MARITZ PENSION PLAN

SEPTEMBER 2020

Statement of Investment Principles

1. Introduction

The Plan	The Maritz Pension Plan ("the Plan") is a defined benefit pension scheme established to provide retirement and ancillary benefits to Maritz employees in the UK and their dependents. The Plan is closed to accrual of benefits.
Purpose of Statement	This statement sets out the principles governing decisions about the investment of the assets of the Plan. This statement is issued by the Trustees to comply with section 35 of the Pensions Act 1995 (as amended by Section 244 of the Pensions Act 2004 and the Occupational Pension Schemes (Investment) Regulations 2005).
Advice	The Trustees have obtained and considered written advice on the content of this statement from Bartlett Wealth Management Ltd and Cartwright Benefit Solutions Ltd (specifically on the ESG section), who have confirmed to the Trustees that they have the appropriate knowledge and experience to give the advice required by legislation.
Consultation	The Trustees have consulted the statutory employers about the content of this statement.
Investment powers	The investment powers of the Trustees are set out in Section 14 of the Trust Deed and Rules. This statement is consistent with those powers. Neither the statement nor the Trust Deed and Rules restrict the Trustees' investment powers by requiring the consent of the employer.

2. *Investment policy*

Investment objectives

The main aims of the Trustees are:

- To enable the obligations to the beneficiaries of the Plan to be met
- To invest the assets in the best interests of members and beneficiaries or in the case of a potential conflict of interest, in the sole interest of members and beneficiaries
- To invest the assets in a manner appropriate to the nature and duration of the expected future retirement benefits payable under the Plan
- To pay due regard to the interests of the sponsoring employer(s) with regard to the size and incidence of Company contributions.

Actuarial advice

The Trustees have taken written advice from the Scheme Actuary with regard to the appropriateness of different asset classes to the nature of the Plan liabilities.

Asset allocation

The Trustees, on the advice of the Scheme Actuary, have determined asset allocation ranges which they consider appropriate for the three main asset classes i.e. equities, bonds and property.

The breadth of the allocation ranges has been determined to provide some flexibility for the fund manager to exercise a degree of discretion.

The Plan assets have a target allocation of 46% equities, 45% bonds and 9% property. The permissible allocation ranges for the different asset classes are detailed in Appendix A.

Contributions to the Plan in excess of those deemed to be required to meet cash flow requirements and the need to maintain a working cash balance are invested in accordance with the same asset allocation.

Professional Fund Management

The Trustees have delegated day-to-day investment decisions to a professional fund manager, BlackRock Investment Management (UK) Ltd (BlackRock). BlackRock is responsible for the allocation of the fund between the different asset classes subject to the limitations set by the asset allocation.

BlackRock is also responsible for the selection of stocks/properties within each category of investment. BlackRock is authorised and regulated by the Financial Conduct Authority under the Financial Services and Markets Act 2000.

Fund Management Agreement

The Trustees have a signed agreement with the fund manager dated 11 June 1993. This has subsequently been amended by a number of side letters. The Trustees will require the fund manager to exercise his investment powers with a view to giving effect to the principles contained in this statement so far as reasonably practicable. In particular, the fund manager must have regard to the suitability and diversification of the investments within the guidelines set by the Trustees.

Fund manager's remuneration

The fund manager is remunerated by ad valorem fees.

Performance objectives

The Trustees have set a performance benchmark. This is set out in Appendix B. The fund manager has been set a target of outperforming this benchmark by 0.75% pa over rolling three-year periods.

Expected Return

The expected return on the Plan's assets is determined as 0.75% pa above the benchmark set out in Appendix B over a rolling three-year period.

Environmental, Social and Corporate Governance ('ESG')

The Trustees believe that their primary responsibility is to invest the Plan's assets for the longer-term financial best interests of the Plan's beneficiaries, as reflected by the Trustees' strategic investment objectives (including the Plan's time horizon). The Trustees believe that ESG factors (including climate change risks) can potentially have a material positive or negative financial impact on the Plan.

The Plan's investment funds are chosen to aim to achieve the Plan's strategic investment objectives, with consideration given to ESG factors over the Plan's investment time horizon when these fund choices are both made and reviewed from time-to-time. The Trustees understand that ESG factors are more important for some asset classes than others, and so for example the Trustees expect to spend more time on growth assets than on Gilts.

The Trustees are aware of and regularly monitor the Plan's investment time horizon. The Plan's time horizon may change over time and will depend on the length of time for which benefits will continue to be paid and if/when the Plan is expected to have sufficient assets to buy-out the liabilities with an insurer. The Trustees are able to take a long-term view of the Plan's investments when assessing the manager's performance and/or asset allocation.

The Plan's investment funds are deliberately and consciously chosen to align with the Plan's strategic investment policies and objectives, in particular the asset class exposure, the balance between different asset classes and expected return and risk. In addition, the fees applicable to the Plan's investment funds are taken into account to ensure that these are also consistent with the Plan's investment policies and objectives, as well as being compatible with the asset classes that the fund invests in and the returns it is seeking to achieve.

A key element of the selection of the Plan's investment funds is the Trustees' assessment of the likelihood of achieving the performance target on a medium/long term and sustainable basis, which is in part based on ability to select investee companies, for both debt and equity, that are sustainable and will produce good medium/long term performance on financial measures.

The Trustees also believe that, in general, good long term performance on non-financial measures will support and contribute to good long term performance on financial measures.

An important part of the ability to invest sustainably in this way is to use the fund's position as a stakeholder, either unilaterally or in concert with other stakeholders, to engage with investee companies to look to improve their financial and non-financial performance.

The Trustees measure and monitor the performance versus target of all their investment funds on an after fees basis where practical to do so. Part of this monitoring process includes the consideration of the portfolio turnover costs of each investment fund and whether (or not) the twelve-month turnover is consistent with the investment philosophy and process of the investment fund. Any inconsistencies will be considered. The portfolio turnover costs will be part of the after fees fund performance and are therefore reflected in that figure.

The Trustees' intention is to appoint an investment manager for the long term and avoid switching between investment funds based solely on short term performance, thus incurring transaction costs which may or may not be offset by future returns. However, if the Trustees believe that the investment fund can no longer achieve its performance target, and believe that it is in the Plan's best interests to make a change, they will do so.

Due to the Trustees' use of pooled investment funds, the application of ESG factors and the stewardship of the assets (including the exercising of voting and other rights attached to investments), are ultimately delegated to the investment manager and may differ depending on the objectives of each investment fund and the manager's own policies in this regard.

The Trustees periodically obtain and review the relevant ESG and Stewardship policy documents for each pooled investment fund in which it has invested. When relevant, the Trustees will challenge the investment manager on their policies. Should the Trustees be dissatisfied with the response, they will take the approach that is believed to be in the best interest of the Plan's beneficiaries, which could involve further engagement with the investment manager or disinvesting in favour of a more appropriate investment fund. This creates an incentive for the investment manager to ensure that they are aware of, and as far as possible, meet the Trustees' expectations with regard to ESG and Stewardship policy.

The Trustees do not explicitly take into account the views of the Plan's beneficiaries, including (but not limited to) ethical views and views in relation to social and environmental impact and present and future quality of life of the Plan's beneficiaries when making investment decisions.

Insurance policies

The Trustees hold a number of non-profit immediate annuity policies arising from past purchases of annuities at the time of a member's retirement. These arose from the past practice of purchasing annuities in respect of a member's pension at the time of his retirement. Current practice is to pay pensions for current retirements from the Plan's assets.

Additional Voluntary Contributions

Members had the facility to pay Additional Voluntary Contributions when the Plan was open to accrual. These are invested in insurance policies with Aviva and Equitable Life.

3. Financial position of the Plan

The Trustees consider the investment policy in this statement is consistent with the financial position of the Plan as disclosed in the actuarial valuation of the Plan carried out as at 31 March 2012.

The Trustees will review the policy in light of the next full actuarial valuation, and immediately following any significant changes in investment policy or where the Trustees consider that a review is needed for any other reason

4. Trustees' policy with regard to risk

Risk versus the liabilities

The Trustees are aware that the existing investment strategy, in particular the holding of equities and property investments, involves an element of mismatch risk against the winding-up liabilities of the Plan. This element of mismatch has been undertaken in the expectation of higher investment returns over the longer term and the Trustees' belief that the Maritz Group can and will continue to fund the Plan. This view is supported by a guarantee from Maritz Holdings Inc.

Diversification risk

This is represented by the failure to spread risk. Diversification is achieved by investing in a mix of asset classes, such as equities, property and bonds.

In addition, the Plan invests via pooled funds, which enables a greater spread of assets to be achieved than by direct investment.

Investment return

The Trustees have considered the risk of not achieving the investment return they have assumed will be possible. This has been considered by the Trustees upon the appointment of the investment managers and will be reviewed on an ongoing basis.

Risk of failure of sponsoring employer

The Trustees and their advisers when setting the investment strategy have considered this risk and have consulted with the sponsoring employer as to the suitability of the strategy.

Due to the complex and interrelated nature of these risks, the Trustees consider the majority of the risks in a qualitative rather than a quantitative manner as part of each formal investment strategy review (normally triennially). Some of these risks may also be reviewed in more detail.

Investment management restrictions

The Trustees' agreement with the fund manager contains restrictions on the way the portfolio is managed.

The fund manager is expected to invest in a wide range of investments in order to limit the risks from each individual investment. The Trustees may in the future place on the fund manager further restriction or amend the current restrictions via a side letter to the letter of agreement. The fund manager will comply with such restrictions.

Employer related investments

Until they are paid, contributions due from the Employers are considered to be employer-related investments. The Trustees monitor the payment of Employer contributions to ensure that payments are made in a reasonable time. Neither the Trustees nor the fund manager holds any other employer• related investments as defined by Section 40 of the Pensions Act 1995.

Manager Controls

In exercising the responsibilities delegated to them and pursing the performance objectives, the Fund Manager will be required to adhere to the investment management agreement and the obligations imposed by the Financial Conduct Authority.

5. Compliance

Frequency of review

The Trustees will review this statement every three years, or sooner if there is a change in the policy on any of the areas covered by the statement. The Trustees will consult with the participating employers and take written advice when revising the statement.

Professional advice

The Trustees employ Cartwright Benefit Solutions Ltd to assist in monitoring the fund manager's activity and to help review the investment strategy.

Review of fund manager

At least every 12 months, the Trustees will review their choice of fund manager against the following criteria:

- Maintenance of appropriate knowledge and experience
- Whether he has had regard to the need for diversification of investments
- Whether he has had regard to the suitability of each investment and each category of investment
- whether he has been exercising his powers of investment with a view to giving effect to the principles contained in this statement, so far as is reasonably practicable
- meeting the performance objective

If the fund manager is not able to satisfy the Trustees about these issues, the Trustees may replace that manager.

Information from the Fund Manager

The fund manager will inform the Trustees as soon as possible of:

Any instance where the fund manager has not exercised its investment powers with a view to giving effect to the principles contained within this statement, so far as reasonably practicable.

Any serious breach of internal operating procedures for which the manager accepts responsibility and which causes a loss to the Plan, or a change in the relationship manager.

The fund manager will supply the Trustees with the following each quarter:

- A report of the strategy followed during the quarter
- the rationale behind past and future strategy
- a full valuation of assets
- a transaction report
- a cash reconciliation.

In order to allow the Trustees to carry out their annual review on the fund manager, the fund manager will, on request, supply the Trustees with:

- evidence of his knowledge and experience for managing the investments of the Plan
- his approach to making decisions about the suitability and diversification of the investments delegated to him, and
- details of operating procedures used by the fund manager and controls over the individuals making investments for the Plan, and
- details of the monitoring procedures in place for any manager to whom he has delegated part of his responsibilities.

For the avoidance of doubt, this information shall apply at pooled fund level and not in relation to investments within the pooled funds.

Performance Measurement

Information

Each quarter the Trustees monitor the performance of the manager against the objective set using information provided by BlackRock.

Effective date : 28 September 2020

Ian Taylorson - Trustee (signatory)

Signed on behalf of the Trustees of the Maritz Pension Plan

Appendix A - Asset Allocation Ranges

	%age of market value
Total equities	36 – 52
Total fixed interest bonds	23 – 32
Total index-linked bonds	17 – 23
Property	7 – 11
Cash	0 – 5
Total	100

Appendix B – Composite Benchmark

	%
FTSE All Share	34.5
FTSE All World Developed ex UK Index	11.5
Total equities	**46.0**
iBoxx Sterling Non Gilt Only 10+ Yr Index	12.3
FTSE Actuaries all stocks index	9.2
FTSE Actuaries over 15 years gilt index	4.6
Total fixed interest bonds	**26.1**
FTSE under 5 years index-linked gilt index	6.3
FTSE over 5 years index-linked gilt index	12.6
Total index-linked bonds	**18.9**
IPD All Balanced Property Funds Index Weighted Average	9.0
Total	**100.0**