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ADVANCE TAPES GROUP LIMITED
RETIREMENT BENEFITS SCHEME

STATEMENT OF INVESTMENT PRINCIPLES (SIP)

October 2026

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1 Introduction

This document constitutes the Statement of Investment Principles ('the SIP') required under Section 35 of the Pensions Act 1995 for the Advance Tapes Group Limited Retirement Benefits Scheme ('the Scheme'). This SIP also reflects the requirements of the Occupational Pension Schemes (Investment and Disclosure) Regulations 2019. It describes the investment policy being pursued by the Trustees of the Scheme and a copy has been made available online.

The Scheme Actuary is Sarah Elwine of Broadstone Corporate Benefits Limited ('Broadstone') who together with the Investment Adviser are collectively termed 'the Advisers'.

The Trustees confirm that, before preparing this SIP, they have consulted with Advance Tapes Group Limited ('the Company'), and the Scheme Actuary, and have obtained and considered written advice from the Investment Adviser. The Trustees believe the Advisers to be qualified by their ability and practical experience of financial matters and to have appropriate knowledge of the investment arrangements that the Scheme requires.

The Trustees are responsible for the investment of the Scheme's assets and arrange the administration of the Scheme. Where they are required to make an investment decision, the Trustees always obtain advice from the relevant Advisers first and they believe that this ensures that they are appropriately familiar with the issues concerned.

The Trustees set general investment policy but have delegated the day-to-day investment of the Scheme's assets to a professional investment manager. The investment manager is authorised and regulated by the Financial Conduct Authority and/or the Prudential Regulatory Authority.

At any time, the Trustees may review the investment strategy and choose to implement a revised strategy prior to updating the SIP. This SIP reflects the current position at the time of writing. It will be updated to reflect any changes in strategy as soon as is practical and reviewed at least every 3 years.

1.1 Declaration

The Trustees confirm that this SIP reflects the investment strategy they have implemented and/or intend to implement for the Scheme. The Trustees acknowledge that it is their responsibility, with guidance from the relevant Advisers, to ensure the assets of the Scheme are invested in accordance with these principles.

Signed: Signed by: FC051ABC0B184EE... Date: 11/11/2026

Signed: Signed by: Richard Bryant 2AB64C7FBEA0459... Date: 11/11/2026

For and on behalf of the Trustees of the Scheme

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2 Scheme governance

The Trustees are responsible for the governance and investment of the Scheme's assets. The Trustees consider that the governance structure set out in this SIP is appropriate for the Scheme as it allows the Trustees to make the important decisions on investment policy, while delegating the day-to-day aspects to the investment manager or the Advisers. The responsibilities of each of the parties involved in the Scheme's governance are detailed in Appendix B.

The Trustees have decided not to appoint an investment sub-committee to deal with investment matters.

3 Investment objectives

The overall objective of the Scheme is to meet the benefit payments promised as they fall due. The Trustees have set an additional ***quantitative*** objective, details of which are set out in Appendix A. This is a measurable objective that the Trustees can use to monitor the ongoing performance of the Scheme's investments to help ensure the overall objective is met.

4 Asset allocation strategy

Having considered advice from the Investment Adviser, and having due regard to the objectives, the liabilities of the Scheme and the covenant of the Company, the Trustees have decided upon the Target Asset Allocation ("TAA") set out in Appendix A.

The Trustees receive a funding 'dashboard' every four months (prepared as at 28 February, 30 June and 31 October each year) to assist them in monitoring the effectiveness of both the funding and investment strategies. The dashboard includes updated funding information, investment details and an indicator of latest covenant strength. It also references a 'flightpath' based on a long-term self-sufficiency funding target, which illustrates how the Scheme's assets could be transitioned from 'growth' to 'matching' over time as the funding position improves.

4.1 Rebalancing policy

In conjunction with the Investment Adviser, the Trustees will periodically monitor the actual asset allocation to the TAA outlined in Appendix A. Where a meaningful deviation is identified, the Trustees will consider rebalancing the Scheme's assets based on advice from the Investment Adviser.

4.2 Rates of return

The rates of return expected over the long-term is detailed in Appendix C for each asset class and overall.

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4.3 Diversification

The choice of asset classes is designed to ensure that the Scheme's investments are adequately diversified, given the Scheme's circumstances. The Trustees will monitor the strategy regularly to ensure that they are comfortable with the level of diversification.

4.4 Suitability

The Trustees have taken advice from the Advisers to ensure that the asset allocation strategy is suitable for the Scheme, given its liability profile, any legal requirements, regulatory guidance, and specifications in the Trust Deed.

4.5 Liquidity

All of the assets are held in asset classes that are sufficiently liquid to be realised easily if the Trustees require (i.e., the underlying investments are traded regularly on a public exchange or invested via units in a pooled fund with frequent dealing dates).

5 Strategy implementation

The Trustees have appointed Broadstone as the Scheme's Investment Adviser.

5.1 Mandate and performance objectives

The Trustees have received advice from the Investment Adviser on the appropriateness of each investment held and believe them to be suitable to meet the Scheme's investment objectives. Based on advice from the Investment Adviser, the Trustees have established an investment manager structure so that the Scheme's assets are invested in line with the TAA (see Appendix A).

5.2 Diversification

The assets are invested in a diversified range of suitable investments with a single investment manager. The Trustees will monitor the strategy regularly to ensure that they are comfortable with the level of diversification being achieved.

5.3 Custody

Custody is provided for the Scheme's assets as set out in Appendix A.

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6 Monitoring

6.1 Investment manager

The Trustees and the Investment Adviser will monitor the performance of the Scheme's investment portfolio against the agreed performance objective (see Appendix A). To enable this, the Investment Adviser will provide the Trustees with a monthly valuation and a performance summary versus agreed benchmarks.

The Investment Adviser, on behalf of the Trustees, will regularly review the activities of the investment manager to satisfy itself that they continue to have the appropriate knowledge and experience to manage the asset classes it has been appointed to manage.

If the Trustees are not satisfied with the investment manager, based on advice from the Investment Adviser, they will identify an alternative provider and will arrange for assets to be transitioned between them.

6.2 Advisers

The Trustees will monitor the advice given by the Advisers on a regular basis and, on annual basis will assess the performance of the Investment Adviser relative to the strategic objectives set when appointed.

7 Fees

7.1 Investment Manager

The Trustees will ensure that the fees paid to the investment manager is consistent with levels typically available in the industry and the nature of services provided. The fee basis for the investment manager as at 31 December 2025 is set out in Appendix D.

7.2 Advisers

Fees paid to the Advisers are based either on actual time spent and hourly rates for the relevant individuals, or on fixed fees agreed in advance for specifically defined projects.

7.3 Trustees

None of the Trustees are paid directly for their duties, other than Aptia Pension Consulting Limited (an independent trustee) who is paid by the Scheme. Non-professional Trustees' expenses are met, and they are given time off from their other employment duties to attend appropriate training, meetings with their advisers, and the periodic Trustees' meetings.

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8 Risks

The Trustees recognise the following risks impacting the investments of the Scheme:

i) The risk of failing to meet the objectives as set out in Section 3 – the Trustees will regularly monitor the investments to mitigate this risk.

ii) The risk of adverse consequences arising through a mismatch between the Scheme's assets and its liabilities. This is addressed through the asset allocation strategy and through regular actuarial and investment reviews and ongoing monitoring of the Scheme's funding position.

As outlined earlier (in Section 4) the Trustees, in discussion with their Advisers, have developed a 'flightpath' towards self-sufficiency which indicates a possible transition from 'growth' to 'matching' assets, to help guide decision making.

iii) Concentration risk/risk of lack of diversification of investments – addressed through the asset allocation policy. The Trustees will monitor the overall mix of asset classes monthly, in conjunction with the Investment Adviser, to ensure that a diversified portfolio of assets is held.

iv) Risk of holding assets that cannot be easily sold should the need arise – addressed using pooled investment funds/vehicles.

v) Underperformance risk – addressed by monitoring the performance of the investment manager closely and taking necessary action when this is not satisfactory.

vi) Country/political risk – the risk of an adverse influence on investment values from political intervention is reduced by diversification across countries.

vii) Organisational risk – addressed through regular monitoring of the investment manager and the Investment Adviser.

viii) Sponsor risk – the risk of the Company ceasing to exist, which for reasons of prudence the Trustees have considered when setting the asset allocation strategy. In addition, the Trustees regularly review the Company covenant (at every Trustees' meeting).

ix) Liquidity risk – addressed by investing in assets that are realisable at short notice.

x) Interest Rate and Inflation Risks - The risks that fluctuations in nominal and real interest rates, and/or future inflation expectations, may affect the value of the liabilities and the assets used to match them, is managed through regular actuarial and investment reviews.

xi) Market risk – The risk that market fluctuations may affect the performance and value of assets held is monitored by tracking assets according to their benchmarks through monthly reporting. The Trustees believe that the TAA strikes a reasonable balance between risk mitigation and seeking an appropriate level of return, taking account of the strength of the Company covenant. The Trustees will monitor the investment, covenant and funding

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risks faced by the Scheme with the assistance of their Advisers at least every three years. The Trustees will consider the appropriateness of implementing additional risk mitigation strategies as part of such reviews (or more frequently if recommended by the Advisers).

The Trustees will keep these risks under regular review.

9 Other issues

9.1 Statutory funding requirement

The Trustees will obtain and consider advice on the question of whether the investments are suitable, having regard to both the investment objectives and the requirement to meet statutory funding requirements. The funding position is reviewed every four months (prepared as at 28 February, 30 June and 31 October each year) by the Scheme Actuary, with a full actuarial valuation carried out at least every three years.

The Trustees will consider with the Advisers whether the results of these actuarial valuations suggest that any change to the investment strategy is necessary to ensure continued compliance with the statutory funding requirement.

9.2 Voting rights and engagement activities

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 Scheme 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 the investment manager. The Trustees have an expectation that the investment manager will consider ESG issues in selecting investments or will otherwise engage with the issuers of the Scheme'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 the investment manager regarding ESG issues but will review this position from time to time. The Trustees receive information on request from the investment manager 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 Scheme'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 Scheme'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 Scheme's funding position than other risks. The Trustees will continue to monitor market developments in this area with their Investment Adviser.

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 the investment manager, when exercising discretion in investment decision making, to consider non-financial factors only when all other financial factors have been

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considered and in such a circumstance the consideration of non-financial factors should not lead to a reduction in the efficiency of the investment.

The Trustees note that members' views on non-financial matters including their ethical views in relation to social and environmental impacts and present and future quality of life will not be sought; however, they will be considered if raised by the membership.

9.3 Oversight of Investment Manager Arrangements

In summary, the Trustees' policy in relation to their arrangement with any Investment Manager is explained as follows:

9.3.1 How the arrangement with the Investment Manager incentivises the Investment Manager to align its investment strategy and decisions with the Trustees' policies.

The Trustees accept that the assets invested in pooled funds are subject to the policies of the Scheme's investment manager. Therefore the investment manager will not be able to directly align their strategy with the Trustees' policy.

9.3.2 How that arrangement incentivises the Investment Manager 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 to improve their performance in the medium to long-term.

By using pooled funds, the Trustees can disinvest and realise their funds from the investment manager without penalty or delay, should they underperform or act outside the Trustees' investment objectives, stewardship and environmental, social and governance requirements.

9.3.3 How the method (and time horizon) of the evaluation of the Investment Manager's performance and the remuneration for investment management services are in line with the Trustees' policies.

The Trustees delegate the review of investment performance monitoring to their Investment Adviser. The Investment Adviser reports regularly (no less than quarterly) and makes recommendations that incorporate analysis of these factors as part of their agreement with the Trustees.

9.3.4 How the Trustees monitor portfolio turnover costs incurred by the Investment Manager and how they define and monitor targeted portfolio turnover or turnover range, and the duration of the arrangements with the Investment Manager.

The Trustees expect the investment manager to change underlying holdings only to an extent required to meet their investment objectives. The reasonableness of such turnover will vary by fund and change according to market conditions. The Trustees therefore do not set a specific portfolio turnover target for their strategy or the underlying funds. The investment manager provides information on portfolio turnover and associated costs to the Trustees so that this can be monitored, as appropriate.

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9.3.5 The duration of the arrangements with the Investment Manager.

The Trustees are long-term investors and have not set an explicit target to review the duration of their arrangement with the investment manager. However, the arrangements will be reviewed in conjunction with any review of the investment strategy.

9.4 Consulting the Sponsoring Employer and Reporting to Interested Parties

9.4.1 The Trustees will consult with the sponsoring employer concerning any proposed changes to the investment strategy.

9.4.2 The Trustees recognise that related parties will have an interest in investment matters and will arrange to share updates and reports with them as agreed between the parties. For example, the sponsoring employer and the scheme actuary. Information on the investment portfolio will be provided to members on a periodic basis (e.g. Summary Funding Statement, Annual Funding Update, or annual newsletter).

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Appendix A – Further Investment details

Quantitative investment objective

The *long-term quantitative* objective for the Scheme's assets is to target an investment return of 1.2% p.a. in excess of the liabilities measured on the statutory funding basis (net of charges).

This objective is not framed relative to the performance of other pension funds or market indices.

Target Asset Allocation ("TAA")

The Trustees, in conjunction with the Investment Adviser, have agreed a TAA and manager structure for the assets of the Scheme:

Asset Class	Manager	TAA
Growth Assets		**25.0**
Global Equities	L&G	25.0
Matching Assets*		**75.0**
'Buy & Maintain' Credit	L&G	9.0
Secured Finance		7.5
Index-Linked and Gilt Funds		58.5**
Cash		

* In combination, the 'Matching Assets' aim to hedge approximately 90% of the Scheme's interest rate and 100% of inflation risks (i.e. of the total liability on the statutory funding basis).

** As the gilts and index-linked gilts are designed to move broadly in line with the liabilities, the exact composition will move in line with market movements meaning fixed allocations to each asset class have not been set.

The Scheme's actual asset allocation is monitored relative to the TAA monthly. It is acknowledged that the Scheme's asset allocation *may* not be aligned with the TAA due to market movements. If significant deviations are identified, the reasons for this will be documented (alongside any action taken to address it over time) in the minutes of each Trustees' meeting.

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Although not recalibrated as part of the 2023 actuarial valuation, the Trustees have developed a 'flightpath' (see below) to help identify opportunities to reduce investment risk and indicate the likely TAA changes required to do so:

Funding level (self-sufficiency)	**75%**	**80%**	**85%**	**90%**	**95%**	**100%**	**110%**
% Growth assets	95%	90%	75%	50%	**30%**	10%	0%
% Bond/gilt	0%	0%	10%	30%	**45%**	65%	100%
% LDI	5%	10%	15%	20%	**25%**	25%	0%
Target interest rate hedge ratio	5%	10%	40%	40%	**70%**	75%	100%

The Trustees acknowledge that the Scheme's TAA *will* deviate from that outlined in the 'flightpath' due to changes in market conditions, use of updated liability information and advice provided by their appointed Investment Adviser.

Custody

Custody of the investment assets held by the investment manager is performed by a Custodian appointed by them.

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Appendix B - responsibilities

Trustees

The Trustees of the Scheme are responsible for, amongst other things:

i) Determining the investment objectives of the Scheme and reviewing these from time to time.

ii) Agreeing an investment strategy designed to meet the investment objectives of the Scheme.

iii) Reviewing the content of this SIP with the Advisers at least triennially and modifying it if deemed appropriate, in consultation.

iv) Reviewing the suitability of the investment policy following the results of each actuarial or investment review, in consultation with the Advisers.

v) Assessing the quality of the performance and process of the investment manager by means of regular reviews of the investment results and other information, by way of meetings and written reports, in consultation with the Advisers.

vi) Setting investment objectives for the Advisers and assessing their ongoing effectiveness against those objectives.

vii) Consulting with the Company when reviewing investment policy issues.

vii) Monitoring compliance of the investment arrangements with this SIP on an ongoing basis.

ix) Considering financially material considerations over the appropriate time horizon of the investments, including ESG considerations as well as the stewardship of investments. These matters are covered under Section 9 (other issues) of the SIP.

Investment Adviser

The Investment Adviser will be responsible for, amongst other things:

i) Participating with the Trustees in reviews of this SIP.

ii) Advising the Trustees how any changes to the Scheme's benefits, membership and funding position may affect the way the assets should be invested.

iii) Advising the Trustees of any changes at the Scheme's investment manager that could affect the interests of the Scheme.

iv) Advising the Trustees of any changes in the investment environment that could either present opportunities or problems for the Scheme.

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v) Undertaking reviews of the Scheme's investment arrangements including reviews of the TAA and current investment manager, and selection of new a manager, as appropriate.

vi) Monitoring returns and providing the Trustees with regular valuations – through a monthly valuation with commentary. Additionally, the Investment Adviser will attend meetings with the Trustees at least twice annually. In the event the target investment return is not being achieved, the reasons for this will be communicated (via the regular valuations and meetings), and advice provided as appropriate regarding any changes recommended. Such advice may follow at any time, i.e., the Investment Adviser should not wait until the next meeting to communicate a concern regarding a single holding, or the overall allocation of assets.

Scheme Actuary

The Scheme Actuary will be responsible for, amongst other things:

i) Liaising with the Investment Adviser on the suitability of the Scheme's investment strategy.

ii) Performing the triennial (or more frequently as required) actuarial valuations and advising on the appropriate contribution levels.

iii) Commenting on the appropriateness of the investment strategy relative to the liabilities of the Scheme at the triennial actuarial valuations.

iv) Advising the Trustees and Investment Adviser of any changes to contribution levels and the funding level.

Investment Manager

As noted, the Trustees have appointed an investment manager upon the advice of their Investment Adviser.

The responsibilities of the investment manager includes the following, amongst other things:

i) Day-to-day management of the investments of the Scheme, which include (but are not limited to) the decision to buy/sell/retain the underlying securities, making changes to the underlying exposures at a sector, country or geographic level; and managing trading activity.

ii) Informing the Trustees of any changes to the internal performance objectives and guidelines of the Scheme's investments.

iii) Having regard to the need for diversification of investments, as far as appropriate for each of the investments held, and to the suitability of the underlying holdings.

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Appendix C – long-term expected rates of return

Based on the expected long-term rates of return for each asset class held (see below), the Investment Adviser has estimated the expected return (net of charges) from the Scheme's investments to be gilts +1.2% p.a.

Asset class	Expected long-term rate of return above gilts (% per annum, gross of charges)
Growth Assets	
Global Equities	4.0
Matching Assets	
'Buy & Maintain' Credit	0.5
Secured Finance	1.9
Gilts	0.0
Index-Linked Gilts	0.0
Cash	0.0

These returns are based on the expected return that each asset class might achieve, on average, over the long term as at 30 June 2026.

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Appendix D – Investment Manager fees

The 'management fees' paid to the investment manager comprise an ad valorum charge based on the value of assets invested (or exposure gained) in each underlying investment plus 'other expenses' to cover the costs of managing these vehicles (e.g. audit, account, custody, etc).

Based on data as at 30 September 2026, the management fees and other expenses associated with the investments held by the Scheme are shown in the table below:

Asset Class	Manager	Management Fee (% p.a.)	Other Expenses (% p.a.)	Total Expenses (% p.a.)
Growth Assets				
Global Equities	L&G	0.16	0.01	0.17
Matching Assets				
'Buy & Maintain' Credit	L&G	0.13	0.05	0.18
US Securitised Plus Fund*	L&G	0.30	0.06	0.36
Gilt Funds	L&G	0.08	0.00	0.08
Index-Linked Gilt Funds	L&G	0.08	0.00	0.08
Cash**	L&G	0.11	0.02	0.13

** Reflects the underlying investment of the Scheme's Secured Finance allocation.*
***Reflects the underlying investment of the Scheme's Sterling Liquidity Fund allocation.*