Statement of Investment Principles

1. Introduction

This edition of the Statement has been prepared by the Trustees of the Harlan UK Ltd Occupational Pension Scheme in accordance with the requirements of Section 35 of the Pensions Act 1995 (as amended), and Regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005, and any subsequent additional regulations. It replaces any previous editions.

In preparing this edition the Trustees have taken appropriate written advice from a suitably qualified individual, Simon Jagger FIA, Director of Jagger & Associates Limited. The Trustees have also consulted with the Scheme's principal employer, Envigo. This Statement is consistent with the Scheme's governing documents.

The Scheme is registered with HM Revenue and Customs. There is no formal employer-related investment made by the Trustees, and none is intended. The sponsoring employer intends to remit all relevant contributions to the Trustees within the relevant timescales.

2. Delegation of Investment Management

The Trustees use a range of pooled funds provided by Insight Investment Funds Management Limited ("Insight"). There is also a Trustees' bank account used for managing cashflows.

The details of the investment manager's appointment, covering the roles of the organisation and their various subsidiaries and associated companies, is covered in an agreement with effective dates of 7 October 2010 and in any legally valid amendments thereof. The provider, where relevant, is suitably authorised under the Financial Services and Markets Act 2000.

3. The Investments Held

Full details of the investment restrictions placed on the manager are contained within the investment agreement mentioned above.

The assets of the Scheme are held in funds provided by Insight. The initial split of the assets between the funds is roughly 36% in the Insight Corporate Long Maturities Bond Fund and 64% in the Insight Broad Opportunities Fund. Net cashflows will not be used in order to maintain this split, but instead positive net Scheme cashflow will go into the bond fund, whilst negative net cashflow will be taken from the Broad Opportunities fund. The Trustees will keep the allocation of the Scheme's assets between the funds under review.

The Broad Opportunities fund is an actively managed fund that does not have a fixed market-based benchmark. Instead, it targets LIBID + 4.5% p.a., gross of fees, on a 3-year rolling basis, with less than 50% of equity market volatility

The Corporate Bond fund is an actively managed bond fund that aims to outperform the relevant iBoxx £ Non-Gilts Index on a total return basis. The SIP will not be reviewed just because of movements between all-dated and long-dated versions of the Corporate Bond product.

4. Expected Return on Investments

The aim of the Broad Opportunities fund is to outperform the UK 3 month Sterling LIBID by 4.5% p.a., gross of fees, on a 3-year rolling basis, with less than 50% of equity market volatility.

The aim of the Corporate Bond fund is to exceed the performance of the relevant iBoxx £ Non-Gilts Index by 1% p.a., gross of fees, on a 3-year rolling basis.

The investment performance of the Scheme is monitored through quarterly reports from the manager.

5. Risk Management & Risk Measurement

The Trustees are satisfied that their manager is prudent and professional in their general approach to investment.

The investment products used involve holding units in pooled funds that maintain diversified portfolios of underlying assets (e.g. shares, bonds, and other financial instruments). This reduces the risk to the Scheme and members of investing in any specific individual asset.

The products used are viewed as appropriate investment vehicles for the investment strategy of a paid-up pension scheme. The Trustees will keep the asset allocation under review and risk measurement forms part of the performance monitoring process.

6. Realisation of Investments

The Trustees' policy is to ensure that the assets invested are sufficiently realisable to enable the Trustees to meet their obligation to provide benefits as they fall due. The Trustees are satisfied that the arrangements in place conform to this policy. The Trustees monitor their net cashflow position, the likely need to realise capital, and hence any effect on asset allocation and the choice of investment funds.

7. Additional Voluntary Contributions

The Scheme has available facilities with Aviva and Equitable Life for members who wish to contribute to enhance their retirement benefits. The Trustees believe these to be appropriate facilities for this purpose, but note that the decisions on the funds used rest entirely with the members.

8. Environmental, Social and Governance (ESG) Considerations including Voting and Engagement

In endeavouring to invest in the best financial interests of the beneficiaries, the Trustees have elected to invest in pooled funds and cannot therefore directly influence the environmental, social, and governance policies and practices of the companies in which the pooled funds invest. The Trustees exclude non-financial matters in the selection, retention and realisation of investments.

The Trustees have no formal policy on either ESG or delegation of voting rights. Instead, they have delegated the responsibility for these matters to their investment manager, who will from time to time report on their current and future actions in these areas.

The Trustees will consider a manager's ESG credentials during their appointment process, and will ask for at least an annual written update on each manager's activity for the products used by the Trustees. The Trustees will include a statement in the annual report to advise members that this has been done.

As the Trustees use pooled funds, their asset managers are not incentivised to align their investment strategy and decisions with the Trustees' policies, nor are they incentivised to make decisions based on assessments about medium to long-term performance of an issuer of debt or equity, nor to engage with those issuers in order to improve their performance. However, the managers may make such decisions and/or engage of their own accord.

Performance monitoring, manager remuneration and duration of manager appointments are covered elsewhere in this Statement, or in the Trustees' Annual Report. As the Trustees use pooled funds, there is no targeted portfolio turnover or turnover range.

As the Trustees use pooled funds, they do not need to have an engagement policy in relation to monitoring the capital structure of companies they invest in, or any associated potential conflicts of interest.

From 1 October 2020 the Trustees will publish their SIP online for general public access.

In addition, from 1 October 2021, the Trustees will publish annually online an engagement policy implementation statement that outlines how the various requirements (set out above) have been followed during the year, and describes the voting behaviours of the asset managers on their behalf.

9. Compliance

The Trustees will formally review this statement as and when required, and at least every three years, with the assistance of their advisers. A copy of this statement is available for inspection by Scheme members.

This statement has been agreed by the Trustees on..... 14th SEPTEMBER 2020

Signed on behalf of the Trustees by

Name VALERIE CAROL SUMMERS

Name Colin Marsh

for PSGS Trust Corporation Limited