

Experian Retirement Savings Plan

Plan Registration Number: 10234178

Trustee's Annual Report and Financial Statements
For the Year Ended 31 March 2019

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Trustee and Plan Advisers

Trustee

Experian Retirement Savings Trustees Limited
The Sir John Peace Building
Experian Way
Nottingham NG80 1ZZ

Investment Consultant

Rona Train
Hymans Robertson LLP
One London Wall
London EC2Y 5EA

Investment Platform

FIL Life Insurance Limited
25 Cannon Street
London EC4M 5TA

Investment Performance Measurement

Hymans Robertson LLP
One London Wall
London EC2Y 5EA

Secretary to the Trustee

Martin Bowles
Experian Finance plc
6th Floor, Cardinal Place
80 Victoria Street
London SW1E 5JL

Auditors

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Pre-Retirement Guidance Providers

WEALTH at work

For Plan enquiries email: ExperianPensions@capita.co.uk

Administrator

Capita Employee Solutions
Hartshead House
2 Cutlers Gate
Sheffield S4 7TL

Banker

National Westminster Bank Plc
42 High Street
Sheffield S1 1QG

Annuity Adviser

(Appointed by the Trustee to
advise members upon
retirement)

Hargreaves Lansdown
1 College Square
Anchor Road
Bristol BS1 5HL

Legal Adviser

Linklaters LLP
One Silk Street
London EC2Y 8HQ

Trustee Report

Plan Management

The Trustee of the Experian Retirement Savings Plan (the Plan) presents its report and the audited financial statements of the Plan for the year ended 31 March 2019.

The financial statements have been prepared and audited in accordance with section 41(1) and (6) of the Pensions Act 1995.

Constitution of the Plan

The Experian Retirement Savings Plan is a defined contribution retirement savings arrangement governed by the Rules of the Plan dated 19 April 2013. The Rules ensure that the assets of the Plan are segregated from the finances of the Principal Employer, Experian Finance plc, and Participating Employers.

The Plan was established by the Principal Employer for the benefit of its employees and those of its subsidiary companies.

Social security and other legislation may override the provisions of the Rules from time to time. The Plan is also required to comply with tax legislation. The Plan is registered for tax purposes in line with the Finance Act 2004 and to the Trustee's knowledge there is no reason why such registration should be prejudiced or withdrawn.

Trustee of the Plan

Experian Retirement Savings Trustees Limited (the Trustee), is the trustee of the Plan. The Directors of the Trustee, are shown below:

Company appointed Directors:

Peter Blythe MA, FCMA, FCT (*Chairman*) - Former Director of Corporate Finance, Experian

Antony Barnes BSc, FCA, FCT - Director of Corporate Finance, Experian

BESTrustees Limited, represented by Peter Styles FPMI

Neil Musgrove BSc (Hons), ACA - Finance Director – Consumer Services, UK & EMEA, Experian

Catherine Jones, Bsc (Hons), CGMA - Finance Business Partner, EMEA, Experian

Alison Sharp (*appointed 23 October 2018*) - HR Director UKI & EMEA, Experian

Member Nominated Directors:

Nick Birch BSc (Hons), MCIPD - Senior Reward Manager EMEA, Experian

Katharine Walden, BA (Hons), AKC, (*to 3 June 2019*) - HR Manager, Global DA, Experian

Mark Langrish - Chief Procurement Officer, Experian

David Bernard – (*appointed 20 August 2019*) – SVP Marketing & Strategy, DA, Experian

Trustee Report (continued)

Plan Management (continued)

Appointment of Directors

The power of appointment and removal of the Trustee Directors is vested in the Principal Employer, as outlined in the Articles of Association of Experian Retirement Savings Trustees Limited.

The Trustee arrangements provide for nine Trustee Directors in total: six Company appointed Trustee Directors and three Member Nominated Directors. One of the Company appointed Trustee Directors is an Independent Trustee – BESTrustees.

Trustee Training

Legislation requires the Trustee Directors to have a specific level of knowledge and understanding about their Plan and its documentation, as well as about the law governing pensions.

A training programme for new Trustee Directors is in place, which involves a mix of external and independently run courses and internal training on specific topics by the Plan's consultant and legal advisers.

To ensure that their knowledge remains up to date, training sessions on new aspects of pensions legislation take place regularly at Trustee meetings. Individual training needs are reviewed on an annual basis and a training record is maintained for each Trustee Director, as recommended by the Pensions Regulator.

Plan Governance

To ensure that the Plan is administered in line with best practice, the Trustee has agreed an operational plan which outlines the main items of work to be covered during the year. The plan is reviewed annually.

An assessment of the risks inherent in the administration and investment of the Plan is also carried out by the Trustee on an annual basis, with details recorded in the risk register. The Trustee usually considers two or three risks from the risk register in detail at every meeting, in addition to the annual review.

The Trustee has in place a conflicts of interest policy and each Trustee Director is asked to declare any conflict of interest at the beginning of each meeting. In addition, a register of interests is circulated with a copy of the minutes of each meeting. Following publication of the DC Code of Practice by the Regulator, the Trustee has taken steps to meet these new governance standards. Further details are contained in the Governance Statement by the Chair of the Trustee on page 36.

The Department for Work and Pensions (DWP) has introduced new requirements on the governance of Defined Contribution schemes and member charges. The Trustee has developed a Plan specific objective matrix to illustrate how it meets the governance standards, produced a governance statement and prepared a Chair's statement in line with the DWP's requirements. The Trustee has also compiled and signed a charge cap compliance document.

Trustee Meetings

Trustee meetings are held regularly, usually three times a year. Each Trustee Director has one vote and a decision may be carried by simple majority. In the event of a tie, the Chairman will have the casting vote. There were no instances during the year when the casting vote was required.

Trustee meetings were well attended throughout the Plan year; two apologies were received at the Autumn Trustee meeting and one apology was received at the Spring and Summer meeting.

Trustee Report (continued)

Plan Management (continued)

Committees

The Investment Committee considers matters relating to investments: Two meetings were held during the year, on 25 April 2018 and 7 February 2019.

The Benefits Committee considers more complex individual cases and meetings are held as necessary. There were no Benefits Committee meetings required during the Plan year but a number of individual cases were referred to the Committee for approval.

The Communications Committee considers the content and presentation of member communications. There were no meetings during the year.

Principal Employer

The Principal Employer is Experian Finance plc. Its registered office is:

The Sir John Peace Building

Experian Way

Nottingham

NG80 1ZZ

Advisers

The Trustee is assisted by various professional advisers in the operation of the Plan. All advisers who have acted on behalf of, or have been retained by, the Trustee during the year are detailed on page 2 of this Report.

In accordance with the Pensions Act 1995, there are written agreements in place between the Trustee and each of the professional advisers identified earlier in this Report. On 25 May 2018 the EU's General Data Protection Regulation (GDPR) became operational and revised agreements were signed by the Trustee and their advisors to ensure full compliance with the new legislation.

Changes to the Plan

During the Plan year the Trustee considered options for providing improved education and support for members approaching retirement. Following a review of the market it was decided to appoint "Wealth at Work" to run a series of Pre-Retirement education seminars, the first of which took place in June 2018, with subsequent seminars held in September and October 2018. Further seminars are planned for the 2019/20 Plan year.

In January 2019, active Plan members were contacted to explain a proposal to increase minimum contributions to comply with government legislation which requires Experian to automatically enrol eligible employees into a qualifying workplace retirement arrangement with a minimum level of contributions. The proposal was to increase with effect from 1 April 2019, the minimum level of contributions for existing and new Plan members from 2% (Employee) and 4% (Employer), to 3% (Employee) and 7% (Employer).

A period of consultation ran until 25 March 2019, during which time no adverse comments were received from members. The change was implemented from 1 April 2019.

Financial Development of the Plan

The financial statements for the year ended 31 March 2019 are set out on pages 24 to 35. The Plan's assets at 31 March 2019 stood at £312,795,417 (2018: £289,718,202), an increase of £23,077,215.

Trustee Report (continued)

Plan Management (continued)

Membership

The table below details the membership of the Plan as at March 2019.

(i) **Active Members**

At 31 March 2018	3,367
Plus adjustment for late notification of new entrants	10
Plus adjustment for correction	1
Less adjustment for late notification of leavers with deferred benefits	(121)
Less adjustment for late notification of refunded members	(6)
Revised opening balance	3,251
Plus new entrants	605
Less: Refunds	(4)
Deferred pensioners	(574)
Retirements	(4)
Transfers out	(42)
Death in service	(1)
Total Active Members at 31 March 2019	3,231

(ii) **Deferred Pensioners**

At 31 March 2018	5,849
Plus adjustment for late notification of leavers	121
Less late notification of transfer out	(5)
Less late notification of death in deferment	(1)
Revised opening balance	5,964
Add new deferred pensioners	574
Less: Transfers out	(151)
Retirements	(86)
Full commutation	(37)
Deaths in deferment	(4)
Total Deferred Pensioners at 31 March 2019	6,260

The adjustments in the table above relate to movements notified to the administrator after the completion of the annual renewal process.

Trustee Report (continued)

Plan Management (continued)

Contributions

The Plan is funded by Employee and Employer contributions.

During the Plan year, employees were able to pay contributions of 2%, 3%, 4% or 5% of pensionable salary and receive Employer contributions of 4%, 7%, 8% or 10% of pensionable salary, respectively. Members were auto-enrolled into the Plan at the 2% (Employee) and 4% (Employer) contribution rates.

As explained on page 5, from 1 April 2019, employees are able to pay contributions of 3%, 4% or 5% of pensionable salary and receive Employer contributions of 7%, 8% or 10% of pensionable salary, respectively. Members are now auto-enrolled into the Plan at the 3% (Employee) and 7% (Employer) contribution rates.

Employer contributions were 20% for members at Grades EB4 to EB1. Employees at Grades EB5 and EB6 who joined the Plan before 1 April 2016 are entitled to Employer contributions of 20% and 15%, respectively. These employees pay a contribution of 5% (or less if restricted by the Annual Allowance).

During the Plan year an audit of contributions alerted the Trustee that, in error, contributions had not been paid correctly by the Employer to the Plan for five members. As soon as the Trustee became aware of these errors, each impacted members' contribution history was fully corrected to ensure no loss of benefit, with the cost of any correction funded by Capita and/or Experian. It was necessary to report two of the cases to the Pensions Regulator.

With the exception of the above cases, all other contributions received from the Employer and Employees were paid in accordance with the Schedule of Payments agreed between the Trustee and the Principal Employer.

The Employer operates SMART (salary sacrifice) for pension contributions. Employee contributions are therefore paid by the Employer for all members who are eligible to participate in SMART and who have not opted out. Employees are given the opportunity to opt in/out of SMART annually. The SMART arrangements can also include regular monthly Additional Voluntary Contributions paid by members.

Plan Administration Expenses

An annual charge of £24 is deducted from all active and deferred members' retirement accounts, towards the cost of administering the Plan. In addition, investment charges are included within the unit pricing of member funds as explained on page 11.

The remaining charges for running the Plan (e.g. accounting charges, life assurance premiums and professional fees) were met partly out of the Plan's undesignated assets – the General Reserve; and in part by the Principal Employer. The amount paid by the Employer is therefore not reflected in these financial statements, which only reflect the costs paid direct by the Plan. See details in Note 8.

Trustee Report (continued)

Plan Management (continued)

Transfer Values

Transfer values are equal to the value of the member's retirement account at the time of transfer.

There is no administration charge for transferring pension benefits into or out of the Plan.

Retirement Benefits

At retirement the proceeds of members' retirement accounts, after allowing for any tax-free cash, can be used to provide a retirement income in the form of:

- An annuity from an insurance company;
- Uncrystallised Funds Pension Lump Sum (UFPLS);
- Income Drawdown; or
- A combination of all three.

If an annuity is selected members can decide whether their annuity should include provision for any of the following optional features:

- annual increases once the annuity is in payment (e.g. at 3% or 5% per annum);
- a spouse's or dependant's pension to be paid on the death of the member and at what level (e.g. at 50% of the member's annuity);
- a minimum payment period so that if the member dies within this period the remaining pension instalments would be paid as a lump sum (e.g. 5 years).

The above additional features increase the cost of the annuity and result in a lower initial income on retirement.

The Trustee offers the services of Hargreaves Lansdown to assist members with annuity purchase at retirement. However, members are not required to use Hargreaves Lansdown for these services and they retain the option to deal directly with an insurance company or financial adviser of their choice.

Members have access to limited UFPLS through the Plan or, having taken appropriate financial advice, can arrange full UFPLS or income drawdown via an external retirement vehicle. To assist members approaching retirement WEALTH at Work have been appointed to run a series of Pre-Retirement seminars. Members can seek additional financial advice from WEALTH at Work at their own expense.

Trustee Report (continued)

Plan Management (continued)

The contributions payable to the Plan in respect of the year under the Schedule of Payments were as follows:

Summary of Contributions

	Members £	Employers £
Required by the Schedule of Payments		
Normal contributions	29,778	20,429,788
Other contributions payable		
AVCs	101,360	-
Total	<u>131,138</u>	<u>20,429,788</u>

Total contributions payable to the Plan

20,560,926

Trustee's Report (continued)

Investment Matters

Plan Investments

During the year Plan members were able to invest their retirement accounts in the following funds:

Either

(1) Any combination of the following 'own choice' funds:

Diversified Assets – Active Fund
Global Equities – Passive Fund
Global Equities – Active Fund
Overseas Equities – Passive Fund
UK Equities – Passive Fund
UK Equities – Active Fund
Index-Linked Gilts – Passive Fund
Cash – Active Fund
Shariah – Passive Fund
Corporate Bonds – Passive Fund
Pre-Retirement – Passive Fund

Or

(2) One of the following 'Lifestyle' strategies:

- Adventurous Lifestyle Option
- Lifestyle Option

Contributions for members who do not make any investment choice on joining the Plan are defaulted into the Lifestyle Option; details of this investment strategy can be found in the Plan's Investment Guide.

Funds are 'white labelled' and the underlying investment funds are currently as follows:

'White Label' Fund Description	Underlying Investment Fund
Diversified Assets – Active Fund	BlackRock Aquila Life Market Advantage Fund (ALMA) and Schroders Dynamic Multi-Asset Fund (DMAF)
Global Equities – Passive Fund	BlackRock (30:70) Global Equity Fund (Hedged)
Global Equities – Active Fund	MFS Global Equity Fund
Overseas Equities – Passive Fund	M&G International Equity Passive Fund
UK Equities – Passive Fund	M&G UK Equity Passive Fund
UK Equities – Active Fund	M&G Recovery Fund and Baillie Gifford UK Core Equity Fund
Index-Linked Gilts – Passive Fund	M&G Index-Linked Passive Fund
Cash – Active Fund	M&G Cash Fund
Shariah - Passive Fund	HSBC Amanah Fund
Corporate Bonds – Passive Fund	L&G Corporate Bond Over 15 years Index Fund
Pre-Retirement – Passive Fund	L&G Pre-Retirement Fund

Trustee's Report (continued)

Investment Matters (continued)

Custodial Arrangements

The investment managers have appointed BNY Mellon Asset Servicing BV (London Branch), State Street, JP Morgan and HSBC to act as custodians of the assets.

Investment Managers' Fees

Fees are not charged directly to the Plan; they are charged to the funds in which the Plan's assets are invested and are allowed for in the unit pricing valuation of the funds. This is in addition to the £24 per member charge noted on page 7.

At 31 March 2019, the Total Expense Ratios ("TER") ⁽¹⁾ for each fund were as follows:

Fund	% of market value
Diversified Assets – Active Fund	0.34
Global Equities – Passive Fund	0.18
Global Equities – Active Fund	0.71
Overseas Equity – Passive Fund	0.30
UK Equities - Passive Fund	0.15
UK Equities - Active Fund	0.70
Index-Linked Gilts – Passive Fund	0.15
Cash - Active Fund	0.16
Shariah – Passive Fund	0.35
Corporate Bonds – Passive Fund	0.14
Pre-Retirement – Passive Fund	0.14

⁽¹⁾ The TER includes the managers' investment management charges, custody, audit and accounting charges

Trustee's Report (continued)

Investment Matters (continued)

Lifestyle Strategies

The fees payable on the lifestyle strategies will depend on how far away a member is from the point of retirement. Below, we have outlined the investment fees (i.e. excluding the £24 per member annual charge) that members pay at various stages in the lifestyle strategies. The below charges are the Total Expense Ratios.

Years from retirement	Lifestyle Option	Adventurous Lifestyle Option
20	0.18%	0.70%
15	0.26%	0.70%
10	0.34%	0.70%
5	0.34%	0.34%

	Cash Lifestyle	Drawdown Lifestyle	Annuity Lifestyle
3 years from retirement	0.34%	0.32%	0.26%
At retirement	0.16%	0.25%	0.15%

The Plan receives a fee rebate calculated as 0.2% per annum of the unit holding in the M&G Recovery Fund (a constituent of the UK Equities – Active Fund) in excess of £20 million, paid quarterly. This rebate is distributed amongst members who invest in this fund.

A total of £460 was received in fee rebates for the year ending 31 March 2019 (2018: £Nil)

Performance Measurement

The Trustee has appointed Hymans Robertson LLP to monitor the Plan's investment performance.

Trustee's Report (continued)

Investment Matters (continued)

Performance

Investment returns (net of fees) as at the year-end for these funds are shown in the table below, together with the performance of the benchmark against which each fund is monitored:

Fund/Benchmark	Performance to 31.03.19 (Annualised) % ⁽¹⁾		
	1 year	3 years	5 years
Diversified Assets – Active Fund	1.29	4.53	3.94
<i>Consumer Prices Index (CPI) +3%</i>	<i>4.86</i>	<i>5.24</i>	<i>4.45</i>
Global Equities – Passive Fund	5.15	10.67	7.92
<i>30% FTSE All Share Index (UK), 60% Developed Overseas Equities with currency hedging back to sterling, and 10% Emerging Market Equities</i>	<i>5.31</i>	<i>11.01</i>	<i>8.26</i>
Global Equities – Active Fund	14.58	13.74	12.50
<i>MSCI World Index</i>	<i>11.98</i>	<i>14.36</i>	<i>12.17</i>
Overseas Equities – Passive Fund	6.16	13.09	10.04
<i>Mix of FTSE and MSCI regional indices</i>	<i>6.13</i>	<i>13.75</i>	<i>10.70</i>
UK Equities – Passive Fund	6.69	9.33	6.17
<i>FTSE All Share Index</i>	<i>6.36</i>	<i>9.51</i>	<i>6.10</i>
UK Equities – Active Fund	2.66	9.65	1.90
<i>FTSE All Share Index</i>	<i>6.36</i>	<i>9.51</i>	<i>6.10</i>
Index-Linked Gilts – Passive Fund	7.21	9.68	9.67
<i>FTSE A Over 5 Years Index-Linked</i>	<i>5.68</i>	<i>9.09</i>	<i>9.87</i>
Cash – Active Fund	0.48	0.23	0.26
<i>7 Day London Interbank Deposit Rate (LIBID)</i>	<i>0.51</i>	<i>0.31</i>	<i>0.33</i>
Shariah – Passive Fund	18.75	15.68	n/a
<i>Dow Jones Islamic Market Titans Index</i>	<i>18.59</i>	<i>16.39</i>	<i>n/a</i>
Corporate Bonds – Passive Fund	6.53	7.13	n/a
<i>L&G AAA-AA-A Over 15Y Index</i>	<i>5.39</i>	<i>7.22</i>	<i>n/a</i>
Pre-Retirement – Passive Fund	5.01	5.70	n/a
<i>Composite Bonds and Gilts</i>	<i>4.69</i>	<i>5.90</i>	<i>n/a</i>

⁽¹⁾ n/a means that the funds were not available at the start of the period.

Trustee's Report (continued)

Investment Matters (continued)

Fund Distribution

The following table provides a breakdown of the Plan's investment assets at the beginning and end of the year.

Plan Breakdown (By Fund)	31/03/19	31/03/18
	%	%
Diversified Assets – Active Fund	25.7	24.7
Global Equities – Passive Fund	50.4	51.1
Global Equities – Active Fund	3.0	2.7
Overseas Equities – Passive Fund	2.3	2.4
UK Equities – Passive Fund	1.6	1.7
UK Equities – Active Fund	12.6	13.3
Index-Linked Gilts – Passive Fund	1.5	1.6
Shariah – Passive Fund	0.1	0.1
Corporate Bonds – Passive Fund	0.6	0.5
Pre-retirement – Passive Funds	0.2	0.2
Cash – Active Fund	2.0	1.8
Total	100.0	100.0

Investment reports for the actively managed funds

Investment Policy and Performance for UK Equities – Active Fund

At the Plan year-end, 12.6% of the Plan's assets were invested in the UK Equities – Active Fund. The UK Equities – Active Fund is a 50:50 blend of the M&G UK Recovery Fund and the Baillie Gifford UK Core Equity Fund.

Trustee's Report (continued)

Investment Matters (continued)

Investment Policy and Performance for UK Equities – Active Fund (continued)

Investment Policy

The UK Equities – Active Fund invests in shares of UK companies on an active basis, i.e. the underlying fund managers have discretion to construct portfolios whose composition differs from the benchmark to seek an outperformance of the benchmark. In August 2016, the Trustee decided to add the Baillie Gifford UK Core Equity Fund into the ERSP Active UK Equities Fund alongside the M&G UK Recovery Fund to provide more balance.

The M&G UK Recovery Fund seeks to invest in companies which are out of favour, in difficulty or whose prospects are not fully recognised by the market and where management is working to turn the business around. The M&G UK Recovery Fund invests primarily in the shares of UK listed companies but can also invest a limited amount in the shares of overseas companies and UK government bonds.

The M&G UK Recovery Fund underperformed its benchmark by 5.3% over the year but has outperformed by 0.5% since August 2016.

The Baillie Gifford UK Core Equity Fund is a relatively concentrated portfolio with a growth style and an overweight position to mid-cap stocks. The portfolio is more defensively positioned than the M&G UK Recovery Fund. Since the Baillie Gifford UK Core Equity Fund was introduced in August 2016 it has outperformed the FTSE All-Share benchmark by 2.3% per annum.

Investment Policy and Performance for Global Equities – Active Fund

The Global Equities – Active Fund invests in global listed company shares. The Fund aims to outperform the MSCI World Index over the long-term. The Fund returned 14.6% over the 12 months ending 31 March 2019, outperforming the Index by 2.3%.

The Fund's strategy is focused on high-quality companies with sustainable above-average growth and returns, whose prospects are not reflected in their valuation.

Investment Policy and Performance for Diversified Assets – Active Fund

The Diversified Assets – Active Fund invests in a broad range of asset classes including company shares, bonds and property. The Fund is a blend of two underlying funds, comprising the BlackRock Aquila Life Market Advantage (ALMA) Fund (50%) and the Schroders Dynamic Multi-Asset (DMAF) Fund (50%). The Fund has a target of outperforming CPI by 3%. The Fund returned 1.3% over the year to 31 March 2019, underperforming its benchmark by 3.4%.

Trustee's Report (continued)

Investment Matters (continued)

Investment Policy and Performance for Diversified Assets – Active Fund (continued)

The BlackRock ALMA Fund returned 4.2% (gross of fees) over the year, underperforming the benchmark by 0.7%. Since inception the fund is 0.2% ahead of benchmark.

The Schrodgers DMAF returned -0.8% (gross of fees) over the year, underperforming its benchmark by 6.7%. The Fund's currency trades detracted significantly from performance, as did positions held across global equities.

Investment Policy and Performance for Cash – Active Fund

The Cash – Active Fund aims to provide a return consistent with investing in unsecured interest-bearing deposits and/or reverse repurchase agreements, as well as short-term UK Government bonds. The Fund is actively managed with the aim of beating its benchmark of the London Interbank 7 Day Deposit Rate, over rolling three year periods.

The Fund recorded a return of 0.5% over the 12 months under review, broadly in line with its benchmark return.

The Fund continued to be actively managed with a focus on capital preservation and liquidity. The Fund was primarily invested in reverse repurchase agreements ('reverse repos') which provide collateral, usually short-term gilts, against cash deposits made by the Fund. All reverse repos were transacted with banks from M&G's counterparty credit risk panel and had a maturity of no more than one month.

Investment Policy and Performance for all other funds

The remainder of the Plan's investment options are passively managed and performance is benchmarked against the relevant indices.

Investment Principles

The Plan's Statement of Investment Principles ("SIP") was not reviewed during the year, given an investment strategy review was rescheduled until later during 2019. The SIP has been subsequently updated in light of the changes agreed and as per the new regulations brought in surrounding requirements on Environmental, Social and Governance issues.

Compliance Matters

Data Protection Statement

The operation of the Experian Retirement Savings Plan relies on the collection, storage and use of certain information about members of the Plan (e.g. name, address, telephone number, salary, employment details, bank details, etc). The processing of this information is subject to the data protection regime established by the applicable data protection legislation. This statement sets out the data processing practices carried out by Experian Retirement Savings Trustees Limited in the administration of the Plan.

The Trustee processes members' information solely for the purposes of calculating and providing members' benefits and for the efficient administration of the Plan. The Trustee may have information about members that has been provided by third parties. For example, if a member under age 55 has applied for an ill-health pension, with the member's consent we will collect medical information from a doctor.

The Trustee will only disclose this information to the following:

- companies in the Experian Group
- a successor to Experian Retirement Savings Trustees Limited
- the Plan's Consultants, Lawyer, Auditors and other professional advisers
- insurance companies and other third parties engaged by the Trustee to process information for the administration of the Plan, or that may need the information for the efficient operation of the Plan.

Capita, the Plan Administrator, follows the same policies with regard to the collection, storage and processing of data.

The General Data Protection Regulation (GDPR) came into effect during the Scheme year. The Trustees have taken the following steps to comply with GDPR;

- All members have been issued with a Privacy Notice setting out certain information, including what is held and why, provisions relating to the disclosure, transfer, security and retention of data as well as members' rights.
- Contracts with Third-Parties have been updated to ensure that they comply with GDPR regulations.
- The Trustees, as Data Controllers, have established a detailed 'Data Protection Policy' to demonstrate that they comply with the new requirements.
- The previous Non-Disclosure Agreements have been updated and signed by the Trustees.

Pensions Tracing Service

The Plan is registered with the Pensions Tracing Service (formerly the Pension Schemes Registry). The register of pension schemes is maintained to assist members in tracing their benefits if they lose touch with their ex-employers or schemes. Tracing forms may be obtained from The Pensions Tracing Service, www.gov.uk/find-lost-pension.

Compliance Matters (continued)

The Pensions Advisory Service (TPAS)

The Money and Pensions Service is a new service which has been introduced in 2019 combining pension guidance, money guidance and debt advice. These services are currently provided by three separate government entities; The Pensions Advisory Service (TPAS), Pension Wise and the Money Advice Service. As 2019 progresses an integrated service will be offered. Members who have general requests for information or guidance concerning their pension arrangements may contact:

Money and Pensions Service
Holborn Centre
120 Holborn
London
EC1N 2TD

Telephone: 0115 965 9570

Email: contact@singlefinancialguidancebody.org.uk

Website: www.singlefinancialguidancebody.org.uk

The Pensions Advisory Service
11 Belgrave Road
London
SW1V 1RB

Telephone: 0800 011 3797

Website: www.pensionsadvisoryservice.org.uk

Pension Wise
PO Box 10404
Ashby de la Zouch
Leicestershire
LE65 9EH

Email: contact@pensionwise.gov.uk

Website: www.pensionwise.gov.uk

Pensions Ombudsman

The Plan falls within the jurisdiction of the Pensions Ombudsman to whom complaints and disputes may be referred, after completion of the Plan's formal Internal Dispute Resolution Procedure and usually after first seeking the help of TPAS. The Ombudsman's address is 1st Floor, 10 South Colonnade, Canary Wharf, London, E14 4PU / www.pensions-ombudsman.org.uk.

Internal Dispute Resolution Procedure

The Trustee has prepared an Internal Dispute Resolution Procedure which is available to all Plan members on request.

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), are the responsibility of the Trustee. Pension scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Plan during the Plan year and of the amount and disposition at the end of the Plan year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Plan year, and
- contain the information specified in Regulations 3 and 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Plan will not be wound up.

The Trustee is also responsible for making available certain other information about the Plan in the form of an annual report.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Plan and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is responsible under pensions legislation for securing that a payment schedule is prepared, maintained and from time to time revised showing the rates of contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Plan and for adopting risk-based processes to monitor whether contributions are made to the Plan by the employer in accordance with the payment schedule. Where breaches of the schedule occur, the trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members. The Trustee is responsible for the maintenance and integrity of the financial information of the Plan included on the Plan's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Contact for Further Information

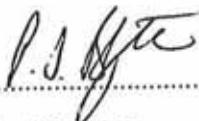
Any enquiries or complaints about the Plan, including requests from individuals for information about their benefits or Plan documentation, should be sent to:

Capita Employee Solutions
2 Cutlers Gate
Sheffield
S4 7TL

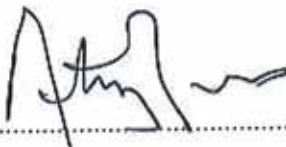
ExperianPensions@capita.co.uk

Tel No. 0114 229 8273

Signed on behalf of the Trustee of the Plan by:


.....
Trustee Director

Date: 21/10/19.....


.....
Trustee Director

Date: 21/10/2019.....

Independent Auditors' Report to the Trustee of the Experian Retirement Savings Plan

Opinion

We have audited the financial statements of the Experian Retirement Savings Plan (the 'Plan') for the year ended 31 March 2019, which comprise the Fund Account, the Statement of Net Assets available for Benefits and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the plan during the year ended 31 March 2019, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulations 3 and 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Plan's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Trustee of the Experian Retirement Savings Plan (continued)

Other information

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Trustee for the financial statements

As explained more fully in the Trustee's responsibilities statement set out on page 19, the Trustee is responsible for the preparation of financial statements which show a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Plan, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trustee, as a body, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

London

21/10 2019

Independent Auditors' Statement about Contributions to the Trustee of the Experian Retirement Savings Plan

We have examined the Summary of Contributions to the Experian Retirement Savings Plan (the 'Plan') in respect of the Plan year ended 31 March 2019 which is set out in the Trustee report on page 9.

In our opinion, contributions for the Plan year ended 31 March 2019 as reported in the Summary of Contributions and payable under the Schedule of Payments have in all material respects been paid at least in accordance with the Schedule of Payments certified by the plan actuary on 1 April 2016.

Scope of work on the Statement about Contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the Summary of Contributions have in all material respects been paid at least in accordance with the Schedule of Payments. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the plan and the timing of those payments under the Schedule of Payments.

Respective responsibilities of the Trustee and the auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on page 19, the Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a Schedule of Payments and for monitoring whether contributions are made to the Plan by the Company in accordance with the Schedule of Payments.

It is our responsibility to provide a statement about contributions paid under the Schedule of Payments and to report our opinion to you.

Use of our statement

This statement is made solely to the Trustee, as a body, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees as a body, for our work, for this statement, or for the opinions we have formed.



Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London

21/10 2019

Fund Account

For the year ended 31 March 2019

		2019 £	2018 £
Contributions and benefits			
Employer contributions		20,429,788	20,124,395
Employee contributions		131,138	163,724
Total contributions	3	<u>20,560,926</u>	<u>20,288,119</u>
Transfers in	4	1,068,045	780,085
Other income	5	151,164	326,966
		<u>21,780,135</u>	<u>21,395,170</u>
Benefits paid or payable	6	(2,589,753)	(2,167,082)
Payments to and on account of leavers	7	(8,000,377)	(7,351,075)
Administration expenses	8	30,213	(148,776)
Other payments	9	(346,878)	(303,356)
		<u>(10,906,795)</u>	<u>(9,970,289)</u>
Net additions from dealings with members		<u>10,873,340</u>	<u>11,424,881</u>
Returns on investments			
Change in market value of investments	10	12,203,875	12,136,239
Net returns on investments		<u>12,203,875</u>	<u>12,136,239</u>
Net increase in the fund during the year		23,077,215	23,561,120
Net assets of the Plan at start of year		<u>289,718,202</u>	<u>266,157,082</u>
Net assets of the Plan at end of year		<u>312,795,417</u>	<u>289,718,202</u>

The accompanying notes on pages 26 to 35 are an integral part of these financial statements.

Statement of Net Assets available for Benefits

As at 31 March 2019

	Note	2019 £	2018 £
Pooled investment vehicles	10	310,862,265	287,799,327
Current assets	15	2,378,216	2,359,156
Current liabilities	16	(445,064)	(440,281)
		<u>312,795,417</u>	<u>289,718,202</u>


The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year.

The accompanying notes on pages 26 to 35 are an integral part of these financial statements.

The Financial Statements were approved on behalf of the Trustee and signed on its behalf

on *21 October* 2019.


Peter Blythe


Antony Barnes

Notes to the Financial Statements

1. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with guidance set out in the Statement of Recommended Practice (Revised November 2014).

2. Accounting policies

The principal accounting policies of the Plan are as follows:

Investments are stated at market value

The changes in investment market values are accounted for in the year in which they arise and include profits and losses on investments sold as well as unrealised gains and losses in the value of investments held at the year end.

Investments are included at fair value as described below:

Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV), determined in accordance with fair value principles, provided by the pooled investment manager.

Assets are valued at bid price where there is a bid/offer spread or at the single price as advised by the investment manager.

Contributions and benefits

Member, Employer normal and AVC contributions are accounted for in the same period as the salary they are deducted from or on which they are based and are accounted for on an accruals basis, except for the first contribution due where the employee has been auto-enrolled by the Employer in which case it is accounted for when received by the Plan or the expiry of the opt out period if earlier.

Benefits are accounted for at the later of retirement date and the date the option is expressed. Benefits and any associated taxation due to lifetime or annual allowances where the member has elected for the Plan to settle the liability on their behalf, are accounted for in the period in which the member notifies the Trustee of his/her decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.

Transfer values

Transfer Values have been included in the Financial Statements when the trustees of the receiving scheme accept the fund of the transferring members. They do not take account of members who have notified the Plan of their intention to effect a transfer.

Notes to the Financial Statements (continued)

2. Accounting Policies (continued)

Annuities

Members' retirement annuities are purchased from insurance companies where members elect to use some or all of their funds to do so. The cost of the annuity is accounted for in the Fund Account for the period in which the Plan's liability is discharged. Such policies are not included in the Statement of net assets available for benefits as these are in the name of the member and so the liabilities are fully discharged.

Investment income

Interest on bank deposits is accounted for as it accrues.

Investment income arising from the underlying investments of pooled investment vehicles is reinvested within the pooled investment vehicles and reflected in the unit price. It is reported within the change in market value.

Other income and expenses

Administration Expenses take into account that due to the nature of the Plan, when the General Reserve is not sufficient to cover all fees and expenses incurred, the Principal Employer covers the shortfall.

3. Contributions

	2019 £	2018 £
Employer contributions		
Normal	20,429,788	20,124,395
Employee contributions		
Normal	29,778	28,500
Additional voluntary contributions	101,360	135,224
	<u>131,138</u>	<u>163,724</u>
	<u>20,560,926</u>	<u>20,288,119</u>

Within Employer normal contributions £7,515,192 (2018: £7,242,230) related to SMART contributions.

4. Transfers in

	2019 £	2018 £
Individual transfers in from other schemes	<u>1,068,045</u>	<u>780,085</u>

Notes to the Financial Statements (continued)

5. Other income

	2019 £	2018 £
Bank interest	651	-
Death in service insurance receipts	147,951	320,174
Compensation	2,562	6,792
	<u>151,164</u>	<u>326,966</u>

6. Benefits paid or payable

	2019 £	2018 £
Commutations and lump sum retirement benefits	1,807,707	1,541,387
Purchase of annuities	380,520	212,333
Lump sum death benefits	345,184	401,568
Annual Allowance tax charges paid on behalf of members	56,342	11,794
	<u>2,589,753</u>	<u>2,167,082</u>

7. Payments to and on account of leavers

	2019 £	2018 £
Refunds to members leaving service	28,700	44,507
Individual transfers to other schemes	7,943,145	7,306,568
Pension sharing on divorce	28,532	-
	<u>8,000,377</u>	<u>7,351,075</u>

Notes to the Financial Statements (continued)

8. Administration expenses

	2019 £	2018 £
Administration and processing	421,733	390,589
Consultancy fees	93,188	109,998
Audit fees	12,100	26,500
Legal & other professional fees	52,942	58,258
Registration levy	13,366	12,732
Trustee fees	43,623	45,593
Bank charges	-	12
Expenses met by Employer*	(667,165)	(494,906)
	<u>(30,213)</u>	<u>148,776</u>

*An element of expenses met by the Employer includes premiums on life assurance.

In 2019 and 2018 the General Reserve was not sufficient enough to cover all the expenses incurred, and the Principal Employer covered the shortfall.

9. Other payments

	2019 £	2018 £
Premiums for term assurance	346,878	303,356

10. Reconciliation of investments held at the beginning and end of the year

The investments comprise defined contribution assets which are allocated to provide benefits to the individuals on whose behalf the contributions were paid. Those assets identified as designated to members in the net assets statement accordingly do not form a common pool of assets available for members generally. Members receive an annual statement confirming the contributions paid on their behalf and the value of their defined contribution rights.

	Value at 1 April 2018 £	Purchases at cost £	Sales proceeds £	Change in market value £	Value at 31 March 2019 £
Pooled investment vehicles	287,799,327	38,668,457	(27,809,394)	12,203,875	310,862,265

Included in the above investments are invested additional voluntary contributions of £11,939,224 (2018: £10,656,722).

There are no non-designated investment balances as at 31 March 2019 (2018: £Nil).

Notes to the Financial Statements (continued)

10. Reconciliation of investments held at the beginning and end of the year (continued)

The following investments exceeded 5% of the net assets of the Plan:

	£	2019 %	£	2018 %
Pooled Funds				
Global Equities – Passive Fund	156,741,715	50.1	146,809,741	50.7
Diversified Assets – Active Fund	79,819,935	25.5	71,225,615	24.6
UK Equities – Active Fund	39,110,578	12.5	38,444,912	13.3

11. Transaction costs

Transaction costs are included in the cost of the purchase and sale proceeds. Transaction costs include costs charged directly to the Plan such as fees, commissions, stamp duty and other fees. Indirect costs are incurred through the bid-offer spread on investments within pooled investments vehicles. The amount of indirect costs is not provided to the Plan separately.

12. Pooled investment vehicles

The Plan's investments in pooled investment vehicles at the year end comprised:

	2019 £	2018 £
Diversified Growth	79,819,935	71,225,615
Equities	217,369,556	204,666,611
Bonds	7,375,185	6,515,741
Cash	6,054,126	5,183,297
Shariah	243,463	208,063
	<u>310,862,265</u>	<u>287,799,327</u>

The Plan's pooled investments are held in the name of the Plan. Income generated by these units is not distributed but retained within the pooled investments and reflected in the market value of the units.

The companies managing the pooled investment vehicles are all registered in the United Kingdom.

Notes to the Financial Statements (continued)

13. Fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Plan's investment assets and liabilities have been fair valued using the above hierarchy levels as follows:

As at 31 March 2019	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	-	310,862,265	-	310,862,265
As at 31 March 2018				
Pooled investment vehicles	-	287,799,327	-	287,799,327

14. Investment risk disclosures

FRS 102 requires certain disclosures in relation to investment risks arising from financial instruments. Retirement benefit plans need to disclose information that enables users of its financial statements to evaluate the nature and extent of the market risk and credit risk arising from the investments at the end of the reporting period.

It defines market risk as:

"the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk."

Interest rate risk – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Currency risk – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Other price risk – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Notes to the Financial Statements (continued)

14. Investment risk disclosures (continued)

It defines credit risk as:

"the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation."

The Trustee determines its investment strategy after taking advice from its investment consultant. The Plan has exposure to these risks because of the investments it makes in the investment strategy set out below. The Trustee manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Plan's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Plan's investment managers and monitored by the Trustee by regular reviews of the investment portfolio.

Further information on the Trustee's approach to risk management, credit and market risk is set out below.

Investment strategy

The Trustee's objective is to make available to members of the Plan an appropriate range of investment options designed to generate capital growth or income protection, which together with new contributions from members and their employer, will provide a retirement amount with which the member can purchase a pension annuity (or other type of retirement product), enter a drawdown strategy or take a cash lump sum. The Statement of Investment Principles outlines the investment objectives and strategy for the Plan's funds.

The investment funds offered to members are white label funds provided by Fidelity as follows:

- Diversified Assets – Active Fund
- Global Equities – Passive Fund
- Global Equities – Active Fund
- Overseas Equities – Passive Fund
- UK Equities – Passive Fund
- UK Equities – Active Fund
- Index-Linked Gilts – Passive Fund
- Cash – Active Fund
- Shariah – Passive Fund
- Corporate Bonds – Passive Fund
- Pre-Retirement – Passive Fund

The Trustee accesses the investment funds through an 'investment only' platform with FIL Life Insurance Limited. The day-to-day management of the underlying investments of the funds is the responsibility of the underlying investment managers selected by the Plan, including the direct management of credit and market risks.

The Trustee monitors the underlying risks by quarterly investment reviews with the Plan's investment consultant.

Notes to the Financial Statements (continued)

14. Investment risk disclosures (continued)

Investment strategy (continued)

Credit risk

FIL Life Insurance Limited and the underlying investment managers are regulated by the Financial Conduct Authority and maintain separate funds for their policy holders. The Trustee reviews the creditworthiness of FIL Life Insurance Limited and the underlying investments from time to time. The Plan is subject to indirect credit and market risk arising from the underlying investments held in the 'white label' funds. Member level risk exposures will be dependent on the funds invested in by members. The Trustee manages indirect credit risk by selecting funds that construct diverse portfolios of investments across various markets and with various investment managers.

Indirect credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate, and diversification of investments amongst a number of pooled arrangements. The Trustee carries out due diligence checks on the appointment of new managers and on an ongoing basis monitors any changes to the operating environment of the pooled manager.

Market risk

The Plan is subject to indirect foreign exchange, interest rate and other price risk arising from the underlying financial instruments held in the funds managed by the Plan's investment managers.

The Plan is subject to interest rate risk via the Plan's holdings in bond, gilt and diversified growth funds. If interest rates fall, the value of these investments will rise but if interest rates rise, these assets will fall in value. This is used primarily to protect members wishing to purchase an annuity from fluctuations in annuity prices as they approach retirement.

Other price risks arise principally from the Plan's equity and diversified growth funds. Some of the Plan's managers use derivatives as a way of obtaining efficient exposure to investment markets. The Trustee manages other price risk by selecting funds that construct diverse portfolios of investments across various markets and with various investment managers.

The Plan is subject to currency risk from a proportion of its investments in overseas equities, diversified funds and other financial instruments.

The following table illustrates the extent to which the Plan's investments are subject to the above risks:

DC Investment assets	Market Value as at 31 Mar 2019 (£)	Credit risk	Interest rate risk	Currency risk	Other risk
Pooled Investment Vehicle (PIV) Equities	217,613,019	No	No	Yes	Yes
PIV Diversified Growth	79,819,935	Yes	Yes	Yes	Yes
PIV Bonds ¹	13,429,311	Yes	Yes	No	No
Total	310,862,265				

¹Includes exposure to the M&G Cash Fund.

Notes to the Financial Statements (continued)

15. Current assets

	2019 £	2018 £
Designated to members		
Cash at bank	2,094,125	2,261,606
Cash in transit	150,051	40,424
Death in service insurance receivable	113,051	-
	<u>2,357,227</u>	<u>2,302,030</u>
	2019 £	2018 £
Not designated to members		
Cash at bank	20,989	57,126
Total current assets	<u>2,378,216</u>	<u>2,359,156</u>

Cash in transit is funds disinvested by the investment manager that have not been received in the Trustee bank account until after the year end.

Cash at bank includes March 2019 contributions which were invested on 3 April 2019.

The assets not designated to members continue to be utilised to meet Plan expenses.

16. Current liabilities

	2019 £	2018 £
Designated to members		
Unpaid benefits	<u>332,216</u>	<u>357,970</u>
Not designated to members		
Accrued expenses	93,989	56,714
Other creditors	18,859	25,597
	<u>112,848</u>	<u>82,311</u>
Total current liabilities	<u>445,064</u>	<u>440,281</u>

The accrued expenses are amounts due to the employer as explained further in note 17.

Notes to the Financial Statements (continued)

17. Related party transactions

Related parties include the Principal Employer and its related companies and the Trustee of the Plan.

Certain Plan administration and investment management expenses are paid by the Principal Employer during the year and recharged to the Plan. The amount due to the Principal Employer at the year end was £93,989 (2018: £56,714). During the year Plan administration and investment management expenses of £265,000 (2018: £435,000) were paid by the Plan to the Principal Employer. It should also be noted that in the Plan year ending 31 March 2019 the General Reserve was not sufficient to cover all these expenses and, the Principal Employer covered the shortfall, to the value of £667,165 (2018: £494,906).

Five Trustee Directors were active members of the Plan during the year.

There were amounts payable to the Employer of £160,223 (2018: £157,942) in respect of secretarial and staff services provided to the Plan during the year to 31 March 2019.

Trustee fees paid during the year are disclosed under note 8; Administrative Expenses.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles)

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 Board, with help from our professional advisers, to meet the governance standards required by law. The information that has to be included in this Statement is covered in paragraphs 1 to 6 below.

This Statement confirms for the last year:

- The Plan's default investment arrangement remained suitable for most members;
- Details of the charges and costs borne by members;
- The Plan provided good Value for Members;
- Financial transactions were carried out promptly and efficiently;
- How the Trustee Board has kept its knowledge of pension matters up-to-date;
- The actions being taken by the Trustee to improve Value for Members.

Signed on behalf of the Trustee by: P J Blythe



Chair of the Trustee of the Experian Retirement Savings Plan

Date: 25/9/19

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 the Occupational Pension Schemes (Charges and Governance) Regulations 2015 (SI 2015/879); and
The Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 (SI 2018/233).

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

1 Default investment arrangement

The Trustee has set up a default investment arrangement which is provided for members who join the Plan and do not choose an investment option for their contributions. Members can also choose to invest in funds outside of the default investment arrangement. This year around 80% (79% in 2018) of our members had their contributions invested in the default investment arrangement.

Setting an appropriate investment strategy

The Trustee is responsible for investment governance. This includes setting and monitoring the investment strategy for the Plan's default arrangement.

The Trustee Board has 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 a document called the Statement of Investment Principles. This document is included as an appendix to this Statement.

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

- For members over 20 years from their target retirement date, to invest in funds that are expected, over the long-term, to deliver strong returns relative to inflation. We call this the "Growth" phase.
- Between 20 years and 10 years from retirement, to move gradually into funds that provide growth, although at a lower rate, but also with a lower degree of fluctuation to provide protection against significant market falls. We call this the "Consolidation" phase.
- No further investment changes are made between 10 and 5 years from retirement.
- During the last 5 years before retirement, to invest increasingly in funds which match our members' expected retirement plans. We call this the "Pre-retirement" phase. If members do not choose an investment strategy for the last 5 years we project forward how large their retirement accounts are estimated to be when they retire. If the account is projected to be less than £30,000, the member will be defaulted into a strategy that targets a position with 100% in cash at the point of retirement as we expect them to take most, or all, of their retirement account as cash. For those members with a larger projected retirement account size, we default them to a strategy that has a range of assets classes and retains the potential for growth as we believe these members are more likely to access their benefits flexibly after retirement.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Reviewing the default investment arrangement

The Trustee is expected to:

- review the investment strategy and objectives of the default investment arrangement at regular intervals, and at least once every 3 years; and
- consider the needs of the Plan membership when designing the default arrangement.

The Trustee believes that the default arrangement remains appropriate for the majority of the Plan's members. The Plan's Investment Committee reviews the investment objectives and performance of the default arrangement on a regular basis (performance on a quarterly basis). A high-level review of the default investment strategy takes place once a year on the advice of Hymans Robertson, the Plan's investment adviser with a formal review every three years.

The investment strategy underlying the default arrangement was scheduled for formal review in 2018. Hymans Robertson completed a review on 25 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. As part of this 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 in initially discussed on 4 November 2014 and implemented in July 2015. 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 Trustee 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 Trustee concluded that the default investment strategy remains suitable for our members at the present time.

The next review of investment strategy is scheduled to be carried out no later than 2021.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

2 Charges paid by members

We are required to explain the charges and transaction costs which are paid for by our members, either solely or in conjunction with the employer. Our members pay investment charges, which depend 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 is 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 year covered by this Statement. Based on the law, this means that the maximum investment charge (defined as the Total Expense Ratio - see below for definition) permitted on any investment fund within the default arrangement is no higher than 0.40% p.a. The Plan complies with this, and the Trustee continually monitors compliance with the charge cap on a quarterly basis. The balance of the Plan's running costs, including the governance of the Plan, are met by the employer.

The charges quoted in this Statement are the funds' Total Expense Ratios ("TER"s) 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 is a "lifestyle strategy" which invests contributions in funds according to how far each member is from their target retirement date. As a result, charges borne by each member can vary from one year to the next.

During the year covered by this Statement, the member-borne investment charges for the default arrangement were in a range from 0.15% to 0.39% of the amount invested, with the upper rate reducing to 0.34% when the Schroders Dynamic Multi Asset Fund (an underlying fund) fees are reduced from 1 April 2019 (post Plan year end). Put another way, for the year to 31 March 2019, this equates to a range of between £1.50 to £3.90 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 March 2019	
	% p.a.	£ per £1,000
Up to 20 years	0.18	1.80
15 years	0.26	2.60
10 years	0.39	3.90
5 years	0.39	3.90
At retirement – cash	0.16	1.60
At retirement – drawdown	0.25	2.50
At retirement – annuity	0.15	1.50

Source: Fidelity

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

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

b) Charges for the Adventurous Lifestyle Option

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

During the year covered by this Statement the member-borne charges for the adventurous lifestyle option were in a range from 0.15% to 0.70% p.a. of the amount invested or, put another way, in a range from £1.50 to £7.00 per £1,000 invested. The figures exclude the £24 p.a. administration charge.

Period to target retirement date	TER charge as at 31 March 2019	
	% p.a.	£ per £1,000
Up to 20 years	0.70	7.00
15 years	0.70	7.00
10 years	0.70	7.00
5 years	0.34	3.40
At retirement – cash	0.16	1.60
At retirement – drawdown	0.25	2.50
At retirement - annuity	0.15	1.50

Source: Fidelity

As with the default arrangement, from 1 April 2019 (post Plan year end), there was a reduction on fees on one of the funds which underlies the Adventurous Lifestyle Option (the Schroders Dynamic Multi Asset Fund). This improved outcomes for all members with less than 10 years to their target retirement age.

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

The investment charges applicable to the full list of Self-Select funds offered under the Plan, outside the default arrangement, during the Plan year were	TER charge as at 31 March 2019	
	% p.a.	£ per £1,000
Global Equities - Active Fund	0.71	7.10
UK Equities - Active Fund	0.70	7.00
Global Equities - Passive Fund	0.18	1.80
UK Equities - Passive fund	0.15	1.50
Overseas Equities - Passive Fund	0.30	3.00
Shariah - Passive Fund	0.35	3.50
Diversified Assets - Active Fund	0.34	3.40
Corporate Bonds - Passive Fund	0.14	1.40
Pre-Retirement - Passive Fund	0.14	1.40
Index-Linked Gilts - Passive Fund	0.15	1.50
Cash - Active Fund	0.16	1.60

Source: Fidelity

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

During the year, the TER of the Global Equities - Active Fund increased marginally by 0.01% p.a. This was due to an increase in the underlying charges for the fund, there was no increase in the manager fee for this fund. On 1 April 2019 (post the Plan year end), the TER on the Diversified Assets - Active Fund decreased by 0.05% p.a. as members benefited from a reduction in the fee of one of the underlying funds (Schroders Dynamic Multi Asset Fund).

3 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).

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 -0.05% to 0.35% of the amount invested or, put another way, in a range from -£0.50 to £3.50 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 default arrangement during the year were in a range from -0.09% to 0.35% of the amount invested or, put another way, in a range from -£0.90 to £3.50 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 0.04% of the amount invested or, put another way, in a range from -£0.70 to £0.40 per £1,000 invested. The table in Appendix 2c gives the transaction costs for each individual fund.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Impact of costs and charges

The Trustee has asked the Plan's adviser, Hymans Robertson, to illustrate the impact over time of the costs and charges borne by members on the value of a member's retirement account.

These illustrations show projected fund values in today's money, before and after costs and charges, for typical members at different stages in the Plan at age 20 (the age of the youngest member of our Plan) up to age 55.

The tables in Appendix 3 to this Statement show these figures for the default arrangement, the alternative lifestyle option, the highest and lowest risk self-select funds and the fund which has most members self-selecting it. We also provide a note of the assumptions used in calculating these illustrations.

Please note, these illustrated values are not guaranteed and may not prove to be a good indication of how members' savings might grow.

4 Value for Members Executive Summary

Executive summary

Each year, the Trustee carries out an assessment of the extent to which the Plan offers good 'Value for Members'. 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 year ending 31 March 2019 based on the costs and charges that our members pay and the services they receive for this. Full details of the costs and charges within the Plan are set out in the Appendices to this Statement. 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 the Pensions Regulator, the Trustee has:

- considered the Plan's features in the three areas where costs are borne by members: these are 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;
- gathered information and evaluated how the services perform against the agreed metrics, taking into account cost, quality and scope of provision against any available external benchmarking assessments; and
- agreed an action plan with clear timescales for any areas where we believe the Plan is not providing Value for Money, is missing information, or areas which should be improved.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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 are of high importance and has given a high weighting to each element - investment, administration and standard communications.

Fees are 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 paid for by our members as follows when compared to other similar pension schemes:

Area	Rating	Rationale
Investment	Good	High quality and appropriate default arrangement, competitive fees, good range of self-select funds, generally good investment performance, strong investment governance
Administration	Average	Improved performance versus service standards in the last Plan year and generally in line with other administrators, service standards in line with the market
Communications	Good	High quality Experian Retirement Savings Plan branded member communications, modellers

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

		available, proactive pre-retirement support
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Key actions taken to improve Value for Members in the 2018/19 Plan Year

Over the past year, we have undertaken a range of actions to improve Value for Members within the Plan. Below we highlight some of the main actions undertaken and the benefits we have provided for members:

- Monitoring of administration provider:** We continued to closely monitor the performance of Capita as the Plan's administration provider and engaged proactively with them to highlight areas for improvement. We are pleased to note that delivery standards improved significantly over the Plan year.
- Review of fund manager fees:** We regularly review and negotiate the fees of the underlying investment managers and ensure that any fee reductions given by the investment managers to Fidelity, as the Trustee's platform provider, are reflected in lower fees for the members of the Plan. Commencing 1 April 2019 (post Plan year end) there was a reduction on the fee of the Schroders Dynamic Multi Asset Fund from 0.35% p.a. to 0.25% p.a. This fund is part of the Diversified Assets - Active Fund and all members invested in the Lifestyle Option (from 20 years up to retirement) and Adventurous Lifestyle Option (from 10 years up to retirement) will benefit from this reduction in fee. The Trustee has also approached BlackRock, the Plan's largest investment manager, to ask them to consider reducing the fees charged to the Plan.
- Review of investment strategy and investment funds:** During the 2018/19 Plan year we completed a review of the investment strategy, looking at the appropriateness of the growth, consolidation and pre-retirement phases of the current lifestyle strategies and reviewed the self-select fund range for members. The review also considered whether the Fidelity platform fees could be reduced further, given the increase in the Plan's assets over recent years. As a result of the review, the Trustee is considering the merits of replacing the fund which underlies the Overseas Equities Passive Fund (i.e. M&G International Equity fund) with the BlackRock World ex UK Equity Fund. The discussions on this will be progressed during the next Plan year.

We are pleased to report that the Plan continues to hold the "Pensions Quality Mark Plus" (PQM Plus) award as evidence that the Plan is considered to be of outstanding quality by the Pensions and Lifetime Savings Association ('PLSA').

Key actions that will be taken to improve Value for Members in the 2019/20 Plan Year

During the Plan year 2019/20 we will, amongst other activities:

- Continue to monitor closely the performance of Capita as the Plan's administration provider and ensure delivery standards continue to improve over the year ahead. We believe this will help to improve both our members' experiences of the Plan and also their trust in the quality of the administration;
- Continue to develop our knowledge on Environmental, Social and Governance issues and consider what, if any changes we should make to the Plan's investments to better manage long term risks, particularly in relation to climate change;
- Finalise our view on Multi-Factor Equity investments, determining if this would be a suitable option for use in the growth phase of the Plan's default arrangement with a view to improving long term returns for our members;

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- Work with the employer to carry out a strategic review of future DC provision, including reviewing the delivery vehicle of the Plan;
- Dependent on the outcome of the strategic review, complete a review of the DC platform provider, Fidelity, following the investment strategy review, to assess whether further reductions in the platform provider fees are achievable. An update for the Plan year 2019/20 will be reported to members in the next Chair's Statement;
- Continue to review developments in relation to the security of our members' DC assets;
- Continue to assess the feedback from our members on the effectiveness of our pre-retirement support and consider whether the current level of support is sufficient to help our members make good decisions at retirement.
- Arrange for the publication of this Statement in a publicly searchable location on the internet.
- Update the Statement of Investment Principles to reflect the September 2018 Regulations of Responsible Investment which came into force on 1 October 2019.

Overall Value for Money

We have also reviewed the broader 'Overall Value for Money' definition, which includes the Company contribution to member funds, recognising that the Company has 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 pays 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. We believe that all of these add significant value for our members (for example as evidenced by the lower fees achieved over recent years) and that, based on feedback from Hymans Robertson, the Plan benefits from high-quality governance overall which helps to ensure that members receive Value for Money over time. Additionally, in conjunction with the employer, the Trustee offers active members free access to seminars by Wealth at Work from age 48 (which have received excellent feedback from attendees) and all members are 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 offers Good "Overall Value for Money" for members.

5 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

We must ensure that these are 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. Capita provides detailed quarterly reports to the Trustee Board which allows us to assess how quickly and effectively the core Plan financial transactions are completed. Any mistakes or delays are investigated and appropriate remedial action is taken as quickly as possible. The Experian Pensions Team meet with Capita quarterly to review their performance and a representative from Capita reports directly to the Trustee Board at least once a year. The Pensions Team also regularly reviews with Capita how long it takes to invest contributions, through the monitoring of periods of time to investment, and are satisfied that the process and timescales for investing contributions are appropriate.

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

The Trustee is broadly satisfied with Capita's performance against their service standards over the year to 31 March 2019. At least 95% of tasks were completed within the service standards. The Trustee notes that this represents a significant improvement from the previous Plan year and is to be welcomed.

The Group Pensions Team also speaks regularly with Capita about the quality of the data they hold on the membership of the Plan. As at 31/3/19, the data quality can be summarised as follows:-

88.8% success rate on common data tests for Legacy members (target 95%) 94.9% success rate on common data tests for Active members (target 100%)

Grant Thornton, the Plan's auditor, carried out an audit of the Plan in 2018, 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.

6 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 take our training and development responsibilities seriously. We took the following steps during the last Plan year to maintain and develop the Trustee Directors' level of knowledge and understanding of matters relating to the Plan:

- There is an induction process for newly appointed Trustee Directors who are required to complete the Pensions Regulator's "Trustee Toolkit" (which is a free, online learning programme from The Pensions Regulator aimed at trustees of occupational pension schemes) within 6 months of joining the Trustee Board, and to familiarise themselves with the Plan's key documentation. Trustees must provide a copy of their completed certificate to the Pensions Team. Additionally, each new Trustee attends an external trustee training programme within their first twelve months of appointment.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- Trustee Directors are encouraged to undertake further qualifications which support their work as Trustees. One of the Plan's Trustees is an independent professional Trustee. As well as bringing skills and expertise to the Trustee Board, they also bring experience of other pension schemes similar the Plan to allow us to assess how well we rate against other schemes. The independent professional Trustee must also fulfil specific ongoing professional development, including a minimum number of hours training per year.
- The Trustee Directors have regular interaction with all of the Plan's documents to ensure that they remain familiar with their contents. This includes an annual review of the Statement of Investment Principles, annual sign-off of the Plan's report and financial statements, and a review of the Trust Deed and Rules in the case of any Rule updates or where reference to the Rules are required to decide what the Plan allows. Also, all Plan documents are uploaded to the "Diligent Boards" document portal, ensuring that the latest versions are available to all Trustees.
- The Pensions Team maintain a record of all training completed by each member of the Trustee Board. This training record is reviewed annually to identify any gaps in the knowledge and understanding across the Board as a whole and allows us to work with our professional advisers to arrange any additional training that might be required. Trustees are reminded at the start of each Trustee meeting to highlight any areas where they believe further training is needed, and to report any training undertaken.
- The Trustee tests its 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 has a formal set of objectives and an operational plan that is updated annually.
- Training sessions continue to be arranged as appropriate, depending on the agenda items to be discussed at each meeting. Trustee Directors also take advantage of external training courses as appropriate.

The Trustee received the following formal training during the Plan year:

Date	Topic	Aim/benefit to Trustees and members	Trainer
April 2018	Multi-Factor Equity investing	This session introduced Multi-Factor Equity investing, allowing the Trustee to consider the	Hymans Robertson (the Plan's adviser), BlackRock and Schroders (two of

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

		potential benefits of this approach for our members in the growth phase of the lifestyle strategies.	the Plan's investment managers)
July 2018	General Data Protection Regulations (GDPR)	This session helped the Trustee to understand its responsibilities in relation to the protection and use of member data to ensure that it meets its legislative requirements in this area and protects members from illegal use of their data	Linklaters (the Plan's legal advisers)
February 2019	Introduction to Environmental, Social & Governance (ESG) issues	This session explored the background to ESG and how this could potentially be used within the Plan's investment strategies in future	Hymans Robertson and BlackRock

In addition to the formal training, the Trustee also receives quarterly "hot topics" updates from their advisers covering technical and legislative/regulatory changes affecting schemes like ours. An "investment hot topics" section is included in our quarterly investment monitoring reports.

The Trustee has 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 has a formalised rolling programme of reviews of its advisers as outlined in the operational plan.

The Trustee, along with the Pensions Team, carried out an informal review of the effectiveness of the Trustee Board during the Plan year and will carry out a more formal assessment during the next Plan year.

As a result of these reviews, the Trustee is satisfied that during the last year they have:

- a) taken 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 have been completed, individually and collectively as a Board, and taking into account the professional advice available to the Trustee Board, I believe that the combined knowledge and understanding of the Board, together with the input of the Experian Group Pensions Team, enables us to exercise properly our functions as the Trustee of the Plan.

Appendix - Governance Statement by the Chair of the Trustee
(including Statement of Investment Principles) (continued)

7. Missing information

To my knowledge and belief, there was no material information missing to the Trustee in the preparation of this Statement. The Trustee recognises that, at the present time, there is a limited amount of industry data available covering the wider costs and charges to compare the Plan against other similar pension schemes. We have therefore relied heavily on input from our advisers and the Plan's professional Trustees in making our assessment of Value for Members. We will continue to work with our advisers over the coming year to access data as it becomes available and where possible, start to consider the competitiveness of the transaction costs against other similar options. Our advisers will provide updates at our quarterly Trustee Board meetings.



PJ Blythe, Chairman, Experian Retirement Savings Trustees Limited

Date: 21/10/19.

Appendix - Governance Statement by the Chair of the Trustee
(including Statement of Investment Principles) (continued)

Appendix 1- Statement of Investment Principles

Experian Retirement Savings Plan

Statements of Investment Principles

September 2019

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)



Contents

Introduction

The law requires the Trustees to produce formal 'Statements of Investment Principles' for the Plan's default options 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 from 1 October 2019 and a statement each year from 1 October 2020 describing how those Statements have been followed in the last year.

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 options*;
- 2 Statement of the aims and objectives for investment options outside the default options*, and
- 3 Statement of investment beliefs, risks and policies**.

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

Appendices

- A Investment implementation for the default options;
- B Investment implementation for the investment options outside the default options;

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

These Statements will be reviewed at least every three years or more frequently as required by the Regulators.

For and on behalf of the Trustees of the Plan

Name	Signed	Date
P J Bennett	[Signature]	2019/11/19

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)



Experian Retirement Savings Plan Hymans Robertson LLP

1 Statement of the aims and objectives for the default options

Reasons for the default options

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

- The Plan is a qualifying scheme for auto-enrolment purposes and so must have a default option;
- 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 options

The Trustees believe that understanding the Plan's membership is essential to designing and maintaining a default option 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 options

The main objective of the default options 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

The default options

The Trustees believe it is in the best interests of members to offer a default investment option which manages the principal investment risks members face during their membership of the Plan. The default option 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 option.

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

In determining the default option 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 and 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 option.

This analysis (which was initially carried out at an aggregate and individual member level in 2014) 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. 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 fund 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 options 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 retirement, to invest increasingly in funds which match members' expected retirement plans.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- The default 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 more strategic review of pension delivery, the Trustee 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 Trustee 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 Plan for auto-enrolment purposes and so its default option 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.

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 advisors	Fees of all other advisors are paid by the Trustees out of Plan resources and are not borne by members. Any shortfall is paid by the Principal Employer.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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 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 default options are given in the document "Investment implementation for the default options."

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

Reasons for the investment options

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

- While the default options 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.

Costs of investment options

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

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Objectives for the investment options

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

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 or the default options.
- 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 altitude 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 options" and "investment implementation for the default options".

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 option and the investment options outside the default options. Collectively these respectively form the Statements of investment Principles for the Plan and the default options.

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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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 higher risk-adjusted returns over the longer term.

- 1) The Trustees recognise that the Plan's default options 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 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.

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.

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 - although there may be occasions when this does not hold good.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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.

Principal investment risks

The default options 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.

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 do discuss the potential impact of climate risks with their adviser and managers on a periodic basis and will monitor developments in this area.

Financially material considerations

The Trustees recognise that the consideration of financially material considerations, including 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 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;

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- 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
- Prefer 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

Delegation of investment decisions

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.

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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

The underlying funds used by the provider's platform are accessed through reinsurance agreements and OEIC agreements. 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 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 (o.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.

Balance of investments

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.

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.

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.

Voting and engagement

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, who in turn invests 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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.

The Trustees do not engage directly but actively encourage the fund managers 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 aim to review engagement activity undertaken by the fund managers as part of their broader monitoring activity.

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.

Monitoring

The Trustees 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.

The Trustees aim to meet with all their major fund managers on a periodical basis. The Trustees 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 Trustees and by their Investment advisers on the impact or any significant Issues including, where appropriate, ESG Issues that may affect the prospects for return from the portfolio.

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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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 on expected level of return with an appropriate level of Investment risk which meet the objectives of each default option and other investment options.

The funds used at each stage in the default options 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" rule, 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 liquid 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 suitable 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 on both within and across different asset classes.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Appendix A

Investment implementation for the lifestyle options

Lifestyle options

The Trustees have designed two lifestyle options 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 lifestyle options, 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 retirement

When members are five years before retirement, they have three strategy options. Those 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- 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

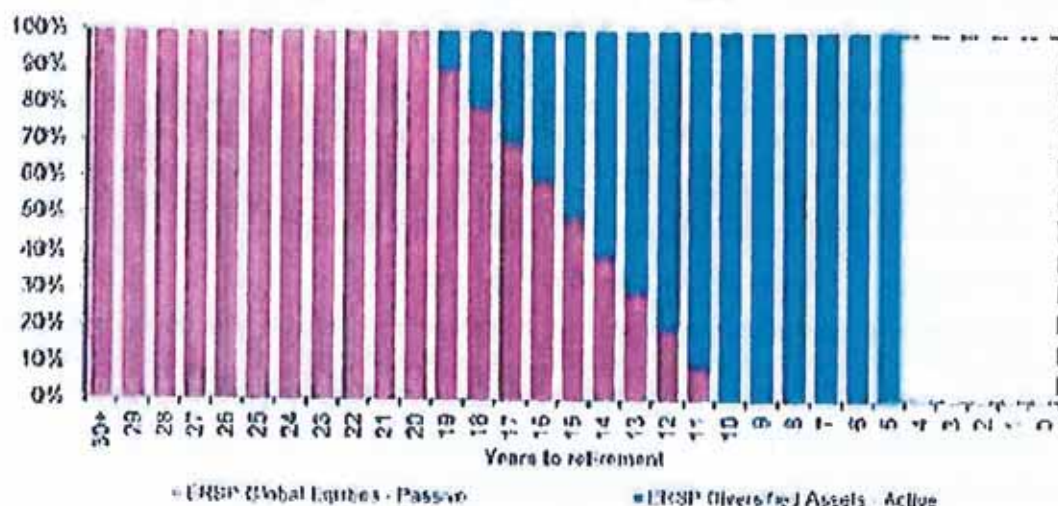
If a member who is invested in one of the lifestyle strategies decides to raise or lower their Target Retirement Age, their asset allocation will be aligned with the allocation appropriate for the new retirement date. In the event that the date is raised, the Trustees acknowledge that this may result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

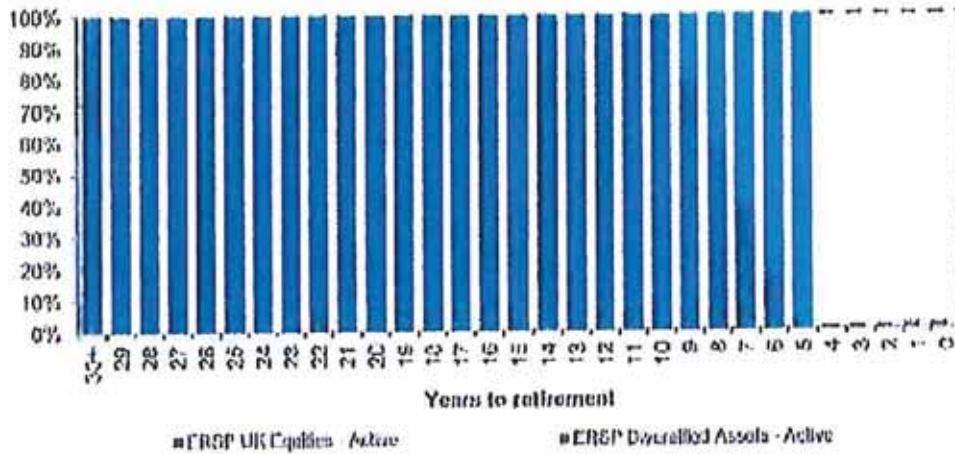
The following charts show the asset allocations of the lifestyle options:

Growth phase of the Lifestyle Option (default strategy)



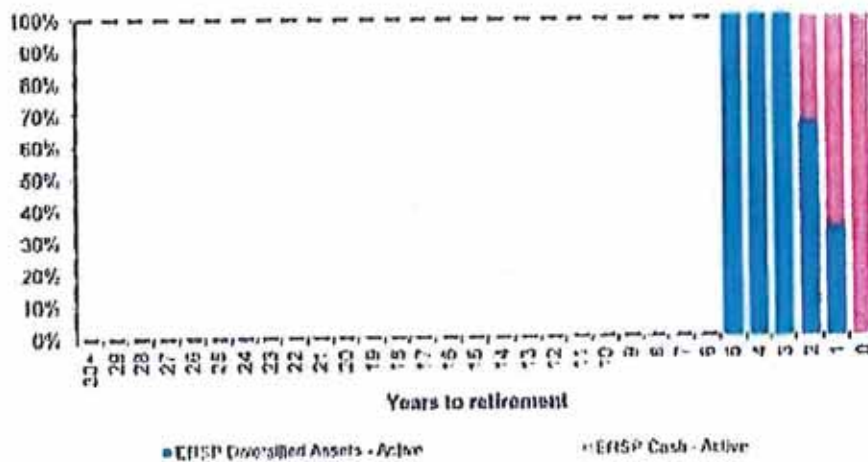
Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Growth phase of the Adventurous Lifestyle Option

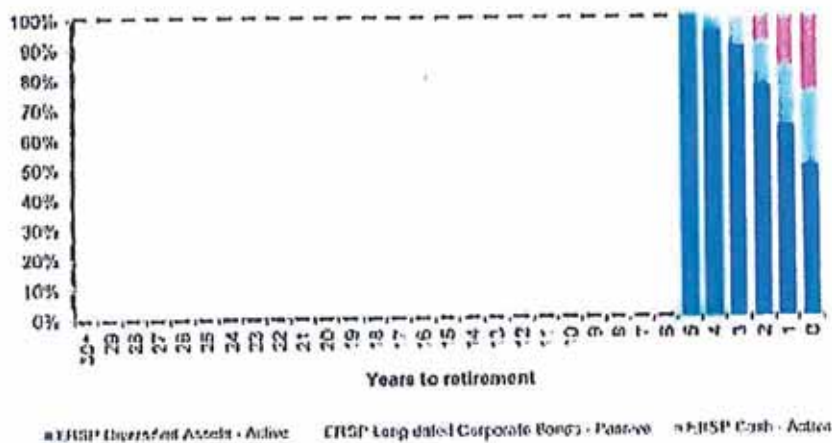


Investment strategy from five years before selected retirement date

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

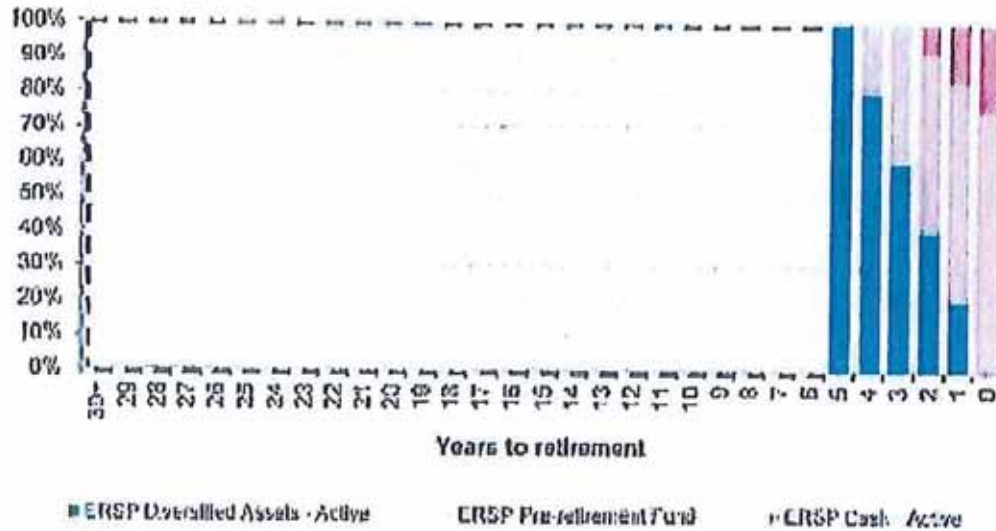


Drawdown Lifestyle (default strategy for members with projected retirement savings of £30,000 or more)



Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Annuitly Lifestyle



Funds and charges

The funds used by the default options and their charges (expressed as a percentage annual management charge ("AMC") and total Expense Ratio ("TER") as at 30th June 2019 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	0.335
Global Equities	Passive	BlackRock (30:70) Global equity Fund (hedged)	0.17	0.18
Cash	Active	M&G Cash Fund	0.15	0.16
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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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	0.70
Diversified Assets	Active	BlackRock Aquila Life Market Advantage Fund (ALMA) and Schroders Dynamic Multi-Assot Fund (50:50)	0.30	0.335
Cash	Active	M&G Cash Fund	0.15	0.16
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 Option 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 process and members' fund values.

Review

The present default options were introduced in 2015.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Appendix B

Investment implementation for investment options outside the lifestyle options

Self-select fund range

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

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 30 June 2019 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	0.335
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	0.30
UK Equities	Passive	M&G UK Equity Passive Fund	0.15	0.15
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	0.16
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 lifestyle options 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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 member's fund values and are borne by members.

Review

The self-select fund range was last formally reviewed in 2015.

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 legislation 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 conflicts of interest, the Trustees will invest contributions in accordance with the default option in the sole Interests of members and beneficiaries.

Monitoring

The Trustees regularly monitor and review

Investment performance - The performance of the fund in which the Plan invests against both the funds' stated performance objectives and the investment objectives of the Plan.

Value for members – the member borne charges for the default option 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 option 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 or the Plan's membership.

The Statement 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

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.

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 or 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 online.
- 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 or 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 lifestyle 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.

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

- 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 sell-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 are also borne by members. In the case of lifestyle strategies, the charges will be dependent on how far a member is from their target retirement age which determines the funds they are 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 March 2019 were:

Appendix - Governance Statement by the Chair of the Trustee
(including Statement of Investment Principles) (continued)

Fund	ISIN ¹	Charges		Underlying Fund	ISIN ²	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	-0.05	-0.50
Diversified Assets – Active Fund	GB00BQQF5057	0.39	3.90	BlackRock ALMA 50%	GB00B57MY342	0.35	3.50
				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	-0.05	-0.50
Pre-retirement – Passive Fund	GB00BZ0D7G86	0.14	1.40	L&G Pre-Retirement	GB00B1RBGM68	-0.02	-0.20

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:

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Fund	ISIN ²	Charges		Underlying Fund	ISIN ²	Transaction costs	
		2 p.p.s. of the amount invested	1 p.p.s. of the amount invested			1 p.p.s. of the amount invested	1 p.p.s. of the amount invested
UK Equities – Active Fund	GB00BQQF5610	0.70	7.00	M&G Recovery 50%	GB0031289217	-0.09	-0.90
				Baillie Gifford UK Core 50%	GB00BZ3G2258		
Diversified Assets – Active Fund	GB00BQQF5057	0.39	3.90	BlackRock ALMA 50%	GB00B57MY342	0.35	3.50
				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	-0.05	-0.50
Pre-retirement – Passive Fund	GB00BZ0D7G86	0.14	1.40	L&G Pre-Retirement	GB00B1RBGM68	-0.02	-0.20

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:

Appendix - Governance Statement by the Chair of the Trustee
(including Statement of Investment Principles) (continued)

Fund	SIN ¹	Charges		Underlying Fund	ISIN ²	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	0.71	7.10	MFS Global Equity Fund	LU0219433983	0.04	0.40
Overseas Equities – Passive Fund	GB00BQQF5495	0.30	3.00	M&G PP International Equity Fund	GB0031673444	0.00	0.00
Index-Linked Gilts Fund	GB00BQQF5388	0.15	1.50	M&G Index-Linked Fund	GB0031673337	-0.04	-0.40
Shariah – Passive Fund	GB00BQQF5503	0.35	3.50	HSBC Islamic Global Equity Index Fund	LU1092475968	0.03	0.30
UK Equities – Passive Fund	GB00BQQF5727	0.15	1.50	M&G UK Equity Passive	GB0031673550	-0.07	-0.70

Source: Fidelity

Appendix - Governance Statement by the Chair of the Trustee (including Statement of Investment Principles) (continued)

Appendix 3
Tables illustrating the impact of charges and costs

Years to retirement	Default option -- Drawdown		Default option -- Drawdown		Default option -- Drawdown		Lowest risk self-select fund - Cash Fund		Highest risk self-select fund - Overseas Fund		Most popular self-select fund -- UK Equity Fund	
	Aged 20 now		Aged 35 now		Aged 55 now		Aged 35 now		Aged 35 now		Aged 35 now	
	Pot size before charges (£)	Pot size after all charges + costs deducted (£)	Pot size before charges (£)	Pot size after all charges + costs deducted (£)	Pot size before charges (£)	Pot size after all charges + costs deducted (£)	Pot size before charges (£)	Pot size after all charges + costs deducted (£)	Pot size before charges (£)	Pot size after all charges + costs deducted (£)	Pot size before charges (£)	Pot size after all charges + costs deducted (£)
1	126,049	116,279	168,857	154,829	137,987	131,510	95,061	92,495	450,108	433,043	253,543	224,076
3	122,424	112,133	159,722	147,644	123,872	118,976	91,478	89,138	428,266	404,589	232,526	207,139
5	116,547	107,869	150,288	140,309	109,642	106,348	87,860	85,731	397,771	377,195	212,754	191,032
10	102,081	97,251	127,150	122,065	75,000	75,000	78,606	76,985	327,086	313,120	158,313	154,146
15	86,234	84,025	102,602	100,704			69,028	67,880	263,729	254,928	130,223	121,563
20	68,645	67,502	76,462	75,758			59,093	58,376	207,006	202,136	97,622	93,093
25	51,846	51,159	51,889	51,625			48,763	48,432	156,287	154,295	69,763	68,001
30	36,846	36,480	30,000	30,000			38,000	38,000	111,000	111,000	46,000	46,000
35	23,473	23,316										
40	11,571	11,531										
45	10,000	10,000										

Source: Capita

The assumptions used in these calculations were:

- The opening pot size (at the furthest years from retirement) is the average pot size for an average member of that age;
- Salaries used are the average salaries for an average member of that age;
- The rate of inflation is 2.5% p.a.;
- Members retire at aged 65;
- Salary growth (above inflation) is +0.5% p.a.;
- Contributions:
 - o Employer contributions: 7% p.a.

Appendix - Governance Statement by the Chair of the Trustee
(including Statement of Investment Principles) (continued)

- c Employee contributions: 3% p.a.
- The charges and costs include the following:
 - c Transaction costs of relevant funds
 - c Fixed administration and communications charge of £24 p.a.
- Investment return assumptions the underlying funds were assumed to be:

Fund	Investment Return
Global Equities - Active Fund	5.5%
UK Equities - Active Fund	5.5%
Global Equities - Passive Fund	4.5%
UK Equities - Passive fund	4.5%
Overseas Equities - Passive Fund	4.5%
Shariah - Passive Fund	4.5%
Diversified Assets - Active Fund	3.0%
Corporate Bonds - Passive Fund	2.0%
Pre-Retirement - Passive Fund	1.5%
Index-Linked Gilts - Passive Fund	1.0%
Cash - Active Fund	1.0%

Please note that these illustrated values:

- Show values in today's terms;
- Are estimates using assumed rates of future investment returns and inflation which may not be borne out in practice;
- The assumptions used may differ in the future to reflect changes in regulatory requirements or investment conditions;
- Will be affected by future, and as yet unknown, changes to the Plan's investment options;
- Are not guaranteed;
- Depend upon how far members in the default lifestyle option are from retirement as the funds used change over time;
- May not prove to be a good indication of how your own savings might grow.