investments

The types of investments held and the balance between them is determined according to what is deemed appropriate given the liability profile of the Section, its cashflow requirements, the funding level of the Section and the Trustee's objectives.

The assets of the Section are invested in the best interests of the members and beneficiaries.

The Trustee exercises its powers of investment in a manner calculated to ensure the security, quality and liquidity of the portfolio as a whole. Diversification has been considered by the Trustee as appropriate.

Having taken advice, which covered the requirements of Section 36 of the Pensions Act 1995 (as amended), from their advisors prior to entering into the bulk annuity policy, the Trustee believes that by investing in a policy of this nature the Trustee will achieve its investment objectives with a minimal level of risk.

Investment Risk Measurement and Management

As the Section's sole asset, is a bulk annuity policy with Rothesay, the Section is exposed to risk of the insurer defaulting. The Trustee considered the credit strength of the insurer as part of its due diligence process. Having considered this, in addition to a number of factors such as the prudential regulation regime and other protections available (e.g. the Financial Services Compensation Scheme), the Trustee considered the bulk annuity policy to be an appropriate investment for the Section.

Arrangements with asset managers

All of the Section's assets are invested with Rothesay in the form of a bulk annuity policy. The aim of the bulk annuity policy is to wholly insure the benefits of all members of the Section.

Given the nature of the agreement with Rothesay, the Trustee believes it has limited ability to incentivise Rothesay to align its investment strategy and decisions with the Trustee's policies in relation to stewardship, corporate governance and responsible investment.

Given the long term nature of the Section's sole investment and the bulk annuity policy the Trustee believes that Rothesay is appropriately incentivised to make decisions relating to the medium and long term financial and non-financial factors which may influence performance.

Cost monitoring

Given the nature of a bulk annuity policy and that the Trustee does not directly remunerate Rothesay, the Trustee does not believe it is appropriate to monitor the performance of the insurer.

Members' Views and Non-Financial Factors

In setting and implementing the Section's investment strategy the Trustee does not explicitly take into account the views of Section members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors"¹).

Environmental, Social, and Governance ("ESG") considerations Stewardship – Voting and Engagement

The Trustee considers investment risk to include ESG factors and climate change. These risks could negatively impact the Section's investments. The Trustee considers these risks by taking advice from its investment adviser.

The Trustee's primary concern when setting the investment strategy is to act in the best financial interests of the beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. The Trustee believes that, in order to fulfil this commitment and to protect and enhance the value of the Section's investments, it must act as a responsible steward of the investments.

The Trustee acknowledges that financially material considerations include environmental, social and corporate governance (ESG) factors, such as climate change.

Duration of arrangements

There is no set duration for the Trustee's arrangement with Aon, although the continued appointment will be reviewed periodically.

.....	03 June 2025
Signed	Date

.....	03 June 2025
Signed	Date

Approved and agreed by Independent Governance Group Limited, Trustee of the Motor Industry Pension Plan.

¹ The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018