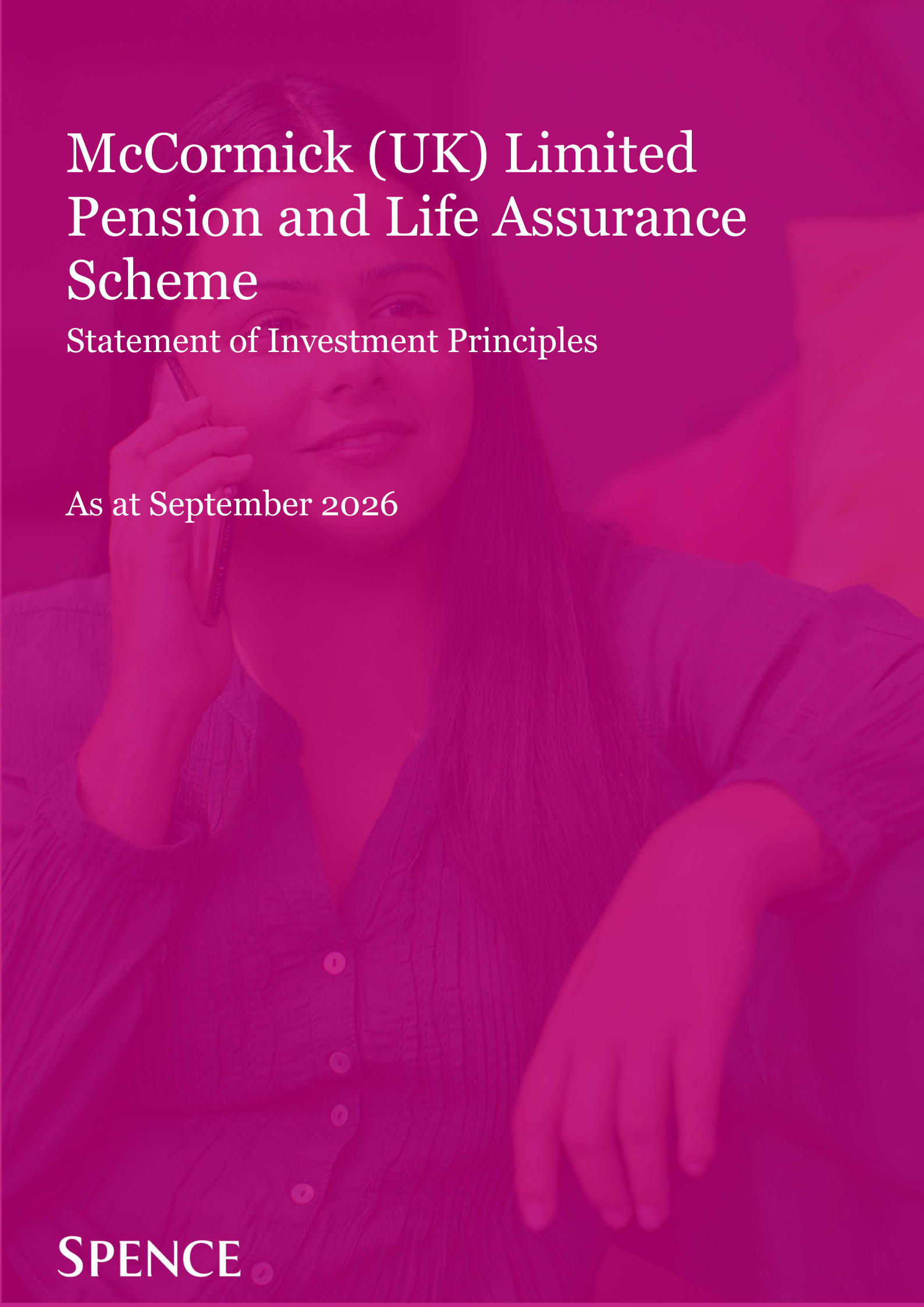


McCormick (UK) Limited Pension and Life Assurance Scheme

Statement of Investment Principles

As at September 2026

SPENCE

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Executive Summary

This Statement of Investment Principles ("the Statement") has been commissioned by and addressed to McCormick (UK) Pension Scheme Trustees Limited ("the Trustees") of the McCormick (UK) Limited Pension and Life Assurance Scheme ("the Scheme").

This document has been prepared by Simon Cohen of Spence and Partners Limited, in his capacity as appointed Investment Consultant to the Scheme.

It has been prepared to comply with Section 35 of the Pensions Act 1995 as amended by the Pensions Act 2004 and the Occupational Pension Schemes (Investment) Regulations 2005, and as amended by subsequent regulations.

For the purposes of this report, McCormick (UK) Limited is referred to as the "Employer".



Introduction

This Statement sets out the principles governing decisions about investments for the Scheme and supersedes the previous Statement prepared by the Trustees.

In preparing this Statement, the Trustees have:

1.	Consulted with the Employer, although responsibility for maintaining this Statement and setting investment policy rests solely with the Trustees.
2.	Obtained and considered written professional advice and recommendations from Spence and Partners Limited ("Spence") who is the Trustees' appointed investment consultant. Spence is authorised and regulated by the Financial Conduct Authority ("FCA"). It has confirmed to the Trustees that it has the appropriate knowledge and experience to give the advice required by the Pensions Acts.

The Trustees will review this Statement at least once every three years to coincide with the triennial actuarial valuation or other advice relating to the statutory funding requirements. If there are any significant changes in any of the areas covered by this Statement, the Trustees will review it without further delay. Any changes made will be based on written advice from a suitably qualified individual and will follow on from consultation with the Employer.

The Scheme is a defined benefits ("DB") plan. The Trustees' investment powers are set out in the Trust Deed and Rules and subsequent amending deeds. This Statement is consistent with those powers.



Investment Objectives

The Trustees' overall investment policy is guided by the objective of buying out the Scheme's liabilities with an insurer.



Investment Responsibilities

The Trustees

Under the legal documentation governing the Scheme, the power of investment is vested in the Trustees. Therefore, the Trustees are responsible for the setting the investment objectives and determining the strategy to achieve those objectives. They set the overall investment target and then monitor the performance of their investment managers against the target. In doing so the Trustees consider the advice of their professional advisers, who they consider to be suitably qualified and experienced for this role.

Their duties and responsibilities include but are not limited to:

- Regular approval of this Statement and monitoring compliance with this Statement
- Appointment, removal (where applicable) and review of their investment manager(s) or investment consultant and their performance relative to relevant benchmarks
- Assessment of the investment risks run by the Scheme
- Monitoring and review of the asset allocation

Investment Consultant's Duties and Responsibilities

The Trustees have appointed Spence as their investment consultant. Spence provides advice when the Trustees require it and/or when Spence feels it suitable to do so. Areas on which it can provide advice are as follows:

- Setting investment objectives
- Determining strategic asset allocation
- Determining suitable funds and investment managers
- Managing cashflow

It should be noted that the Trustees retain responsibility for all decisions.

Any services provided by Spence will be remunerated on either a time cost or fixed fee basis.

Spence does not receive any commission or any other payments in respect of the Scheme for investment services that will affect the impartiality of their advice.

The Trustees are satisfied that this is a suitable adviser compensation structure.

Investment Manager's Duties and Responsibilities

The Trustees, after considering suitable advice, have moved the majority of the Scheme's assets into a buy-in policy with Pension Insurance Corporation plc ('PIC') who are managing the policy. PIC provide tailored pension insurance buyouts and buy-ins to trustees and sponsors of UK defined benefit pension funds.

The remaining assets are held with the investment manager, Legal & General Investment Management ("LGIM"). This investment manager is authorised and regulated by the FCA and is responsible for stock selection, asset allocation (if managing a multi-asset portfolio) and the exercise of voting rights. LGIM is compensated by fund-based charges on the value of the Scheme's assets that it holds.

The Scheme's agreed asset allocation is defined in the Appendix.

Setting the Investment Strategy

The Trustees have determined their investment strategy after considering the Scheme's liability profile, their own appetite for risk and the views, risk appetite and covenant of the Employer. They have also received written advice from their investment consultant.

Types of Investment

The majority of the Scheme's assets are invested with PIC in a buy-in policy which aims to match the Scheme's liabilities.

The remainder of the Scheme's assets are invested on behalf of the Trustees directly with the underlying investment manager.

The Trustees are permitted to invest across a wide range of asset classes, including but not limited to equities, bonds, cash, property and alternative asset classes. The use of derivatives is as permitted by the guidelines that apply to the pooled funds.

The Trustees will monitor from time-to-time the employer-related investment content of their portfolio as a whole and will take steps to alter this should they discover this to be more than 5% of the portfolio.

Balance Between Different Types of Investment

The Trustees hold an insurance policy which is for the benefit of all members which aims to match all of its liabilities.

The remaining assets, which represents the surplus over and above the value of the Scheme buy-in transaction assets held with PIC are held with LGIM.

Expected Return on Investments

The Trustees have noted the long-run relationships that exist between the returns from different asset classes and have noted the different expected risk/return characteristics of the various different asset classes.

In particular they have noted that equities can be expected to deliver a greater long-run real return (over price inflation) than that expected from fixed interest gilts, index-linked gilts or cash but that typically equities are the most volatile asset class in terms of market returns on an annual basis.

The Trustees hold an insurance policy which is for the benefit of all members to aim to match all of its liabilities. The expected return of this insurance policy is equal to the growth in liabilities of the Scheme.

Realisation of Investments

The majority of the Scheme's assets are invested in an annuity contract, which is not readily realisable. The remaining assets are invested in pooled vehicles, which in turn invest in securities traded on recognised exchanges. These investments can generally be readily realised, if necessary.

Financially Material Considerations

The Trustees have considered financially material factors such as environmental, social and governance ('ESG') issues as part of the investment process to determine a strategic asset allocation over the length of time during which the benefits are provided by the Scheme for members. However, as the time horizon of the Scheme is very short (likely to be less than 1-2 years) and as the Scheme is invested in a buy-in policy, ESG considerations are not expected to have an impact on/be relevant to the Scheme's investment strategy.

Non-Financial Material Considerations

The Trustees have not considered non-financial material matters in the selection, retention and realisation of investments.

Stewardship

The majority of the Scheme assets are invested in a buy-in policy with PIC and so the Trustees do not have much influence over how the investments are managed. This section outlines the Trustees' policy and expectations of the investment manager and the insurance company, but the Trustees acknowledge that they may not be followed.

The Trustees' policy on the exercise of rights attaching to investments, including voting rights, is that these rights should be exercised by the insurer and investment manager on the Trustees' behalf, having regard to the best financial interests of the beneficiaries.

The insurer and investment manager should engage with companies to take account of ESG factors in the exercise of such rights, as the Trustees believe that this will be beneficial to the financial interests of members over the long term.

Investment Manager Arrangements

In respect of the buy-in policy with PIC, the Trustees have not considered the following requirements as they have no control over the investment strategy and other investment matters:

- Incentives to align the insurance company's investment strategies and decisions with the Trustees' policies.
- Incentives for the insurance company to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.
- How the method (and time horizon) of the evaluation of the insurance company's performance and the remuneration for asset management services are in line with the Trustees' policies.
- How the Trustees monitor portfolio turnover costs incurred by the insurer, and how they define and monitor targeted portfolio turnover or turnover range.

The remaining of the non-AVC assets are held with the investment manager, LGIM. The Trustees have considered each of the above requirements in respect of these investments. It should be noted that some of these requirements detailed below might not be relevant given the expected time horizon of the Scheme.

Incentives to align investment manager's investment strategies and decisions with the Trustees' policies

The Scheme invests in pooled funds and so the Trustees acknowledge the funds' investment strategies and decisions cannot be tailored to the Trustees' policies. However, the Trustees set their investment strategy and then select managers that best suits their strategy taking into account the fees being charged, which acts as the investment managers' incentive.

The Trustees use the fund objective/benchmark as a guide on whether their investment strategy is being followed and monitors this regularly.

Incentives for the investment manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term

The Trustees select managers based on a variety of factors including investment philosophy and process, which they believe should, where relevant, include assessing the long term financial and non-financial performance of the underlying company that they invest in.

The Trustees also consider the managers' voting and ESG policies and how they engage, where relevant, with the investee company as they believe that these factors can improve the medium to long-term performance of the investee companies.

The Trustees will monitor the manager's engagement and voting activity on an annual basis as they believe this can improve long term performance. The Trustees expect their manager to make every effort to engage with investee companies but acknowledge that their influence may be more limited in some asset classes, such as bonds, as they do not have voting rights.

The Trustees acknowledge that in the short term, these policies may not improve the returns they achieve, but do expect that investing in those companies with better financial and non-financial performance over the long term will lead to better returns for the Scheme.

The Trustees believe that the annual fee paid to the investment manager incentivises it to do this.

If the Trustees feel that the investment manager is not assessing financial and non-financial performance or adequately engaging with the companies that it is investing in, they will use these factors in deciding whether to retain or terminate a manager.

How the method (and time horizon) of the evaluation of the investment manager's performance and the remuneration for asset management services are in line with the Trustees' policies

The Trustees review the performance of each fund quarterly on a net of fees basis compared to its objective.

The investment managers' remuneration is considered as part of the manager selection process and is also monitored regularly with the help of their investment consultant to ensure it is in line with the Trustees' policies.

How the Trustees monitor portfolio turnover costs incurred by the investment manager, and how they define and monitor targeted portfolio turnover or turnover range

The Trustees monitor the portfolio turnover costs on an annual basis.

The Trustees define target portfolio turnover as the average turnover of the portfolio expected in the type of strategy the manager has been appointed to manage. This is monitored on an annual basis.

The Trustees have delegated the responsibility of monitoring portfolio turnover costs and target portfolio turnover to their investment consultant.

The duration of the arrangement with the investment manager

The Trustees' plan is to hold each of their investments until the Scheme is bought-out, but will keep this under review.

Changes in investment strategy or changes in the view of the investment manager can lead to the duration of the arrangement being shorter than expected.

Additional Voluntary Contributions ("AVCs") Arrangements

Some members obtain further benefits by paying AVCs to the Scheme. The liabilities in respect of these AVCs are equal to the value of the investments bought by the contributions. Details of AVC providers are included in the Appendix. From time-to-time the Trustees review the choice of investments available to members to ensure that they remain appropriate to the members' needs.

Risks

The Trustees are aware and seek to take account of a number of risks in relation to the Scheme's investments. Under the Pensions Act 1995 and the Occupational Pension Scheme (Investment) Regulations 2005, the Trustees are required to state their policy regarding the ways in which risks are to be measured and managed. As the majority of assets are now invested in a buy-in policy the Trustees have mitigated most risks which are mismatch risk, concentration risk, investment manager risk, liquidity risk, currency risk, loss of investment risk and ESG risks. The key outstanding risk is the risk of insolvency of the insurer.

Buy-in policies are a long-term business and therefore the financial security of PIC is important. The Trustees should be aware that after wind-up they will be replacing covenant risk with the financial security of the Insurer. PIC are currently rated A+ by Fitch. In general, UK insurers operate under strict supervisory regime with regard to capital adequacy and risk management processes. In addition to this, the statutory Financial Services Compensation Scheme ("FSCS") exists to provide additional protection for policyholders in the event that an insurer is unable to meet its obligations.



Compliance

The Trustees confirm that they have received and considered written advice from Spence on the establishment and implementation of their investment strategy.

The Trustees confirm that they have consulted with the Employer regarding their strategy. Copies of this Statement and any subsequent amendments will be made available to the Employer, the investment manager, the insurer, the Scheme Actuary and the Scheme auditor upon request.

The Trustees will monitor compliance with this Statement on a regular basis. This will include a review of the suitability of the investment strategy on an ongoing basis and consideration of the continued suitability of the appointed investment manager.

NAME (block capitals)

Matthew Garmston

Signed 
Matthew Garmston (Oct 22, 2026 15:45:48 GMT+1)

Trustee

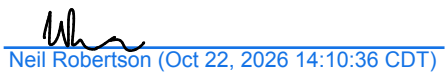
Signed for and on behalf of the Trustees of the McCormick (UK) Limited Pension and Life Assurance Scheme

Date of Signing:

22/10/2026

NAME (block capitals)

Neil Robertson

Signed 
Neil Robertson (Oct 22, 2026 14:10:36 CDT)

Trustee

Signed for and on behalf of the Trustees of the McCormick (UK) Limited Pension and Life Assurance Scheme

Date of Signing:

22/10/2026

QAS Institute and Faculty of Actuaries Quality Assurance Scheme

Appendix

Strategic Asset Allocation

The majority of the Scheme's assets are invested in a buy-in policy with PIC, who are managing the policy.

The remaining assets, which represent the surplus over and above the value of the Scheme buy-in transaction with PIC as at July 2026 are held with LGIM. These assets are invested in line with the strategic asset allocation as set out in the table below:

Portfolio	Allocation	Control Range	Asset Class
Sterling Liquidity Fund	55%	n/a	Cash
Single Stock Fixed Gilts	22%	n/a	Single Stock Fixed Gilts
Single Stock Index-Linked Gilts	23%	n/a	Single Stock Index-Linked Gilts
Total	**100%**		

Rebalancing and Cashflow management

The assets of the Scheme will not be re-balanced. All Gilts and Index-Linked Gilts will pay income via bi-annual coupons, these coupons will be invested into the Sterling Liquidity Fund. Any cash disinvestments required will initially be taken from the Sterling Liquidity Fund.

Investment Manager

The table below shows the investment manager that the Trustees have appointed to carry out the day-to-day management of the assets, as well as the funds that it manages, its benchmarks and relevant objectives.

Investment Manager	Fund	Benchmark	Objective
LGIM	Sterling Liquidity Fund	Sterling Overnight Index Average	N/A
	Various single Stock Fixed Gilts	The return on the specific Fixed Gilt	Track benchmark to within +/-0.25% p.a. for two years out of three
	Various single Stock Index-Linked Gilts	The return on the specific Index-linked Gilt	Track benchmark to within +/-0.25% p.a. for two years out of three

The investment manager's performance will be monitored on a quarterly basis.

Prudential and Utmost Life and Pensions are appointed to manage the AVCs.

Fees

The fee arrangements for the investment manager are summarised below:

Investment Manager	Fund	Annual Management Charge % p.a.
LGIM	Sterling Liquidity Fund	0.1250%
	Single Stock Fixed Gilts	0.100% p.a. of the first £5m, plus 0.075% p.a. of the next £5m, plus 0.050% p.a. of the next £20m, plus 0.030% p.a. of the balance above £30m The fee rates apply to each individual single stock gilt fund
	Single Stock Index-Linked Gilts	0.100% p.a. of the first £5m, plus 0.075% p.a. of the next £5m, plus 0.050% p.a. of the next £20m, plus 0.030% p.a. of the balance above £30m The fee rates apply to each individual single stock index-linked gilt fund

Spence are remunerated on either a time cost or fixed fee basis.

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