

STATEMENT OF INVESTMENT PRINCIPLES

for the

UBM Pension Scheme

Effective from 28 May 2026

1. Introduction

This Statement of Investment Principles ("SIP") sets out the policy of UBM Trustees Limited ("the Trustee") on various matters governing decisions about the investments of the UBM Pension Scheme ("the Scheme"). This SIP replaces the previous SIP dated 25 June 2025.

The UBM Pension Scheme was established under a Definitive Trust Deed on 9 September 2013 to provide benefits for and in respect of specified individuals. Assets and liabilities were transferred to the Trustee from United Trustees Limited, as Trustee of the United Group Pension Scheme, United Pension Plan and United Magazines Final Salary Scheme (together the "Old Schemes"). The transfer of assets and liabilities took place on and after 30 December 2013 on the terms specified in the Merger Deed dated 2 December 2013.

The Scheme is a mixed benefit scheme, with separate Defined Benefit ("DB") and Defined Contribution ("DC") sections. The majority of the Scheme's DC section assets were transferred out of the Scheme shortly after the merger described in the paragraph above. The remaining DC assets of the Scheme relate to legacy policies and are closed to new contributions. The Trustee's policies specific to the Scheme's DC assets are set out in Section 7.

The SIP is designed to meet the requirements of Section 35 (as amended) of the Pensions Act 1995 ("the Act"), the Occupational Pension Schemes (Investment) Regulations 2005 ("the Regulations"), the Pension Regulator's guidance for defined benefit pension schemes (March 2017) and the Occupational Pension Schemes (Charges and Governance) Regulations 2015 (specifically in relation to the DC section of the Scheme).

This SIP has been prepared after obtaining and considering written professional advice from Lane Clark & Peacock LLP ("LCP"), the Scheme's investment adviser, whom the Trustee believes to be suitably qualified and experienced to provide such advice. The advice takes into account the suitability of investments and the need for diversification, given the circumstances of the Scheme and the overall investment objectives of the Trustee, which are set out in this SIP.

UBM Limited, as the Principal Employer, has been consulted on the SIP.

The Trustee will review this SIP from time to time and, with the help of its advisers, will amend it as appropriate. These reviews will take place as soon as practicable after any significant change in investment policy and at least once every three years.

- **Appendix 1** sets out details of the Scheme's investment governance structure, including key responsibilities of the Trustee, investment advisers and investment managers. It also contains a description of the basis of remuneration of the investment adviser and the investment managers.

- **Appendix 2** sets out the Trustee's policy towards risk appetite, capacity, measurement and management.

2. Investment objectives

2.1. DB section

The Trustee's objectives for the DB section are:

- that the Scheme should be able to meet benefit payments as they fall due; and
- that the Scheme's funding position (ie the value of its assets relative to the assessed value of its liabilities) should be at an appropriate level. The Trustee is aware that there are various measures of funding, and have given due weight to those considered most relevant to the Scheme.

2.2. DC section

The Trustee's objective for the DC section of the Scheme is to provide members with access to an appropriate range of investment options, reflecting the membership profile and the variety of ways that members can draw their benefits in retirement. This also applies to the Additional Voluntary Contributions ("AVCs") held in the Scheme.

3. Investment strategy

3.1. DB section

The Trustee, with the help of its advisers and in consultation with the employer, reviews the Scheme's investment strategy from time to time, taking into account the objectives described in Section 2.1 above.

The Trustee has agreed that the investment strategy of the Scheme should be based on the allocation below.

Asset class	Strategic allocation (%)	Control ranges (%)
Property	0	0 – 5
Illiquid Credit	10	0 – 15
Liquid Credit	40	20 – 60
Liability Matching assets	50	30 – 70
Total	100	

The Trustee's policy is to target a level of expected return level that is sufficient to meet the Scheme's liabilities subject to ensuring the level of investment risk is appropriate given the Scheme's circumstances. The Trustee believes that the strategy above meets this objective.

The Scheme's actual asset allocation is reviewed against the above control ranges at regular Investment Sub-Committee ("ISC") meetings. If, when reviewed, the asset allocation is outside the above control ranges, consideration will be given to whether the Scheme's asset allocation should be rebalanced.

The Property and Illiquid Credit allocations are in the process of returning capital to the Scheme. Proceeds are expected to be invested in Liquid Credit / Liability Matching assets. The Liability Matching assets allocation aims to hedge some of the interest rate and inflation risks of the Scheme's liabilities.

The Liquid Credit allocation comprises a mixture of investment grade "buy and maintain" corporate bonds and asset backed securities. The Trustee will consider the relative allocation between these two asset classes from time to time.

3.2. DC section

The Trustee has made available a range of investment funds for members including equity and bond based funds as well as a cash fund. Each member is responsible for specifying one or more funds for the investment of their account, having regard to their attitude to the risks involved. The DC policies are closed to new contributions and there is no default investment option.

4. Considerations made in setting the investment arrangements

When deciding how to invest the Scheme's assets, the Trustee considers a number of risks, including, but not limited to, those set out in Appendix 2. Some of these risks are more quantifiable than others, but the Trustee has tried to allow for the relative importance and magnitude of each risk.

The Trustee considered a wide range of asset classes for investment, and the expected returns and risks associated with those asset classes, as well as the Trustee's beliefs about investment markets and which factors are most likely to impact investment outcomes.

In setting the strategy the Trustee considered:

- the Scheme's investment objectives;
- the best interests of members and beneficiaries;
- the circumstances of the Scheme, including the profile of the benefit cash flows (and the ability to meet these in the near to medium term), the funding level of the Scheme, and the strength of the covenant of the Principal Employer to the Scheme;
- the risks, rewards and suitability of a number of possible asset classes and investment strategies and whether the return expected for taking any given investment risk is considered sufficient given the risk being taken;
- the need for appropriate diversification between different asset classes to ensure that both the Scheme's overall level of investment risk and the balance of individual asset risks are appropriate; and
- for the DC section, the need for appropriate diversification between and, where appropriate, within the investment options offered to members.

The Trustee's key investment beliefs, which influenced the setting of the investment arrangements, are as follows:

- asset allocation is the primary driver of long-term returns;
- risk-taking is necessary to achieve return, but not all risks are rewarded;
- risks that are typically not rewarded should generally be avoided, hedged or diversified;

- investment markets are not always efficient and there may be opportunities for good active managers to add value;
- investment managers who can consistently spot and profitably exploit market opportunities are difficult to find and therefore passive management, where available, can be better value;
- environmental, social and governance (ESG) factors, including but not limited to climate-related factors, are likely to be one area of market inefficiency and so managers may be able to improve risk-adjusted returns by taking account of ESG factors;
- long-term environmental, social and economic sustainability, including the implications of climate change, is one factor that the Trustee should consider when making investment decisions; and
- costs have a significant impact on long-term performance.

5. Implementation of the investment arrangements

Before investing in any manner, the Trustee obtains and considers proper written advice from its investment adviser on the question of whether the investment is satisfactory, having regard to the need for suitable and appropriately diversified investments.

Details of the investment managers, their objectives, investment guidelines, and custody arrangements are set out in the separate Investment Policy Implementation Document ("IPID").

The Trustee has signed agreements with the investment managers setting out in detail the terms on which the portfolios are managed. The investment managers' primary role is the day-to-day investment management of the Scheme's investments. The managers are authorised under the Financial Services and Markets Act 2000 (as amended), or under similar regulation where not domiciled in the UK, to carry out such activities.

The Trustee and investment managers to whom discretion has been delegated exercise their powers to giving effect to the principles in this Statement of Investment Principles, so far as is reasonably practicable.

The Trustee has limited influence over managers' investment practices because all the Scheme's assets are held in pooled funds, but it encourages its managers to improve their practices where appropriate.

The Trustee's view is that the fees paid to the investment managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high quality service that meets the stated objectives, guidelines and restrictions of the fund. However, in practice managers cannot fully align their strategy and decisions to the (potentially conflicting) policies of all their pooled fund investors in relation to strategy, long-term performance of debt/equity issuers, engagement and portfolio turnover.

It is the Trustee's responsibility to ensure that the managers' investment approaches are consistent with its policies before any new appointment, and to monitor and to consider terminating any existing arrangements that appear to be investing contrary to those policies. The Trustee expects investment managers, where appropriate, to make decisions based on assessments of the longer term financial and non-financial performance of debt/equity issuers, and to engage with issuers to improve their performance. It assesses this when selecting and monitoring managers.

The Trustee evaluates investment manager performance by considering performance over both shorter and longer-term periods as available. Except in closed-ended funds where the duration of the investment is determined by the fund's terms, the duration of a manager's appointment will depend on strategic considerations and the outlook for future performance. Generally, the Trustee would be unlikely to terminate a mandate on short-term performance grounds alone.

The Trustee's policy is to evaluate each of its investment managers by reference to the manager's individual performance as well the role it plays in helping the Scheme meet its overall long-term objectives, taking account of risk, the need for diversification and liquidity. Each manager's remuneration, and the value for money it provides, is assessed in light of these considerations.

The Trustee recognises that portfolio turnover and associated transaction costs are a necessary part of investment management and that the impact of portfolio turnover costs is reflected in performance figures provided by the investment managers. The Trustee expects its investment adviser to incorporate portfolio turnover and resulting transaction costs as appropriate in its advice on the Scheme's investment mandates.

6. Realisation of investments

The Trustee regularly monitors the cash flow requirements for the Scheme and has agreed to draw regular income from its investments where necessary. It has also put in place procedures with the investment managers and their administrators for the realisation of any further investments to meet additional cash flow requirements.

For the DC section, the Trustee's policy is to invest in funds that offer daily / weekly dealing (with the exception of with profits arrangements) to enable members to realise and change their investments readily.

7. Financially material considerations and non-financial matters

The Trustee has considered how environmental, social, governance ("ESG") and ethical factors should be taken into account in the selection, retention and realisation of investments, given the time horizon of the Scheme and its members.

The Trustee expects its investment managers (where appropriate) to take account of all financially material considerations (including climate change and other ESG considerations) when making investment decisions. It seeks to appoint managers that have appropriate skills and processes to do this, and may consider investing in funds (where appropriate) that demonstrate the incorporation of ESG factors, including climate-related factors, into the investment process. The Trustee will, from time to time review how its managers are taking account of these issues in practice, for example by meeting with managers at regular ISC meetings.

The Trustee has limited influence over managers' investment practices where assets are held in pooled funds. However, it encourages its managers to improve their practices where appropriate.

The Trustee has considered whether to take into account any non-financial matters (ie matters relating to the ethical and other views of members and beneficiaries and the principal employer, rather than considerations of financial risk and return) in the selection, retention and realisation of investments, and has decided not to.

The Trustee recognises its responsibility as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. The Trustee has delegated to its investment managers the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG considerations.

The Trustee does not monitor or engage directly with issuers or other holders of debt or equity. It expects the investment managers to demonstrate good stewardship practices with regards exercising ownership rights and undertaking monitoring and engagement, considering the long-term financial interests of the beneficiaries.

The Trustee monitors managers' activities in relation to ESG factors, voting and engagement on a regular basis and discusses this subject with managers at regular ISC meetings. It seeks to understand how the managers are implementing their stewardship policies in practice to confirm that their stewardship is effective and aligned with its expectations.

The Trustee has selected Climate Change as its key ESG priority to provide a focus for its monitoring of investment managers' voting and engagement activities. The Trustee reviews its ESG priorities regularly and updates them if appropriate. It communicates these stewardship priorities to its managers and also confirms its more general expectations in relation to ESG factors, voting and engagement.

If the Trustee's monitoring identifies areas of concern, it will engage with the relevant manager to encourage improvements.

The Trustee seeks to appoint managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code issued by the Financial Reporting Council, and from time to time the Trustee reviews how these are implemented in practice.

The Trustee has decided on the following division of responsibilities and decision-making for the Scheme. This division is based upon the Trustee's understanding of the various legal requirements placed upon it. The Trustee's view is that this division allows for efficient operation of the Scheme overall, with access to an appropriate level of expert advice and service. The Trustee's investment powers are set out within the Scheme's governing documentation.

1. Trustee

In broad terms, the Trustee is responsible in respect of investment matters for:

- setting the investment strategy, in consultation with the employer and after receiving advice from its advisers;
- developing a mutual understanding of investment and risk issues with the employer;
- reviewing the investment policy following the results of each valuation, and / or after any review of investment strategy (eg any asset liability modelling exercise);
- appointing (and, when necessary, dismissing) the investment managers and the investment adviser;
- monitoring the exercise of the investment powers that they have delegated to the investment managers and monitoring compliance with Section 36 of the Act;
- formulating a policy in relation to financially material considerations, such as those relating to ESG considerations (including but not limited to climate change);
- setting a policy on the exercise of rights (including voting rights) and undertaking engagement activities in respect of the investments;
- communicating with members as appropriate on investment matters, such as the Trustee's assessment of its effectiveness as a decision-making body, the policies regarding responsible ownership and how such responsibilities have been discharged;
- putting effective governance arrangements in place and documenting these arrangements in a suitable form;
- reviewing the content of this SIP from time to time and modifying it if deemed appropriate; and
- consulting with the employer when reviewing the SIP.

2. Investment managers

In broad terms, the investment managers will be responsible for:

- managing their respective portfolios, within the guidelines agreed with the Trustee;
- taking account of financially material considerations (including climate change and other ESG considerations) as appropriate when managing the portfolios of assets;
- exercising rights (including voting rights) attached to investments and undertaking engagement activities in respect of investments; and
- providing the Trustee with regular information concerning the management and performance of their respective portfolios.

In broad terms, the investment adviser will be responsible, in respect of investment matters, as requested by the Trustee, for:

- advising on how material changes within the Scheme's benefits, membership, and funding position may affect the manner in which the assets should be invested and the asset allocation policy;
- advising on the selection, and review, of the investment managers. Such advice takes account of LCP's assessment of the nature and effectiveness of managers' approaches to financially material considerations (including climate change and other ESG considerations) and stewardship practices; and
- participating with the Trustee in reviews of this SIP.

4. Fee structures

The Trustee has agreed Terms of Business with the Scheme's investment adviser, under which charges are calculated on a "fixed fee" or "time-cost" basis.

The investment managers receive fees calculated by reference to the market value of assets under management. The fee rates are believed to be consistent with the manager's general terms for institutional clients and are considered by the Trustee to be reasonable when compared with those of other similar providers.

The fee structure used in each case has been selected with regard to existing custom and practice, and the Trustee's view as to the most appropriate arrangements for the Scheme. However, the Trustee will consider revising any given structure if and when it is considered appropriate to do so.

5. Performance assessment

The Trustee is satisfied, taking into account the external expertise available, that there are sufficient resources to support its investment responsibilities. The Trustee believes that it has sufficient expertise and appropriate training to carry out its role effectively.

It is the Trustee's policy to assess the performance of the Scheme's investments, investment manager and professional advisers from time to time. The Trustee will also periodically assess the effectiveness of its decision-making and investment governance processes and will decide how this may then be reported to members.

6. Working with the Scheme's employer

When reviewing matters regarding the Scheme's investment arrangements, such as the SIP, the Trustee gives due consideration to the employer's perspective. While the requirement to consult does not mean that the Trustee needs to reach agreement with the employer, the Trustee believes that better outcomes will generally be achieved if the Trustee and employer work together collaboratively.

1. Risk appetite and risk capacity

Risk appetite is a measure of how much risk the Trustee is willing to bear within the Scheme in order to meet its investment objectives. Taking more risk may mean that those objectives can be achieved more quickly, but it also means that there is a greater likelihood that the objectives are missed, in the absence of remedial action.

Risk capacity is a measure of the extent to which the Trustee can tolerate deviation from its long-term objectives before attainment of those objectives is seriously impaired. The Trustee aims to strike the right balance between risk appetite and risk capacity.

When assessing the risk appetite and risk capacity, the Trustee considered a range of qualitative and quantitative factors, including:

- the strength of the employer's covenant and how this may change in the near/medium future;
- the Scheme's funding target;
- the Scheme's liability profile, its interest rate and inflation sensitivities, and the extent to which these are hedged;
- the Scheme's cash flow and target return requirements; and
- the level of expected return and expected level of risk, now and as the strategy evolves.

When deciding on the current investment strategy, the Trustee reviewed the expected level of risk and believed this level of risk to be appropriate given the Trustee's and employer's risk appetite and capacity, and the Scheme's objectives.

2. Approach to managing and monitoring investment risks

The Trustee considers that there are a number of different types of investment risk that are important to manage and monitor. These include, but are not limited to:

2.1. Risk of inadequate returns

A key objective of the Trustee is that, over the long-term, the Scheme should have adequate assets to meet its liabilities as they fall due. The Scheme is invested in assets expected to produce sufficient long-term returns, but there is a risk that returns realised over the long term will be inadequate. There is also a risk that the value of the Scheme's assets and the assessed value of its liabilities may diverge in certain financial and economic conditions over the short term. This risk has been taken into account in setting the investment strategy and is monitored by the Trustee on a regular basis.

For the DC assets, as members' benefits are dependent on the investment returns achieved, it is important that investment options are available which can be expected to produce adequate real returns over the longer term. The Trustee took this into account when considering the fund range to make available to members.

This is the risk that an investment manager fails to meet its investment objectives. Prior to appointing any investment managers, the Trustee receives written advice from a suitably qualified individual, and carries out an investment manager selection exercise. The Trustee monitors its investment managers on a regular basis to ensure they remain appropriate for their selected mandates.

2.3. Risk from lack of diversification

This is the risk that failure of a particular investment, or the general poor performance of a given investment type, could materially adversely affect the Trustee's ability to meet its investment objectives. The Trustee believes that the need for the Scheme's assets to be adequately diversified between different asset classes and within each asset class has been met by the strategy outlined in Section 3 and by the guidelines agreed with the investment managers.

Furthermore, the Trustee believes that the Scheme's DC fund options provide a suitably diversified range for members to choose from.

2.4. Liquidity/marketability risk

This is the risk that the Scheme is unable to realise assets to meet benefit cash flows as they fall due. The Trustee is aware of the Scheme's cash flow requirements and believes that this risk is managed appropriately via the measures described in Section 6 of this SIP.

For the DC assets, this is the risk that core financial transactions, such as disinvesting members assets on retirement, are not processed promptly due to lack of liquidity in the investments. The Trustee manages this risk by only making available pooled funds with daily / weekly dealing within the DC fund options (with the exception of with profits arrangements).

2.5. Environmental, social and governance (ESG) risks

Environmental, social and corporate governance (ESG) factors are sources of risk to the Scheme's investments, some of which could be financially material, over both the short and longer term. These potentially include risks relating to factors such as climate change, unsustainable business practices, and unsound corporate governance. The Trustee seeks to appoint investment managers who will manage these risks appropriately on their behalf and from time to time reviews how these risks are being managed in practice.

2.6. Collateral adequacy risk

The Scheme is invested in leveraged Liability Driven Investment ("LDI") arrangements to provide protection ("hedging") against adverse changes in interest rates and inflation expectations. The LDI manager may from time to time call for additional cash to be paid to the LDI portfolio in order to support a given level of leverage. Collateral adequacy risk is the risk that the Trustee when requested to do so will not be able to post additional cash to the LDI fund within the required timeframe. A potential consequence of this risk is that the Scheme's interest rate and inflation hedging could be reduced and that the Scheme's funding level could suffer subsequently as a result. In order to manage this risk, the Trustee ensures that the Scheme has a sufficient allocation to cash and / or other highly liquid assets which can be readily realised, so that cash can be posted to the LDI manager at short notice.

Within the DC assets, if the investment management charges together with other charges levied on, for example, transfers or early retirement are excessive, then the value of a member's account will be reduced unnecessarily. The Trustee is comfortable that the charges applicable to the Scheme are in line with market practice and assess regularly whether these represent good value for members.

2.8. Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Scheme is subject to credit risk because it invests in bonds via pooled funds. The Trustee manages its exposure to credit risk by investing in pooled funds that have a diversified exposure to different credit issuers.

2.9. Currency risk

Whilst the majority of the currency exposure of the Scheme's assets is to Sterling, the Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets. The Trustee considers the overseas currency exposure in the context of the overall investment strategy, as well as in the context of the employer covenant, and believes that the currency exposure that exists diversifies the strategy and is appropriate.

2.10. Interest rate and inflation risk

The Scheme's assets are subject to interest rate and inflation risk because some of the Scheme's assets are held in bonds or interest rate swaps via pooled funds. The interest rate and inflation exposure of the Scheme's assets hedges part of the corresponding risks associated with the Scheme's liabilities. The net effect is to reduce the volatility of the funding level, and so the Trustee believes that it is appropriate to have exposures to these risks in this manner.

2.11. Other non-investment risks

The Trustee recognises that there are other, non-investment, risks faced by the Scheme, and takes these into consideration as far as practical in setting the Scheme's investment arrangements.

Examples include:

- longevity risk (the risk that members live, on average, longer than expected); and
- sponsor covenant risk (the risk that, for whatever reason, the Principal Employer is unable to support the Scheme as anticipated).

Together, the investment and non-investment risks give rise generally to funding risk. This is the risk that the Scheme's funding position falls below what is considered an appropriate level. The Trustee regularly reviews progress towards the Scheme's funding target, both in the longer-term as well as against short-term milestones, comparing the actual versus the expected funding level.

By understanding and considering each of the risks that contribute to funding risk, the Trustee believes that it has addressed and is positioned to manage this general risk.