VAN LANSCHOT KEMPEN

INVESTMENT MANAGEMENT

Statement of Investment Principles

Cooper-Avon Tyres Limited Pension Plan

Introduction

This Statement of Investment Principles (the “SIP”) sets out the policy of Dalriada Trustees Limited (the “Trustee”), on various matters governing decisions about the investments of the Cooper-Avon Tyres Limited Pension Plan (the “Plan”), a Defined Benefit (“DB”) scheme. This SIP replaces the previous SIP dated August 2025.

This SIP is designed to meet the requirements of Section 35 of the Pensions Act 1995, (as amended by the Pensions Act 2004) (the “Act”) and the Occupational Pension Schemes (Investment) Regulations 2005 and the Occupational Pension Schemes (Investment and Disclosure)(Amendment) Regulations 2019 (“the Regulations”) and subsequent legislation. This SIP is also in compliance with the Government's voluntary code of conduct for Institutional Investment in the UK ('the Myners Principles') and TPR's Investment Guidance for defined benefit pension schemes.

This SIP has been prepared after obtaining and considering written professional advice from the Trustee's investment adviser and fiduciary manager, Van Lanschot Kempen Investment Management ("VLK"), and the Plan Actuary, Lane Clark & Peacock (LCP), collectively termed ‘Professional Advisers’.

The Trustee is responsible for setting the general investment policy and the strategic asset allocation, on the advice of VLK, but delegate the responsibility for the selection of specific investments to VLK, who in turn delegate the day-to-day management of the assets to underlying investment managers. The Professional Advisers and investment managers provide the skill and expertise necessary to advise on and manage the investments of the Plan. The Trustee believes them to be suitably qualified and experienced to provide such advice.

In preparing this SIP the Trustee has consulted with Cooper Tire & Rubber Company Europe Limited ('the Employers'), to ascertain whether there are any material issues which the Trustee should consider in determining the Plan’s investment arrangements. The Trustee seeks to maintain a good working relationship with the Employers and will discuss any proposed changes to the SIP with the Employers.

Investment Governance

The trustee is responsible for the governance and investment of the Plan’s assets, acting on expert advice. The Trustee agreed a transaction with Rothesay Life PLC (“Rothesay”) in June 2026 under which Rothesay has assumed liability to pay the Plan’s benefits as set out in a bulk annuity contract. The contract therefore is intended to provide an exact match to the Plan’s experience

The Plan also has some residual assets and has delegated the day-to-day investment of these assets to VLK under a fiduciary management contract

Suitability

It is the responsibility of the Trustee to maintain assets that pay due regard to the Plan's liabilities. The Trustee has taken advice from the Professional Advisers to ensure that the assets held by the Plan are in line with its policy.

Investment Objectives

The overall objective of the Trustee is to invest the Plan’s assets in the best interests of the members and beneficiaries.

In order to achieve this, in June 2026, the Trustee agreed a transaction (the “buy-in” contract) with Rothesay under the terms of which Rothesay is committed to paying the retirement benefits due to all members and their dependents that were included in the contract. The buy-in contract therefore is intended to provide an exact match to the Plan’s experience.

Given the Trustee no longer requires the investment returns to meet the vast majority of the Plan's liabilities, the Trustee's objective is no longer framed with reference to a liability-related objective. The Plan's remaining assets will be transferred to Rothesay (in line with the terms of the buy-in contract), with the remainder (mainly cash) managed by its investment adviser and fiduciary manager, VLK, on a care and maintenance basis.

The Trustees' policy on financially material considerations and non-financial matters

In setting and implementing the Plan's investment strategy, the Trustee does not explicitly take into account the views of Plan members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as non-financial factors).

The majority of the Plan's assets are held in a buy-in contract with Rothesay. Given the nature of the buy-in contract, the Trustee believes it has a limited scope to influence the ongoing stewardship and corporate governance activities of the insurer and, as a result, it will not actively seek to monitor its activities and policies in this area.

For the remaining assets, where possible and without prejudice to the Trustee's legal obligations, the Trustee delegates full discretion to its investment adviser and fiduciary manager, VLK, around the evaluation of ESG

Stewardship

The Trustee recognises its responsibilities as an owner of capital, and believes that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments.

The majority of the Plan's assets are held in a buy-in contract with Rothesay. Given the nature of the buy-in contract, the Trustee believes it has a limited scope to influence the ongoing stewardship. As a result, the Trustee will not actively seek to monitor its activities and policies in this area.

Fee structures

The Trustee recognises that the provision of investment management, implementation and advisery services to the Plan results in a range of charges to be met, directly or indirectly, by deduction from the Plan's assets.

The Trustee has agreed Terms of Business with the Plan's Professional Advisers, under which charges are calculated on a fixed fee or "time-cost" basis as appropriate.

Given the majority of the Plan's asset have been transferred to Rothesay as part of the buy-in, the Trustee and VLK have agreed a flat fee structure. The Trustee believes this is a more appropriate fee arrangement given the Plan's current investment arrangements.

VLK is responsible for the negotiation of the fees of underlying investment managers.

The fee structure used in each case has been selected with regard to existing custom and practice, and the Trustees' view as to the most appropriate arrangements for the Plan. However, the Trustee will consider revising any given structure if and when it is considered appropriate to do so.

Realisation of assets

VLK has discretion over the timing of the realisation of portfolios managed by the selected underlying investment managers. The underlying investment managers have discretion over the timing of realisation of investments of the Plan within the portfolios that they manage, and in considerations relating to the liquidity of investments.

Derivatives

Derivatives or other financial instruments may be used to hedge the Plan's liability risks (principally interest rate, inflation and longevity risks) or other risks (e.g. equity or currency risks). At any given time a minimum level of assets of sufficient liquidity and quality will be held to ensure the Plan is able to satisfy collateral or margin calls which may arise as a result of the derivatives positions it holds.

This SIP is adopted by the Trustee with effect from 3 September 2026.

Appendix A: Responsibilities

The Trustee

The principal responsibilities of the Trustee in relation to investments include but are not limited to:

- Determining an appropriate division of responsibilities.
- Appointing, monitoring and removing third party service providers, for example investment advisers such as the fiduciary manager.
- The level of delegation afforded to the investment adviser or any other adviser.
- Setting an investment policy consistent with relevant legislation, which consists of:
  - A strategic objective.
  - Agreeing an investment strategy designed to meet the investment objectives of the Plan
  - A strategy for hedging key risks where appropriate
  - Reviewing the suitability of the investment policy following the results of each actuarial or investment review, in consultation with investment advisers.
  - Assessing the ongoing effectiveness of the investment advisers and the underlying investment managers.
- Consulting with the Principal Employer when reviewing investment issues.
- Monitoring compliance of the investment arrangements with this SIP on an ongoing basis.
- Advising the investment advisers of any changes to Plan benefits and significant changes in membership.

Fiduciary Manager

The management of the Plan's assets is the responsibility of the Trustee, acting on expert advice. The Trustee agreed a transaction with Rothesay in June 2026 under which Rothesay has assumed liability to pay the Plan's benefits as set out in a bulk annuity contract. The contract therefore is intended to provide an exact match to the Scheme's experience.

The Plan has some residual assets and has delegated the day-to-day management of these assets to VLK.

Investment Managers

The investment managers will be responsible for, amongst other things:

- Ensuring that assets under their control are at all times managed against appropriate market benchmarks.
- When necessary making changes to their portfolio to ensure that the range of investments used is optimal and in accordance with their stated strategy.
- Ensuring that at all times they act within their agreed investment guidelines and terms as defined in the Prospectus (as amended).
- Ensuring that all investment decisions are reported in a timely and accurate manner.

Legal adviser

When they consider it necessary, the Trustee will seek legal advice in relation to investments including, but not limited to:

- Advice on agreements with respect to the appointment of Professional Advisers.
- Advice on the SIP and on other legal aspects of investment governance.

Plan Actuary

The actuary's responsibilities in relation to investments include, but are not limited to:

- Performing the triennial (or more frequently as required) actuarial valuations and advising on the appropriate contribution levels and any recovery plan.
- Liaising with the fiduciary manager on the suitability of the Plan's investment strategy given the characteristics of the liabilities.

- Advising the Trustee and the fiduciary manager of any changes to contribution levels and funding level.
- Providing liability data to the fiduciary manager as necessary and confirming any market-derived assumptions used to value the Plan's liabilities, to assist the fiduciary manager with interpreting its own estimates of the Plan's funding position.

Appendix B: Risks

Given the nature of the buy-in contract (intended to match the Plan's liabilities), the main remaining risk for the Plan is the solvency of the insurer, Rothesay. The Trustee assessed this prior to investing in the contract. The ongoing solvency and prudent management of the insurer is monitored within the regulatory regime for UK insurance companies. The residual assets are held in respect of any additional liabilities arising from GMP equalisation or the final data cleanse, potential discretionary benefits, and/or to settle any day-to-day running costs of the Plan.

When deciding to invest the Plan's assets, the Trustee considers a number of risks, including, but not limited to those set out below.

Strategic risk

This is the risk that the performance of the Plan's assets and liabilities diverge in certain financial and economic conditions. These are mitigated by the buy-in contract.

Investment manager risk

The Plan's main asset is the bulk annuity policy with Rothesay and there is no exposure to investment manager risk in relation to this asset. For the Plan's residual assets, the risk is the failure by the fiduciary manager and/or its selection of underlying investment managers to achieve the investment outcomes assumed by the Trustee. The fiduciary manager (VLK) monitors the investment managers on a regular basis.

Counterparty and derivative risk

The biggest risk is in relation to the buy-in contract with Rothesay. In the event of Rothesay becoming insolvent, the Plan could suffer losses (but would still retain the liability to pay members' benefits). This risk is mitigated by the regulatory regime and capital requirements in place for UK insurers. The Trustee carried out due diligence on Rothesay before purchasing the buy-in contract and will continue to monitor Rothesay on an ongoing basis.

Counterparty risk in relation to the Plan's residual assets is reduced by investing them into pooled investment vehicles managed by competent investment managers with strong organisational and operational processes. In addition, and where securities are owned directly by the Plan, the Trustee has appointed a Custodian, Northern Trust, to mitigate the risk of misappropriation of such assets. The Custodian ring fences these assets from its own assets and from those of its other clients.

Where derivatives are used by the Plan, the Plan will have additional risk with the counterparty to that derivative. These risks are managed through the use of collateral arrangements with each counterparty.

Interest rate and inflation risk

The Plan's liabilities are exposed to interest and inflation risk and these risks are mitigated by the buy-in contract.

Liquidity risk

This is the risk that the Plan is unable to realise assets to meet benefit cash flows as they fall due. Benefit payments are met by Plan under the buy-in contract. In the short term the Trustee retains additional cash within the Plan bank account and in liquidity funds arranged by VLK to meet any additional short term cashflow needs.

Environmental, social and governance risks

Environmental, social and corporate governance (ESG) factors are sources of risk to the Plan's investments which could be financially material, over both the short and longer term. This can include risks relating to factors such as climate change, unsustainable business practices, and unsound corporate governance.

Disclaimer

VAN LANSCHOT KEMPEN

INVESTMENT MANAGEMENT

5 Cheapside
London EC2V 6AA
United Kingdom

T +44 20 36 36 94 00
vanlanschotkempen.com/investment-management