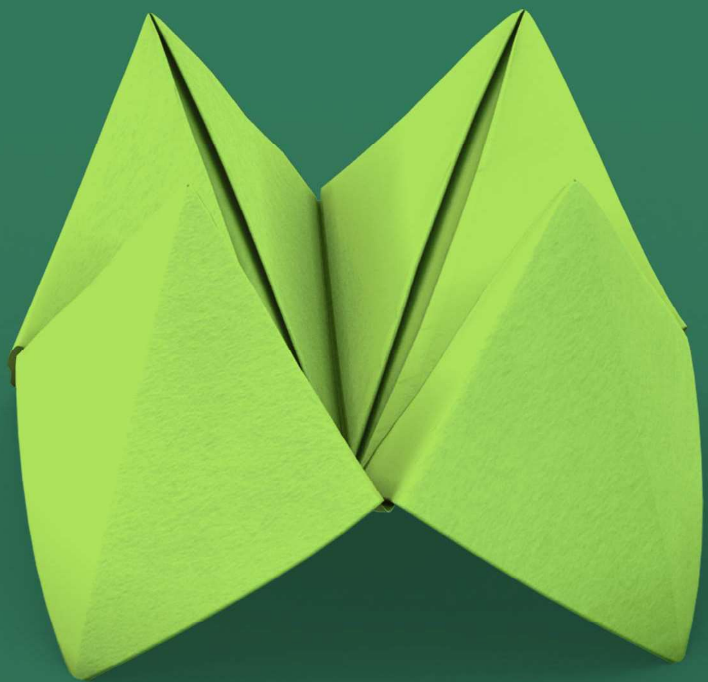
Just Rollers PLC Pension Scheme

Statement of Investment Principles

September 2023



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Signatory of:

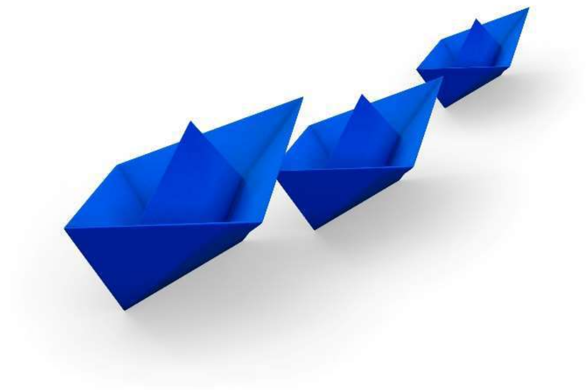
1 Executive Summary

This Statement of Investment Principles ("the Statement") has been commissioned by and addressed to the Trustees of the Just Rollers PLC Pension Scheme ("the Scheme").

This document has been prepared by the Trustees of the Just Rollers PLC Pension Scheme ("the Trustees") after advice from Mark Garnett of Advisory Investment Services Limited ("AIS Ltd").

It has been prepared to comply with Section 35 of the Pensions Act 1995 as amended by the Pensions Act 2004, the Occupational Pension Schemes (Investment) Regulations 2005 and as amended by subsequent regulations.

For the purposes of this report, Just Rollers PLC is referred to as the "Principal Employer".



2 Introduction

This Statement sets out the principles governing decisions about investments for the Scheme and supersedes any previous Statements prepared by the Trustees.

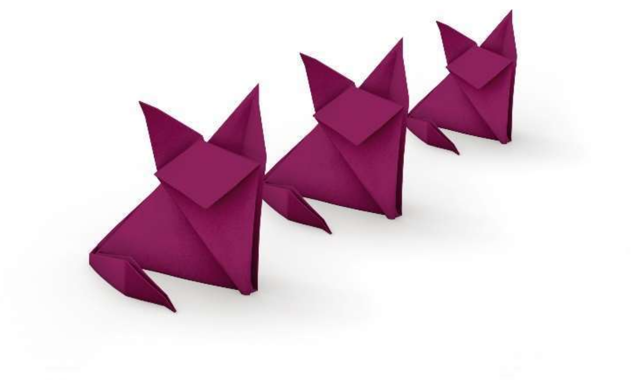
In preparing this Statement, the Trustees have:

- Consulted with the Company, although responsibility for maintaining this Statement and setting investment policy rests solely with the Trustees.

- Obtained and considered written professional advice and recommendations from Mark Garnett of AIS who is the Trustees appointed investment consultant. AIS is authorised and regulated by the Financial Conduct Authority ("FCA"). Mark has confirmed to the Trustees that AIS has the appropriate knowledge and experience to give the advice required by the Pensions Acts.

- The Trustees will review this Statement at least once every three years. If there are any significant changes in any of the areas covered by this Statement, the Trustees will review it without further delay. Any changes made will be based on written advice from a suitably qualified individual and will follow on from consultation with the Company.

- The Scheme is a defined benefits ("DB") plan. The Trustees investment powers are set out in the Trust Deed and Rules and subsequent amending deeds. This Statement is consistent with those powers.

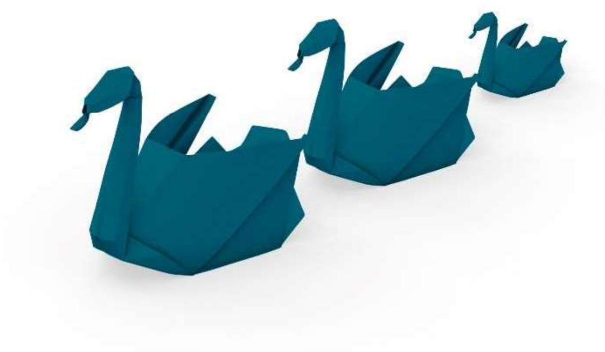


3 Investment Objectives

The Trustees overall investment policy is guided by the following objectives:

–	The Trustees primary investment objective for the Scheme is to ensure sufficiently liquid assets are available to meet all liabilities as and when they fall due. In doing so, the Trustees also aim to optimise the returns after taking into consideration the circumstances of the Scheme and the risk profile agreed by the employer and the Trustees.
–	The Trustees have allowed for the Company's covenant and has taken a long-term view to setting their funding and investment objectives. They are aware of the relationship between the investments held and the funding level of the Scheme liabilities and believe that their investment objectives and the resultant strategy are consistent with the valuation of those liabilities.
–	To fully fund the Scheme on the Technical Provisions basis within 15 years.

The Scheme Actuary has confirmed during the process of revising the investment strategy that the investment objectives and resultant strategy are consistent with the actuarial valuation methodology and assumptions used in the statutory funding objective.



4 Investment Responsibilities

The Trustees

Under the legal documentation governing the Scheme, the power of investment is vested with the Trustees. Therefore the Trustees are responsible for setting the investment objectives and determining the strategy to achieve those objectives. They set the overall investment target and monitor the performance of their investment managers against the target. In doing so the Trustees consider the advice of its professional advisers, who it considers to be suitably qualified and experienced for this role.

Their duties and responsibilities include but are not limited to:

–	Regular approval of this Statement and monitoring compliance with this Statement
–	Appointment, removal (where applicable) and review of its investment managers or investment consultant and their performance relative to relevant benchmarks
–	Assessment of the investment risks run by the Scheme
–	Monitoring and review of the asset allocation

INVESTMENT CONSULTANT'S DUTIES AND RESPONSIBILITIES

The Trustees have appointed AIS as its investment consultant. AIS provides advice when the Trustees require it and/or when AIS feels it suitable to do so. Areas on which it can provide advice are as follows:

–	Setting investment objectives, where relevant
–	Determining the strategic asset allocation
–	Determining suitable funds and investment managers
–	Managing cashflow

It should be noted that the Trustees retain responsibility for all decisions.

Any services provided by AIS will be remunerated on either a time cost or fixed fee basis.

AIS does not receive any commission or any other payments in respect of the Scheme for investment services that will affect the impartiality of its advice. Any manager discounts received through the use of the investment platform are passed in full to the Scheme.

The Trustees are satisfied that this is a suitable adviser compensation structure.

INVESTMENT MANAGERS' DUTIES AND RESPONSIBILITIES

The Trustees, after considering suitable advice, have appointed various investment managers to manage the assets of the Scheme via the Mobius Life investment platform.

The investment managers are detailed in the Appendix of this Statement. These investment managers are authorised and regulated by the FCA and are responsible for stock selection, asset allocation (if managing a multi-asset portfolio) and the exercise of voting rights. All the managers are compensated by fund based charges on the value of the Scheme's assets that they hold.

5 Setting the Investment Strategy

Investment Strategy

The Trustees have determined its investment strategy after considering the Scheme's liability profile, its own appetite for risk and the views, risk appetite and covenant of the Company. It has also received written advice from its investment consultant.

TYPES OF INVESTMENT

The Scheme's assets are invested on behalf of the Trustees by Mobius Life Limited ("Mobius") through an investment platform, with underlying investment managers. In addition, the Trustees operate a bank current account for the purpose of making and receiving payments.

The Trustees are permitted to invest across a wide range of asset classes, including but not limited to equities, bonds, cash, property and alternative asset classes. The use of derivatives is as permitted by the guidelines that apply to the pooled funds. The Trustees understand that some assets classes provide a better match to the liabilities than others.

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The Trustees policy is not to invest directly in employer-related investments but may hold employer-related investments through the pooled funds it invests in.

BALANCE BETWEEN DIFFERENT TYPES OF INVESTMENT

The Scheme invests in assets that are expected to achieve the Scheme's objectives detailed previously. The allocation between the different asset classes is shown in the Appendix of this Statement.

The Trustees have considered the merits of both active and passive management for the different elements of the asset allocation and selected suitable types of management for each asset class. The current managers are shown in the Appendix.

From time-to-time the Scheme may hold cash and therefore deviate from its strategic or tactical asset allocation in order to accommodate any short-term cashflow requirements or any other unexpected events.

The Trustees may also hold insurance policies which are for the benefit of certain members to match part or all of their liabilities.

EXPECTED RETURN ON INVESTMENTS

The Trustees have noted the long-run relationships that exist between the returns from different asset classes and has noted the different expected risk/return characteristics of the various different asset classes.

In particular, the Trustees have noted that equities and property can be expected to deliver a greater long-run real return (over price inflation) than that expected from corporate bonds, fixed interest gilts, index-linked gilts or cash but that typically equities are the most volatile asset class in terms of market returns on an annual basis. The returns from property are likely to be more than bonds and cash and less than equities over the long term.

The diversified growth funds are expected to achieve a return broadly in line with the equity markets over a full market cycle, with reduced levels of volatility relative to equities. The multi asset credit funds are targeted to achieve returns over cash, as measured by SONIA, or its equivalent, for either the one or three month interest rates.

The Trustees chosen policy is to get a balance between stabilising the Scheme's funding level and pursuing higher expected return to improve the Scheme's funding level.

REALISATION OF INVESTMENTS

The Scheme's assets are invested in pooled vehicles, which in turn invest generally in securities traded on recognised exchanges. The Scheme's investments can generally be readily realised, if necessary.

FINANCIALLY MATERIAL CONSIDERATIONS

The Trustees have considered financially material factors such as environmental, social and governance ("ESG") issues as part of the investment process to determine a strategic asset allocation over the length of time during which the benefits are provided by the Scheme for members. It believes that financially material considerations (including climate change) are implicitly factored into the expected risk and return profile of the asset classes that it is investing in.

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustees have elected to invest through pooled funds. The Trustees acknowledge that it cannot directly influence the environmental, social and governance policies and practices of the companies in which the pooled funds invest. However, the Trustees does expect their investment managers and investment consultant to take account of financially material considerations when carrying out their respective roles.

The Trustees accept that the Scheme's assets are subject to the investment managers' own policies on socially responsible investment. The Trustees will assess that this corresponds with its responsibilities to the beneficiaries of the Scheme with the help of its investment consultant.

An assessment of the ESG and responsible investment policies forms part of the manager selection process when appointing new managers and these policies are also reviewed regularly for existing managers with the help of the investment consultant. The Trustees will only invest with investment managers that are signatories for the United Nations Principles of Responsible Investment ('UN PRI') or other similarly recognised standards.

The Trustees monitor financially material considerations through the following means:

- Obtain training where necessary on ESG considerations in order to understand fully how ESG factors including climate change could impact the Scheme and its investments;

- Use ESG ratings information provided by its investment consultant, to assess how the Scheme's investment managers take account of ESG issues; and

- Request that all of the Scheme's investment managers provide information about their ESG policies, and details of how they integrate ESG into their investment processes, via its investment consultant.

If the Trustees determine that financially material considerations have not been factored into the investment managers' processes, it will take this into account on whether to select or retain an investment.

NON-FINANCIALLY MATERIAL CONSIDERATIONS

The Trustees have not considered non-financially material matters in the selection, retention and realisation of investments.

STEWARDSHIP

The Trustees policy on the exercise of rights attaching to investments, including voting rights, is that these rights should be exercised by the investment managers on the Trustees behalf, having regard to the best financial interests of the beneficiaries.

The investment managers should engage with companies to take account of ESG factors in the exercise of such rights, as the Trustees believe this will be beneficial to the financial interests of members over the long term. The Trustees will review the investment managers' voting policies, with the help of its investment consultant, and decide if they are appropriate.

The Trustees also expect the investment managers to engage with investee companies on the capital structure and management of conflicts of interest.

If the policies or level of engagement are not appropriate, the Trustees will engage with the investment managers, with the help of its investment consultant, to influence the investment managers' policies. If this fails, the Trustees will review the investments made with the investment managers.

The Trustees have taken into consideration the Financial Reporting Council's UK Stewardship Code and expects investment managers to adhere to this where appropriate for the investments they manage.

INVESTMENT MANAGERS' ARRANGEMENTS

Incentives to align investment managers' investment strategies and decisions with the Trustees policies

The Scheme invests in pooled funds. The Trustees acknowledge that the fund's investment strategy and decisions cannot be tailored to the Trustees policies. However, the Trustees set their investment strategy and then selects managers that best suits its strategy taking into account the fees being charged, which acts as the investment managers' incentive.

The Trustees use the fund objective/benchmark as a guide on whether the Scheme's investment strategy is being followed and monitors this regularly.

Incentives for the investment managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term

The Trustees select managers based on a variety of factors including investment philosophy and process, which it believes should include assessing the long term financial and non-financial performance of the underlying companies.

The Trustees also consider each managers' voting and ESG policies and how they engage with the investee companies as it believes that these factors can improve the medium to long-term performance of the investee companies.

The Trustees monitor the investment managers' engagement and voting activities on an annual basis as it believes this can improve long term performance. The Trustees expect their managers to make every effort to engage with investee companies but acknowledges that their influence may be more limited in some asset classes, such as bonds, as they do not have voting rights.

The Trustees acknowledge that in the short term, these policies may not improve the returns it achieves, but does expect that investing in companies with better financial and non-financial performance over the long term will lead to better returns for the Scheme.

The Trustees believe the annual fees paid to the investment managers incentivises them to execute their investment policies consistently, as the longer the units are held the larger income to the investment manager.

If the Trustees feel that the investment managers are not assessing financial and non-financial performance or adequately engaging with the companies they are investing in, it will use these factors in deciding whether to retain or terminate a manager.

How the method (and time horizon) of the evaluation of the investment managers' performance and the remuneration for asset management services are in line with the Trustees policies

The Trustees review the performance of each fund quarterly on a net of fees basis compared to its objective.

The Trustees assess the performance of the individual funds over at least a 3-5 year period or over a market cycle, if appropriate, when looking to select or terminate a manager, unless there are reasons other than performance that need to be considered.

The investment managers' remuneration is a percentage of the assets held in each fund so the amount each manager receives is based upon the value of assets held with them. The remuneration paid out by the Scheme will depend upon the asset allocation. The charges are considered as part of the manager selection process. The charges are monitored regularly with the help of the investment consultant to ensure they are in line with the Trustees policies for each fund. The Trustees believe that its own and each investment manager's goals are aligned.

How the Trustees monitor portfolio turnover costs incurred by the investment managers, and how it defines and monitors targeted portfolio turnover or turnover range

The Trustees monitor the portfolio turnover costs on an annual basis.

The Trustees define target portfolio turnover as the average turnover of the portfolio expected in the type of strategy the manager has been appointed to manage. This is monitored on an annual basis.

The Trustees have delegated the responsibility of monitoring portfolio turnover costs and target portfolio turnover to its investment consultant.

The duration of the arrangement with the investment managers

The Trustees plan to hold each of its investments for the long term but will keep this under review.

Changes in investment strategy or change in the view of an investment manager can lead to the duration of the arrangement being shorter than expected.

6 Risks

The Trustees are aware and seeks to take account of a number of risks in relation to the Scheme's investments. Under the Pensions Act 2004, the Trustees are required to state its policy regarding the ways in which risks are to be measured and managed. Overall, the Trustees measure and monitor their risks by receiving monitoring reports which report on the performance of its assets and its managers.

The key risks and the policies are as follows:

Solvency and Mismatching risk
This is measured through a qualitative and quantitative assessment of the expected development of the assets relative to the liabilities. The risk is managed by setting a scheme specific asset allocation with an appropriate level of risk.
Concentration Risk
This is managed through the diversification of the Scheme's assets across a range of different funds with different investment styles and underlying securities, and different investment managers.
Investment manager Risk
This is assessed as the deviation of actual risk and return relative to that specified in the investment manager's objectives. It is measured by monitoring on a regular basis the actual deviation of returns relative to investment manager's agreed objectives and an assessment of factors supporting the managers' investment process.
Sponsor Risk
This is assessed as the ability and willingness of the sponsor to support the continuation of the Scheme and to make good any current or future deficit. This is managed by assessing the interaction between the Scheme and the sponsor's business, as measured by a number of factors including the creditworthiness of the sponsor and the size of the pension liability relative to the sponsor.
Liquidity Risk
This is monitored according to the level of cashflows required by the Scheme over a specified time period. The Trustees assess the cash requirements to limit the impact of cashflow requirements on the Scheme's investment policy. The risk is managed by having a suitable amount of readily realisable investments and by holding a certain level of cash type assets. The Scheme invests in assets that are generally invested in quoted markets and are as readily realisable as the Trustees feel suitable given the Scheme's cashflow position and the expected development of the liabilities.
Currency Risk
The Scheme's liabilities are denominated in sterling. The Scheme may gain exposure to overseas currencies by investing in non-sterling assets or via currency investment. Some currency hedging may be used to manage this risk.

Market Risk
Most of the underlying financial assets in the pooled funds are transacted on a regulated market. Markets provide transparency, liquidity, efficiency and regulation to ensure investors achieve a fair price for their assets. There is a chance that investors lose confidence in one or more markets, and therefore the investor is not able to buy or sell an asset. When a market is no longer functioning the prices between the buying and selling prices tend to widen.
Loss of Investment Risk
There is a risk of loss of investment by each investment manager and potentially the custodian. This includes losses beyond those caused by market movements e.g. losses caused by fraud. The Trustees undertake regular reviews of the internal controls and processes of the investment manager.
Environmental, Social and Governance (ESG) and Climate Change Risks
There is a risk that ESG issues and climate change are not considered as part of the investment process and so may expose the portfolio. This can lead to losses that may not have been factored into any assumptions. The Trustees have considered ESG issues as part of the investment process but has made no explicit allowance for risks associated with climate change as it believes it is difficult to accurately quantify.

7 Compliance

The Trustees confirm that they have received and considered written advice from AIS on the establishment and implementation of its investment strategy.

The Trustees confirm that it have consulted with the Company regarding its strategy. Copies of this Statement and any subsequent amendments will be made available to the Company, the investment managers, the Scheme actuary and the Scheme auditor upon request.

The Trustees monitor compliance with this Statement at least every three years. This will include a review of the suitability of the investment strategy on an ongoing basis and consideration of the continued suitability of the appointed investment managers.

Signed on behalf of the Trustees of the Just Rollers PLC Pension Scheme

[redacted]

Name (BLOCK CAPITALS): [redacted]

Position:

Date of Signing: [redacted]

Appendices

Appendix 1

Strategic Asset Allocation

The Scheme has a strategic asset allocation as set out in the table below:

Portfolio	Allocation	Control Range	Asset Class	Investment Manager
Leveraged Liability Driven Investment ("LLDI") and Cash	30.0%	N/A	LLDI and Cash	Legal & General Investment Management ("LGIM")
Bonds	55%	+/- 11%	Multi-Asset Credit	Newton (13%) TwentyFour (13%)
			UK Corporate Bonds	LGIM (15%) BlackRock (14%)
Diversified Growth Fund ("DGF")	10%	+/- 2%	DGF	LGIM
Property	5%	N/A	Property	Threadneedle
Total	**100%**			

NOTES: Given the illiquid nature of property, it is not expected that the property will be rebalanced. LLDI will also not be rebalanced in order to maintain a liability hedge ratio.

Rebalancing and Cashflow Management

The Trustees recognise that the asset allocation of investments will vary over time due to market movements. The Trustees seek to keep the asset allocation in line with its benchmark but is cognisant of the costs of rebalancing.

Where possible, cash outflows will be met from the income of the Scheme's assets to minimise transaction costs. Where income is insufficient monies will be raised through the sale of assets so as to move the allocation closer to the central benchmark allocation subject to consideration of liquidity issues, transaction costs, market conditions and the speed with which monies are required. Similarly, where cashflows in are received, the money will be invested in such a way as to bring the allocation into line with the central benchmark allocation.

Investment Managers

The Trustees have invested the Scheme assets through an insurance policy with Mobius Life. Mobius Life provides investment administration for the Scheme and so carries out the day-to-day management of the underlying investment managers.

The table below shows the underlying investment managers appointed to carry out the day-to-day management of the assets, as well as the funds that they manage, their benchmarks and relevant objectives.

Underlying Investment Manager	Fund	Benchmark	Objective
LGIM	Dynamic Diversified Fund	Bank of England Base Rate	Outperform by 4.5% p.a. gross of fees over a full market cycle
	Matching Core Funds	An investible index of gilts and swaps	Hedging
	Sterling Liquidity Fund	SONIA	To provide diversified exposure and a competitive return in relation to its benchmark
	Investment Grade Corporate Bond - All Stocks Index Fund	Market iBoxx £ Non-Gilts Index	Track benchmark
BlackRock Investment Management	Up to 5 Year Corporate Bond Index Fund	iBoxx Sterling Non-Gilts 1-5 Year Index	Track benchmark
Newton Investment Management	Global Dynamic Bond Fund	LIBOR GBP 1 Month	+2.00% p.a. gross of fees over 5 year period
TwentyFour Asset Management	Strategic Income Fund	SONIA	+4.00% p.a. net of fees over a 1 year period
Columbia Threadneedle Investments	Property Fund	AREF/IPD All Balanced Property Fund Index	Outperform benchmark

The underlying investment managers' performance will be monitored on a quarterly basis.

FEES

The fee arrangements for the investment managers are summarised below:

Investment Manager	Fund	Annual Management Charge
LGIM	Dynamic Diversified Fund	0.40% p.a.
	Matching Core Funds	0.25% p.a.
	Investment Grade Corporate Bond - All Stocks Index Fund	0.11% p.a.
	Sterling Liquidity Fund	0.10% p.a.
BlackRock Investment Management	Up to 5 Year Corporate Bond Index Fund	0.09% p.a.
Newton Investment Management	Global Dynamic Bond Fund	0.475% p.a.
TwentyFour Asset Management	Strategic Income Fund	0.525% p.a.
Columbia Threadneedle Investments	Property Fund	0.775% p.a.

The Annual Management Charges (“AMCs”) quoted include the underlying managers’ AMCs and the platform fee Mobius Life charges.

With effect from 1 November 2023, Mobius Life will charge the Scheme a policy administration fee (‘PAF’). The PAF will be a monthly fee of £250 per calendar month, subject to annual inflationary increase, and will be collected directly from the Scheme’s assets quarterly in arrears.

AIS is remunerated on a fixed fee or time cost basis.

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Belfast

Linen Loft
27-37 Adelaide Street
Belfast
BT2 8FE

Birmingham

Edmund House
12-22 Newhall Street
Birmingham
B3 3AS

Bristol

Castlemead
Lower Castle Street
Bristol
BS1 3AG

Glasgow

The Culzean Building
36 Renfield Street
Glasgow
G2 1LU

Leeds

Princes Exchange
Princes Square
Leeds
LS1 4HY

London

46 New Broad Street
London
EC2M 1JH

Manchester

St James Tower
7 Charlotte Street
Manchester
M1 4DZ