Experian Retirement Savings Plan

Annual Governance Statement by the Chair of the Trustee Board

Introduction

As the Chair of the Trustee of the Experian Retirement Savings Plan ("the Plan"), I have to provide you with an annual statement which explains what steps have been taken by the Trustee directors of Experian Retirement Savings Trustee Limited ("the Trustee"), with help from our professional advisers, to meet the governance standards required by law. The information that must be included in this Statement is covered in paragraphs 1 to 9 below.

This Statement covers the period from 1 April 2021 to 30 September 2022 and confirms:

- **How we managed your Plan – who the Trustee Directors are and what guides our decision making;**
- **Details of the Plan's default investment arrangement and confirmation that this remained suitable for most members;**
- **Details of the other investment options which were available to members;**
- **Details of the performance of the investment options over the last year to 31 December 2021;**
- **Details of the charges and costs borne by our members;**
- **The Plan provided Good Value for Members;**
- **Financial transactions were carried out promptly and efficiently; and**
- **How the Trustee Board kept its knowledge of pension matters up-to-date during the period.**

In conjunction with the Company and with our DC advisers, all members' assets in the Plan were moved across to the Experian Section of the Legal & General Mastertrust, the Experian Pension Savings Plan ("the EPSP") from 14 February 2022. As a result, this statement covers the period until that transfer. As the Plan is due to be wound up in the coming months, we have taken a pragmatic approach to the level of detail provided in this statement.

Signed on behalf of the Trustee by:

MARK WELLS

Chair of the Trustee of the Experian Retirement Savings Plan

Date: 25 April 2023

For the record
This Annual Statement regarding governance has been prepared in accordance with:
Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715) as amended by subsequent Regulations.

1 How we manage your Plan

The Plan is run by the Trustee. Until February 2022, the Directors of the Trustee were:

Mark Wells (Chairman)
David Bernard
Antony Barnes
Nick Birch
Catherine Jones
Mark Langrish
Neil Musgrove
BESTrustees Limited (independent professional trustee, represented by Catherine Redmond to 30 June 2021 and by Karen Theobald from 1 July 2021)

The Statement of Investment Principles ("SIP"), which sets out the Trustee's investment policies is appended to this document. The Trustee, with the help of their advisers, reviewed the SIP at least every three years. The last review was carried out in July 2020 and the SIP was changed on 29 September 2020 to reflect updates to the regulatory requirements.

An Implementation Statement setting out how the Trustee complied with the SIP during the extended period from 1 April 2021 to 30 September 2022 will be published before 30 April 2023.

2 Default investment arrangement

Prior to the move to the EPSP in February 2022, there was a default investment arrangement in place. This was provided for members who joined the Plan and did not choose an alternative investment option for their contributions. Members could also choose to invest in funds outside the default investment arrangement. At the point of the transfer to the EPSP, around 91% (it was around 81% in March 2021) of our members had their contributions invested in the default investment arrangement.

Setting an appropriate investment strategy

Until the transfer to the EPSP, the Trustee was responsible for investment governance. This included setting and monitoring the investment strategy for the Plan's default arrangement.

The Trustee had chosen the Lifestyle Option as the Plan's default arrangement. Full details of the investment strategy and investment objectives of the Lifestyle Option are recorded in the SIP.

In summary, the principal objectives of the Lifestyle Option were:

- For members more than 20 years from their target retirement date, to invest in funds that were expected, over the long-term, to deliver strong returns relative to inflation. This was called the "Growth" phase.
- Between 20 years and 10 years from retirement, to move gradually into funds that were expected to provide growth, although at a lower rate, but also with a lower degree of fluctuation to provide protection against significant market falls. This was called the "Consolidation" phase.
- No further investment changes were made between 10 and 5 years from retirement.

- During the last 5 years before retirement, to invest increasingly in funds which match members' expected retirement plans. This was called the "Pre-retirement" phase. If members did not choose an investment strategy for the last 5 years we projected forward how large their savings were estimated to be when they retired. If their savings were projected to be less than £30,000, the member would have been defaulted into a strategy that targeted a position with 100% in cash at the point of retirement as we expected them to take most, or all, of their savings as cash. Members with larger projected savings, were defaulted to a strategy that had a range of asset classes and retained the potential for growth, as we believed these members were more likely to access their benefits flexibly after retirement.

Reviewing the default investment arrangement.

Prior to the transfer to the EPSP in February 2022, the Trustee was expected to:

- Review the investment strategy and objectives of the default investment arrangement at regular intervals, and at least once every three years; and
- Consider the needs of the Plan membership when they designed the default arrangement.

The Trustee believed that the default arrangement remained appropriate for the majority of the Plan's members until the transfer to the EPSP in February 2022. The Trustee reviewed the investment objectives and performance of the default arrangement on a regular basis (performance on a quarterly basis). Prior to February 2022, a high-level review of the default investment strategy took place once a year with advice from Hymans Robertson, the Plan's investment adviser, and a formal review every three years.

The investment strategy underlying the default arrangement was reviewed in 2018. The Plan's investment adviser completed this review for the Trustee on 25 April 2018. However only some of the suggested items for consideration were discussed in detail and the remaining items were deferred whilst the employer carried out a review of its future DC pension delivery vehicle.

As part of this 2018 review, the Trustee took into account aspects such as the nature of the Plan's membership (including active and deferred members, projected sizes of members' retirement accounts at the point of retirement and the investment return required for members over the long term), any feedback from members provided to the Pensions Team and new fund developments since the previous review. The review included consideration of the potential benefits of investing members' retirement accounts in a Multi-Factor Equity fund (a fund which tracks different indices which rate companies on factors such as value, momentum and quality rather than simply investing in a strategy which tracks an index based on company size) and the potential impact this may have on investment returns during the Growth phase given the diversification benefits.

After careful consideration, noting that the employer was in the process of carrying out a strategic review of pension delivery, and taking into account the costs of a change in strategy and the period of time over which any costs to members would be made good through potential performance improvements, the Trustee decided to make no changes to the strategy.

Following the conclusion of the employer's review, the transfer of all members' assets in the Plan to the EPSP was completed in February 2022. Given the move to the EPSP, the Trustee did not review the investment strategy of the Plan in the period from 1 April 2021 to 14 February 2022.

Performance

The Trustee monitored the investment performance of the default arrangement on a quarterly basis prior to the transfer to the EPSP in February 2022. The Trustee formally reviewed the performance of the default, at least every three years with the last review taking place in 2018 as highlighted above. The Trustee also reviewed the default arrangement's objectives and, alongside this, the suitability of the default arrangement at least every three years. The investment performance of these funds during the year to 31 December 2021 is shown in section 4 below (and Appendix 3).

3 Other Investment Options

The Trustee recognised that the default arrangement was not suitable for the needs of every member and so the Plan also offered members a choice of other investment options including an alternative lifestyle option, the Adventurous Lifestyle Option; and self-select funds. The main objectives of these investment options were:

- To cater for the likely needs of a wider range of members;
- To cater for members who were looking to take different benefits at retirement than those targeted by the default arrangement;
- To offer a wider range of asset classes, levels of risk and return and different investment approaches including ethical investment; and
- To support members who wanted to take a more active part in how their savings were invested.

The Trustee carried out an in-depth review of the performance and suitability of these other investment options at least every three years. The last full review was completed on 25 April 2018, when it was agreed that the investment options remain suitable for the Plan's membership. As previously highlighted, although the next investment strategy review was due to be carried out in April 2021, the Trustee decided to postpone whilst the future of the Plan and potential move to a Master Trust arrangement was considered in conjunction with the employer.

Following the decision to move to the EPSP, the Trustee, in conjunction with their investment advisers, reviewed the suitability of the proposed default strategy for the Plan's members.

4 Investment performance

Default investment arrangement

Over the year to 31 December 2021 the funds used in the Plan's Lifestyle Option saw investment returns of between a rise in value of 19.8% or, put another way, a rise of £198 for every £1,000 invested for the Global Equities – Passive Fund, to a fall in value of 5.4% (or a fall of £54 for every £1,000 invested) for the Corporate Bonds – Passive Fund.

The investment performance of the funds available to members during the year to 31 December 2021 net of costs and charges expressed as a percentage were:

Fund	1 year (%)
Global Equities - Active Fund	18.3
UK Equities - Active Fund	15.7
Global Equities - Passive Fund	**19.8**
UK Equities - Passive fund	16.7
Overseas Equities - Passive Fund	12.5
Shariah - Passive Fund	27.4
Diversified Assets - Active Fund	**6.8**
Corporate Bonds - Passive Fund	**-5.4**
Pre-Retirement - Passive Fund	-4.9
Index-Linked Gilts - Passive Fund	4.6
Cash - Active Fund	**-0.1**

Source: Fidelity (funds used in the default investment arrangement are shown in bold)

For more detail on each funds' benchmark performance, please see Appendix 3.

As the default arrangement used a lifestyle strategy, the investment return varied depending on your age and how far you were from your selected retirement age.

Age of member on 31 December 2021 (years)	1 year (%)	5 year (% p.a.)
25	19.8	11.0
45	19.8	11.0
55	6.8	4.5

Source: Fidelity

The Trustee was satisfied that most funds performed in line with their respective risk / return objectives.

More information

Investment returns for all funds over several periods of time to 31 December 2021 are shown in Appendix 3.

Further information on the funds, how they were invested and their investment performance, can be found on the Plan's website at
https://retirementplan.experian.co.uk/resource-library/investment-guide

5 Charges paid by members

We are required to explain the charges and transaction costs which were paid for by our members, either solely or in conjunction with the employer prior to the transfer to the EPSP in February 2022. Members paid investment charges, which depended on their investment choice, as a percentage of their retirement account, as well as a fixed contribution of £24 p.a. towards administration and standard communications.

The Plan was a qualifying scheme for auto-enrolment purposes and the member-borne charges for the default arrangement complied with the charge cap introduced by the Pensions Act 2014, during the period covered by this Statement, prior to the move to the EPSP. Based on the law, this meant that the maximum investment charge (defined as the Total Expense Ratio - see below for definition) permitted on any investment fund within the default arrangement was no higher than 0.40% p.a., given that the administration fee for members is within £20.01 - £25.00 p.a. The Plan complied with this, and the Trustee continually monitored compliance with the charge cap on a quarterly basis within the investment monitoring reports prior to the move to the EPSP. The balance of the Plan's running costs, including the governance of the Plan, were met by the employer.

The presentation of the charges and costs in this Statement, together with the projections of the impact of charges and costs, takes into account the statutory guidance issued by the Department for Work and Pensions. The charges quoted in this Statement are the funds' Total Expense Ratios ("TER"s) as at 31 December 2021 and have been sourced from the Plan's investment platform provider, Fidelity. The TER consists of a fund's Annual Management Charge ("AMC") and Operating Costs and Expenses ("OCE"). OCEs include, for example, the fund's custodian costs. While the AMC is usually fixed, the OCE, and hence the TER, can vary slightly from day to day.

a) Charges on the Lifestyle Option - Default Arrangement

The default arrangement was a "lifestyle strategy" which invested contributions in funds according to how far each member was from their target retirement date. As a result, charges borne by each member could vary from one year to the next.

During the year to 31 December 2021, the member-borne investment charges for the default arrangement were in a range from 0.145% to 0.335% of the amount invested. For the year to 31 December 2021 this equates to a range of between £1.45 to £3.35 per £1,000 invested, as shown below. The figures exclude the £24 p.a. administration charge.

Period to target retirement date	TER charge as at 31 December 2021	
	% p.a.	£ per £1,000
Up to 20 years	0.18	1.80
15 years	0.255	2.55
10 years	0.335	3.35
5 years	0.335	3.35
At retirement – cash	0.16	1.60
At retirement – drawdown	0.243	2.43
At retirement – annuity	0.145	1.45

Source: Fidelity

The table in Appendix 2a gives full details of the charges for each individual fund used within the default arrangement.

b) Charges for the Adventurous Lifestyle Option

The Adventurous Lifestyle Option also invested contributions in different funds according to how far each member was from their target retirement date. The investment charges borne by each member could also vary from one year to the next.

During the year to 31 December 2021, the member-borne charges for the Adventurous Lifestyle option were in a range from 0.145% to 0.57% p.a. of the amount invested, equivalent to a range from £1.45 to £5.70 per £1,000 invested. The figures exclude the £24 p.a. administration charge.

Period to target retirement date	**TER charge as at 31 December 2021**	
	% p.a.	**£ per £1,000**
Up to 20 years	0.57	5.70
15 years	0.57	5.70
10 years	0.57	5.70
5 years	0.335	3.35
At retirement – cash	0.16	1.60
At retirement – drawdown	0.243	2.43
At retirement - annuity	0.145	1.45

Source: Fidelity

c) Charges on the Self-Select funds offered by the Plan

The investment charges applicable to the full list of Self-Select funds which were offered under the Plan, outside the default arrangement during the year to 31 December 2021 were as follows. The figures exclude the £24 p.a. administration charge.

Fund	**TER charge as at 31 December 2021**	
	% p.a.	**£ per £1,000**
Global Equities - Active Fund	0.72	7.20
UK Equities - Active Fund	0.57	5.70
Global Equities - Passive Fund	**0.18**	**1.80**
UK Equities - Passive fund	0.16	1.60
Overseas Equities - Passive Fund	0.32	3.20
Shariah - Passive Fund	0.35	3.50
Diversified Assets - Active Fund	**0.335**	**3.35**
Corporate Bonds - Passive Fund	**0.14**	**1.40**
Pre-Retirement - Passive Fund	0.14	1.40
Index-Linked Gilts - Passive Fund	0.16	1.60
Cash - Active Fund	**0.16**	**1.60**

Source: Fidelity

The funds which were used within the Lifestyle Option are shown in bold.

These TERs have changed slightly over the Plan year due to changes in the OCEs, which as mentioned above, can vary on a daily basis.

Transaction costs paid by members

What are transaction costs?

Transaction costs can arise when:

- The fund manager buys or sells part of a fund's portfolio of assets; or
- The platform provider or fund manager buys or sells units in a fund.

Transaction costs can vary from day to day depending on how each fund is invested and market conditions. Transaction costs can include: custodian fees on trades, stockbroker commissions and stamp duty (or other taxes). Transaction costs are taken into account when the funds' unit prices are calculated. This means that transaction costs are not readily visible, but these costs will be reflected in a fund's investment performance.

The Financial Conduct Authority requires fund managers and investment platform providers to calculate transaction costs using the "slippage method", which compares the value of assets immediately before and after a transaction has taken place. This can give rise to negative transaction costs where favourable stock market movements during a transaction offset the rest of the trading costs (such as stockbroker commission).

The transaction costs shown in this statement are those taken from funds while members were invested in them. The transaction costs shown here do not include any costs members may have incurred from time to time when buying or selling units in Fidelity's funds caused by the fund manager's unit price for a fund moving from a "bid" to "offer" basis (or vice versa) or any other "dilution levy" when units in that fund are bought or sold to protect the value of the fund for other investors.

a) Transaction costs for the Lifestyle Option - Default Arrangement

The transaction costs borne by members in the default arrangement during the year were in a range from 0.03% to 0.13% of the amount invested or, put another way, in a range from £0.30 to £1.30 per £1,000 invested. The costs will depend on where a member is invested - this will be determined by how far they are from their target retirement age. The table in Appendix 2a gives the transaction costs for each fund used in the default arrangement.

b) Transaction costs for the Adventurous Lifestyle Option

The transaction costs borne by members in the Adventurous Lifestyle Option during the year were in a range from 0.065% to 0.13% of the amount invested or, put another way, in a range from £0.65 to £1.30 per £1,000 invested. The table in Appendix 2b gives the transaction costs for each fund used in the Adventurous Lifestyle Option.

c) Transaction costs for the Self-Select funds outside the default arrangement

The transaction costs borne by members across the self-select funds outside the default arrangement offered by the Plan during the year were in a range from -0.07% to 0.13% of the amount invested or, put another way, in a range from -£0.70 to £1.30 per £1,000 invested. The table in Appendix 2c gives the transaction costs for each individual fund.

Impact of costs and charges

All members' assets invested in the Plan were transferred into the EPSP, in February 2022. As such, and due to the fact there are no longer members invested in the Plan, the Trustee believes it is not necessary to calculate the impact of costs and charges on members' retirement savings.

6 Value for Members

Executive Summary

Although all the members' assets were moved to the Experian Section of the Legal & General Mastertrust, the EPSP, the Trustee carried out an assessment of the extent to which the Plan offered good 'Value for Members' over the period from 1 April 2021 to the point of the transfer (in February 2022). Further details of this assessment are provided below.

- Our definition of 'Value for Members', in line with the Pension Regulator ("TPR")'s guidance is one in which the cost of membership provides good value in relation to the services it provides to members, when compared with other options available in the market.
- Overall, the Plan has been assessed as offering **Good Value** for Members in the period based on the costs and charges that our members paid and the services they received for this. The high-level rationale for the **Good Value** rating is provided below and the Trustee holds a more detailed assessment of the reasons behind the rating in a separate document.

Approach and preparation

In keeping with the guidance from TPR, the Trustee has:

- Considered the Plan's features in the three areas where costs were borne by members: these were investment charges, administration and standard communications (i.e. benefit statements, Plan literature and standard letters);
- Considered the Plan's membership characteristics and assessed the relative importance of each of the areas according to its likely impact on member outcomes; and
- Gathered information and evaluated how the services perform against the agreed metrics, considering cost, quality and scope of provision against any available external benchmarking assessments.

Assessment basis

We worked with the Trustee's adviser to establish the services within the Plan that members were expected to value most and the rating of the value of these services to members. The Trustee believes that all the services provided to members during the period were of high importance and has given a high weighting to each element – investment, administration and standard communications.

The fees were paid as follows:-

Service	Paid for solely by members	Paid for by the members and the employer	Paid for solely by the employer
Investment management	Yes		
Administration		Yes	
Communications		Yes	
Scheme management and governance			Yes

Our advisers have rated the services as follows when compared to other similar pension schemes:

Area	Rating	Rationale
Investment	Good	High quality default arrangement, competitive fees, good range of self-select funds, strong investment governance.
Administration	Average	Services levels slipped below target during the year – mainly in relation to minor administrative tasks.
Communications	Good	High quality Experian Retirement Savings Plan branded member communications, modellers available, proactive pre-retirement support.

Key actions taken to improve Value for Members in the period prior to the move to the Experian Section of the Legal & General Mastertrust, the EPSP

The main focus of the Trustee in the period covered by this assessment (and prior to the move to the EPSP) was to review the proposed default investment strategy of the Mastertrust and put in place (in conjunction with their investment consultant) a bespoke investment strategy suitable for the Plan's demographic. In February 2022, the Trustee, in conjunction with their investment consultant, worked with L&G to ensure all members' assets were efficiently moved across to the EPSP.

Overall Value for Money

We have also reviewed the broader 'Overall Value for Money' definition, which included a Company contribution to member funds, recognising that the Company had chosen to offer a higher rate of contributions to member funds than the statutory minimum. This has not been included in the Value for Members assessment but is considered to provide additional value to members.

The Company also paid some of the administration costs of the Plan, life assurance premiums, and for the governance and management of the Plan, including the Experian Group Pensions Team.

Additionally, in conjunction with the employer, the Trustee offered active members free access to seminars by Wealth at Work from age 48 (which received excellent feedback from attendees) and all members were contacted 12 months before their selected retirement date and offered one to one guidance and a personal report from Wealth at Work.

We therefore believe that the Plan offered **Good** "Overall Value for Money" for members.

7 Administration

Core financial transactions

We are required to report to you about the processes and controls in place in relation to the "core financial transactions". The law specifies that these include the following:

- Investing contributions paid into the Plan;
- Transferring assets related to members into or out of the Plan;
- Switching assets between different investments within the Plan; and
- Making payments from the Plan to or on behalf of members.

During the period to February 2022, we ensured that these were processed promptly and accurately by Capita (a major provider of administration services to UK pension schemes) as the Plan administrator, in line with the service standards agreed by the Trustee.

Service levels

The Trustee had a service level agreement in place with Capita, which covered the accuracy and timeliness of all administration work such as:

- The investment of contributions;
- Switching investment options;
- Providing quotations of benefits to members who were retiring or leaving the Plan;
- Payments of benefits;
- Producing annual benefit statements; and
- Responding to ad hoc enquiries from members.

Capita provided detailed quarterly reports to the Trustee which allowed us to assess how quickly and effectively the Plan's core financial transactions were completed. Any mistakes or delays were investigated, and appropriate remedial action was taken as quickly as possible. During the period, the Experian Pensions Team liaised with Capita on a regular basis to review their performance. The Pensions Team also regularly reviewed with Capita how long it took to invest contributions, through the monitoring of periods of time to investment, and were satisfied that the process and timescales for investing contributions were appropriate.

We asked our investment advisers to review Capita's service standards against others offered in the industry and they were comfortable that the standards were in line with those for other similar plans.

The Trustee was satisfied with Capita's performance against their service standards over the period to the transfer to the EPSP in February 2022. Just over 90% of tasks were completed within the service standards over the period to February 2022. Whilst this level is below last year's level of service (which was c.98%), we are confident that most areas where services dropped were minor administrative queries / tasks and not core financial transactions.

The Trustee understands that Capita had monitored its performance against these service levels by:

- Monitoring daily transactions;
- Monitoring daily workflow items;
- Regular internal audits of administration procedures;
- Reviewing the level, causes and resolution of complaints.

Data quality

The Experian Group Pensions Team also spoke regularly with Capita about the quality of the data they hold on the membership of the Plan. Capita provided a report on data quality produced. This was last fully assessed on 22 March 2021 and concluded that common data (i.e. data that is not specific to the Plan but required to administer the Plan e.g. address, date of birth) was present for 94.8% of membership data.

Cyber security

During the period covered by this Statement, the Trustee was conscious of the growing threat of cyber-attacks on pension scheme information.

On a regular basis, the Trustee asked Capita to confirm that their cyber security arrangements were effective and up to date. The Trustee expected that Capita, Fidelity and the employer would report any security breach immediately and ensure that members are notified as soon as possible.

Overall

Grant Thornton, the Plan's auditor, carried out an audit of the Plan in 2021 (completed in October 2021), including the operation of the Plan's administration. This included checks to ensure that members' retirement pots were invested in the correct funds, that switches had been carried out effectively and that the processes run by the administrator were robust. The results of the audit were positive and showed no areas for concern or further investigation. Grant Thornton is in the process of completing the final audit for the Plan.

Overall, the Trustee was satisfied that during the period covered by this Statement:

- Core financial transactions were processed accurately, promptly and efficiently;
- There have been no material administration errors in relation to processing core financial transactions;
- The wider administration of the Plan achieved the agreed service standards;
- The Plan's common data is accurate and up to date; and
- The Plan's cyber security arrangements were effective.

Bulk transfer of assets

In February 2022, the Trustee instructed the bulk transfer of all member assets to the EPSP. In order to mitigate 'out of market risk', it was agreed that Legal & General would 'pre-fund' the transfer of members' pension savings from the Plan to the EPSP, and to meet all resulting transaction costs. Members' pension savings therefore remained fully invested and complete throughout the transfer process.

The Trustee was satisfied that this bulk transfer was conducted efficiently to mitigate the costs and risks for members as far as practicable.

8 Trustee knowledge and understanding

The law requires the Trustee Board to possess or have access to, sufficient knowledge and understanding to run the Plan effectively. We took our training and development responsibilities seriously. We took the following steps during the period prior to February 2022 to maintain and develop the Trustee Directors' level of knowledge and understanding of matters relating to the Plan:

- There was an induction process for newly appointed Trustee Directors who were required to complete the Pensions Regulator's "Trustee Toolkit" (a free, online learning programme from The Pensions Regulator aimed at trustees of occupational pension schemes) within six months of joining the Trustee Board, and to familiarise themselves with the Plan's key documentation. Trustee Directors were required to provide a copy of their completed certificate to the Pensions Team. Additionally, each new trustee attended an external trustee training programme within their first twelve months of appointment.
- Trustee Directors were encouraged to undertake further qualifications which supported their work as trustees. One of the Plan's Trustee Directors was an independent professional trustee. As well as bringing skills and expertise to the Trustee Board, they also brought experience of other pension schemes similar to the Plan to contribute to our assessment of how well we rated against other schemes. The independent professional Trustee Director was required to also fulfil specific ongoing professional development, including a minimum number of hours training per year.
- The Trustee Directors regularly made use of the Plan's documents to ensure that they remained familiar with their contents. This included a review of the SIP (last reviewed in September 2020), annual sign-off of the Plan's report and financial statements (in October 2021), and a review of the Trust Deed and Rules in the case of any Rule updates or where reference to the Rules were required to decide what the Plan allowed. Also, all Plan documents were uploaded to the "Diligent Boards" document portal, which ensured that the latest versions were available to all Trustee Directors.

- The Pensions Team maintained a record of all training completed by each member of the Trustee Board. This training record was reviewed annually to identify any gaps in the knowledge and understanding across the Board as a whole and allowed us to work with our professional advisers to arrange any additional training that might be required. Trustee Directors were reminded at the start of each Trustee meeting to highlight any areas where they believed further training was needed, and to report any training undertaken.
- The Trustee Directors tested their familiarity with the Plan's documentation, pensions Law/Regulations and the Pensions Regulator's DC Code of Practice 13 and supporting Guides through self-assessments. The Plan had a formal set of objectives and an operational plan that was updated annually.
- Trustee Directors also took advantage of external training courses as appropriate.

Due to the fact that all members' assets in the Plan were transferred to the EPSP, in February 2022, the Trustee focused primarily on this transition and had no formal collective training.

From the period 1 April 2021 to 14 February 2022, the Trustee received quarterly "hot topics" updates from their advisers covering technical and legislative/regulatory changes affecting schemes like ours. An "investment hot topics" section was also included in our quarterly investment monitoring reports.

The Trustee had appointed suitably qualified and experienced legal advisers, investment consultants, benefit consultants and auditors to provide advice on the operation of the Plan in accordance with its Trust Deed and Rules, legislation and regulatory guidance. The Trustee had a formalised rolling programme of reviews of their advisers, as outlined in the operational plan. Due to the move to the EPSP, the Trustee did not conduct any reviews in the period from 1 April 2021 to 14 February 2022.

The Trustee, along with the Pensions Team, monitor the effectiveness of the Trustee Board.

The Trustee was satisfied that during the period from 1 April 2021 and 14 February 2022, they:

a) Took effective steps to maintain and develop their knowledge and understanding; and

b) Ensured they received suitable advice where necessary.

As a result of the training activities which were completed, individually and collectively as a Board, and taking into account the professional advice available to the Trustee Board, the Trustee believe that the combined knowledge and understanding of the Board, together with the input of the Experian Group Pensions Team, enabled them to exercise properly their functions as the Trustee of the Plan prior to the transfer to EPSP in February 2022.

9 Missing information

To my knowledge and belief, there was no material information missing to the Trustee in the preparation of this Statement.

MARK WELLS

Mark Wells, Chairman, Experian Retirement Savings Trustees Limited

Date: 25 April 2023

Appendix 1– Statement of Investment Principles

Please note that this Statement relates to the Plan which was in place until February 2022 when all member assets were transferred to the EPSP.

Experian Retirement Savings Plan
Statements of Investment Principles

September 2020

Contents

Introduction

The law requires the Trustees to produce formal “Statements of Investment Principles” for the Plan’s default arrangement and its other investment options. These Statements set out what the Trustees aim to achieve with the investment options and their investment policies which guide how members’ money is invested.

This document is a compendium of the Statements of Investment Principles for the Experian Retirement Savings Plan (the “Plan”). These Statements must cover a number of technical points to comply with legislation as well as meet the expectations of the Pensions Regulator and needs of the Plan’s Auditors which, as far as possible, are shown separately in “for the record” boxes.

The Trustees will publish the Statements of Investment Principles and a statement each year from 1 October 2020 describing how these Statements have been followed in the last year.

Please note that the Plan uses funds provided through an investment platform. This investment platform in turn invests in funds provided by a selection of fund managers where investments are pooled with other investors. This enables the Plan to invest in a range of funds giving a good spread of investments in a cost-effective manner. It does mean that the Trustees have delegated day to day investment decisions including the management of financially material considerations to the fund managers.

Statements of Investment Principles

The Trustees’ Statements of Investment Principles contained in this document include the:

1 Statement of the aims and objectives for the default arrangements*;

2 Statement of the aims and objectives for investment options outside the default arrangements*; and

3 Statement of investment beliefs, risks and policies**.

The Statement of Investment Principles for the Plan ** comprises items 1, 2 and 3.

The Statement of Investment Principles for the Plan’s default arrangements *** comprises items 1 and 3.

Appendices

A. Investment implementation for the default arrangements;

B. Investment implementation for the investment options outside the default arrangements;

C. Summary of the approach to investment governance.

For the record

* In accordance with Regulation 2A(1) of the Occupational Pension Schemes (Investment) Regulations 2005.

** In accordance with Regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005 as modified by subsequent Regulations and section 35 of the 1995 Act.

*** As required by the Occupational Pension Schemes (Charges and Governance) Regulations 2015 (the 2015 Regulations).

The Trustees have taken proper written advice and consulted the Employer in the preparation of these Statements of Investment Principles.

For and on behalf of the Trustees of the Plan

Name	Signed	Date
PJ BLYTHE	PJ BLYTHE	29 September 2020

1 Statement of the aims and objectives for the default arrangements

Reasons for the default arrangements

The Trustees have decided that the Plan should have default investment arrangements because:

- The Plan is a qualifying scheme for auto-enrolment purposes and so must have a default arrangement;
- It should be easy to become a member of the Plan and start building retirement benefits without the need to make any investment decisions; and
- A majority of the Plan's members are expected to have broadly similar investment needs.

Choosing the default arrangements

The Trustees believe that understanding the Plan's membership is essential to designing and maintaining a default arrangement which meets the needs of the majority of members.

The Trustees have taken into account a number of aspects of the Plan's membership including:

- The members' age and salary profiles;
- The likely sizes of retirement savings at retirement;
- The level of replacement income that members are likely to need; and
- Members' likely benefit choices at and into retirement.

Objectives for the default arrangements

The main objective of the default arrangements is to provide good member outcomes at retirement. The Trustees believe that it is in the best interests of the majority of members to offer a default which:

- Manages the principal investment risks members' face during their membership of the Plan;
- Maximises investment returns relative to inflation while taking an appropriate level of risk during membership of the Plan for the majority of members who do not make investment choices; and
- Reflects members' likely benefit choices at retirement.

The default arrangements

The Trustees believe it is in the best interests of members to offer a default investment arrangement which manages the principal investment risks members face during their membership of the Plan. The default arrangement should therefore be a lifestyle strategy which the Trustees believe is broadly appropriate to the needs of a majority of the membership; hence the **Lifestyle Option** has been selected as the default arrangement.

The Trustees believe that it is in the best interests of members to have a default arrangement that targets the retirement benefits which are expected to be chosen by a majority of members.

In determining the default arrangement for the membership, the Trustees have taken into account a number of factors, including the projected size of members' retirement savings at retirement, total contribution levels (employee + employer), the level of replacement income that members are likely to require and likely investment returns, after the deduction of fees, on potentially suitable funds to make up the default arrangement.

This analysis (which was initially carried out at an aggregate and individual member level in 2014 and was last reviewed in 2018) showed that the majority of members are expected to have sizeable retirement savings at the point of their retirement (i.e. £30,000 or above). Based on this analysis, the Trustees believe most members will want to take their retirement benefits through an income drawdown plan after the point of retirement. Therefore, within the Lifestyle Option, the Drawdown Lifestyle strategy has been set as the Plan's default strategy during the final 5 years before retirement for members with projected retirement savings over £30,000; details of this strategy are provided in Appendix A.

However, the Trustees believe that members with lower amounts of retirement savings are likely to take their benefits as cash, at or soon after retirement. Therefore, for members within the Lifestyle Option with projected retirement savings of less than £30,000, the default strategy during the final 5 years before retirement is the Cash Lifestyle strategy. Projected retirement savings are calculated shortly before a member reaches 5 years before their selected retirement age and, unless the member instructs otherwise, they are defaulted based on the projection at that point in time. No changes are made to the strategy a member has been defaulted into after this point in time.

The principal objectives of the default arrangements are:

- To invest in funds which are expected over the long-term to deliver strong returns relative to inflation for members over 20 years from retirement and then to move gradually over the following 10 years into funds that will provide growth but with a lower degree of volatility. No further changes are made for the next five years.
- During the last five years before a member's selected retirement date, to invest increasingly in funds which match the member's expected retirement plans.
- The default investment strategy and range of self-select funds was scheduled for formal review in 2018. The Plan's investment consultant completed a review in April 2018, however only some items were discussed in detail and the remaining items were deferred whilst the employer carries out a review of pension delivery. The review specifically included consideration of the potential benefits of investing members' retirement accounts in a Multi-Factor Equity fund and the potential impact this may have on investment returns during the Growth phase. After careful consideration, noting that the employer was in the process of carrying out a more strategic review of pension delivery, the Trustees decided to make no changes to the strategy in the short term, but to keep this under review. No other changes were made to the default investment strategy (or self-select fund range) following the review and the Trustees concluded that the default investment strategy (reviewed previously in 2015) remains suitable for members at the present time.
- The next review of investment strategy is scheduled to be carried out no later than 2021. However, in the meantime, the Trustees will monitor what members do at the point of retirement to ensure that the current default strategy remains appropriate.
- The Plan is a qualifying scheme for auto-enrolment purposes and so its default arrangement must comply with the charge cap introduced by the Pensions Act 2014 and which applies from 6 April 2015. The default strategy (including all member borne charges) is within the charge cap as set out by the

Department of Work and Pensions and is reviewed at three-month reference periods through fund reporting.

Fees

Stakeholder	Fee arrangement
Investment Managers, Platform Provider	The costs for investment management and platform provider fees are wrapped up in a single investment fee. Investment management costs are included in the unit pricing of the funds, but administration costs are excluded. The Trustees periodically review the investment management charges of the funds offered to members. Individual fund charges (Total Expense Ratios) are set out in the Appendices.
Pensions Administrator	The cost for pensions administration is charged to members through a flat charge of £24 per annum. If actual administration costs are higher, they are paid for by the Principal Employer. The £24 fee is taken into account when assessing the level of member charges for compliance against the charge cap.
Custodians	The Custodians of the pooled funds are paid through a combination of transaction-based fees and ad-valorem fees. This is consistent with market practice. Custodian fees are paid indirectly by members via an adjustment to unit prices of the pooled funds in which the assets are invested.
Investment Consultant	Fees of the Investment Consultant are paid by the Trustees out of Plan resources and are not borne by members. Any shortfall is paid by the Principal Employer.
Other advisers	Fees of all other advisers are paid by the Trustees out of Plan resources and are not borne by members. Any shortfall is paid by the Principal Employer.

The expected levels of investment returns (after the deduction of charges) and risks for the funds used are consistent with the Trustees' objectives for the default arrangements. The expected investment returns and approach to managing investment risks, including financially material considerations such as climate change, are described in Section 3.

Full details of the current default arrangements are given in the document "Investment implementation for the default arrangements".

2 Statement of the aims and objectives for investment options outside the default arrangements

Reasons for the investment options

In addition to the default arrangements, the Plan offers members a choice of investment options because:

- While the default arrangements are intended to meet the needs of a majority of the Plan's members, they may not meet the needs of a wider cross-section of members;
- Attitudes to investment risks and the need for investment returns will vary from member to member and will also vary for each member over time and, in particular, as they approach retirement;
- Members have differing investment needs and these needs change during their working lives; and
- Some members will want to be more closely involved in choosing where their contributions are invested.

Choosing the investment options

Membership analysis

The Trustees believe that understanding the Plan's membership is important to maintaining an appropriate range of investment options and have taken into account a number of aspects including:

- The members' age and salary profiles;
- The likely sizes of members' pension savings at retirement;
- Members' retirement dates and likely range of benefit choices at retirement;
- The levels of investment risk and return members may be willing to take;
- The degree to which members are likely to take an interest in where their contributions are invested; and
- The number of members who are likely to want responsible, or faith-based investments.
- Feedback to the Pensions Team from members on the current fund range

Costs of investment options

The investment costs are borne by members and so a balance needs to be struck between choice and costs.

Objectives for the investment options

The Plan offers members a choice of investment options as an alternative to the default arrangements.

Self-select funds

The objectives of the self-select fund range are to:

- Provide a choice of individual funds for members who want to be more closely involved in choosing where their pension is invested;
- Complement the objectives of the default arrangements;
- Provide a broader choice of levels of investment risk and return;
- Provide a broader choice of investment approaches including a faith-based fund;
- Help members more closely tailor how their pension is invested to their personal needs and attitude to risk;
- Help members more closely tailor how their pension is invested to reflect the benefits they intend to take at retirement.

Nevertheless, the self-select fund range cannot be expected to cover all the investment needs of all members.

Risk and return

The expected levels of investment returns (after the deduction of charges) and risks for the funds used are consistent with the Trustees' objectives for these investment options. The expected investment returns and approach to managing investment risks, including financially material considerations such as climate change, are described in Section 3.

Full details of the current investment options are provided in the documents "Investment implementation for investment options outside the default arrangements" and "Investment implementation for the default arrangements".

3 Statement of investment beliefs, risks and policies

Introduction

This Statement sets out the investment beliefs and policies which guide the Trustees' decision making.

For the record

This Statement of investment beliefs, risks and policies should be read in conjunction with the Statements of the aims and objectives for both the default arrangements and the investment options outside the default arrangements. Collectively, these respectively form the Statements of Investment Principles for the Plan and the default arrangements.

This Statement of investment beliefs has been prepared in accordance with the Occupational Pension Scheme (Investment) Regulations 2005 as amended by the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018.

Investment beliefs

The Trustees' investment decisions are made in the context of their investment beliefs that:

The Trustees believe that investments which demonstrate better Environmental, Social and Governance ("ESG") characteristics may broadly be expected to provide better risk-adjusted returns over the longer term.

1) The Trustees recognise that the Plan's default arrangements utilise largely passive management and believe that engagement by the Plan's investment managers with companies on specific ESG risks is the most effective way at this point in time for the Plan to support shareholder value and influence company strategy in these areas. For other funds which are actively managed, the Trustees believe that a combination of engagement and selective disinvestment by the investment managers may be appropriate.

2) The Trustees believe that financial considerations should carry more weight than non-financial when determining strategy and implementation for the Plan.

3) The Trustees recognise that climate change is a long term financial risk to sustainability.

4) At this point in time, the Trustees will keep under review the possible ways specialist ESG managers or mandates can be implemented within the Plan's default strategy or self-select funds.

5) At the present time non-financially significant factors are not explicitly taken into account in the selection, retention and realisation of investments and the views of individual members on these are not sought or taken into account.

Feedback is sought from members through regular interaction with the Pensions Team in order to assess member demand for a more pro-active approach to ESG.

Risks

Principal investment risks

The Trustees believe that the three principal investment risks most members will face are:

1) Inflation risk – investment returns over members' working lives may not keep pace with inflation and, as a result, do not produce adequate retirement benefits.

Further from retirement, this risk should be countered by funds investing in equities and other growth-orientated assets which are expected to produce returns well in excess of inflation over the longer term. Approaching retirement, the impact of this risk needs to be balanced against the other main risks members face.

2) Benefit conversion risk – investment conditions just prior to retirement may increase the cost of turning members' fund values into retirement benefits.

For members taking cash at retirement, funds investing in cash deposits and other short-term interest-bearing investments provide a high degree of (but not complete) capital security. Funds investing in a mix of different assets are expected to be broadly suitable for members planning income drawdown during retirement. For members buying an annuity at retirement, the value of funds investing in longer-dated bonds may be expected to broadly follow changes in annuity rates caused by long-term interest rates.

3) Volatility/Market risk – falls in fund values prior to retirement lead to a reduction in retirement benefits.

Funds investing in bonds or a mix of assets or investment techniques intended to manage short-term risks may be expected to be subject to lower levels of short-term fluctuations in values than equity funds - although there may be occasions when this does not hold good.

Other investment risks

The Trustees believe that other investment risks members may face include:

Active management risk – a fund manager's selection of holdings may not lead to investment returns in line with the fund's objectives and investment markets generally.

Currency risk – changes in exchange rates will impact the values of investments outside the UK.

Interest rate risk – the value of funds which invest in bonds will be affected by changes in interest rates.

Default risk – for bond funds (where money is lent in return for the payment of interest), and the company or government borrowing money fails to pay the interest due or repay the loan.

Liquidity risk – funds which invest in assets which cannot be easily bought or sold (such as property) may at times not be able to accept new investments or disinvestments of existing holdings.

Counterparty risk – the financial institutions holding a fund's assets may get into financial difficulties leading to a reduction in a fund's value.

Market risks - shifts in market sentiment (for example, in response to economic news or geopolitical events) or momentum in general market trading can lead to widespread changes and/or volatility in asset values over the short-term.

This can include short-term changes in the normally expected correlations of the behaviour of risks and returns seen between different asset classes, when standard approaches to mitigating risks such as diversification are temporarily ineffective.

Factor based investing – equity investments may show several factors (supported by academic research) that may be expected to deliver stronger returns over the longer-term, but which may show increased risks (including timing) in the shorter-term.

Environmental, Social and Governance (ESG) risks – the extent to which ESG issues are not reflected in asset prices and/or not considered in investment decision making leading to underperformance relative to expectations.

Climate risk - The extent to which climate change causes a material deterioration in asset values as a consequence of factors including, but not limited to: policy change, physical impacts and the expected transition to a low-carbon economy.

Legislative/Regulatory - Changes in government policy or taxation may have a long-term positive or negative impact on certain sectors of a country's economy or one country relative to its neighbours over the medium to longer-term. Changes in Regulations can also affect the operational costs, tax efficiency and security of one investment vehicle relative to other vehicles over the shorter-term.

Managing risks

The Trustees have developed and maintain a framework for assessing the impact of all investment risks on long-term investment returns.

Time horizon

The Trustees monitor the age profile of the Plan's membership to arrive at an appropriate investment horizon when considering all investment risks:

- The Plan is open to new entrants;
- As a result, investment risks need to be considered over a time horizon, in excess of 30 years and
- A majority of members are expected to take income drawdown in retirement.

Principal investment risks

The default arrangements manage the three main investment risks as members grow older by automatically switching from funds which are expected to give long-term growth relative to inflation into funds whose values should fluctuate less in the short-term relative to the benefits members are expected to take at retirement.

The self-select fund range provides members with a choice of funds with differing risk and return characteristics which are expected to meet the investment needs of a majority of members.

The Trustees review the nature of the Plan's investment options on a regular basis, with particular reference to suitability and diversification. The Trustees considers written advice from a suitably qualified person when determining the appropriateness of each investment manager and fund for the Plan, particularly in relation to diversification, risk, expected return and liquidity.

Overall, the Trustees believe that the Plan's investment options:

- Provide a balance of investments; and
- Are appropriate for managing the risks typically faced by members.

Other investment risks

The Trustees manage the other investment risks as part of the process for selecting and ongoing monitoring of the funds used by the Plan.

The funds used give a good spread of investments which will help manage risks associated with market conditions, fund manager actions and default.

At this time, the Trustees have not made explicit allowance for climate change within the development or implementation of their investment strategy. The Trustees discuss the potential impact of climate risks with their adviser and managers on a periodic basis and will monitor developments in this area.

The Trustees recognise that it is important that members' contributions can be invested promptly in selected investment funds and that these can be sold promptly (for example when members wish to change where they are invested, transfer to another arrangement or if they wish to draw on their pension pot). The Trustees manage this risk by selecting pooled investment funds which can be dealt on a daily basis. The platform provider is responsible for monitoring the ability for members to invest and disinvest promptly and is expected to notify the Trustees if a situation develops whereby there is any restriction on the ability for members to do so. For example, this situation could occur in the event of significant economic uncertainty impacting on the ability for fund managers to value the underlying assets.

Financially material considerations

The Trustees recognise that the consideration of financially material considerations, including Environmental, Social and Governance (ESG) factors and climate risk, are relevant to the development, selection and monitoring of the Plan's investment options.

Implementation

The Plan uses standard pooled funds offered by an investment platform provider and fund managers. This gives access to a range of funds while keeping down costs to members but means that the Trustees cannot adopt an approach to managing financially material considerations specific to the Plan. The Trustees nevertheless seek to manage financially material considerations to protect long-term returns by:

- For actively managed funds (where the fund manager decides where to invest), choosing fund managers who have clearly articulated policies for managing financially material considerations including climate change.;
- Considering the extent to which ESG issues including climate risk, where relevant, are integrated into the fund managers' investment processes and benchmark indices as appropriate and are satisfied that the fund managers follow an approach which takes account of financially material factors;
- For all funds, reviewing managers' Responsible Investment ratings as provided by their adviser;
- For actively managed funds, expecting the fund managers to take financially material considerations into account when selecting which companies and markets to invest in;
- For passively managed funds, the Trustees recognise that the funds' objectives are to deliver returns in line with its benchmark (which may or may not take into account ESG factors), which the Trustees believe will deliver appropriate risk adjusted returns;
- For all funds, expect fund managers to engage with companies in which the fund invests to encourage business strategies which should improve or protect the value of those investments; and
- Preferring fund managers who are signatories to the Financial Reporting Council's Stewardship Code in the UK and the United Nations supported Principles for Responsible Investment.

Expected returns on investments

The Trustees believe that it is important to balance investment risks with the likely long-term returns from different types of assets used in funds (taking the funds' costs and charges into account).

Asset class	Expected long-term investment returns relative to inflation	Expected shorter- term volatility in fund values
Equities (i.e. company shares)	Strong return relative to inflation	Most volatile in the short-term
Property (e.g. offices, shops and warehouses)	Positive, but lower than equities	Lower than equities
Corporate Bonds (i.e. loan stocks issued by companies)	Positive, but lower than equities and property	Lower than equities or property
Fixed Interest Government Bonds (e.g. UK Gilts)	Positive, but lower than equities, property or corporate bonds	Lower than equities, property or corporate bonds
Index-Linked Government Bonds (e.g. UK Index-Linked Gilts	In line with inflation	Lower than equities, property or corporate bonds
Cash (and other short-term interest-bearing investments)	Return may not keep pace with inflation	Minimal with high degree (but not complete) of capital security

Long-dated bonds (e.g. UK Gilts and Corporate Bonds with a duration of 15 years or more) – should give fund values which move broadly in line with the financial factors influencing annuity rates.

Multi-asset funds (i.e. investing in a varying mix of asset classes) - should deliver positive returns relative to inflation over the longer-term, with lower short-term volatility than equities.

Types of funds used

Structure of the investment arrangements

The Plan invests contributions for members through the provider's investment platform. Contributions buy units in the provider's funds. The provider in turn backs the value of its funds by buying units in funds from a selection of fund managers where investments are pooled with other investors. This enables the Plan to invest in a range of funds giving a good spread of investments in a cost-effective manner.

The Plan's assets, and the Trustees' contract with the provider, is a policy of insurance issued by the provider. As a result, the Trustees do not have any contractual arrangement with the investment managers or title to the underlying funds' assets.

Selection of funds

The Trustees will invest through funds on the provider's platform which in turn invest in the investment managers' pooled funds. The objectives of the funds and the policies of the investment managers are evaluated by the Trustees to ensure that they are and remain appropriate for the needs of the Plan.

The Trustees' choice of funds, and hence choice of approaches to aspects such as responsible investment and shareholder engagement, are constrained by the choice of funds available on the provider's platform. While the Trustees endeavour as far as possible to select a platform provider and funds on that provider's platform which are consistent with the Plan's investment objectives and the Trustees' investment beliefs, this needs to be balanced against the wider benefits of access to the other funds on the platform and the other services from the platform provider as well as taking into consideration the costs of change to the Plan and its members.

The Trustees seek to engage with the platform provider to obtain funds which meet the Trustees' investment beliefs and are expected to deliver good outcomes for members, but this is subject to being commercially viable for the provider and consistent with the charge cap for the default arrangements. The Trustees expect the provider to encourage the investment managers to adopt appropriate practices for responsible investment and shareholder engagement.

The Trustees in conjunction with their investment advisers periodically review the choice of platform provider, at which time the suitability of the provider's fund range and effectiveness of its governance of the investment managers on its platform are be key criteria.

Manager incentives

The basis of remuneration of the investment managers by the platform provider may be subject to commercial confidentiality, however, the Trustees will seek transparency of all costs and charges borne by members. Nevertheless, the Trustees expect that it will be in the interests of both the platform provider and the investment managers on the provider's platform to produce growth in asset values in line with the funds' investment objectives. For passively managed funds this should be within an acceptable margin of the index the fund tracks. For actively managed funds the investment return should be commensurate with the level of investment risk implied by the fund's objectives. The Trustees recognise that no funds the Plan invests in are managed on a performance related basis, therefore the Trustees believe that the remuneration structure of managers is appropriate.

In accordance with the 2015 Regulations, the Trustees conduct an annual Value for Members assessment and take action should the provider be found to be giving poor value. In addition, in accordance with guidance from the Pensions Regulator, the Trustees periodically review the Plan's choice of provider to ensure their charges and services remain competitive. The Trustees believe that these steps are the most effective way of incentivising the provider to deliver Value for Members, of which investment management charges and investment performance are key considerations.

The Trustees also undertake an investment strategy review at least every three years in which the appropriateness of the investment options at which time the suitability of the Plan's investment management arrangements are also considered.

The Trustees, in conjunction with their investment adviser monitor the investment managers against a series of metrics on an annual basis over a long-term time horizon of over 20 years including:

- Short term performance and since inception of their funds' respective benchmarks or performance targets;
- Relative tracking error where appropriate;
- The exercise of stewardship responsibilities (including engagement with issuers); and
- The management of risks.

The platform provider or investment managers are expected to provide explanations for any significant divergence from a fund's objectives. A material deviation from performance and risk targets or approach to portfolio management is likely to result in the fund being formally reviewed.

Portfolio turnover

The Trustees do not expect investment managers to take excessive short-term risk and will monitor the investment manager's performance against the benchmarks and objectives on a short, medium and long term basis.

For passively managed funds the turnover of holdings is driven by changes in the index a fund seeks to track and hence is outside the control of the investment manager except where a fund's total assets under management are relatively small where the investment manager does not fully replicate the index or where a fund invests in less liquid stocks.

When selecting actively managed funds, the Trustees will consider, with the help of their investment advisers, the expected level of turnover commensurate with a fund's investment objectives, the investment manager's investment processes and the nature of the fund's assets.

Whilst the Trustees expect performance to be delivered net of costs, including the costs of trading within the portfolio, the Trustees will ask the investment platform provider or investment managers on the platform to report on at least an annual basis on the underlying assets held within fund with details of any transactions and turnover costs incurred over the Plan's reporting year. The Trustees will seek to compare portfolio turnover and the resultant costs against peer groups or portfolio turnover and costs for an appropriate index.

Where a fund has significantly under or outperformed its benchmark, the Trustees will seek to ascertain where necessary whether higher or lower than normal turnover has been a contributory factor. The Trustees will challenge the platform provider and/or investment managers if there is a sudden change in portfolio turnover or if the level of turnover seems excessive.

Portfolio duration

The Trustees recognise the long-term nature of defined contribution pension investments and choose funds which are expected to deliver sustainable returns over the Plan's members' investment horizon. The Trustees will carry out necessary due diligence in conjunction with their investment adviser on the underlying investment decision making process, to ensure the manager makes investment decisions over an appropriate time horizon aligned with the objectives for the related investment option.

The Trustees expect that each fund will be used for at least three years, this being the period over which performance of the fund can be appropriately evaluated and the costs of change amortised, although all funds are subject to ongoing review against various financial and non-financial metrics in addition to their continued appropriateness within the investment strategy.

Security of assets

The funds are provided through a policy of insurance issued to the Trustees by the platform provider. As a result, the value of the funds may be affected in the event of the provider getting into financial difficulties.

The underlying funds used by the provider's platform are accessed through reinsurance agreements and agreements with Open Ended Investment Companies. In the event of a fund manager getting into financial difficulties, the values in these underlying funds will depend upon the nature of the contract with the platform provider and the fund vehicles used by the fund managers' funds. The nature of the underlying fund managers' vehicle may provide some protection in the event of financial difficulties of that manager (e.g. ring fencing of assets).

Realisation of investments

The Trustees expect that the investment platform provider and the fund managers will normally be able to sell the funds within a reasonable timescale. There may, however, be occasions where the investment platform or fund managers need to impose restrictions on the timing of sales and purchases of funds (most notably for funds investing in property) in some market conditions to protect the interests of all investors in that fund.

Nevertheless, the Trustees recognise that most members' pension savings have a long investment timeframe, during which assets which are less easily traded (such as property or infrastructure) can be managed to deliver good long-term returns while avoiding the impact of liquidity issues at retirement.

Stewardship

The Trustees recognise that stewardship encompasses the exercise of voting rights, engagement by and with the investment platform and fund managers and the monitoring of compliance with agreed policies.

The Plan offers members the default arrangements and self-select funds. The Trustees' stewardship activities are to be focused largely on the default arrangements which are used by the largest number of members and account for the majority of the assets.

Members' financial interests

The Trustees expect that the investment platform provider and fund managers will have the members' financial interests as their first priority when choosing investments.

Conflicts of interest

When given notice the Trustees will consider the impact of any conflicts of interest arising in the management of the funds used by the Plan. Responsibility for investment decisions has been delegated to the investment managers.

Voting and engagement/ policies and monitoring

The Trustees believe that engagement with the companies in which the Plan invests, including the proactive use of shareholder voting rights, can improve the longer-term returns on the Plan's investments.

The Plan invests via an investment platform provider, which in turn invest in funds which are pooled with other investors to keep costs down and ensure adequate diversification. As a result, the Trustees have adopted a policy of delegating voting decisions on stocks to the underlying fund managers on the basis that voting power will be exercised by them with the objective of preserving and enhancing long term shareholder value. The fund managers are expected to exercise the voting rights attached to individual investments in accordance with their own house policy.

Where relevant, the Trustees have reviewed the voting and engagement policies of the fund managers as well as the approach to governance of the investment platform provider and determined that these policies are appropriate. On an annual basis, the Trustees will request that the investment platform provider and fund managers provide details of any change in their house policy.

Going forward the Trustees will review the fund managers' voting activity on an annual basis in conjunction with their investment adviser and use this information as a basis for discussion with the investment platform provider and fund managers. Where the Trustees deem it appropriate, any issues of concern will be raised with the manager for further explanation.

Where appropriate, the Trustees will engage with and may seek further information from the investment platform provider and fund managers on how portfolios may be affected by a particular issue.

While the Trustees are not in a position to engage directly, the Trustees believe it is sometimes appropriate for the fund managers directly or through the platform provider to engage with key stakeholders which may include corporate management, regulators and governance bodies, relating to their investments in order to improve corporate behaviours, improve performance and mitigate financial risks.

The Trustees expect the investment platform provider to adopt similar practices with regards to the inclusion and ongoing oversight of fund managers on their platform. The Trustees also expect the platform provider to be able to evidence their own governance practices on request.

The Trustees expect the platform provider to monitor adherence of their investment managers to stated voting and engagement policies, engage with managers where concerns are identified and to report on these issues.

The Trustees will also periodically review the fund managers voting patterns and may also monitor voting on particular companies or issues affecting more than one company.

The Investment Committee appointed by the Trustees aims to meet with all its major fund managers on a periodic basis. The Investment Committee will provide the fund managers with an agenda for discussion, including issues relating to individual holdings and, where appropriate, ESG issues. Managers are challenged both directly by the Investment Committee and by their investment advisers on the impact of any significant issues including, where appropriate, ESG issues that may affect the prospects for return from the portfolio. Feedback is then taken to the Trustees for their consideration.

Non-financial factors

The Trustees recognise that a few members will have strong personal views or religious convictions that influence where they believe their savings should, or should not, be invested.

The Plan offers a faith-based fund for members who are likely to hold stronger views than the majority of members.

The Trustees note that non-financial factors can affect various investment risks which are borne by members and may under-perform other funds with broader-based investment approaches.

Fund managers are otherwise only expected to take non-financial factors into account when these do not conflict with the financial interests of members and the Plan's investment objectives.

For the record

The Trustees obtain and consider proper advice from suitably experienced and qualified persons when choosing investments and preparing the Statement of Investment Principles.

Funds are chosen by the Trustees to give an expected level of return with an appropriate level of investment risk which meet the objectives of each default arrangement and other investment options.

The funds used at each stage in the default arrangements are intended to deliver good member outcomes at retirement from an appropriate balance of investment growth relative to inflation and the then pertinent investment risks.

The investment platform uses a life insurance company based legal vehicle for its funds. The fund managers used by the platform use a variety of different legal vehicles for their funds. The funds may invest in quoted and unquoted securities traded in regulated UK and overseas markets:

- Equities (company shares);
- Fixed interest and index-linked bonds issued by governments and companies;
- Cash and other short-term interest-bearing deposits;
- Commercial and residential property;
- Illiquid assets including infrastructure, forestry, private equity and private debt;
- Commodities through collective investment vehicles; and
- Derivatives to facilitate changes in where funds are invested or to help control investment risks.

Funds provided through a life insurance company must comply with the Financial Conduct Authority ("FCA") "Permitted Links" rules, which place limits on the degree of leverage a fund can use. Fund managers using other fund vehicles subject to the European "UCITS IV" and the FCA's "Non-UCITS" regulations have to meet requirements on the security and concentrations of assets. Exchange Traded Funds may be used directly or indirectly to gain access to less easily traded and illiquid asset classes.

Subject to the funds' benchmarks and guidelines, the fund managers are given full discretion over the choice of securities and, for multi-asset funds, choice of asset classes. Fund managers are expected to maintain well-diversified and suitably liquid portfolios of investments.

The Trustees consider that these types of investments are suitable for the Plan. The Trustees are satisfied that the funds used by the Plan provide adequate diversification both within and across different asset classes.

Appendix A

Investment implementation for the default arrangements

Default arrangements

The Trustees have designed two default arrangements specifically for members who want the asset allocation of their investment strategy to be managed for them. In seeking to deliver the overall investment objective of the default arrangements, the Trustees took account of the following supporting objectives:

- Each strategy should seek to maximise the retirement savings, whether income or cash, subject to taking an appropriate level of risk.
- Investment risk (as defined by the absolute level of volatility) should reduce gradually throughout the later part of a member's working life.
- The investment strategy should aim for significant growth, in real terms, in the value of members' savings during the "growth" phase.
- The strategy should seek to reduce the risk to the member's retirement income of a significant adverse market movement as the member approaches retirement.

The Trustees recognise that a balance needs to be struck between maximising the proceeds on retirement and mitigating the risk of members experiencing poor outcomes.

The Lifestyle Option (default strategy)

The Lifestyle Option invests during the "growth" phase in the Global Equities Passive Fund and the Diversified Assets Fund. The strategy invests 100% in the Global Equities Passive Fund until a member is 20 years before their selected retirement age and then gradually switches to 100% Diversified Assets until a member is 10 years before retirement. Assets then remain 100% invested in Diversified Assets for the following 5 years.

The Adventurous Lifestyle Option

This option is similar to the Lifestyle Option, except for the component funds and timing of the switching during the "growth" phase. This option invests in the UK Equity – Active Fund until a member is 10 years before retirement. Between 10 and 5 years before retirement funds are gradually switched into the Diversified Assets Fund, in order to achieve a 100% allocation to the Diversified Assets Fund when a member is 5 years from retirement.

Investment strategy in the five years before selected retirement date

When members are five years before their selected retirement date, they have three strategy options. These are made available to members to reflect the different ways that members may plan to take their benefits at retirement. At the point of retirement, the three strategies will hold:

1. **Cash Lifestyle:** 100% cash;
2. **Drawdown Lifestyle:** 25% cash with the balance in return seeking assets;
3. **Annuity Lifestyle:** 25% cash with the balance in assets which perform broadly in line with the changes in level annuity rates.

As members approach retirement, each strategy de-risks in a different way. Currently, automatic switching takes place as follows:

- **Cash Lifestyle:** during the last three years, assets are gradually switched from the Diversified Assets Fund to the Cash Fund.
- **Drawdown Lifestyle:** during the last five years, assets are gradually switched from the Diversified Assets Fund to the Long-dated Corporate Bonds – Passive Fund, and during the last three years to the Cash Fund, in order to achieve at retirement a 50/25/25 split between the Diversified Assets – Active Fund, the Long-dated Corporate Bonds – Passive Fund and the Cash Fund.
- **Annuity Lifestyle:** during the last five years, assets are gradually switched to the Pre-retirement Fund and the Cash Fund, in order to achieve a 75/25 split at retirement.

Reverse switching

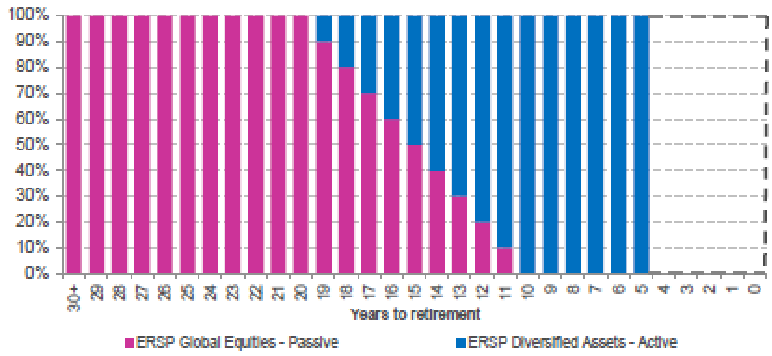
If a member who is invested in one of the lifestyle strategies decides to raise or lower their Target Retirement Age, their asset allocation will be aligned with the allocation appropriate for the new retirement date. In the event that the date is raised, the Trustees acknowledge that this may result in assets being switched back into funds that a member has previously switched out of.

Tolerance Level

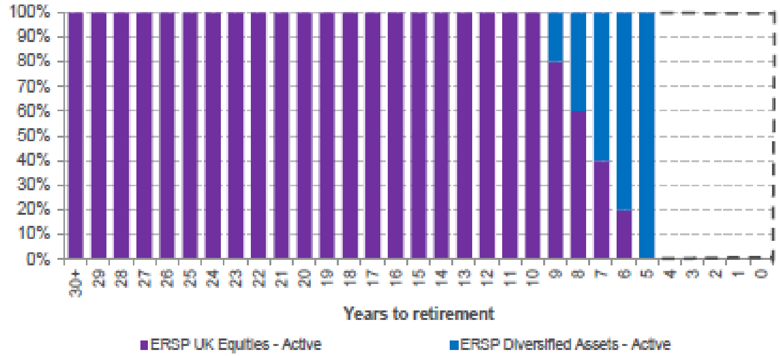
The Trustees acknowledge that at any point in time each asset class will have different performance characteristics. Within the lifestyle strategies it would be inefficient to constantly rebalance each asset class to the strategic asset allocation benchmark. The Trustees have therefore set a 2% tolerance level when comparing the actual asset allocation against the strategic benchmark in order to limit transaction costs for small switches.

The following charts show the asset allocations of the default arrangements:

Growth phase of the Lifestyle Option (default strategy)

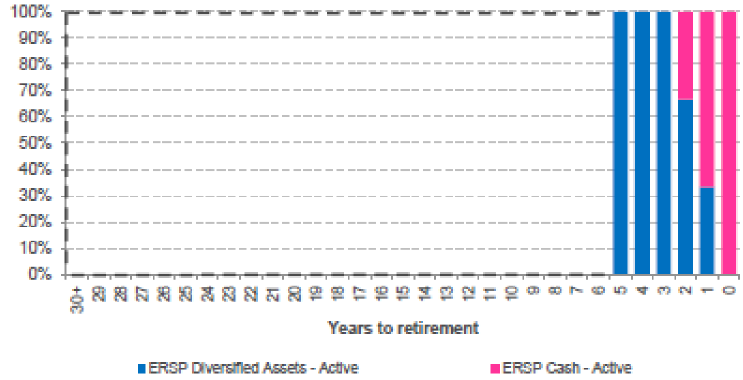


Growth phase of the Adventurous Lifestyle Option

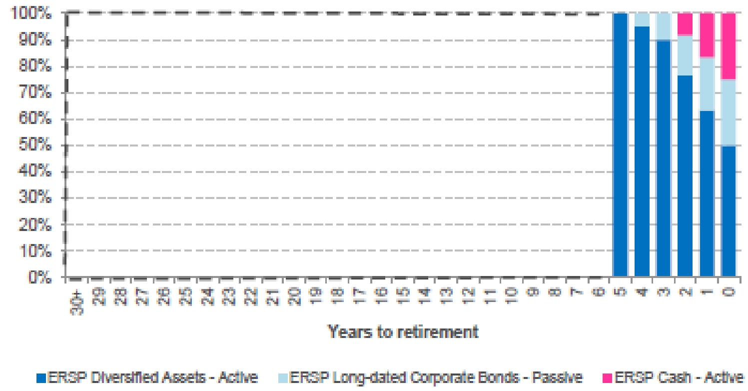


Investment strategy from five years before selected retirement date

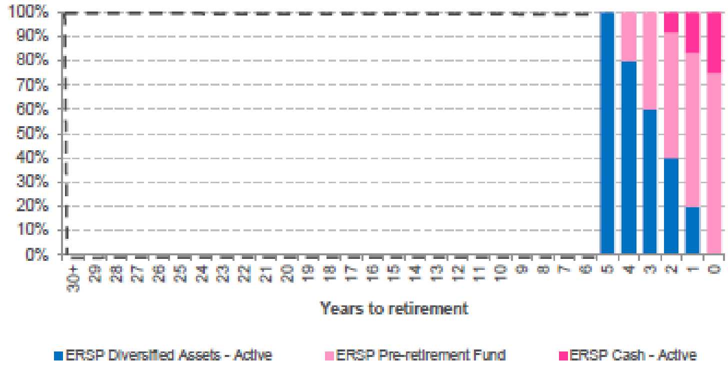
Cash Lifestyle (default strategy for members with projected retirement savings of less than £30,000)



Drawdown Lifestyle (default strategy for members with projected retirement savings of £30,000 or more)



Annuity Lifestyle



Funds and charges

The funds used by the default arrangement and their charges (expressed as a percentage annual management charge ("AMC") and Total Expense Ratio ("TER") as at 31st March 2020 are:

Lifestyle Option

Platform Fund	Style	Underlying fund	AMC %	TER %
Diversified Assets	Active	BlackRock Aquila Life Market Advantage Fund (ALMA) and Schroders Dynamic Multi-Asset Fund (50:50)	0.30	0.336
Global Equities	Passive	BlackRock (30:70) Global equity Fund (hedged)	0.17	0.18
Cash	Active	M&G Cash Fund	0.15	0.15
Corporate Bonds	Passive	L&G Corporate Bond Over 15 Years Index Fund	0.14	0.14
Pre-Retirement	Passive	L&G Pre-Retirement Fund	0.14	0.14

Note – these are investment fees and do not include allowance for the £24 per member administration fee that members pay in addition to these fees.

Adventurous Lifestyle Option

Platform Fund	Style	Underlying fund	AMC %	TER %
UK Equities	Active	M&G Recovery Fund and Baillie Gifford UK Core Equity Fund (50:50)	0.68	0.695
Diversified Assets	Active	BlackRock Aquila Life Market Advantage Fund (ALMA) and Schroders Dynamic Multi-Asset Fund (50:50)	0.30	0.336
Cash	Active	M&G Cash Fund	0.15	0.15
Corporate Bonds	Passive	L&G Corporate Bond Over 15 Years Index Fund	0.14	0.14
Pre-Retirement	Passive	L&G Pre-Retirement Fund	0.14	0.14

Note – these are investment fees and do not include allowance for the £24 per member administration fee that members pay in addition to these fees.

Investment costs

Fund charges

The investment platform provider's and fund managers' charges for the investment options are borne by the members.

The Plan is a "qualifying scheme" for auto-enrolment purposes, which means that the default arrangement is subject to the charge cap introduced by the government from April 2015.

Transaction costs

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds' unit prices and members' fund values.

Review

The present default arrangements were introduced in 2015 and last reviewed in 2018.

Appendix B
Investment implementation for investment options outside the default arrangements

Self-select fund range

The Plan offers members a choice of self-select funds options as an alternative to the default arrangements.

Fund range

The choice of self-select funds and their charges (expressed as a percentage, annual management charge ("AMC") and Total Expense Ratio ("TER")) as at 31 March 2020 are:

Platform Fund	Style	Underlying fund	AMC %	TER %
Diversified Assets	Active	BlackRock Aquila Life Market Advantage Fund (ALMA) and Schroders Dynamic Multi-Asset Fund (50:50)	0.30	0.336
Global Equities	Passive	BlackRock (30:70) Global equity Fund (hedged)	0.17	0.18
Global Equities	Active	MFS Global Equity Fund	0.65	0.71
Overseas Equities	Passive	M&G International Equity Passive Fund	0.25	0.32
UK Equities	Passive	M&G UK Equity Passive Fund	0.15	0.16
UK Equities	Active	M&G Recovery Fund and Baillie Gifford UK Core Equity Fund (50:50)	0.68	0.70
Index-Linked Gilts	Passive	M&G Index-Linked Passive Fund	0.15	0.15
Cash	Active	M&G Cash Fund	0.15	0.15
Shariah	Passive	HSBC Amanah Fund	0.05	0.35
Corporate Bonds	Passive	L&G Corporate Bond Over 15 Years Index Fund	0.14	0.14
Pre-Retirement	Passive	L&G Pre-Retirement Fund	0.14	0.14

Note – these are investment fees and do not include allowance for the £24 per member administration fee that members pay in addition to these fees.

Use of options

Members cannot contribute to the default arrangements and self-select funds at the same time.

Investment costs

The investment platform provider's and fund managers' charges for the investment options are borne by the members.

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds' unit prices and members' fund values and are borne by members.

Review

The self-select fund range was last formally reviewed in 2018.

Appendix C

Summary of the approach to investment governance

For the record
The Trustees' approach to investment governance complies with the provisions of the Plan's Trust Deed and Rules as well as legislative requirements.

The Plan's investment governance is also intended to meet the expectations set out in the Pensions Regulator's 2016 Code of Practice 13.

Exercising the Trustees' Powers

The Trustees will always act in the best interests of the members.

The Trustees have delegated day-to-day work on the Plan's administration and investments.

Conflicts of interest

The Trustees maintain a register of interests of each of the Trustees and their advisers and update these at each Trustee meeting to ensure that any potential conflicts between stakeholders are identified in a timely manner and dealt with appropriately.

In the event of a conflict of interests, the Trustees will invest contributions in accordance with the default arrangement in the sole interests of members and beneficiaries.

Monitoring

The Trustees regularly monitor and review:

Investment Performance - The performance of the funds in which the Plan invests against both the funds' stated performance objectives and the investment objectives of the Plan. This will also include monitoring the levels of portfolio turnover in the extent that significant under or out performance occurs.

Value for members - The member borne charges for the default arrangement against the charge cap for auto-enrolment purposes and the funds' charges and transaction costs to ensure that they represent value for members.

Suitability - The suitability of the default arrangement and investment options outside the default arrangement at least every three years and without delay after any significant change in investment policy or the demographic profile of the Plan's membership.

The Statements of Investment Principles - at least every three years and without delay after any significant change in investment policy or the demographic profile of the Plan's membership. The Trustees will consult the Employer on any changes.

Compliance with Statement of Investment Principles - the Trustees will monitor compliance with the Statement of Investment Principles annually and publish a report to members with effect from the Plan year ending after 1 October 2020.

Investment process - The processes for investing contributions and taking money from the investment options to pay benefits to ensure that they are carried out promptly and accurately.

Security of assets - The security of funds' assets when choosing a fund provider/manager and thereafter.

Voting – The fund managers' records of exercising shareholder voting rights and engaging with equity and bond issuers on matters which may materially affect the value of investments.

Conflicts of Interest – Instances where the actions of the platform provider or fund managers may be in conflict with the best interests of the Plan's members.

Reporting

The Trustees arrange for the preparation of:

- The Plan's audited Annual Report and Accounts (which includes the Annual Governance Statement);
- The Annual Governance Statement by the Chair of Trustees describing the Scheme's investment costs, value for members and governance during the previous year;
- Publication of an extract from the Annual Governance Statement by the Chair of Trustees in a publicly searchable location on-line.
- An annual return to the Pensions Regulator.

Governance of the Plan

Clear roles and responsibilities for all tasks within the Plan are set out in the Plan's objectives document. In the event of any potential conflict of interest, priority is given to the interests of members and beneficiaries.

- The **Employer** is responsible for providing clear objectives to the Trustees to enable the Trustees to govern the Plan effectively and for providing support to the Trustees to help them achieve their targets for the Plan.
- The **Trustees** are responsible for the appointment, monitoring and dismissal of the investment managers and funds, investment platform provider and the administrator. In deciding whether the appointed investment managers have sufficient experience and expertise to carry out their role the Trustees consider advice from the Plan's Investment Consultant.
- The day-to-day management of the funds is performed by professional **investment managers**, which are authorised by the Financial Conduct Authority. The Trustees employ a platform provider through which members access funds.
- The **Platform Provider** is responsible for ensuring that funds are priced correctly and reviews the continued structural suitability of the underlying funds. It advises on the construction of an overall investment management structure and fund offering that meets the objectives of the Trustees and is responsible for the creation and ongoing running of white labelled funds.
- The **Pension Administrator** is responsible for ensuring that members are allocated correct units in exchange for their contributions. It is also responsible for general administration, including record-keeping, managing the automatic lifestyling and providing members with annual benefit statements.
- The **Custodians** are appointed by the investment manager(s) and are responsible for the safekeeping of the assets of the funds and processing the settlement of transactions.

- The role of the **Investment Consultant** is to give advice to the Trustees on the development of a clear investment strategy for the Plan, including the default strategy, lifestyle strategies and self-select fund ranges. It provides general advice in respect of the Plan's investment activities, including informing the Trustees of any material change in the objectives and guidelines of any investment funds offered by the Plan to its members. It provides views on the underlying investment manager(s) employed by the Plan via the Platform Provider, including monitoring changes to personnel, corporate ownership and investment philosophy of the managers, and assists the Trustees in the selection and appointment of appropriate investment managers when necessary.
- **Members** are responsible for the selection of funds consistent with the objectives they have for funding an income in retirement (and their contribution level), their tolerance for risk and their level of understanding and ability to take investment decisions.

In preparing this Statement, the Trustees have taken into account current guidance from the Pensions Regulator. The Trustees are committed to ensuring effective management of the Plan, both in terms of the investments and more widely in relation to the overall governance of the Plan.

Appendix 2

Table of funds and charges

Please note that the charges in the table below do not take into account the £24 p.a. charge for administration services which were also borne by members. In the case of lifestyle strategies, the investment charges were dependent on how far a member was from their target retirement age which determined the funds they were invested in.

It should be noted that the transaction costs have been calculated using the 'slippage cost' method. This calculates the difference between the price at which a trade is placed in the market and the price at which the deal is transacted, taking into account the relevant costs e.g. broker charges. This means that it is possible that the price at which a deal is transacted could be lower than the price at which it is placed, leading to negative transaction costs.

Terminology

* ISIN = the International Securities Identification Number unique to each fund – this will allow you to find out more about the objectives and holdings of the fund.
** Charge = the funds' Total Expense Ratio ("TER"), which includes the funds' Annual Management Charge ("AMC") and Operating Costs and Expenses.
*** Underlying Fund = the fund in which the Plan's top level Fund invests.

2a Default arrangement

The funds' charges (expressed as "Total Expense Ratios") and transaction costs in the last year used in the default arrangement as at 31 December 2021 were:

Fund	ISIN *	Charges		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
Global Equities - Passive	GB00BQQF5271	0.18	1.80	BlackRock (30:70) Global Equity (Hedged)	GB00BYX7SL22	0.03	0.30
Diversified Assets – Active Fund	GB00BQQF5057	0.335	3.35	BlackRock ALMA 50%	GB00B57MY342	0.13	1.30
				Schroders DMAF 50%	GB00B2Q1N453		
Cash – Active Fund	GB00BQQF4Z37	0.16	1.60	M&G Cash	GB0007067621	0.00	0.00
Corporate Bonds – Passive Fund	GB00BZ0D7H93	0.14	1.40	L&G Corporate Bond Over 15Y Index	GB00B3KHT936	0.00	0.00

Source: Fidelity

2b Lifestyle options outside the default arrangement

The funds' charges (expressed as "Total Expense Ratios") and transaction costs in the last year used in the Adventurous Lifestyle option were:

Fund	ISIN *	Charges		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
UK Equities – Active Fund	GB00BQQF5610	0.57	5.70	Baillie Gifford UK Core	GB00BZ3G2258	0.08	0.80
Diversified Assets – Active Fund	GB00BQQF5057	0.335	3.35	BlackRock ALMA 50%	GB00B57MY342	0.13	1.30
				Schroders DMAF 50%	GB00B2Q1N453		
Cash – Active Fund	GB00BQQF4Z37	0.16	1.60	M&G PP Cash Fund	GB0007067621	0.00	0.00
Corporate Bonds – Passive Fund	GB00BZ0D7H93	0.14	1.40	L&G Corporate Bond Over 15Y Index	GB00B3KHT936	0.00	0.00
Pre-retirement – Passive Fund	GB00BZ0D7G86	0.14	1.40	L&G Pre-Retirement	GB00B1RBGM68	0.00	0.00

Source: Fidelity

2c Self-select funds outside the default arrangement

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year for the self-select funds (which are not covered above) were:

Fund	ISIN *	Charges		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
Global Equities – Active Fund	GB00BQQF5164	0.72	7.20	MFS Global Equity Fund	LU0219433983	0.04	0.40
Overseas Equities – Passive Fund	GB00BQQF5495	0.32	3.20	M&G PP International Equity Fund	GB0031673444	0.08	0.80
Index-Linked Gilts Fund	GB00BQQF5388	0.16	1.60	M&G Index-Linked Fund	GB0031673337	-0.07	-0.70
Shariah – Passive Fund	GB00BQQF5503	0.35	3.50	HSBC Islamic Global Equity Index Fund	LU1092475968	0.02	0.20
UK Equities – Passive Fund	GB00BQQF5727	0.16	1.60	M&G UK Equity Passive	GB0031673550	0.04	0.40

Source: Fidelity

Appendix 3

This appendix shows the annual return, after the deduction of member borne charges and transaction costs for all investment options that members were previously able to select during the period from 1 April 2021 to 14 February 2022.

For the arrangements where returns varied with age, such as for the default arrangement, returns are shown over various periods for a member aged 25, 45 and 55 at the start of the period the returns are shown below.

These net returns make an approximate allowance for the basis on which Fidelity collected its charges specific to the Plan **but please note these figures exclude the £24 p.a. administration charge fixed charge.**

3a Investment performance - Default arrangement

The investment performance of the funds used in the default arrangement during periods up to 31 December 2021 net of all costs and charges expressed as an annual geometric compound percentage were:

Fund	1 year (%)		3 years (% p.a.)		5 years (% p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Global Equities - Passive Fund	19.8	19.6	15.9	16.2	11.0	11.3
Diversified Assets - Active Fund	6.8	8.3	6.8	5.3	4.5	5.4
Corporate Bonds - Passive Fund	-5.4	-6.6	7.9	7.6	5.0	4.9
Cash - Active Fund	-0.1	-0.1	0.2	0.2	0.2	0.2

Age of member on 31 December 2021 (years)	1 year (%)	5 year (% p.a.)
25	19.8	11.0
45	19.8	11.0
55	6.8	4.5

Source: Fidelity

3b Investment performance - Lifestyle options outside the default arrangement

The investment performance of the funds used in the Adventurous Lifestyle Option during periods up to 31 December 2021 net of all costs and charges expressed as an annual geometric compound percentage were:

Fund	1 year (%)		3 years (% p.a.)		5 years (% p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
UK Equities - Active Fund	15.7	18.3	8.3	8.3	5.1	5.4
Diversified Assets - Active Fund	6.8	8.3	6.8	5.3	4.5	5.4
Corporate Bonds - Passive Fund	-5.4	-6.6	7.9	7.6	5.0	4.9
Cash - Active Fund	-0.1	-0.1	0.2	0.2	0.2	0.2

Age of member on 31 December 2021 (years)	1 year (%)	5 year (% p.a.)
25	15.7	5.1
45	15.7	5.1
55	15.7	5.1

Source: Fidelity

Investment performance - Other investment options

The investment performance of the funds used in the other investment options during periods up to 31 December 2021 net of all costs and charges expressed as an annual geometric compound percentage were:

Fund	1 year (%)		3 years (% p.a.)		5 years (% p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Global Equities - Active Fund	18.3	22.9	18.3	19.2	12.2	12.9
UK Equities - Passive Fund	16.7	18.3	8.3	8.3	5.3	5.4
Overseas Equities - Passive Fund	12.5	11.4	14.7	15.0	10.2	10.9
Shariah - Passive Fund	27.4	28.1	26.5	27.0	18.3	19.1
Pre-Retirement - Passive Fund	-4.9	-4.9	5.9	5.8	3.8	4.0
Index-Linked Gilts - Passive Fund	4.6	4.2	7.0	7.7	4.9	5.0

Source: Fidelity