

Inspired Gaming Group Pension Scheme

Statement of Investment Principles

Investment objective

The Trustees invest the assets of the Scheme with the aim of ensuring that all members' accrued benefits can be paid. The Scheme's funding target is specified in the Statement of Funding Principles, and the Scheme's funding position will be reviewed annually to assess the position relative to the funding target and whether the investment policy remains appropriate to the Scheme's circumstances.

The Scheme's investment objective is to achieve a return of around 3.0% per annum above the return on UK Government bonds. Considering the inflation linkage of the Scheme's liabilities, the investment objective has been defined as 80% index-linked gilts (FTSE British Government All Stocks) and 20% fixed interest gilts (FTSE British Government Fixed Interest Over 15 Years).

Investment strategy

The Scheme's strategy is to invest according to the following asset allocation:

Asset Class	Initial allocation (%)	Strategic allocation excluding buy in (%)	Expected Return (relative to fixed interest gilts) (%)
Buy-in	40.0	-	-
Diversified Growth Fund	12.0	20.0	3.5
Diversified Credit	24.0	40.0	2.5
Equity-Linked LDI	18.0	30.0	4.0
Credit-Linked LDI	6.0	10.0	0.9
TOTAL	100.0	100.0	3.0

The investment strategy was derived from consideration of the nature and duration of the Scheme's liabilities, the risks of investing in the various asset classes, the implications of the strategy (under various scenarios) for the level of contributions required to fund the Scheme, and also the strength of the sponsor's covenant. The Trustees considered the merits of a range of asset classes.

The Trustees recognise that the investment strategy is subject to risk, in particular the risk of a mismatch between the performance of the assets and the calculated value of the liabilities. This risk is monitored by regularly assessing the funding position and the characteristics of the assets and liabilities. The risk is managed by investing in assets which are expected to perform in excess of the liabilities over the long term, and also by investing in a suitably diversified portfolio of assets with the aim of minimising (as far as possible) volatility relative to the liabilities. The assets of the Scheme consist predominantly of investments

admitted to trading on regulated markets.

Investment mandate

The investments are made through a platform provider, who acts as the investment manager. With advice, the Trustees will select underlying funds from the platform to implement the chosen strategy. The platform provider will be responsible for:

- Investing in the chosen underlying funds in the proportions agreed by the Trustees, adjusted as necessary from time to time;
- Providing the Trustees with quarterly performance reports and asset valuations;
- Providing any initial asset transition plan for the investment consultant to review; and
- Asset rebalancing and meeting cashflow requirements upon Trustee instruction

The Trustees have appointed Mobius Life as the platform provider. The investment strategy and underlying funds are summarised in the table below. Custody is undertaken within each pooled fund.

Fund	Asset Class	Benchmark allocation – excluding buy in (%)	Fund Fees (% p.a.)	Platform Fees (% p.a.)
BlackRock Dynamic Diversified Growth Fund	Diversified Growth Fund	20	0.55	0.05
BlackRock Fixed Income Global Opportunities Fund	Multi-Asset Credit	20	0.50	0.05
JP Morgan Unconstrained Bond Fund	Multi-Asset Credit	20	0.40	0.05
BMO Equity-Linked LDI	LDI	30	0.30	0.075
BMO Credit-Linked LDI	LDI	10	0.30	0.075

The Liability Driven Investing (“LDI”) allocation aims to provide a hedge against the interest rate and inflation rate sensitivity of the Scheme’s liabilities on a technical provisions basis. On a Technical Provisions basis, the Scheme aims to have an interest rate and inflation risk hedging level of 85%, including the buy in. The Equity-Linked and Credit- Linked LDI may deviate from the target allocation due to market movements. It may not be appropriate to rebalance the assets as doing so would impact the hedge ratio. The Trustees monitor and rebalance (where possible) the Scheme’s asset allocation excluding LDI and the Buy-in.

All decisions about the day-to-day management of the assets have been delegated to the fund managers via a written agreement. This delegation includes decisions about:

- Realisation of investments;

- Social, environmental and ethical considerations in the selection, retention and realisation of investments;
- The exercise of rights (including voting rights) attaching to the investments.

The Trustees take fund managers' policies in the above respects into account when selecting and monitoring managers. The fund managers are expected to exercise their powers of investment with a view to giving effect to the principles contained within this statement, so far as reasonably practicable.

The LDI fund manager's remuneration is based upon the value of the liabilities hedged. All other fund managers' remuneration is based upon a percentage value of the assets under management. The fees have been negotiated to be competitive.

As the Scheme's assets are invested in pooled vehicles, the custody of the holdings is arranged by the fund managers. The custodian provides safekeeping for the assets, and performs all associated administrative duties such as the collection of dividends.

Investment Manager Monitoring and Engagement

The Trustees monitor and engage with the Scheme's investment managers and other stakeholders on a variety of issues. Below is a summary of the areas covered and how the Trustees seek to engage on these matters with investment managers.

The Trustees have received training on Environmental, Social and Governance factors and how these can materially impact the Scheme's performance. In addition, the Trustees have received information from their investment advisers on how the Scheme's current investment managers incorporate Environmental, Social and Governance factors in their investments process. The Scheme's Investment Adviser will periodically monitor and subsequently notify the Trustees if the investment manager's approach to Environmental, Social and Governance factors deviate from their policies and framework.

Employer-related investments

The Trustees' policy is not to hold any employer-related investments as defined in the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005.

Direct investments

Direct investments, as distinguished by the Pensions Act 1995, are products purchased without delegation to a fund manager through a written contract. When selecting and reviewing any direct investments, the Trustees will obtain appropriate written advice from their investment advisers.

Additional Voluntary Contributions (“AVCs”)

The Trustees have chosen the particular providers and investment vehicles taking into account past investment performance, charging structure, flexibility and the quality of administration. The Trustees review the AVC investment options on a regular basis, having taken written advice on their continued suitability as required by the Pensions Act 1995. The Trustees have obtained written advice concerning the scope of products currently offered.

The options available and in which members may have investments are tabled below.

Provider	Fund	Fees (% p.a.)
Prudential	Cash Fund	TBC
Prudential	With Profits Fund	0.80
BlackRock	Dynamic Diversified Growth Fund	0.60*

*This fee includes both the fund and platform fee

Governance

The Trustees of the Scheme make all major strategic decisions including, but not limited to, the Scheme’s asset allocation and the appointment and termination of fund managers.

When making such decisions, and when appropriate, the Trustees take proper written advice. The Trustees’ investment advisers, Isio, are qualified by their ability in and practical experience of financial matters, and have the appropriate knowledge and experience. The investment adviser’s remuneration may be a fixed fee or based on time worked, as negotiated by the Trustees in the interests of obtaining best value for the Scheme.

Compliance

This Statement has been prepared in compliance with the Pensions Act 1995, the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005. Before preparing or subsequently revising this Statement, the Trustees consulted the sponsoring employer and took appropriate written advice. The Statement is reviewed at least every three years, and without delay after any significant change in investment policy.

Signature:..... Alison Bostock

Date: 10 March 2022