

# Statement of Investment Principles

Ralph Trustees Limited Pension Scheme

October 2025



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# 1. Introduction

## 1.1 What is the purpose of the Statement of Investment Principles (“SIP”)?

This SIP sets out the policy of the Trustees of the Ralph Trustees Limited Pension Scheme (the “Scheme”) on matters governing decisions about the investments of the Scheme.

The Scheme is a Registered Pension Scheme for the purpose of the Finance Act 2004. The Scheme is a Defined Benefit (“DB”) Scheme, which is closed to future accrual and new members.

## 1.2. What is the legal and statutory background to the SIP?

The SIP is designed to meet the requirements of the Pensions Act 1995 (the “Act”) and all subsequent legislation, Regulations and guidance from the Pensions Regulator applying to UK pension schemes.

## 1.3. Who has had input to the SIP?

This SIP has been formulated after obtaining and considering written professional advice from Quantum Actuarial LLP trading as Quantum Advisory (“Quantum”), the Trustees’ investment adviser, and consulting Ralph Trustees Limited (the “Sponsoring Employer”) as required by the Act and subsequently by the Regulations. Quantum has the knowledge and experience required under the Regulations to provide professional advice on the management of the Scheme’s investments.

## 2. Investment objectives and strategy

### 2.1. Investment policy

The Scheme's assets are held in trust by the Trustees. The investment powers of the Trustees are set out in the Scheme's Trust Deed.

The Trustees are aware of the need to invest assets in the best and sole interest of the members and that the powers of investment must be exercised in a manner which supports the security, quality, liquidity and profitability of the Scheme as a whole.

The Trustees recognise that the assets of the Scheme must consist predominantly of investments admitted to trading on regulated markets and investment in assets which are not admitted to trading on such markets must, in any event, be kept to a prudent level.

### 2.2. Investment objective

The Trustees, with the help of their investment adviser and in consultation with the Sponsoring Employer, set the current investment strategy following a consideration of their objectives and other related matters in 2025.

The Trustees notes the need to invest in a manner which helps ensure that the benefits promised to members are provided. In the short-term, the Trustees objective is to reduce the funding volatility by insuring the Scheme's liabilities with an insurance provider ("a buy-in"). In the longer-term, the Trustees objective is to fully secure members' benefits through a secured insurance provider arrangement ("a buy-out").

### 2.3. What is the investment strategy?

The Scheme has purchased a buy-in policy with Just Group ("Just") which is designed to provide distributions that match the Scheme's benefit payments as they fall due.

#### **Contingent assets**

On 21 March 2012 a security agreement was signed between Ralph Trustee Limited, Studan Nominees Limited and the Trustees relating to the freehold property known as Langleybury Estate, Hunton Bridge, Watford.

### 2.4. What risks were considered and how are they managed?

The Trustees seek to hold assets that provide cashflows to match members' benefits. The Trustees identified the following investment risks for the Scheme prior to purchasing a buy-in policy:

- The risk of mismatch between the value and timing of the Schemes income and outgoings;

- The risk of a shortfall in the liquid assets held by the Scheme relative to its immediate liabilities;
- The risk that the performance of any single investment within the Scheme's assets may disproportionately affect the ability of the Scheme to meet its overall investment objectives; and
- The risk of misappropriation, unauthorised use or mis-delivery of Scheme assets.

## 2.5. What risks were considered and how are they managed?

The Scheme does not directly hold any shares in the Sponsoring Employer. The Trustees' policy is to keep any holding below 5% of the Scheme's overall assets, in line with the Regulations.

## 3. Appointment of managers

### 3.1. How many investment managers are there?

The Scheme holds a DB buy-in policy with Just (the selected buy-in provider). Details are contained in the Appendix.

During 2025, the Trustee sold their invested asset holdings in their entirety to pay a premium to an insurance company, with the agreement that the insurance company will cover future cashflows for the Scheme.

### 3.2. What formal agreements are there with the managers?

The Trustee has signed the appropriate policy documents, agreements and application forms with Just (the selected buy-in provider).

### 3.3. What are the managers' responsibilities?

The buy-in provider is responsible for the day-to-day investment management of the investments.

### 3.4. Custodians and administrators

The Scheme's investments are through a buy-in contract with Just. Just are responsible for the appointment of custodians and administrators for the policy.

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## 4. Other matters

### 4.1. What is the Trustees' policy on the realisation of investments?

Just is responsible for the payment of cashflows for the Scheme and will meet pensioner payroll payments from 1 February 2025. The Trustees will meet other expenses from the Scheme bank account, as required.

### 4.2. What is the Trustees' policy on financially material considerations, non-financial factors and stewardship policies?

#### 4.2.1 Financially material considerations

The Trustees acknowledge the constraints they face to influence change due to the size and nature of the Schemes investments and the need to be responsible stewards and exercise the rights associated with the Schemes investments responsibly. The Trustees expect the buy-in provider, where relevant, to utilise their position to engage with companies on these matters.

#### 4.2.2 Non-financial factors

The Trustees consider non-financial factors (where members have been forthcoming with their views), however, the Trustees do not employ a formal policy in relation to this when selecting, retaining and realising investments.

#### 4.2.3 Stewardship

The appointed buy-in provider has full discretion on the stewardship of the Scheme's assets.

### 4.3. How are various parties who are involved in the investment of the Scheme's assets remunerated?

Quantum Advisory is remunerated on a fixed fee or time-cost fee basis, with budgets agreed for projects where possible. Quantum does not receive commission. Just's fees are incorporated into the premium paid to secure the buy-in policy.

### 4.4. Direct investments

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as direct investments.

The Trustees' policy is to review its direct investments and to obtain written advice about them at regular intervals. When deciding whether to make any new direct investments or terminate any direct investments, the Trustees will obtain written advice from the Scheme's investment adviser. If the Trustees believe that an

investment is no longer suitable for the Scheme, they will withdraw the assets from the arrangement deemed to be unsuitable and select a suitable alternative.

The written advice will consider suitability of the investments, the need for diversification and the principles contained in this SIP. The adviser will have the knowledge and experience required under Section 36(6) of the Pensions Act to provide this advice.

#### **4.5. Do the Trustees take any investment decisions on their own?**

The Trustees are responsible for the investment of the Scheme's assets. The Trustees take some decisions themselves and delegates others.

When deciding which decisions to take, and which to delegate, the Trustees take into account whether they have the appropriate training and expertise in order to make an informed decision.

#### **4.6. Conflicts of interest**

The Trustees consider any potential and actual conflicts of interest (subject to reasonable levels of immateriality) at the start of each Trustees' meeting and document these in the minutes.

#### **4.7. Capital structure of investee companies**

The responsibility for monitoring the capital structure of investee companies (including any relevant developments) is delegated to the buy-in provider who carries out monitoring and action appropriate to the mandate.

## 5. Reviews

### 5.1. How often are investments reviewed?

The Scheme has been secured via buy-in with Just.

### 5.2. How do the Trustees monitor portfolio costs and turnover?

The Trustees expect the buy-in provider to change underlying holdings, to an extent required to meet their investment objectives. The reasonableness of such turnover will vary according to market conditions. The Trustees do not set a specific portfolio turnover for the buy-in provider.

### 5.3. How often is this SIP reviewed?

The Trustees will review this SIP periodically and without delay after any significant change in investment policy. Any change to this SIP will only be made after having obtained and considered the written advice of someone who the Trustees reasonably believe to be qualified by their ability in, and practical experience of, financial matters, and to have the appropriate knowledge and experience of the management of pension scheme investments; and consulting with the Sponsoring Employer.

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Signature

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Date

**For and on behalf of the Trustees of the Scheme**

# Appendix – Strategic asset allocation

The following table details the strategic asset allocation for the Scheme.

Asset Type	Manager	Asset held
Insured buy-in policy	Just Group	Tailored buy-in policy matching the DB membership liabilities