

**Wolters Kluwer Holdings (UK) plc Final Salary Scheme
Statement of Investment Principles
August 2025**

1. INTRODUCTION

- The Wolters Kluwer Holdings (UK) FSS Pension Trustee Limited (“the Trustee”) of the Wolters Kluwer Holdings (UK) plc Final Salary Scheme (“the Scheme”) has prepared this Statement of Investment Principles (“the SIP”) to govern the investment decisions of the Scheme in order to meet its investment objectives. The Scheme is now moving towards a buy-out strategy.
- The SIP has been prepared in accordance with Section 35 of the Pensions Act 1995 (the “Act”) and subsequent legislation. In preparing this Statement, the Trustee has consulted a suitably qualified person in having obtained written advice from the Scheme’s Investment Consultant (Mercer Limited) and has also consulted the Principal Employer, Wolters Kluwer Holdings (UK) plc.
- The advice received and arrangements implemented are, in the Trustee’s opinion, consistent with the requirements of Section 36 of the Act (as amended) and the Occupational Pension Schemes (Investment) Regulations 2005 (as amended). The Trustee will obtain similar advice whenever this Statement is reviewed and updated. The Trustee does not expect to revise this Statement frequently because it covers broad principles. However, it will be reviewed at least once every three years and without delay after any relevant, material changes to the Scheme. The SIP has been made available online.

2. SCHEME DETAILS

- The Scheme operates for the sole purpose of providing retirement benefits and death benefits to eligible participants and Beneficiaries.
- The Scheme is closed to future accrual.
- The Trustee has historically made a range of investment funds available for the investment of member’s Additional Voluntary Contributions (“AVCs”).

3. GOVERNANCE

- The Trustee is responsible for ensuring the investment strategy is consistent with the Trustee’s funding objectives and its assessment of the employer covenant.
- The Trustee will ensure that all advisers and third-party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

4. INVESTMENT STRATEGY

- The Trustee has invested the majority of the Scheme’s assets in a bulk annuity contract with Pension Insurance Corporation PLC (“PIC”, “the Insurer”). The contract with the Insurer is a buy-in policy, which stipulated that the Insurer commenced the necessary payments to the Scheme to meet pensioner payroll from February 2025. In addition to the buy-in policy, a small sum will be held in the Trustee Bank Account. This will be used to help meet ongoing expenses, final wind-up costs of the Scheme and any imminent member payments / adjustments. Any balances held in the Trustee bank account are expected to generate interest at a rate commensurate with interest payable by a UK bank.

5. RISK MANAGEMENT

- The Trustee has invested the majority of the Scheme’s assets in a bulk annuity contract with the Insurer. The key risks relating to the buy-in policy and the residual assets, which the Trustee believes may be financially material to the Scheme over its anticipated lifetime, are as follows:
 - The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors (“mismatching risk”). The Trustee and its advisers considered this mismatching risk when setting the Investment Strategy. It is intended that this risk is eliminated through the purchase of the buy-in policy with PIC.
 - The risk of a shortfall of liquid assets relative to the Scheme’s immediate liabilities (“cash flow risk”). From February 2025, the Insurer commenced making the payments to the Scheme required to meet pensioner payroll, minimising cash flow risk.
 - The risk that the Insurer defaults (“default risk”). As the buy-in policy is governed by insurance market solvency regulations, the Trustee believes default risk is low and has mitigated it by careful choice of provider and contract terms.
 - The buy-in is an illiquid asset which cannot be sold at a later date (“liquidity risk”). The Trustee is satisfied this risk is appropriate given the security the buy-in policy provides by paying members’ benefits as they fall due.

- The possibility of failure of the Scheme's sponsoring employer ("covenant risk"). This risk is intended to be eliminated through the purchase of the buy-in policy with PIC.
- The risk of fraud, poor advice or acts of negligence ("operational risk"). The Trustee has sought to minimise such risk by ensuring that all advisers and third party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

6. RESPONSIBLE INVESTING

- The Trustee recognises that Environmental, Social and Corporate Governance ("ESG") risks could impact the ability of the Scheme to meet its objectives and therefore has considered how to evaluate and manage this risk over the appropriate time horizon for the Scheme. The Trustee has purchased a buy-in policy with the Insurer with the intention of implementing a buy-out and holds a small sum in residual assets, therefore the Trustee does not consider these considerations to be material over the time horizon of the Scheme. The Trustee considered these risks when selecting bulk annuity providers and appointing the Insurer.
- The Trustee does not take into account non-financial matters when selecting, retaining and realising investments. Non-financial matters are defined as the views of members and beneficiaries, including (but not limited to) their ethical views, and their views relating to social and environmental impact and quality of life.

7. STEWARDSHIP

- The Trustee understands that stewardship can enhance value over the long-term and recognises that it has a responsibility to act as a good steward and protect and grow the long-term value of the Scheme for the benefit of the Scheme's members.
- The Trustee has purchased a buy-in policy with the Insurer and holds a small sum in residual assets, therefore does not consider that it is able to meaningfully undertake engagement activities. Given the nature of the underlying assets, there are no voting rights attached to the Scheme's investments.

8. ARRANGEMENTS WITH MANAGERS

- The Trustee recognises that the arrangements with all of the managers of the Scheme's assets are important to ensure that its interests are aligned as far as is reasonably practicable. This includes arrangements with the Insurer.
- When selecting the Insurer and purchasing the buy-in policy, the Trustee has sought professional advice from PricewaterhouseCoopers LLP to ensure that its interests are aligned as far as is reasonably practicable. The terms of the policy incentivise PIC to meet the Trustee's objectives.
- The Insurer does not receive on-going remuneration from the Scheme. The premium paid for the buy-in policy covers the insurer's implicit fees with the Trustees' choice of insurer taking the size of the premium into account. The Trustee is satisfied that this is the most appropriate basis for remunerating the Insurer.
- The obligation of the Insurer to make payments is not impacted by on-going turnover costs and is not considered by the Trustee.
- Trading costs are expected to be zero within the residual asset holdings. As such, the Trustee does not intend to monitor turnover costs explicitly in relation to these holdings.

9. REALISATION OF ASSETS

- Regular payments to the Scheme in respect of the pensioner members and their benefit entitlements are made under the buy-in policy. These payments are available to meet the Scheme's cash outflows.
- The residual assets are held as physical cash and are used to meet any cashflow requirements not covered by the buy-in policy.

10. MONITORING

- The Trustee will monitor the cash balance held within the Trustee bank account on a regular basis.

11. ADDITIONAL VOLUNTARY CONTRIBUTIONS

- Assets in respect of members' AVCs are invested in a range of investment options offered by Legal & General Assurance (Pensions Management) Limited. With the assistance of the Scheme's advisors, the AVC arrangements will be reviewed periodically to ensure that the investment profile of the funds available remains consistent with the objectives of the Trustee and the needs of the members. Members are expected to take independent financial advice when choosing an AVC vehicle to ensure that their financial decisions are in keeping with their individual circumstances.