

Continu- Forms Holdings PLC Life Assurance & Pension Scheme

Implementation Statement

Introduction

This statement sets out how, and the extent to which, in the opinion of the Trustees, the Plan's Statements of Investment Principles ("SIP") has been followed over the year.

Review of the SIP

The Trustees reviewed the SIP during the previous year, with an updated version coming into effect during September 2019 following a consultation with the Sponsoring Employer.

The key updates reflected as part of these reviews, were to introduce the Trustees policies in respect of financially and non-financially material investment considerations, and corporate governance and stewardship. To help form these policies, the Trustees received training from its advisers covering responsible investment, the financial materiality of Environmental, Social and Governance ("ESG") factors and stewardship. The policies set out in the SIP were formed following subsequent discussions and engagement with their advisers.

Implementation of the SIP during the Plan year

The Trustees' investment objectives for the DB Section set out in the SIP are:

- The acquisition of suitable assets, having due regard to the risks set out in the SIP, which will generate income and capital growth to pay, together with contributions from members and the Sponsoring Employer, the benefits which the Plan provides as they fall due.
- To limit the risk of the assets being assessed as failing to meet the liabilities over the long-term having regard to any statutory funding requirement.
- To achieve a return on investments which is expected to at least meet the Plan Actuary's assumptions over the long term.

The Trustees have delegated implementation of the investment strategy to ASC and Bowmore as the Investment Managers, maintaining a formal agreement which sets out the guidelines and restrictions of the investment strategy.

Investment advice was taken from Bowmore Financial Planning Limited (formerly The Citimark Partnership Limited). The Trustees acknowledges the inherent conflict of interest of the Investment Adviser and one of the Investment Managers being linked organisations and manages this conflict by regularly reviewing the performance of the Investment Manager and comparing the services provided against those offered by competitors.

The Trustees monitor the performance of the Plan's assets against the agreed objectives through regular reporting and monitor the suitability of the Investment Managers.

Investment risks are mitigated through various measures, including the diversification of Growth Assets across various asset classes, countries and sectors, and the restriction of investments in illiquid assets, ensuring there is sufficient liquidity in the portfolio to meet near-term cash flow needs.

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Implementation Statement (continued)

Financially material investment considerations

Because the investments are all made through pooled funds and not directly held by the trustees, the trustees have very limited influence as to the way in which engagement with investee companies is carried out.

The Trustees expect the Investment Managers to monitor the Environmental, Social and Governance (“ESG”) characteristics of the portfolio’s underlying holdings and to consider ongoing compliance with other factors, such as stewardship, as part of its activities over the year.

The Trustees have agreed a portfolio with ASC which excludes carbon intensive extractives. We note that ASCs parent company is a UNPRI signatory and were rated A+ by PRI in 2019 for their Strategy and Governance. ASC in particular have a strong record on ESG issues.

Voting and engagement activity

The Trustees have followed the SIP’s approach to voting and engagement over the year and expect this to have positively contributed to the Plan’s performance. The trustees will periodically seek information from the managers as to the exercise of their voting rights and will review this information, along with performance and strategic information when considering the ongoing implementation of their investment strategy. Information for the review period has been requested and will be considered when received.