

Tomkins Retirement Benefits Plan

Investment Policy Implementation Document

September 2023

1. Introduction

- 1.1 This Investment Policy Implementation Document (the "IPID") has been prepared by the Trustee of the Tomkins Retirement Benefits Plan (the "Plan"). The IPID sets out the detail of the Plan's investment arrangements, based on the principles documented in the Statement of Investment Principles (the "Statement") dated September 2023.
- 1.2 The Trustee has obtained advice from the Plan's Investment Consultant in preparing this IPID.

2. Managing Strategic Risk

- 2.1 The Trustee regards the choice of asset allocation and liability hedging policy as the decision which has most influence on the likelihood that it will achieve its investment objectives. In deciding the asset allocation and liability hedging strategy, the Trustee has taken advice from the Investment Consultant in consultation with the Principal Employer.

The long term strategy that has been adopted is shown below (with further details provided below).

Asset Class	Target Allocation (%)
Buy-in policies*	100.0
Total	100.0

* Excludes residual cash held within the Trustee Bank Account.

- 2.2 The Trustee's objective is to maximise the probability of the Plan being able to pay accrued benefits as they fall due and to ensure the stability of the Plan's funding position. This is achieved via the use of buy-in policies transacted with an insurer, Pension Insurance Corporation ("PIC"), and Aviva.
- 2.3 The value of the recent buy-in policy that secured the remainder of the DB benefits was determined by PIC and was agreed to by the Trustee after taking expert advice in relation to the appointment of PIC.
- 2.4 A buy-in policies for all remaining outstanding DB benefits was transacted with PIC in November 2022. Approximately £23m was transferred to PIC in November 2022. This policy secured the Plan's remaining DB benefits that were not previously bought-in.

3. Buy-In Policies

- 3.1 The Trustee has secured a buy-in of the Plan's pensioner liabilities in the form of a bulk annuity policy with Aviva Annuity UK Limited ("Aviva"). £35.7m was transferred to Aviva in December 2013 to cover the Plan's pensioner liabilities at that time. A further amount of approximately £2.0m was transferred to Aviva in December 2014 to extend the policy to some additional retirees. The policy was subsequently

extended further to cover some additional retirees in December 2016 and an additional amount of approximately £2.5m was transferred to Aviva in respect of those retirees.

- 3.2 A buy-in policy for all remaining outstanding DB benefits were transacted with PIC in November 2022. Approximately £23m was transferred to PIC in November 2022. This policy secured the Plan's remaining DB benefits that were not previously bought-in.

4. Day-to-Day Management of the Assets

- 4.1 The investment objective of the buy-in policies is to pay members benefits as they fall due.

5. Cashflow Management and Rebalancing

- 5.1 Benefit payments are expected to be met by the buy-in policies in place. Additional cash flow requirements such as expenses related to the cost of winding-up the Plan are expected to be met from residual cash held in the Trustee Bank Account.

6. Investment Advisor Fees

- 6.1 The insurer does not receive on-going remuneration from the Plan. The premium paid for the annuity policies covers the insurer's implicit fees with the Trustee's choice of insurer taking the size of the premium into account. The Trustee is satisfied that this is the most appropriate basis for remunerating the insurer.
- 6.2 Fees payable to the investment consultant are agreed by the Trustee in advance and are based on the time cost of the activity undertaken.

7. Additional Voluntary Contributions ("AVCs")

- 7.1. Under the terms of the Trust Deed, the Trustee is responsible for the investment of AVCs paid by members. The Trustee takes advice as to the providers' continued suitability.
- 7.2. The Trustee holds assets invested separately from the main fund securing additional benefits on a money purchase basis for those members electing to pay AVCs.
- 7.3. The Plan members' have AVCs invested with Utmost Life and Pensions (formally Equitable Life Assurance Society ("Equitable Life")) and Standard Life.
- 7.4. The Trustee reviews its policy regarding the investment of AVCs at regular intervals.
- 7.5. Following the changes to Equitable Life, members' AVC assets previously held with the with-profits fund at Equitable Life are currently invested in unit-linked policies at Utmost Life and Pensions.

Signed: Christopher Clayton

Date: 21 September 2023