

Brewin Dolphin Limited Retirement Benefits Scheme

Statement of Investment Principles

October 2025

Introduction

This document constitutes the Statement of Investment Principles ('the SIP') required under Section 35 of the Pensions Act 1995 (as amended) for the Brewin Dolphin Limited Retirement Benefits Scheme ('the Scheme'). It describes the investment policy being pursued by the Trustees of the Scheme and is in compliance with the Government's voluntary code of conduct for Institutional Investment in the UK ('the Myners Principles') and the Pension Regulator's investment guidance for defined benefit pension schemes. This SIP also reflects the requirements of Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018.

The Scheme Actuary is John Gordon of XPS Pensions and the Investment Adviser is Schroders Solutions (collectively termed 'the Advisers').

The Trustees confirm that, before preparing this SIP, they have consulted with Royal Bank of Canada ('the Sponsoring Employer') and the Scheme Actuary and have obtained and considered written advice from the Investment Adviser.

The Trustees are responsible for the investment of the Scheme's assets and where they are required to make an investment decision, the Trustees always receive advice from the relevant Advisers first. They believe that this ensures that they are appropriately familiar with the issues concerned.

In accordance with the Financial Services & Markets Act 2000, the Trustees set general investment policy. The bulk of the Fund is invested in an annuity asset, which fully matches benefit outgo. The Trustees have delegated day-to-day investment of any assets remaining in the Scheme's investment portfolio to be undertaken through the fiduciary management service of Schroders Investment Solutions Limited ('Schroders Solutions'), hereafter referred to as the 'Investment Manager'.

Scheme Governance

The Trustees are responsible for the governance and investment of the Scheme's assets. The Trustees consider that the governance structure is appropriate for the Scheme as it allows the Trustees to make the important decisions on investment policy, while delegating the day-to-day aspects to the investment Manager or the Advisers as appropriate.

The Trustees will review this SIP at least every three years, or following any changes to the investment strategy, and modify it with consultation from the Advisers and the Sponsoring Employer if deemed appropriate. There will be no obligation to change this SIP, the Investment Manager or Adviser as part of such a review.

Suitability

The Trustees have defined the investment objective and investment strategy with due regard to the Scheme's liabilities.

The Trustees have taken advice from the Advisers to ensure that the proposed strategy, and the assets held by the Scheme through that strategy, are suitable given its liability profile, the Trustees objectives, legislative requirements, regulatory guidance and specifications in the Trust Deed and Rules governing the Scheme (the Trust Deed)..

Statutory Funding Requirement

The Trustees will obtain and consider proper advice on the question of whether the investments and investment strategy are satisfactory having regard to both the investment objectives and the requirement to meet any statutory funding requirements. The funding position is reviewed periodically by the Scheme Actuary, with a full actuarial valuation at least every three years.

The Trustees will consider with the Investment Adviser and the Scheme Actuary whether the results of these actuarial valuations suggest that any change to investment strategy is necessary to ensure continued compliance with the statutory funding requirement.

Investment Objectives

The overall objective of the Scheme is to meet the benefit payments promised as they fall due. The Trustees have met this objective by purchasing an annuity asset, which provides the cash needed to pay the members' benefits in their entirety as they fall due each month. Some additional assets remain in the investment portfolio, and these are held in cash, cash funds and/or short dated gilts, managed by the Investment Manager.

Implementation of investment strategy

The Trustees employ the Investment Manager to manage any assets remaining in the Scheme's investment portfolio.

Monitoring

The Trustees, or any other suitably qualified Adviser on behalf of the Trustees, will regularly review the activities of the Investment Manager to satisfy themselves that the Investment Manager continues to carry out their work competently and have the appropriate knowledge and experience to manage the assets of the Scheme.

As part of this review, the Trustees will consider whether or not the Investment Manager:

- is carrying out their function competently;
- has regard to the suitability of each investment and each category of investment; and
- has been exercising their powers of investment with a view to giving effect to the principles contained in this SIP, so far as is reasonably practical.

If the Trustees are not satisfied with the Investment Manager they will ask the Investment Manager to take steps to rectify the situation. If the Investment Manager still does not meet the Trustees' requirements, the Trustees will remove the Investment Manager and appoint another.

Corporate Governance and Stewardship

In relation to the annuity asset, corporate governance and stewardship are the responsibility of the provider.

In relation to any assets remaining in the Scheme's investment portfolio, the Trustees and Investment Manager have agreed, and will maintain, formal agreements setting out the scope of the Investment Manager's activities, charging basis and other relevant matters. The Investment Manager has been provided with a copy of this SIP and is required to exercise its powers with a view to giving effect to the principles contained herein and in accordance with subsection (2) of Section 36 of the Pensions Act 1995.

The Trustees have appointed the Investment Manager to implement the Scheme's investment strategy in relation to any assets remaining in the Scheme's investment portfolio, which are primarily held in cash, cash funds and/or short-dated gilts. The Investment Manager manages assets directly on behalf of the Trustees as well as having delegated authority to appoint, monitor and change the Underlying Investment Managers.

The Investment Manager is appointed to carry out its role on an ongoing basis. The Trustees periodically review the overall value-for-money of using Schroders Solutions. The Trustees are satisfied that these arrangements incentivise the Investment Manager:

- to align its investment strategy and decisions with the Trustees' investment policies,; and
- to assess and make decisions based on the medium to long-term financial and non-financial performance of issuers of debt, and, where possible, to engage with such issuers to improve this medium to long-term performance.

The Trustees note that the scope for such engagement is likely to be extremely limited, and that, given the absence of equity holdings there is no scope for voting.

The Investment Manager undertakes regular reviews of all Underlying Investment Managers. These reviews incorporate benchmarking of performance and fees, with some managers on performance-related fees as well as performance reviews (including understanding key drivers of performance), investment due diligence meetings and operational due diligence reviews. The Investment Manager reviews the governance structures of Underlying Investment Managers, as well as assessing whether their fees, expenses (and any other charges) are in line with industry peers at inception and from time to time whilst invested.

Where it can be determined, the Investment Manager assesses whether Underlying Investment Manager remuneration arrangements are aligned with the Trustees' objectives. The method and time horizon for evaluating and remunerating Underlying Investment Managers is determined by criteria set by the Investment Manager, as detailed above.

The Trustees acknowledge the inherent potential for conflicts of interest which exist as part of ongoing investment management business activities. As an FCA regulated firm, the Investment Manager is required to prevent or manage conflicts of interest. Where Underlying Investment Managers are also regulated, they are likely to be subject to such requirements to manage conflicts of interest as are applicable in their jurisdiction of incorporation or operations. The Investment Manager directly monitors these as part of their regulatory filings (where available), the Investment Manager also monitors this as part of ongoing review. The Investment Manager's Conflict of Interest policy was shared with the Trustees.

The Investment Manager oversees the turnover costs incurred by Underlying Investment Managers as part of its ongoing monitoring process and evaluates such costs to determine if they are in line with peer groups and the Investment Manager's expectations. Where there are material deviations the Investment Manager engages with Underlying Investment Managers to understand the rationale for such deviations and take appropriate action.

Realisation of Investments

The majority of assets (excluding the annuity asset) are held in cash and cash funds of UK Government securities which can be realised easily if the Trustees so require.

Derivatives

The Trustees may enter into contracts with counterparties, including investment banks, in order to execute derivative transactions. The Trustees have taken advice on the suitability of the contracts and have delegated responsibility to the Investment Manager to implement these instruments on its behalf. Derivative instruments are typically used for risk management purposes in the portfolio.

Additional Voluntary Contributions (AVCs)

Under the Scheme's Trust Deed and Rules, members were able to invest Additional Voluntary Contributions to improve the benefits they receive at retirement. The Trustees selected a range of investment funds with Standard Life for the AVCs to be invested in. Although further AVCs are not permitted, assets remain invested with Standard Life for those members who have previously invested AVCs.

The Trustees review these arrangements regularly having regard to their performance, the objectives and the views of the Advisers.

Financially material investment considerations

These considerations which include the below "Risks" can affect the long-term financial performance of investments and can (but do not have to) include environmental, social and governance factors (otherwise known as "ESG") where relevant. The Trustees delegate consideration of financially material factors to the Investment Manager who considers these when constructing the portfolio, including looking at Underlying Investment Managers. All references to ESG also include climate change.

ESG factors and stewardship are considered, in the context of long term performance, by the Investment Manager as part of the manager selection criteria. This review occurs before they are approved for investment in the portfolio. Once an Underlying Investment Manager is appointed, the Investment Manager monitors the ESG implementation and ongoing compliance with other factors, such as stewardship, as a part of overall engagement.

Risks

The Trustees recognise a number of risks involved in the investment of the assets of the Scheme. **Funding and asset/liability mismatch risk** – the risk that the funding level is adversely affected due to a mismatch between the assets and liabilities. This risk is managed by holding an annuity asset that will provide an exact match for the Scheme's benefit outgo.

- **Cash flow risk** – addressed through the annuity asset, which provides cash to meet the benefit outgo.
- **Counterparty risk** – the risk of a counterparty to an agreement not carrying out his side of the deal. The annuity asset is held with a single counterparty; however, the Trustees consider this counterparty risk in the context of the regulatory regime, currently administered by the Prudential Regulation Authority (PRA), within which insurance companies in the UK must operate. Where derivatives are used, the risk of counterparty default is reduced through the requirement in the relevant documentation that regular collateral or margin payments be made. It is also considered in the selection of counterparties and the incorporation of protection mechanisms in the documentation in the event of a downgrade in credit quality of an existing counterparty.
- **Country risk** – the risk of an adverse influence on investment values from political intervention is small given the nature of the assets.
- **Currency risk** – the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This does not arise in relation to the annuity asset.
- **Default risk** – the risk of income from assets not being paid when promised. This is addressed through the annuity asset being provided by an insurer which has been assessed as having little default risk.

- **ESG risk** – the risk of adverse performance due to ESG related factors including climate change. This is addressed by the Investment Manager’s ESG assessment at the point of investment in assets.
- **Mismanagement risk** – the risk of unsuitable investment activity by the Investment Manager. This is addressed in the agreement with the Investment Manager which contains a series of restrictions.
- **Organisational risk** – the risk of inadequate internal processes leading to problems for the Scheme. This is addressed through regular monitoring of the Investment Manager and Advisers by the Trustees and of the Underlying Investment Managers by the Investment Manager.
- **Sponsor risk** – the risk of the Sponsoring Employer ceasing to exist which, for reasons of prudence, has been taken into account when setting the asset allocation strategy. The Trustees regularly review the covenant of the Sponsoring Employer. The annuity asset ensures that benefit outgo will be met.

The Trustees will keep these risks and how they are measured and managed under regular review.

Non-financial matters

The Trustees do not at present take into account non-financial matters (such as members’ ethical considerations, social and environmental impact matters or future quality of life considerations for members) when making investment decisions.



Signed:.....

Date: 31 December 2025.....

For and on behalf of the Trustees of the Brewin Dolphin Limited Retirement Benefits Scheme