Lyons Seafoods Limited Retirement Benefits Plan

Statement of Investment Principles

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1 Introduction

This Statement sets out the principles governing decisions relating to the investment of the assets of Lyons Seafoods Limited Retirement Benefits Plan (the Plan).

The Plan is a defined benefit arrangement set up under trust and registered with HM Revenue and Customs (HMRC). The Plan is subject to the Statutory Funding Objective (SFO) introduced by the Pensions Act 2004, i.e. that it should have sufficient and appropriate assets to cover its Technical Provisions, as calculated in accordance with the Trustees' Statement of Funding Principles.

This Statement has been prepared in line with the following legislation and regulations:

- Section 35 of the Pensions Act 1995
- Section 244 of the Pensions Act 2004 and the Occupational Pension Schemes (Investment) Regulations 2005
- The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018
- The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019.

A copy of this Statement will be made available to Plan members on request to the Trustees of the Plan.

2 Investment Decision Making

The investment of the Plan's assets is the responsibility of the Trustees. The Trustees' investment powers are set out in Rule 7 of the Definitive Trust Deed, dated 26 June 1998, as amended. The powers granted to the Trustees under the Deed are wide and this Statement is consistent with those powers.

The Trustees have obtained and considered professional advice on the content of this Statement from Broadstone Corporate Benefits Limited (Broadstone), their appointed investment adviser. Broadstone is authorised and regulated by the Financial Conduct Authority. Broadstone has confirmed to the Trustees that it has the appropriate knowledge and experience to give the advice required under legislation. Broadstone is remunerated a fee for its advice and its appointment is reviewed from time to time by the Trustees.

The Trustees have also consulted the Principal Employer, Lyons Seafoods Limited, when setting their investment objectives and strategy, and in the preparation of this Statement.

Responsibility for maintaining the Statement and determining the Plan's investment strategy rests solely with the Trustees. The Trustees will obtain such advice as they consider appropriate and necessary whenever they intend to review or revise this Statement.

3 Investment Objectives

In determining their investment objectives and strategy, the Trustees have considered the strength of the Principal Employer's willingness and ability to support the Plan.

The Trustees and Principal Employer have adopted a funding and investment approach that secures the Plan's liabilities with an insurer. This approach places very little assumed reliance on the employer covenant. The Trustees have secured the liabilities of the Plan in full by purchasing a bulk annuity contract with an insurer, and the Trustees are satisfied that the Principal Employer and the Plan have the resources in place that are expected to be sufficient to meet the additional expenses in finalising the bulk annuity purchase process and wind up the Plan.

The Trustees' investment objectives for the Plan are:

- To invest sufficient assets in a bulk annuity contract that backs all the liabilities of the Plan and enables the Trustees to meet all the Plan's benefits as they fall due;
- To invest the Plan's residual assets in money market instruments (i.e. cash equivalents) that protects their capital value.

The Trustees will also have regard to the Principal Employer's views on the potential costs and risks associated with the investment objectives set and their implementation through the practical strategy.

4 Setting the Investment Strategy

The Trustees have put in place an investment strategy with both Just Retirement Limited (Just), as an insurer of a bulk annuity policy, and Legal & General – Asset Management (L&G), as an investment manager of pooled investment funds. Details of the investment strategy are set out in the Appendix to this Statement.

The Trustees' policies in setting the investment strategy are set out below:

Policy	
Selection of Investments	The Trustees may select investments from a wide range of asset classes from time to time, including, but not restricted to UK equities, overseas equities, government bonds, corporate bonds, commercial property and alternative asset classes, such as hedge funds, private equity and infrastructure. The investments selected will generally be traded on regulated markets and, where this is not the case, any such investments will be kept to a prudent level. The Trustees may also: • Invest in products that use derivatives where this is for the purpose of risk management or to improve the efficiency of the management of the Plan's investments. • Hold insurance policies such as deferred or immediate annuities which provide income to the Plan, matching part or all of the future liabilities due from it. • Hold a working cash balance for the purpose of meeting benefit payments due to members and the expenses of running the Plan.
Target Asset Allocation	The Trustees will set a Target Asset Allocation from time to time, determined with the intention of meeting their investment objectives. The Target Asset Allocation will be set taking account of the characteristics of different asset classes available and will be reviewed in light of any changes to the Trustees' view of the Principal Employer's covenant, the nature of the Plan's liabilities or relevant regulations governing pension scheme investment.
Delegation to Investment Managers, Insurers and AVC Providers	The Trustees will delegate the day-to-day management of the Plan's assets to professional investment managers, insurers and AVC providers, and will not be involved in the buying or selling of investments.
Employer Related Investments	The Trustee's policy is not to hold any employer-related investments as defined in the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Scheme (Investment) Regulations 2005.

5 Realisation and Rebalancing of Assets

The bulk annuity policy generates cashflows to meet the benefit outgo of the Plan.

The Trustees also make regular disinvestments to meet any expense requirements. The Trustees review the Plan's expense requirements in conjunction with their investment adviser and administrator.

6 Expected Returns

The Trustees' objective is for the bulk annuity policy managed by Just to track any changes in the value of the Plan's defined benefit liabilities, and for any residual assets held in excess of the bulk annuity policy to be held with L&G to produce a cash-like return.

Over the long-term, the Trustees' expectations are to achieve the following rates of return from the asset classes they make use of:

Asset Class	Expected Returns
Cash	In line with the return on comparable money market funds and the prevailing rates of short-term interest rates.
Buy-in policy	In line with the value of the liabilities of the Plan covered by the buy-in policy due to changes in financial and demographic conditions.

7 Risks

The Trustees have considered various risks the Plan faces, including market risk, interest rate risk, inflation risk, default risk, concentration risk, manager risk, and currency risk, and consider that the Target Asset Allocation strikes a reasonable balance between risk mitigation and seeking an appropriate level of return, taking account of the strength of the Principal Employer's covenant. Furthermore, the buy-in policy mitigates the risk of the Plan's funding position becoming volatile as market conditions change.

The Trustees will monitor the investment, covenant, and funding risks faced by the Plan with the assistance of their investment advisers and the Scheme Actuary at least every three years. The Trustees will consider the appropriateness of implementing additional risk mitigation strategies as part of such reviews.

In addition, the Trustees will review wider operational risks as part of maintaining their risk register.

8 Security of Assets

The day-to-day activities that the Investment Manager and Insurer carry out for the Trustees are subject to regular internal reviews and external audits by independent auditors to ensure that operating procedures and risk controls remain appropriate.

Safe-keeping of the Plan's assets held with the Investment Manager and Insurer is performed by custodians appointed by them.

The Trustees have considered the security of the Plan's holdings with the Investment Manager and Insurer, allowing for their status as reputable regulated firms, and consider the associated protection offered to be reasonable and appropriate.

9 Responsible Investment & Stewardship

The Trustees believe that to protect and enhance the value of the investments, during the period over which the benefits are paid, they must act as a responsible asset owner.

The Plan is also comprised of a diverse membership, expected to hold a broad range of views on ethical, political, social, environmental, and quality of life issues. The Trustees therefore do not explicitly seek to reflect any specific views through the implementation of the investment strategy, both financial and non-financial.

The Trustees are unable to directly influence ESG considerations for the assets held with the Insurer. However, the Trustees expect the Insurer to take financially material ESG factors into account, given the active management style of the Insurer's assets backing their bulk annuity policies. The Trustees also expect the Insurer to engage with investee companies, where possible, and will seek to receive updates from the Insurer on how ESG factors are being taken account of on a periodic basis.

The Trustees' policies in respect of responsible investment with the Investment Manager, L&G, are set out below:

Policy	
Financially Material Considerations	The Trustees recognise that Environmental, Social and Governance (ESG) issues can and will have a material impact on the companies, governments and other organisations that issue or otherwise support the assets in which the Plan invests. In turn, ESG issues can be expected to have a material financial impact on the returns provided by those assets. The Trustees delegate day-to-day decisions on the selection of investments to L&G. The Trustees have an expectation that L&G will consider ESG issues in selecting investments, or will otherwise engage with the issuers of the Plan's underlying holdings on such matters, in a way that is expected to improve the long-term return on the associated assets. The Trustees do not currently impose any specific restrictions on L&G with regard to ESG issues but will review this position from time to time. The Trustees receive information on request from L&G on their approach to selecting investments and engaging with issuers with reference to ESG issues. With regard to the specific risk to the performance of the Plan's investments associated with the impact of climate change, the Trustees take the view that this falls within their general approach to ESG issues. The Trustees regard the potential impact of climate change on the Plan's assets as a longer term risk and likely to be less material in the context of the short to medium term development of the Plan's funding position than other risks (and with an expectation that the Plan will be wound up over the short-term). The Trustees will continue to monitor market developments in this area with their investment adviser.
Non-Financially Material Considerations	Where ESG factors are non-financial (i.e. they do not pose a risk to the prospect of the financial success of the investment) the Trustees believe these should not drive investment decisions. The Trustees expect both Just and L&G, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been considered, and in such a circumstance, the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment.

Policy	
Engagement and Voting Rights	The Trustees' voting and engagement policy is to use their investments to improve the Environmental, Social and Governance behaviours of the underlying investee companies. These ESG topics encompass a range of priorities, which may over time include climate change, biodiversity, the remuneration and composition of company boards, as well as poor working practices. The Trustees believe that having this policy and aiming to improve how companies behave in the medium and long term will protect and enhance the value of their investments and is in the members' best interests. The Trustees will aim to monitor the actions taken by both Just and L&G on their behalf and if there are significant differences from the policy detailed above, they will escalate their concerns.
Capital Structure of Underlying Companies	Responsibility for monitoring the capital structure of investee companies is delegated to both Just and L&G. The Trustees expect the extent to which Just and L&G monitor capital structure to be appropriate to the nature of the mandate.

The voting policies of the Investment Manager and the Insurer can be found at the following websites:

- **L&G:** https://am.landg.com/en-uk/institutional/responsible-investing/investment-stewardship/
- **Just:** https://www.justgroupplc.co.uk/sustainability/esg-investors

The Trustees' views on how ESG issues are taken account of in each asset class used is set out below:

Asset Class	Active/Passive Managed	ESG Views
Buy-in policy	Active	The Trustees expect the Insurer to take financially material ESG factors into account, given the active management style of the assets and the ability of the Insurer to use its discretion to generate higher risk adjusted returns. The Trustees also expect the Insurer to engage with the underlying investee companies, where possible.
Cash	Active	The Trustees believe there is less scope for the consideration of ESG issues to improve risk-adjusted returns in this asset class because of the nature of the securities.

The Trustees will assess the stewardship and engagement activity of the Investment Manager and Insurer on an ongoing basis.

10 Conflicts of Interest

The Trustees maintain a separate conflicts of interest policy and conflicts register.

Subject to reasonable levels of materiality, these documents record any actual or potential conflicts of interest in relation to investee companies, the Investment Manager, or the Insurer, and set out the process for their management.

11 Duration of Investment Arrangements

The Trustees have not set an explicit target to review the duration of their arrangements with L&G, although the Trustees expect the arrangements with L&G to be held over the short-term, until the Plan is wound up.

The arrangements with Just are expected to be held until individual policies are assigned to members in advance of the Plan winding up.

12 Incentivisation of Insurer and Investment Manager

L&G are primarily remunerated based on an agreed fixed annual percentage of the asset value for the underlying fund, whilst Just is remunerated through the premium paid in the purchase of the bulk annuity policy.

The Trustees do not directly incentivise either Just or L&G to align the approach they adopt for their assets with the Trustees' policies and objectives. Instead, Just and L&G are selected to meet the Trustees' objectives.

Neither do the Trustees directly incentivise Just or L&G to make decisions about the medium to long-term performance of an issuer of debt or equity, or to engage with those issues to improve their performance. The Trustees expect such assessment of performance and engagement to be undertaken as appropriate and necessary to meet the investment objectives of the assets of the Plan.

13 Portfolio Turnover Costs

The Trustees expect Just and L&G to change underlying holdings only to an extent required to meet their investment objectives. The reasonableness of such turnover will vary by the underlying assets and change according to market conditions.

The Trustees therefore do not set a specific portfolio turnover target for their strategy or the underlying funds.

14 Monitoring

The Trustees employ Broadstone to assist them in monitoring the performance of the Plan's investment strategy that is managed by L&G.

The Trustees receive quarterly reports from L&G and meet with their representatives periodically to review their investment performance and processes.

L&G will supply the Trustees with sufficient information each quarter to enable them to monitor financial and non-financial performance. The Trustees and Broadstone will also monitor the L&G's performance against their performance objectives.

The appropriateness of L&G's remuneration will be assessed relative to market costs for similar strategies, the skill and resources required to manage the strategy, and the success or otherwise a manager has had in meeting its objectives, both financial and non-financial.

The Trustees will consider on a regular basis whether or not L&G remain appropriate to continue to manage the Plan's assets which are not invested in a bulk annuity policy.

The Trustees will also periodically monitor Just in terms of how they are managing the bulk annuity policy on their behalf, as well as consider whether or not the AVC providers remain appropriate to continue to manage the Plan's AVCs.

15 Review of Statement

The Trustees will review this Statement if there is a significant change in the Plan's investment strategy or a significant change in the regulations that govern pension scheme investment.

Signed by: D C Bones

For and on behalf of the Trustees of the Lyons Seafoods Limited Retirement Benefits Plan

Date: 31 March 2026

Appendix A Investment Strategy Implementation Summary

A.1 Target Asset Allocation

The Plan holds a bulk annuity contract with Just that provides cashflows expected to match future benefit outgo for all Plan liabilities.

The residual assets are held in a cash fund managed by L&G.

A.2 Investment Manager and Insurer

The Trustees entered into a contract with L&G in April 2003, and Just in December 2025. Just manages the bulk annuity contact, whilst L&G undertakes the day-to-day investment management of the Plan's residual assets.

L&G is authorised and regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2000, and Just is supervised by the Prudential Regulatory Authority.

A.3 Strategies and Funds

The Trustees use the following funds operated by the Insurer and Investment Manager:

Asset Class	Funds
Buy-in policy	Just Buy-In Policy
Cash	L&G Sterling Liquidity Fund

A.4 Target Hedging Ratios

There are no explicit target hedging ratios against the interest rate risk and inflation risk on the Plan. However, the Just buy-in policy has an objective to meet all benefits of the Plan as they fall due. Therefore, it provides full protection against changes in the value of the underlying liabilities of the Plan as interest rates and/or inflation expectations change.

A.5 Fund Performance Objectives

The L&G Sterling Liquidity Fund is actively managed, with an objective set relative to a specified market benchmark. The objective is summarised below:

Fund	Performance Objective
L&G Sterling Liquidity Fund	To provide a cash-like return, comparable with the benchmark SONIA.

The Just buy-in policy has an objective to meet all benefits of the Plan as they fall due.

A.6 Investment Management Charges

The annual management charge for the L&G fund used, is given below

Fund	Annual Management Charge
L&G Sterling Liquidity Fund	0.11% p.a.

L&G also charge a flat fee of £1,000 p.a., which will increase to £3,000 p.a. from 1 January 2027.

There are no explicit management charges applied within the Just buy-in policy.

A.7 Additional Voluntary Contributions (AVCs)

The Plan holds AVCs separately from the assets backing defined benefits via investments held with Utmost Life and Pensions and Clerical Medical.