

The Cobb Pension Scheme - Annual Implementation Statement

Introduction

This statement sets out how, and the extent to which, the Engagement Policy in the Statement of Investment Principles ('SIP') produced by the Trustees of the Cobb Pension Scheme (the "Scheme") has been followed during the year to 30 November 2020. This statement has been produced in accordance with the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the guidance published by the Pensions Regulator.

Investment Objectives of the Scheme

The Trustees' primary investment objective for the Scheme is to achieve an overall rate of return that is sufficient to ensure that assets are available to meet all liabilities as and when they fall due.

Review of the SIP

During the year the Trustees reviewed the Scheme's SIP. A revised SIP was agreed in September 2020 in order to reflect new requirements under the Occupational Pension Scheme (Investment and Disclosure) (Amendment) Regulations 2019.

As set out in the SIP, the Trustees have determined its investment strategy after considering the Scheme's liability profile and its own appetite for risk, the Sponsoring Employer's appetite for risk, and the strength of the Sponsoring Employer's covenant. The Trustees have decided to invest in the Clerical Medical's With-Profits Fund. The Scheme is therefore classified under the regulations as a Wholly Insured Scheme as a result of its investment in the With-Profits Fund.

By investing in a With-Profits Fund, the Trustees have delegated discretion over the day-to-day management of its investment to Clerical Medical including the risk profile and return target of the Fund. The Trustees are satisfied that it aligns with the overall investment strategy of the Scheme.

The investment managers of the With Profits Fund are expected to exercise voting rights and undertake engagement (collaborative or otherwise), where applicable, in accordance with their own corporate governance and environmental, social and governance ("ESG") policies.

The Trustees will continue to monitor the appropriateness of the investment in the With Profits Fund.

The latest version of the SIP is available on the following publicly available website:

<https://www.cobb-vantress.com/assets/e4701e331a/Cobb-SIP-Final.pdf>