DUN & BRADSTREET (UK) PENSION PLAN
ANNUAL REPORT

FOR THE YEAR ENDED 5 APRIL 2024

Scheme Registration Number: 18079702

Contents

Trustee, Principal Employer and Advisers

Trustee

Dun & Bradstreet (UK) Pension Plan Trustee Company Limited

Employer-nominated Trustee Directors

Andy Jermy – Chair
Greg Connell (resigned 30 October 2023)
Piers Woolston
Dessislava Laski (appointed 1 November 2023)
Simon Rodaway (appointed 1 November 2023)

Member-nominated Trustee Directors

Richard Archer (resigned 31 March 2024)
Alan Batley
George Prior
Richard Clarke (appointed 11 August 2023)

Principal Employer

D&B Europe Limited

Independent Auditor

RSM UK Audit LLP

Administrators

Defined Benefit Section

Gallagher Benefit Services (formerly Buck, A Gallagher Company)

Defined Contribution Section

Aviva Life & Pensions UK Limited

Plan Investment Consultant

Willis Towers Watson Limited

Plan Actuary

Stephen Aries, Willis Towers Watson Limited

Investment Managers

Defined Benefit Section

Legal & General Investment Management Limited
Towers Watson Investment Management Limited
BlackRock Investment Management (UK) Limited

Defined Contributions Section

Aviva Life & Pensions UK Limited

Annuity Provider

Just Retirement Limited

Additional Voluntary Contribution (AVC) Provider

Aviva Life & Pensions UK Limited

Trustee, Principal Employer and Advisers

Life Assurance Company
Canada Life Assurance Company

Bank
Lloyds Bank plc

Legal Adviser
Squire Patton Boggs (UK) LLP

Covenant Adviser
RSM UK Restructuring Advisory LLP

Contact for further information about the Plan

Defined Benefit Section
Gallagher Benefit Services (formerly Buck, A Gallagher Company)
PO Box 423
Mitcheldean
GL14 9JD

Defined Contribution Section
Aviva Life & Pensions UK Limited
Milford
Salisbury
Wiltshire
SP1 2TW

Contact for complaints about the Plan
Trustee Secretary
Gallagher Benefit Services (formerly Buck, A Gallagher Company)
20 Wood Street
London
EC2V 7AF
Email: secretary@dnbpensionplan.co.uk

Trustee's Report

Introduction

The Trustee of the Dun & Bradstreet (UK) Pension Plan (the Plan) is pleased to present its report together with the audited financial statements for the year ended 5 April 2024. The Plan is a hybrid scheme, comprising a Defined Benefit Section and a Defined Contribution Section.

With effect from 31 March 2004 members of the Defined Benefit Section of the Plan transferred to the Career Average Revalued Earnings (CARE) Section and benefits earned within this section are accrued on a CARE basis. The CARE Section is closed to new members.

The Defined Contribution Section is being used for auto-enrolment purposes.

Constitution

The Plan was established on 6 April 1993 and is governed by Trust Deeds which have been replaced or amended from time to time since the definitive deed dated 26 April 1993, the current definitive deed being dated 24 July 2020.

Management of the Plan

Trustee

The Trustee who served during the year is listed on page 1.

In accordance with the trust deed, the Principal Employer, D & B Europe Limited, has the power to appoint and remove the Trustee of the Plan.

In accordance with the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006, members have the option to nominate and vote for Member-nominated Trustee Directors.

The three Member-nominated Trustee Directors, as shown on page 1, are nominated by the members under the rules notified to the members of the Plan. They may be removed only by agreement of all the remaining Trustee Directors, although their appointment ceases if they cease to be members of the Plan.

The Employer-nominated Trustee Directors of Dun & Bradstreet (UK) Pension Plan Trustee Company Limited are appointed and removed in accordance with the Company's Articles of Association. Following an MND process to replace Gary Lucas and Martin Read, which was completed in August 2023, Richard Clarke and Alan Batley (formerly an END) were elected for a term of 5 years.

The Plan has two sub committees, the Governance and Communications Committee and the Investment and Funding Committee. Both met four times (2023: four) during the year.

The Trustee Board has met four times (2023: four) during the year.

Governance and risk management

The Trustee has in place a business plan which sets out its objectives in areas such as administration, investment, and communication. This, together with a list of the main priorities and timetable for completion, helps the Trustee run the Plan efficiently and serves as a useful reference document.

The Trustee has also focused on risk management. A risk register has been put in place which sets out the key risks to which the Plan is subject along with the controls in place to mitigate these. This register is regularly reviewed and updated by the Trustee.

The covenant is reviewed on an ongoing basis, at least quarterly, by the Investment and Funding Committee. The covenant strength is assessed by a suitably qualified Trustee Director. The covenant review process has been strengthened by referring to an external professional covenant adviser, who confirmed that the correct processes are being followed.

Trustee's Report

Governance and risk management (continued)

Gallagher Benefit Services (formerly Buck, A Gallagher Company) carried out a gap analysis survey in February 2024 to assist with the building of a proportionate effective system of governance. The report provided results broken down in line with The Pensions Regulator's general code of practice, effective from 27 March 2024. This was the second report prepared for the Trustee. The first was prepared in 19 April 2022 and was a summary of the findings of the gap analysis survey completed in April 2022 which was based on the draft code of practice. Since carrying out the first gap analysis survey, Gallagher prepared an action plan and the Trustee have been working towards having an effective system of governance in place, ahead of the requirement to carry out an Own Risk Assessment (ORA) by 31 March 2026.

Trustee knowledge and understanding

The Pensions Act 2004 requires trustees to have sufficient knowledge and understanding of pensions and trust law and be conversant with scheme documentation. The Pensions Regulator has published a Code of Practice on Trustee Knowledge and Understanding to assist trustees on this matter which became effective from 6 April 2006, and which was revised and reissued in November 2009. The Trustee has agreed a training plan to enable it to meet these requirements.

Principal Employer

The Plan is provided for all eligible employees of the Principal Employer whose registered address is D & B Europe Limited, The Point, 37 North Wharf Road, London, W2 1AF.

Financial development

The financial statements on pages 31 to 47 have been prepared and audited in accordance with the Regulations made under Section 41 (1) and (6) of the Pensions Act 1995. They show that the value of the fund decreased from £238,705,481 at 5 April 2023 to £235,905,967 at 5 April 2024. The decrease shown above comprised net withdrawals from dealings with members of £5,525,156 together with net returns on investments of £2,725,642.

Report on actuarial liabilities

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits members are entitled to based on pensionable service to the valuation date. This is assessed using the assumptions agreed between the Trustee and the Principal Employer and set out in the Statement of Funding Principles, which is available to Plan members on request.

The most recent full actuarial valuation of the Plan was carried out as at 5 April 2021 with a subsequent update as at 5 April 2022 and 5 April 2023. These showed:

	Actuarial Update 5 April 2023 £m	**Actuarial Update 5 April 2022 £m**	**Actuarial Valuation 5 April 2021 £m**
The value of Technical Provisions was:	251.5	321.4	334.0
The value of assets was:	238.7	317.0	324.8
Percentage of Technical Provisions	95%	99%	97%

Following the completion of the Actuarial Valuation as at 5 April 2021, the Trustee and Employer agreed a Recovery Plan that was designed to restore the Technical Provisions level to 100% by 5 April 2024, through a combination of returns on the Plan's assets and the payment of deficit contributions of:

- £2 million payable on or before 30 September 2022 (paid on 7 September 2022); plus
- £2 million payable on or before 30 April 2023 (paid on 18 January 2023); plus
- £1.9 million payable on or before 31 March 2024 (paid on 28 March 2024).

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles).

Trustee's Report

Report on actuarial liabilities (continued)

Method

The actuarial method to be used in the calculation of the technical provisions is the Projected Unit Method.

Significant actuarial assumptions

Principal actuarial assumptions for valuation as at 5 April 2021 (Main DB liabilities)	
Discount interest rate:	Nominal gilt curve plus 0.925% p.a. for non buy-in population (average single equivalent 2.1% p.a.). Nominal gilt curve for buy-in population.
Future Retail Price inflation:	Gilt market break even inflation curve (average single equivalent 3.45% p.a.)
Future Consumer Price inflation:	RPI inflation less 0.9% pa before 2030 and RPI inflation less 0.1% pa after 2030
Pay increases:	RPI plus 0.3% p.a.
Pension increases in payment:	In line with the appropriate index, with allowance for the caps and floors using a Black formula with assumed volatility of 1.9% p.a. applied to the relevant forward rates implied, respectively, by the RPI and CPI curves.
Mortality:	Male members: 80.5% S3PMA Female members: 87.5% S3PFA Male dependants: 109.5% S3PMA Female dependants: 78.5% S3PFA Improvements to 2021: CMI_2020, 1.5% p.a. long term trend, core smoothing parameter, nil initial addition parameter, nil weight for 2020 data. Improvements from 2021: CMI_2020, 1.5% p.a. long term trend, core smoothing parameter, 0.4% p.a. initial addition parameter, nil weight to 2020 data.

The next formal valuation of the Plan to be carried out as at 5 April 2024 is currently underway.

Guaranteed Minimum Pension (GMP) equalisation

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to Guaranteed Minimum Pension (GMP) benefits. The issues determined by the judgment also apply to many other defined benefit pension schemes. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

Following on from the original judgment, a further High Court ruling on 20 November 2020 has provided clarification on the obligations for trustees. This judgment focused on the GMP treatment of historical transfers out of members' benefits, an issue which had not been addressed in the 2018 GMP ruling. Under this ruling, trustees are required to review historical transfer values paid from May 1990 to assess if any top up payment is required to be paid to the receiving scheme, to reflect members' rights to equalised GMP benefits.

It is expected these amounts will not be material to the Plan's financial statements. While the Trustee and employer have reached a preliminary agreement on the equalisation methodology to be used, equalisation has not yet been implemented and therefore the Trustee is not in a position to reach a reliable estimate of the backdated benefits and related interest. Therefore the cost of backdating pension benefits and related interest have not been recognised in these financial statements. They will be recognised once the Trustee is able to reach a reliable estimate. An approximate allowance of 1.3% of defined benefit section liabilities has been made within the 5 April 2021 valuation results for GMP equalisation. In addition, an allowance of £0.4m was made for the equalisation of historical transfer values.

Trustee’s Report

Membership

The membership movements of the Plan for the year are given below:

	Active members	Deferred members	Pensioners	Total
DB Section				
At 6 April 2023	**9**	**459**	**767**	**1,235**
Adjustment**	-	653	4	657
Retirements	-	(55)	55	-
Deaths	-	(7)	(15)	(22)
Transfers out	-	(15)	-	(15)
New spouse and dependant pensions	-	-	8	8
Pensions commuted for cash	-	(7)	-	(7)
At 5 April 2024	**9**	**1,028**	**819**	**1,856**
DC Section				
At 6 April 2023	**314**	**1,043**	**-**	**1,357**
Adjustment*	(2)	(635)	-	(637)
New entrants	48	-	-	48
Leavers with deferred benefits**	(20)	20	-	-
Transfer out	(3)	(23)	-	(26)
Retirements	-	(1)	-	(1)
At 5 April 2024	**337**	**404**	**-**	**741**

Pensioners include 97 beneficiaries (2023: 91) receiving a pension.

There has been a one-off adjustment of members between the DC and DB membership so that members with an element of DB are allocated as DB.

*Adjustments of DC Active members are (1) retirement from active occurring before 5 April 2023 but processed after the 2023 movements reporting and (1) member who held 2 policies in the 2023 movements, but this has been consolidated to one policy.

*Adjustments of DC Deferred members are (4) members who have been moved from DC Deferred to DB Pensioner, (630) members have been moved from DC Deferred to DB Deferred, and (1) member who is on the DB Pensioner movements and only has one period of service so was previously duplicated on the DC Deferred movements, duplicate entry removed.

**Adjustments of DB Pensioner members are 4 members moved from DC Deferred to DB Pensioner.

**Adjustments of DB Deferred members are 630 members moved from DC Deferred to DB Deferred, 1 member added to DB Deferred because they hold two periods of service but only one has been reflected historically under DC Deferred, 11 members added to DB Deferred because they hold two periods of service but only one has been reflected historically under DC Active, and 11 members who transferred out or retired from their DC policy so have historically been shown as a movement on DC Deferred but they still hold a separate DB Deferred policy so are now showing as DB Deferred.

Certain members of the Defined Contribution Section of the Plan have a Defined Benefit Section underpin. On exiting the Plan, assets held in their Defined Contribution accounts are transferred to the Defined Benefit Section prior to being settled. For accounting purposes these members are only shown as Defined Benefit Section members. There are 746 members in the closing total for the Defined Benefit Section who hold this type of benefit.

Trustee's Report

Membership (continued)

There are no (2023: 3) members shown in the Defined Benefits Section as new pensioners who retired from the Defined Contribution Section.

There are 3 (2023: 3) members shown in the Defined Benefit Section as active members, who were Defined Benefit Section members on 31 March 2004 but subsequently opted to join the Defined Contribution Section. These members are currently contributing into the Defined Contribution Section, but also have a Defined Benefit Section benefit.

New entrants, shown under the Defined Contribution Section, are shown net of opt-outs.

Re-entrants are those members who had ceased to contribute in the past but started to contribute again during the year.

Included within the above are 106 (2023: 108) pensioner annuitants with policies held by Just Retirement on behalf of the Trustee.

Pension increases

As at 6 April 2023, increases to pensions in payment were as follows:

- post 1988 Guaranteed Minimum Pensions were increased by 3.0% (2022: 3.0%)
- pensions accrued after 5 April 1997 were increased by 5.0% (2022: 3.1%).
- Pensions accrued after 1 April 2004 were increased by 5.0% (2022: 4.9%).
- Pensions accrued after 6 April 2005 were increased by 2.5% (2022: 2.5%).

Preserved pensions were increased in accordance with statutory requirements.

There are no discretionary pension increases granted to the members.

Calculation of transfer values

Transfer values paid during the year were calculated and verified in the manner required by the Regulations made under Section 97 of the Pension Schemes Act 1993 and do not include discretionary benefits. None of the transfer values paid was less than the amount provided by the Regulations.

Trustee's Report

Investment management

General

All investments have been managed during the year under review by the investment managers and AVC provider detailed on pages 1 to 2. There is a degree of delegation of responsibility for investment decisions.

The investment strategy is agreed by the Trustee after taking appropriate advice. Subject to complying with the agreed strategy, which specifies the target proportions of the fund which should be invested in the principal market sectors, the day-to-day management of the Plan's asset portfolio, which includes full discretion for stock selection, is the responsibility of the investment managers.

Investment principles

The Trustee has produced a Statement of Investment Principles (SIP) in accordance with Section 35 of the Pensions Act 1995. A copy of the SIP is available on request or online by following the link https://dnbpensionplan.co.uk/assets/uploads/documents/SIP-September-2024_clean-v2.pdf. The main priority of the Trustee when considering the investment policy for the Defined Benefit Section is to ensure that the promises made about members' pensions may be fulfilled. The main priority of the Trustee when considering the investment policy for the Defined Contribution Section is to make available investment funds which serve to meet the varying investment needs and risk tolerances of the members.

Responsible investment and corporate governance

The Trustee believes environmental, social and governance (ESG) factors and stewardship policies have an impact on the Plan's financial and non-financial outcomes. These are considered amongst other risk factors when making investment decisions, and are expected to positively impact the Plan's overall long-term objectives.

The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account in the purchase, retention or sale of underlying investments to the investment managers. The Trustee will review the investment managers ESG and stewardship policies regularly to ensure that the investment managers are carrying out their delegated responsibilities.

The Myners' Review and Code of Best Practice

The Myners' principles codify best practice in investment decision making. While they are voluntary, pension scheme trustees are expected to consider their applicability to their own scheme and report on a 'comply or explain' basis how they have used them.

The principles emphasise the essentials of investment governance, notably the importance of effective decision making, clear investment objectives and a focus on the nature of each scheme's liabilities. The principles also require that trustees include a statement of the scheme's policy on responsible ownership in the Statement of Investment Principles and report periodically to members on the discharge of these responsibilities.

The Trustee considers that its investment policies and their implementation are in keeping with these principles.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024

1. Introduction

This document is the annual Implementation Statement ("the statement") prepared by the Trustee of the Dun & Bradstreet (UK) Pension Plan (the "Plan") covering the scheme year to 5 April 2024. The purpose of this statement is to:

- set out the extent to which, in the opinion of the Trustee, the Plan's Statement of Investment Principles ("SIP") required under section 35 of the Pensions Act 1995 has been followed during the year
- detail any reviews of the SIP the Trustee has undertaken, and any changes made to the SIP over the year as a result of the review
- describe the voting behaviour by, or on behalf of, the Trustee over the year.

A copy of this implementation statement will be made available on the Plan's website at https://dnbpensionplan.co.uk/assets/uploads/documents/Implementation-Statement-5-April-2023-Final-1.pdf

2. Review of, and changes to the SIP

The Trustee reviews its SIP regularly, at least every three years and after any significant change in investment policy. The SIP was last reviewed in September 2023. There were no changes to the SIP since the last update to the SIP in July 2020.

3. Adherence to the SIP

Overall, the Trustee believes the policies outlined in the SIP have been adhered to during the Plan year. The remaining parts of this implementation statement set out details of how this has been achieved for the DB, DC and AVC sections. These details relate to those parts of the SIP which set out the Trustee's policies, and not those which are statements of fact.

DB section

Investment Managers (SIP paragraph reference:5-12)

The Trustee monitors its investment managers on a quarterly basis with advice from its investment consultant and on an ad-hoc basis as and when there is a significant change to an investment manager. The Trustee monitors the performance of its funds relative to each fund's objective, and any change in the approach and operations of the investment manager who manages the assets, through the reporting provided by the Plan's investment consultant.

The Trustee's policy is to meet with its investment managers periodically, where they are able, to discuss any issues with and scrutinise the investment managers to ensure they are performing in line with the Plan's objectives. The Trustee met with TWIM in September 2023 and LGIM in February 2024 during the scheme year.

The Trustee aims to provide its investment managers with the most recent version of the Plan's SIP and are asked to confirm the management of the assets is consistent with those policies relevant to the mandate in question.

The Trustees monitor the level of transaction costs across the Plan incurred by its investment managers through regular engagement with its investment managers and through MiFID II compliant cost reporting on an annual basis.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Plan objectives (SIP paragraph reference:13)

The Trustee's primary objective is that the Plan's assets are held to meet the Plan's liabilities as and when they fall due. The Trustee has sought advice from the Plan's professional advisors, including the Scheme Actuary, the investment consultant and the investment managers, throughout the year to ensure that it stays on track to meet its primary objective. This includes advice given at quarterly Investment and Funding Committee ("I&FC") meetings, undertaking regular investment strategy reviews and ad-hoc advice.

Investment Strategy (SIP paragraph reference:14-18)

The Trustee sets its long-term asset allocation to achieve the Plan's stated objective. Following a partial buy-in of the Plan's pensioner liabilities conducted in July 2019 with Just Retirement Limited, the Trustee reviewed its journey plan objective in October 2019. During this review, the Trustee discussed incorporating the Plan's OMPS liability deficit (calculated on a Technical Provisions ("TP") basis) into the journey plan target.

In May 2023, a full investment strategy review was conducted to review the Plan's strategic asset allocation ("SAA") in conjunction with the journey plan objective. Given the nature of the buy-in asset is illiquid and unlikely to be unwound, the Trustee agreed to exclude the buy-in related assets and liabilities from the Plan's investment strategy. The Trustee also formally agreed to adopt a journey plan to reach 100% funding on a gilts flat funding basis, including the deficit arising from the OMPS liabilities.

The current investment strategy set to achieve the Plan's objective targets an allocation of 50% return-seeking assets and 50% matching assets, a further breakdown of the SAA is shown below:

Manager/mandate	Strategic Asset Allocation
LGIM Diversified Growth Fund	15%
TWIM Partners Fund	35%
Total return seeking assets	***50%***
BlackRock Liability Driven Investment	50%
Total matching assets	***50%***
Total	**100%**

The SAA currently adopted helps to minimise risk to the Plan by investing in a diversified range of assets and utilising liability matching investments, helping the Plan meet its long-term objective. Both TWIM and LGIM have the discretion to invest in a wide range of underlying asset classes such as equity, credit, private markets, property, infrastructure and alternatives.

The Plan temporarily suspended rebalancing triggers for its return-seeking and liability matching assets whilst it was undertaking its investment strategy review. The Trustee monitors the Plan's asset allocation on a monthly basis to determine if rebalancing is needed. Several times throughout the Plan year rebalancing was conducted to maintain alignment with the SAA. As part of the investment strategy review undertaken in May 2023, it was agreed that the SAA would remain the same, however the rebalancing ranges would be updated to allow the Plan to hold more in return-seeking assets before rebalancing was required. The current rebalancing ranges are set to -2.5%/+5.0% of the target 50.0% allocation to return-seeking assets, i.e. 47.5%-55.0%, with the Plan rebalancing back down to 52.5% should the upper end of the rebalancing range be breached.

The Trustee regularly reviews its hedge ratio but aims to hedge a significant proportion of its liabilities to reduce the risk of the impact on the Plan's funding position of liabilities increasing due to changes in long-term interest rates and inflation expectations.

The Trustee reviewed the Plan's liability proxy in November 2023 following an update to reflect the cashflows from the 5 April 2021 actuarial valuation. As a result, the Trustee agreed to increase the Plan's hedge ratio up to 80%/80% of its liabilities which is its current target. An LDI resilience review was also conducted in May 2024 where the Trustee revisited the existing liability proxy and explored ways to improve resilience against future gilt crises.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Investment Strategy (SIP paragraph reference:14-18) (continued)

The Trustee has also mitigated some of the Plan's longevity risk via the buy-in annuity held with Just Retirement Limited in July 2019.

Using Willis Towers Watson's Asset Liability Suite ("ALS") tool, the Trustee monitors the Plan's funding position on a daily basis. If, based on market conditions, the Plan is sufficiently ahead of its journey plan it will de-risk and therefore take less risk in the future while still being expected to reach its objectives of being fully funded on a self-sufficiency (gilt flat) basis.

Liquidity (SIP paragraph reference:19)

The Trustee regularly monitors the Plan's liquidity and ensures that there is enough cash in the Trustee bank account to pay approximately 3 months of benefit payments at any given time. Broader Plan liquidity, measured as the amount of assets realisable in a week or less, is reported quarterly by the Plan's investment consultant. Liquidity is also a consideration that is taken into account as part of wider investment strategy decisions, such as the design of the Plan's dynamic de-risking triggers.

Following the Plan's year-end date, the Trustee reviewed its liquidity monitoring process and now includes collateral monitoring in its quarterly investment report from its investment consultant. The report includes data from the investment manager on the amount of capital available for cash calls from the LDI portfolio alongside the estimated amount of a single cash call across the entire portfolio.

Sustainable investment (SIP paragraph reference:20-22)

The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account in the purchase, retention or sale of underlying investments to the investment managers. The Trustee questions the investment managers on their sustainable investment policies when presenting at Trustee meetings to ensure that the investment managers are carrying out their delegated responsibilities. Additionally, the Plan's investment consultant has a dedicated Sustainable Investment resource and a network of subject matter experts that the Trustee can utilise. The consideration of Sustainable Investment is embedded within the investment consultant's rating process and as a result is implicitly taken into account when monitoring managers on a quarterly basis and when considering the appointment of new investment managers. In April 2022, the Trustee engaged an in-depth discussion on Sustainable Investment (SI) beliefs, with the help of their investment advisor (WTW). The goal of the discussion was to make progress on building out an SI framework spanning their key objectives, implications on portfolio construction, governance/monitoring and engagement. The Trustee will continue to develop their SI framework in the near future.

Other Matters (SIP paragraph reference:24-25)

The Trustee takes advice from its investment consultant in relation to investment risks and these are monitored on a regular basis. As part of forming and monitoring the investment strategy a number of key risks are taken into consideration over the year, including:

- Deficit risk is managed through assessing the progress of the actual development of the Plan's funding level, which is done on a monthly basis using software provided by the investment consultant that is designed to automatically track the Plan's assets and liabilities.
- Liquidity risk is monitored on a monthly and quarterly basis as set out in the Liquidity section above.
- Currency risk is managed by hedging a proportion of the overseas investments' currencies, for those overseas currencies that can be hedged efficiently. The amount of currency exposure that is hedged is left to the managers discretion. As at 31 March 2024 the LGIM Diversified Fund and TWIM Partners Fund had a net overseas currency exposure of 50.5% and 35.0% respectively. Interest rate and inflation risk is managed via the Plan's matching assets with BlackRock which aim to provide a hedge ratio of 80.0% of liabilities, reducing the risk of the Plan's funding position being impacted by the liabilities increasing due to changes in long-term interest rates and inflation expectations.
- Political risk is managed by the Plan's assets being diversified across different asset types and geographies.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Other Matters (SIP paragraph reference:24-25) (continued)

- Sponsor risk is measured by receiving regular financial updates from the Principal Employer and periodic covenant assessments, it is managed through an agreed contribution and funding schedule.
- Manager risk is managed through regular monitoring of the Plan's investment managers by its investment consultant and the Trustee as set out in the Investment Managers section above.
- Buy-in insurer risk is managed by having selected a regulated insurer, reliance on the insurance regulatory regime and with appropriate termination rights which have been agreed with the insurers and written into the contracts.

The combination of these risk management levers has been important in reducing the Plan's funding level volatility over the scheme year.

DC section

Note: whilst this section also applies to the OMPS, certain aspects are not relevant because:

- The benefit provided by each members' fund under the OMPS is subject to a minimum 'defined benefit' equal to the amount of contracting-out benefit accrued by the member during their membership of the OMPS
- Due to the contracting-out minimum benefit, members in the OMPS do not have an investment choice in relation to their OMPS fund, which is invested in a lifestyle investment strategy that targets annuity purchase on a member's retirement (the OMPS Lifestyle 2021).

Investment Managers (SIP paragraph reference:10)
The Trustee monitors the DC section's investment managers every six months with advice from its investment consultant and on an ad-hoc basis as and when there is a significant change to an investment manager. The Trustee monitors the performance of the DC section's funds relative to each fund's objective, and any change in the approach and operations of the investment manager who manages the assets, each quarter through the reporting provided by Aviva, the DC section's provider.

Plan objectives and options (SIP paragraph reference:26-27)
The primary investment objective of the DC section is to offer members a range of investment options that accommodate different investment objectives and attitudes to investment risk.

To meet this objective, the Trustee offers a choice of:

- Four 'Lifestyle' options (one of which is the default investment strategy – see below) whereby, as a member approaches retirement, their investments are automatically switched from higher risk/higher potential return investments to lower risk investments that are aligned with how they intend to take their retirement benefits, and
- An alternative 'self-select' fund range comprising of 12 pooled investment funds that provide members with a choice of both passive and active management as well as investments in the major asset classes, including equities (both in the UK and overseas), diversified assets, UK Government gilts, corporate bonds, property and money markets.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Plan objectives and options (SIP paragraph reference:26-27) (continued)

The Trustee operates four lifestyle options, two offering a choice between a diversified or passively managed global equity investment strategy during the growth phase, which then de-risk to an investment split appropriate for a member planning to purchase an annuity on retirement and two offering the same choice during the growth phase, which then de-risk to an investment split appropriate for a member planning to take a flexible income during retirement via pension income drawdown.

The Trustee monitors the ongoing suitability and performance of all the lifestyle options and self-select fund range. Following the last full review of the lifestyle options and the self-select fund range which began in May 2023, the Trustee agreed to keep the lifestyle options unchanged but would look to replace the current global equity fund with a fund that is more representative of a global market cap strategy with more integrated ESG approach, using a blend of existing funds to minimise operational complications for the Plan's administrator.

It was agreed therefore to replace the BlackRock (30:70) Currency Hedged Global Equity Index Tracker fund in the four lifestyles and self-select range with a 50:50 blend of the LGIM MSCI ACWI Adaptive Capped ESG Index Fund and LGIM MSCI ACWI Adaptive Capped ESG Index Fund GBP Currency Hedged. This transition is expected to be completed by the end of the next Plan year in March 2025.

Default Investment strategy (SIP paragraph reference:28-33)

The Trustee has provided a default investment strategy for members who do not make their own investment choices that:

- Provides good prospects for growth to try and ensure that members achieve a good level of pension savings at retirement
- Manages the investment risks faced by members throughout their membership
- Targets a flexible secure level of income via pension income drawdown.

The aims and objectives of the default investment strategy, the Diversified Drawdown Lifestyle 2021, are to provide members with:

- A higher risk investment strategy that potentially offers higher levels of growth whilst members are more than 25 years from retirement by investing in passively managed global equities
- A medium to high risk investment strategy that potentially offers good levels of growth whilst members are between 25 and 10 years from retirement by investing in a diversified investment strategy
- An investment strategy that de-risks during the 10 years immediately before a member's retirement to a mix of lower risk investments appropriate for a member who, on retirement, intends to take part of their retirement savings as a tax-free lump sum and use the balance to provide a flexible income via pension income drawdown.

The Trustee reviews the default investment strategy, including its performance, at least every three years or earlier following a significant change in investment policy or the demographic profile of the Plan's membership. The last review of the default investment option was completed in August 2023.

Sustainable investment (SIP paragraph reference:37-38)

The Trustee's view is that relevant ESG factors and stewardship policies should be included amongst the criteria taken into account when selecting investment funds for inclusion in the lifestyle strategy.

In addition, the Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account to the platform provider (in relation to the monitoring of the funds and fund managers available on its platform) and to the investment managers (in relation to the purchase, retention or sale of underlying investments).

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Sustainable investment (SIP paragraph reference:37-38) (continued)

The Trustee reviews the platform provider's and the investment managers' ESG and stewardship policies regularly to ensure that they are carrying out their delegated responsibilities. The Trustee did not undertake such a review during the year to 5 April 2024 but intends to do so before the end of the current scheme year (ending 5 April 2025) and will therefore provide further information in next year's statement.

Risk (SIP paragraph reference:39-40)

Under the DC section, it is the members, rather than the Principal Employer, who bear the investment risks.

The Trustee recognises specific risks faced by members when deciding how to invest their pension savings under the DC section and mitigates these by providing a suitable range of investment options for members. In particular:

- Capital risk – to help members protect against falls in the value of their pension savings, the Trustee provides bond and cash funds as these are expected to provide lower risk (less volatile) investment options
- Inflation risk – to provide members with an opportunity for their pension savings to grow at least in line with inflation, the Trustee provides both UK and overseas equity funds as well as an index-linked gilts fund as these are expected to provide real growth over the medium to long term
- Pension conversion risk – for those members wishing to provide a fixed, guaranteed income when they retire (through the purchase of an annuity), the Trustee provides two lifestyle strategies that target annuity purchase together with a selection of bond funds as, in general, annuity prices are linked to bond yields
- Currency risk – to provide some protection against movements in currency exchange rates for members selecting funds that invest in non-Sterling denominated assets, the Trustee provides a choice of funds that invest in Sterling denominated assets as well as a currency hedged global equity fund (that is also used in the default investment strategy)

In addition to the above risks, the Trustee manages 'political risk' and 'manager risk' in the same way that it manages these risks under the DB section (see earlier in this statement).

To support the above, the Trustee takes advice from its investment consultant in relation to measuring the level of risk inherent to members via the lifestyle investment strategies and self-select fund range offered to members. These were last considered by the Trustee as part of the review of the lifestyle investment strategies and self-select fund range during 2023.

Additional Voluntary Contributions ("AVC") section

The Plan provides a facility for members of the CARE section of the Plan to pay AVCs to enhance their benefit at retirement. Members are offered a range of options which are identical to those available to the DC section.

The Trustee reviews the suitability of these arrangements when considered necessary. The last review was completed during 2023.

4. Voting and engagement

For both the Plan's DB and DC sections, the Trustee has delegated the applicable day to day voting and engagement activity to its investment managers. Voting information on the Plan's bond holdings is not provided as the vast majority of loan and debt securities do not come with voting rights.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

DB section

For the Plan's DB section, voting information as at 31 March 2023 for the relevant funds is provided in the table below.

DB Funds	Number of votes eligible	% of votes exercised	% of votes for	% of votes against	% abstained	Significant votes cast
LGIM Diversified Fund	93,090	99.8%	76.6%	23.1%	0.3%	LGIM provided 2,254 significant votes cast over the Scheme year. In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to: • High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny; • Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote; • Sanction vote as a result of a direct or collaborative engagement; • Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.
TWIM Partners Fund	25,823	94.9%	86.9%	12.8%	0.4%	TWIM provided 10 votes considered to be the most significant votes, 2 of these were against management. These related to greater shareholder participation, climate change, stock ownership plan, tax transparency, human rights, and use and risks of AI.

DC Section

Investments in the Plan's DC section are made using pooled investment funds that are provided by the DC section's platform provider, Aviva Pensions (AP), and consequently voting rights are exercised on behalf of the Trustee by each fund's underlying investment manager. The pooled investment funds that invest in UK and overseas equities are as follows:

- The AP BlackRock (30:70) Currency Hedged Global Equity Index Tracker Fund,
- The AP BlackRock World ex-UK Equity Index Tracker Fund,
- The AP BlackRock UK Equity Index Tracker Fund,
- The D&B Global Equity Active Fund (60% Veritas Global Focus Fund and 40% MFS Global Equity Fund),
- The AP Artemis UK Special Situations Fund, and
- The AP LGIM Diversified Fund.

For the Plan's DC section, voting information for the relevant funds to the year ending 31 March 2024 is provided in the table below.

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

DC Funds	Number of votes eligible	% of votes exercised	% of votes for	% of votes against	% abstained
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	7,701	100.0%	82.4%	15.8%	1.8%
BlackRock World ex-UK Equity Index Tracker	25,054	95.8%	67.7%	29.8%	2.5%
BlackRock UK Equity Index Tracker	10,155	99.7%	94.1%	4.5%	1.4%
Veritas Global Focus Fund	509	96.9%	89.0%	9.8%	0.2%
MFS Global Equity Fund	1,498	100.0%	94.4%	5.6%	0.0%
Artemis UK Special Situations Fund	964	100%	99.6%	0.4%	0.2%
LGIM Diversified Fund	93,090	99.8%	76.6%	23.1%	0.3%

Figures may not total 100% due to rounding

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Examples of significant voting activity and engagement by Aviva Investors (AI) during the Plan year is provided below.

Most significant votes cast	Coverage in portfolio
Company: Unilever Plc **Meeting Date:** 3 May 2023 **Resolution:** Approve Remuneration Report **How the manager voted:** Against **Rationale:** This vote against reflects our concerns the incoming CEO's salary has been set higher at EUR 1.85million which is higher than his predecessor's salary of EUR 1.56 million. It is also significantly higher than his current salary at Royal FrieslandCampina, and UK market peers. When engaging with the company they explained they set his salary at the European market level and did not want to set a lower salary which could lead to problems in the future. They did acknowledge they probably could have paid less. When considering his total package as he has a bonus opportunity of 200% of salary and LTIP opportunity of 400% of salary this is high especially considering his previous pay and that he is not well known to the market. In addition, the salary increase for CFO Graeme Pitkethly is in line with the average increase awarded to the wider workforce in 2022 at 6% which is high. **Outcome of the vote:** The resolution was not passed (58.03% of votes were cast against).	BlackRock (30:70) Currency Hedged Global Equity Index Tracker
Company: Alphabet Inc **Meeting Date:** 2 June 2023 **Resolution:** Commission Independent Assessment of Effectiveness of Audit and Compliance Committee **How the manager voted:** For **Rationale:** We co-filed this shareholder resolution and are supporting it. We request an independent assessment of the Audit and Compliance Committee's oversight beyond legal compliance of the material risks to public well-being from company operations. There are a variety of concerns around data privacy, antitrust, mis- and disinformation, and AI development. An assessment of the Audit and Compliance Committee's effectiveness in board oversight could help provide shareholders with valuable information on how well the company is managing civil and human rights-related controversies. **Outcome of the vote:** The shareholder resolution did not pass. It received 8.33% support (which represents approx. 24% of independent votes due to the multiple share classes).	BlackRock World ex-UK Equity Index Tracker fund

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Most significant votes cast	Coverage in portfolio
Company: BP Plc **Meeting Date:** 27 April 2023 **Resolution:** Approve Shareholder Resolution on Climate Change Targets **How the manager voted:** Against **Rationale:** The company is being asked to align its existing 2030 reduction aims covering the greenhouse gas (GHG) emissions of the use of its energy products (scope 3) with the goal of the Paris Climate Agreement: to limit global warning to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5C°. BP has been designated as one of the 'Systematically Important Carbon Emitters' within Aviva Investors' portfolios due to its contribution towards global 'Scope 3' emissions, warranting heightened scrutiny. Whilst we acknowledge the merits of the proposal, a vote against was warranted on this occasion as the resolution would constitute an externally mandated change of strategy from the strategy presented by the Board, which would imply constraints on the Board to conduct its strategy. In addition, we note that the company still boasts ambitious 2030 goals (e.g., 20% + oil and gas output reduction), 50GW of renewable electricity FID, spending targets of an additional $8bn in low-carbon areas, notably bioenergy, EV charging, and hydrogen, which constitute key technology frontiers for a successful transition. Having said that, we will continue to engage with the company to strengthen action, specifically on the following aspects: Strengthening the credibility of its scope 3 strategy by setting out a clearer road map, including clear/ambitious timelines and quantitative metrics, on how it plans to achieve its various strategies to decarbonise customers and address traded oil and gas volumes; increasing the scale of windfall profit invested in its five transition businesses to 2030 investment, in line with the company's announced strategic commitments. Disclosing a more detailed strategy with affiliated targets/metrics over how it is seeking to employ best practice Just Transition principles (as defined by the WBA Just Transition Collective) to understand and address the social impact of its decarbonisation strategy, including supporting engagement with key stakeholders; and better evidencing how it is working to address instances of misalignment with industry associations taking oppositional positions on Paris-aligned climate policy pathways. In, by developing a clear time-bound escalation advocacy' plan to drive greater alignment and encourage proactive contributions to the policy priorities it has identified and providing regular progress updates detailing the specific nature of any influencing action and resulting outcome(s). **Outcome of the vote:** The shareholder resolution did not pass. It received 16.33% support.	BlackRock UK Equity Index
Company: **Meeting Date:** **Resolution:** **How the manager voted:** Against **Rationale:** **Outcome of the vote:**	Veritas Global Focus Fund

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Company: Oracle Corporation **Meeting Date:** 15 November 2023 **Resolution:** Report on Median and Adjusted Gender/Racial Pay Gaps **How the manager voted:** For **Rationale:** MFS voted FOR this proposal, against management, as we believe that additional disclosures relating to the company's adjusted pay gap and more information on how the company is ensuring pay equity would allow shareholders the ability to compare and measure the progress of the company's ongoing diversity and inclusion initiatives. **Outcome of the vote:** The shareholder resolution did not pass. It received 31.4% support.	MFS Global Equity Fund
Company: American Tower Corporation **Meeting Date:** 24 May 2023 **Resolution:** Elect Director Robert D. Hormats **How the manager voted:** Against **Rationale:** Diversity: A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executives officers to include at least 1 female. **Outcome of the vote:** The shareholder resolution passed. It received 98% support.	LGIM Diversified Fund
Company: **Meeting Date:** **Resolution:** **How the manager voted:** Against **Rationale:** **Outcome of the vote:**	Artemis UK Special Situations

Trustee's Report

Annual Implementation Statement - for year ending 5 April 2024 (continued)

Appendix – Fund Turnover (Trailing 12 months to 31 March 2024)

DB Section

Fund	Turnover
LGIM Diversified	4.2%
TWIM Partners	9.0%

DC Section

Fund	Turnover (%)
Legal & General Diversified	4.20%
Legal & General (PMC) All Stocks Gilts Index	24.87%
Legal & General (PMC) Over 5 Years Index-Linked Gilts Index	19.97%
Artemis UK Special Situations IE	49.00%
MFS Global Equity Fund	16.09%
Veritas Global Focus Fund	35.80%
AI 30:70 Global Equity (Currency Hedged) Index Fund	-1.96%
AI Non-Gilt Bond Over 15 Years Index Fund	-0.06%
AI UK Gilts Over 15 Years Index Fund	-1.98%
AI Index-Linked Gilts Over 5 Years Index Fund	-1.64%
AI UK Equity Index Fund	-0.60%
AI Developed World ex UK Equity Index Fund	-0.70%
Threadneedle Pensions Property	-28.05%
Aviva Investors Sterling Liquidity Fund	0.00%

Trustee's Report

Investment report

Defined Benefit Section

Asset allocation

As at 31 March 2024, the Plan's asset allocation was overweight to its return-seeking assets by 1.8% at 51.8% (against its strategic asset allocation of 50.0%), but remains within its rebalancing ranges of -2.5%/+5.0% (i.e. a strategic asset allocation target range of 47.5%-55.0%).

The Plan's liability proxy was reviewed in November 2023 following an update to reflect the cashflows from the 5 April 2021 actuarial valuation. At the time of the review, the Plan's target hedge ratio was 70% of its interest rate and inflation risk. This position was the result of actions taken place to reduce leverage and increase collateral following the LDI crisis. Since then, as the Plan's liquidity position improved materially, it was agreed to increase the hedge ratio up to 80%, which is the current target.

Return-seeking assets performed well over the year driven by equity markets which produced positive performance across all regions other than China which returned negative performance. North American equities performed well in particular driven by strong growth and continued optimism in AI technology. Gilt yields rose over the year leading to a negative absolute return over the for the Plan's LDI portfolio.

The Plan's actual allocation relative to the strategic allocations as at 31 March 2024 is shown below.

Asset Class	Plan Weight excluding buy-in (%)	Benchmark Weight (%)	Difference (%)	Plan Weight including buy-in (%)
Diversified Growth Funds	51.8	50.0	+1.8	46.1
LDI Portfolio and cash	48.2	50.0	-1.8	42.9
Buy-in asset	-	-	-	11.0
Total	**100.0**	**100.0**	**0.0**	**100.0**

Source.· Investment Managers, Willis Towers Watson.

The Plan's current strategic asset allocation to return seeking assets is 50% and is invested across two diversified growth funds, 35.0% of assets are invested in TWIM Partners Fund and 15.0% of assets are invested in LGIM Diversified Fund DGF. The remaining 50% of matching assets are invested in a Liability Driven Investment portfolio with BlackRock.

Investment Performance

The Trustee regularly monitors the performance of its investment managers against agreed benchmarks. The table below compares the Plan's performance against the benchmark, excluding the buy-in asset.

Period to 31 March 2024	Plan (% pa)	Benchmark (% pa)	Relative (% pa)
1 year	-2.0	-1.7	-0.3
3 years	-12.9	-12.7	-0.2

Source.· Panda Connect. Please note that the above table is subject to rounding errors.

Trustee's Report

Investment report (continued)

Market update

Summary

The Bank of England (BoE) made three base rate rises throughout the 12 months to March 2024.

- Increases of 0.25% in May and 0.5% in June took the base rate to 5.0%.
- An additional increase of 0.25% in August took the UK base rate to its highest level since March 2008.
- There were no further rate increases through the fourth quarter of 2023.
- The Bank of England (BoE) made no change to the base rate through the first quarter of 2024. The last increase was in August 2023 but rates remain at the highest level since March 2008. BoE governor Andrew Bailey signalled markets are right to expect more than one interest rate cut in 2024, saying he is increasingly confident inflation is heading towards target.

UK inflation rate, as measured by the CPI, rose by 3.2% in the 12 months to March 2024, down from 3.9% in December and the lowest since September 2021. The largest downwards contributions to the monthly change came from food whilst the largest upward contribution came from motor fuels, with prices rising this year but falling a year ago.

In the US, a single rise of 0.25% in May brought the target range to 5.00 – 5.25%, its highest level since July 2007. A further increase of 0.25% in July brought the target range to an all-time high of 5.25 – 5.50%. There were no further increases through the fourth quarter of 2023 and first quarter of 2024. Federal Reserve chair Jay Powell has acknowledged it will likely take 'longer than expected' for inflation to return to the US central bank's 2 per cent goal and cut interest rates.

Over the 12 months to 31 March 2024 sterling has appreciated against the US dollar, the Euro and the Yen by 2.2%, 2.8% and 16.2% respectively.

Equity markets

Over the 12 months to 31 March 2024, equity markets returned positive performance across all regions other than China which returned negative performance. The FTSE All World Index returned 21.0% whilst the MSCI China Index returned -18.8% (both in sterling terms). FTSE All-Share Index returned 8.4% whilst North America was the best performing region with 26.8% (both in sterling terms).

Bond markets

UK government bond yields (which move inversely to bond price) broadly increased over 12 months to 31 March 2024. Long maturity UK gilts have returned -4.6% over the period (as measured by FTSE-A Gilts Over 15 Years Index) and UK gilts all stocks returned 0.0%.

Inflation-linked gilt yields also increased over the 12-month period. Long maturity UK index-linked gilts returned -11.9% (as measured by FTSE-A Index-Linked Gilts Over 15 Years Index) and UK index-linked gilts all stocks returned -5.0%.

Over the past year, local currency emerging market debt underperformed hard currency emerging market debt returning 2.7% and 10.4% respectively.

Trustee's Report

Investment report (continued)

Investment options

The following report refers to the investments of the Defined Contribution (DC) Section of the Plan, including Additional Voluntary Contributions (AVC). Since 10 October 2013, it has not been possible to provide a split of the AVC investments between members participating in the Defined Benefit Section and the Defined Contribution Section. As such, the AVC investments held with Aviva Life & Pensions UK Limited (Aviva) are shown entirely as being in relation to the DC Section. The DC Section offers members a range of investment options through Aviva. The initial fund range was selected by the Trustee following advice from Willis Towers Watson (Towers Watson Limited).

During the year, members had the option of four lifestyle strategies or alternatively, they could select from a range of individual investments funds. A summary of the lifestyle strategies is provided below.

- **The Diversified Annuity Lifestyle 2021 (DAL)**

  Whilst members are more than 25 years from their retirement date, it invests 100% in the AP BlackRock (30:70) Currency Hedged Global Equity Index fund. Then, over the next 15 years, members are gradually switched into the AP LGIM Diversified fund so that when they are 10 years from their retirement date, they are invested 100% in this fund.

  Finally, during the 10 years immediately preceding a member's retirement date, their investments are gradually partly switched from the AP LGIM Diversified fund so that when they reach their retirement date they are invested in a mixture of the AP LGIM Diversified fund (29%), the AP BlackRock Over 5 Year Index-Linked Gilt Index fund (28%), the AP Legal & General All Stocks Gilts Index fund (28%) and the AP Money Market fund (15%).

- **The Equity Annuity Lifestyle 2021 (EAL)**

  Whilst members are more than 5 years from their retirement date, it invests 100% in the AP BlackRock (30:70) Currency Hedged Global Equity Index fund. Then, during the 5 years immediately preceding a member's retirement date, their investments are gradually switched from the AP BlackRock (30:70) Currency Hedged Global Equity Index fund so that when they reach their retirement date they are invested in a mixture of the AP LGIM Diversified fund (29%), the AP BlackRock Over 5 Year Index-Linked Gilt Index fund (28%), the AP Legal & General All Stocks Gilts Index fund (28%) and the AP Money Market fund (15%).

  The Diversified Drawdown Lifestyle 2021 (DDL)

  Whilst members are more than 25 years from their retirement date, it invests 100% in the AP BlackRock (30:70) Currency Hedged Global Equity Index fund. Then, over the next 15 years, members are gradually switched into the AP LGIM Diversified fund so that when they are 10 years from their retirement date, they are invested 100% in this fund. Finally, during the 10 years immediately preceding a member's retirement date, their investments are gradually partly switched from the AP LGIM Diversified fund so that when they reach their retirement date they are invested in a mixture of the AP LGIM Diversified fund (75%) and the AP Money Market fund (25%).

- **The Equity Drawdown Lifestyle 2021 (EDL)**

  Whilst members are more than 5 years from their retirement date, it invests 100% in the AP BlackRock (30:70) Currency Hedged Global Equity Index fund.

  Then, during the 5 years immediately preceding a member's retirement date, their investments are gradually switched from the AP BlackRock (30:70) Currency Hedged Global Equity Index fund so that when they reach their retirement date they are invested in a mixture of the AP LGIM Diversified fund (75%) and the AP Money Market fund (25%).

Trustee's Report

Investment report (continued)

Defined Contribution Section

DC Section and AVC Values

The table below shows the distribution of investments for the DC Section and AVCs at 5 April 2024:

Fund	DC section (£)	AVCs (£)
Av Artemis UK Special Situations	1,756,908	37,331
Av BlackRock UK Equity Index	2,638,291	108,584
Av BlackRock World (ex UK) Equity Index	4,002,239	347,729
Av CT Pensions Property	909,274	12,248
D&B Global Equity Active	1,933,191	50,308
Av Money Market	1,921,970	316,742
Av BlackRock Over 15 Years UK Gilt Index	156,651	508
Av L&G All Stocks Gilt Index	844,947	21,089
Av BlackRock Over 5 Years Index Linked Gilt Index	1,038,000	22,151
Av BlackRock 30:70 Currency Hedged Global Equity Index	27,312,350	993,205
Av BlackRock Over 15 Years Corporate Bond Index	273,276	-
Av LGIM Diversified	19,543,284	598,703
Total	**62,330,381**	**2,508,598**

Source: Aviva

D&B Lifestyle Strategy Values

The D&B Lifestyle Strategy was established as part of a consolidation exercise undertaken during 2010 and represents members' accounts in the Old Money Purchase Section of the Plan that have a Guaranteed Minimum Pension / Reference Scheme Test underpin. The table below shows the funds as at 5 April 2024.

Fund	DC Section (£)	AVC (£)
Av BlackRock 30:70 Currency Hedged Global Equity Index	2,491,126	10,053
Av LGIM Diversified	21,645,736	403,636
Av L&G All Stocks Gilt Index	2,379,741	75,007
Av BlackRock Over 5 Years Index-Linked Gilt Index	2,353,474	74,201
Av Money Market	1,333,755	41,596
Total	**30,203,832**	**604,493**

Source.· Aviva

Trustee's Report

Investment report (continued)

Investment return

The investment returns for each of the funds over the year to 31 March 2024, compared with the relevant benchmarks, is set out in the table below.

The majority of the funds are passively managed, meaning that these funds aim to closely track the performance of the relevant investment index. It is not expected that the performance of these funds will match the relevant investment index exactly. In particular, as the performance figures for these funds are shown net of charges in the table, the expectation is that they will typically underperform the relevant investment index.

Fund	Investment Return			Benchmark Return			Benchmark
	1 yr %	3 yrs % p.a.	5 yrs % p.a.	1 yr %	3 yrs % p.a.	5 yrs % p.a.	
Aviva Pension BlackRock (30:70) Currency Hedged Global Equity Index	19.5	8.0	9.3	N/A	N/A	N/A	N/A
Aviva Pension LGIM Diversified	8.1	2.6	4.2	N/A	N/A	N/A	N/A
D&B Global Equity Active	14.3	7.4	9.5	23.1	12.4	13.3	MSCI World Index
Aviva Pension Artemis UK Special Situations	12.9	4.2	7.7	8.4	8.0	5.4	FTSE All Share
Aviva Pension BlackRock UK Equity Index	7.4	7.4	5.1	8.6	7.9	5.5	FTSE Custom All Share
Aviva Pension BlackRock World (Ex-UK) Equity Index	24.6	11.8	13.5	25.1	12.1	13.8	FTSE Custom Developed ex UK
Aviva Pension CT Pensions Property	0.5	2.6	0.4	-0.7	1.5	1.4	MSCI/AREF UK All Balanced Quarterly Property Fund
Aviva Pension BlackRock Over 5 Year Index-Linked Gilt Index	-7.9	-12.5	-6.8	-7.8	-12.3	-6.7	FTSE Actuaries UK Index Linked Over 5 Years
Aviva Pension Legal & General (PMC) All Stocks Gilts Index	-0.5	-7.7	-4.0	0.0	-7.4	-3.8	FTSE UK Gilts All Stocks
Aviva Pension Money Market	4.7	2.2	1.4	4.9	2.4	1.6	SONIA
Aviva Pension BlackRock Over 15 Year Corporate Bond Index	5.2	-9.8	-3.7	N/A	N/A	N/A	ICE BofAML 15+ Year Sterling Non-Gilt
Aviva Pension BlackRock Over 15 Year Gilt Index	-4.8	-15.1	-8.3	-4.6	-14.9	-8.2	FTSE Actuaries UK Conventional Gilts Over 15 Years
Aviva Pension Legal & General (PMC) Over 5 Year Index-Linked Gilts Index	-7.5	-12.5	-6.9	-6.8	-12.1	-6.5	FTSE UK Gilts Index Linked Over 5 years Index

Performance data sourced from Aviva.

Passive fund performance is subject to price swings causing fund performance to deviate from the benchmark.

The individual fund performance figures above are shown net of charges.

Performance is only shown for periods where a fund has been part of the investment options under the DC Section. Where a fund has been available for less than a year, no performance is shown.

Custodial arrangements

The Plan's managed fund units are held under managed fund policies in the name of the Trustee and the policy documents are held by the Trustee.

Bases of investment managers' fees

The investment managers are remunerated by reference to the value of assets under management. In addition, one of the Plan's DGF managers has a performance element to its fee. This is reviewed periodically by the Trustee.

Trustee’s Report

The Trustee's Report was approved on behalf of Dun & Bradstreet (UK) Pension Plan Trustee Company Limited and signed on its behalf by:

…………………………………………… Trustee Director

…………………………………………… Trustee Director

Date:

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) 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 Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including 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 it 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 preparing, maintaining and from time to time reviewing and if necessary, revising a Schedule of Contributions 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 Schedule of Contributions. 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 pension and financial information included on the Dun & Bradstreet (UK) Pension Plan website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Trustee of the Dun & Bradstreet (UK) Pension Plan

Opinion

We have audited the financial statements of the Dun & Bradstreet (UK) Pension Plan for the year ended 5 April 2024 which comprise the fund account and net asset statement (available for benefits) and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 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 5 April 2024, and of the amount and disposition at that date of its assets and liabilities, other than the 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 Regulation 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

In auditing the financial statements, we have concluded that the Plan's trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Plan's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Plan's trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Plan's trustee is responsible for the other information contained within the annual report Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditor's Report to the Trustee of the Dun & Bradstreet (UK) Pension Plan

Responsibilities of Trustee

As explained more fully in the Trustee's Responsibilities Statement set out on page 27, the Trustee is responsible for the preparation of financial statements and for being satisfied that they give 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 intend to liquidate the Plan or to cease operations, or have 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non- compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the environment, including the legal and regulatory framework that the Plan operates in and how the Plan is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

Independent Auditor's Report to the Trustee of the Dun & Bradstreet (UK) Pension Plan

The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Act 1995 and 2004 and regulations made under them and FRS 102, including the Financial Reports of Pension Schemes 2018 (the Pensions SORP). We performed audit procedures to detect non- compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://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 Plan's Trustee as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Plan's 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 Plan and the Plan's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP
Statutory Auditor
Chartered Accountant
103 Colmore Row
Birmingham
B3 3AG

Date:………………………………..

Fund Account

For the year 5 April 2024

	Note	**Defined Benefit Section £**	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Employer contributions		**3,037,969**	**3,802,488**	**6,840,457**	5,172,067	3,566,078	8,738,145
Employee contributions		**56,266**	**379,890**	**436,156**	63,368	254,705	318,073
Total contributions	4	**3,094,235**	**4,182,378**	**7,276,613**	5,235,435	3,820,783	9,056,218
Transfers in	5	**-**	**-**	**-**	-	96,543	96,543
Other income	6	**310**	**-**	**310**	3,092	-	3,092
		3,094,545	**4,182,378**	**7,276,923**	5,238,527	3,917,326	9,155,853
Benefits paid or payable	7	**(7,807,050)**	**(800,210)**	**(8,607,260)**	(7,076,379)	(288,785)	(7,365,164)
Payments to and on account of leavers	8	**(49,650)**	**(2,873,088)**	**(2,922,738)**	(4,292,575)	(3,444,673)	(7,737,248)
Administrative expenses	9	**(1,272,081)**	**-**	**(1,272,081)**	(1,173,316)	-	(1,173,316)
		(9,128,781)	**(3,673,298)**	**(12,802,079)**	(12,542,270)	(3,733,458)	(16,275,728)
Net (withdrawals)/additions from dealing with members		**(6,034,236)**	**509,080**	**(5,525,156)**	(7,303,743)	183,868	(7,119,875)
Returns on investments							
Investment income	10	**5,760,896**	**-**	**5,760,896**	2,783,996	-	2,783,996
Change in market value of investments	11	**(10,880,432)**	**9,287,784**	**(1,592,648)**	(67,618,725)	(5,336,432)	(72,955,157)
Investment management expenses	12	**(1,131,934)**	**(310,672)**	**(1,442,606)**	(666,235)	(303,681)	(969,916)
Net returns on investments		**(6,251,470)**	**8,977,112**	**2,725,642**	(65,500,964)	(5,640,113)	(71,141,077)
Net (decrease)/increase in the fund during the year		**(12,285,706)**	**9,486,192**	**(2,799,514)**	(72,804,707)	(5,456,245)	(78,260,952)
Transfers between sections	14	**170,243**	**(170,243)**	**-**	421,705	(421,705)	-
Net assets at 6 April 2023		**152,419,976**	**86,285,505**	**238,705,481**	224,802,978	92,163,455	316,966,433
Net assets at 5 April 2024		**140,304,513**	**95,601,454**	**235,905,967**	152,419,976	86,285,505	238,705,481

The accompanying notes on pages 33 to 47 are an integral part of these financial statements.

Statement of Net Assets

Available for Benefits as at 5 April 2024

	Note	**Defined Benefit Section £**	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Investment assets							
Pooled investment vehicles	15	**122,737,183**	**95,647,304**	**218,384,487**	127,030,566	86,285,505	213,316,071
Insurance policies	16	**15,500,000**	-	**15,500,000**	17,100,000	-	17,100,000
Cash	18	**16,531**	-	**16,531**	10,000	-	10,000
Other investment balances	11	-	-	-	7,200,000	-	7,200,000
Total investments	11	**138,253,714**	**95,647,304**	**233,901,018**	151,340,566	86,285,505	237,626,071
Current assets	23	**3,102,252**	**117,080**	**3,219,332**	2,537,044	5,409	2,542,453
Current liabilities	24	**(1,051,453)**	**(162,930)**	**(1,214,383)**	(1,457,634)	(5,409)	(1,463,043)
Net assets at 5 April 2024		**140,304,513**	**95,601,454**	**235,905,967**	152,419,976	86,285,505	238,705,481

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 actuarial position of the Plan, which takes into account such obligations for the Defined Benefit Section, is dealt with in the report on actuarial liabilities on pages 4 and 5 of the annual report and these financial statements should be read in conjunction with this report.

The notes on pages 33 to 47 form part of these financial statements.

The financial statements on pages 31 to 47 were approved on behalf of Dun & Bradstreet (UK) Pension Plan Trustee Company Limited and signed on its behalf by:

…………………………………………………Trustee Director

…………………………………………………Trustee Director

Date:……………………………………………

Notes to the Financial Statements

1. Identification of the financial statements

The Plan is established as a trust under English law.

The Plan was established to provide retirement benefits to certain groups of employees of D & B Europe Limited. The address of the Plan's principal office is The Point, 37 North Wharf Road, London, W2 1AF.

The Plan is a hybrid scheme, comprising a Defined Benefit Section and a Defined Contribution Section.

2. 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 (FRS 102) - The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice 'Financial Reports of Pension Schemes' (the SORP) (Revised 2018).

The financial statements are prepared on a going concern basis, which the Trustee believes to be appropriate as they believe that the Plan has adequate resources to realise its assets and meet benefit payments in the normal course of affairs (continue to operate) for at least the next twelve months. In reaching this conclusion, the Trustee considered overall funding position of the Plan and Employer's ability to continue to meet its ongoing contributions.

3. Accounting policies

The principal accounting policies are set out below. Unless otherwise stated, they have been applied consistently year on year.

3.1. Accruals concept

The financial statements have been prepared on an accruals basis.

3.2. Currency

The Plan's functional currency and presentational currency is Pounds Sterling (GBP).

3.3. Contributions

Employee contributions, including AVCs, are accounted for by the Trustee when they are deducted from pay by the Employer, except for the first contribution due where the employee has been auto-enrolled by the Employer which is accounted for when received by the Plan.

Employer normal contributions which are expressed as a rate of salary are accounted for on the same basis as the employees' contributions, in accordance with the Schedule of Contributions in force during the year.

Employer deficit funding contributions are accounted for in the period to which they relate, in accordance with the Schedule of Contributions, or on receipt if earlier, with the agreement of the Employer and Trustee.

Employer other contributions are accounted for in accordance with the agreement under which they are payable or, in the absence of an agreement, on a receipts basis.

3.4. Transfers

Individual transfers in or out of the Plan are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

3.5. Other income

Income is accounted for in the period in which it falls due on an accruals basis.

Notes to the Financial Statements

3.6. Payments to members

Pensions in payment are accounted for in the period to which they relate and also include pensions paid under annuity policies which are in the name of the Trustee.

Other benefits, and any associated tax liabilities, are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for on the later of the date of leaving, retirement or death and the date on which any option or notification is communicated to the Trustee. If there is no choice, they are accounted for on the date of retirement or leaving.

The Plan has purchased annuity policies in the name of the individual member to cover certain pensions in payment. The cost of acquiring these policies is included in the fund account in the year of purchase and represents the cost of discharging the obligations of the Plan to the relevant members at the time of purchase.

3.7. Administrative and other expenses

Administrative and investment management expenses are accounted for on an accruals basis.

Administrative expenses for the Defined Contribution Section of the Plan are met by the Defined Benefit Section of the Plan. Investment management expenses for the Defined Contribution Section of the Plan are deducted from unit holdings at the investment manager.

Expenses, other than those set out in notes 9 and 12, are met directly by the Principal Employer.

3.8. Investment income

Income from pooled investment vehicles is accounted for when declared by the investment manager as investment income if it is distributed. Any investment income not distributed is recognised within change in market value.

Receipts from annuity policies which are held in the name of the Trustee are accounted for as investment income on an accruals basis.

3.9 Change in market value of investments

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.

3.10 Valuation of investments

Investments are included at fair value as follows:

The market value of the pooled investment vehicles with Towers Watson Investment Management Limited and Aviva Life & Pensions UK Limited (including AVCs) are taken as the single unit price at the accounting date, as advised by the investment managers.

The market value of pooled investment vehicles with Legal & General Investment Management Limited and BlackRock Investment Management (UK) Limited are taken as the dealing price/bid price respectively operating at the year end, as advised by the investment managers.

The buy-in policy purchased in the name of the Trustee with Just Retirement Limited, which fully provides the pension benefits for certain members, is included in these financial statements at the amount of the related obligation, determined by using the most recent Scheme Funding valuation assumptions and methodology updated for market conditions at the reporting date. No allowance for GMP equalisation is included in the valuation. Annuity valuations are calculated and provided by the Plan Actuary.

Other than the JUST Retirement Limited polices referred to above, the Trustee holds a small number of individual insurance policies that secure pensions payable to specified beneficiaries. These policies remain assets of the Trustee, but, as the value of these policies is not material, under current regulations and accounting practice, the Trustee has decided that these policies need not be valued in the Statement of Net Assets.

Notes to the Financial Statements

3.11 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trustee makes estimates and assumptions concerning the future valuation of certain of their investment assets, in particular, those classified in Level 3 of the fair value hierarchy. Changes in the accounting estimates used will, by definition, alter the carrying value of these investments. However, the Trustee believes there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of these assets.

4. Contributions

	Defined Benefit Section £	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Employer contributions:						
Normal	**221,125**	**3,802,488**	**4,023,613**	298,885	3,566,078	3,864,963
Other	**916,844**	**-**	**916,844**	873,182	-	873,182
Deficit funding	**1,900,000**	**-**	**1,900,000**	4,000,000	-	4,000,000
	3,037,969	**3,802,488**	**6,840,457**	5,172,067	3,566,078	8,738,145
Employee contributions:						
Normal	**56,266**	**-**	**56,266**	63,368	-	63,368
Additional voluntary contributions	**-**	**379,890**	**379,890**	-	254,705	254,705
	56,266	**379,890**	**436,156**	63,368	254,705	318,073
	3,094,235	**4,182,378**	**7,276,613**	5,235,435	3,820,783	9,056,218

In accordance with the Schedule of Contributions certified by the Plan Actuary on 5 July 2022, deficit contributions will be payable at rates of £2 million by 30 September 2022 (received 7 September 2022), £2 million by 30 April 2023 (received 18 January 2023) and £1.9 million by 31 March 2024 (received 28 March 2024 and accounted for as contributions in the current year).

Contributions received in respect of certain administrative expenses totalled £868,000. A further contribution of £48,844 (2023 £72,332) has been recognised in these financial statements, in respect of Plan levies incurred during the year.

Under the salary sacrifice arrangement introduced from 1 May 2010, members who take up the Pension Saver option do not actually contribute as listed in the Schedule of Contributions, instead, their salary is adjusted by the same amount as the contribution.

The notional member contributions are instead paid to the Plan by the Participating Employers, to the same timescales as specified in the Schedule of Contributions. These are shown within Employer normal contributions, along with any additional contributions paid via the salary sacrifice arrangement.

The Defined Contribution Section has a flexible contribution scale. The member must contribute between 3% and 5% of Contribution Salary, and the Employer contributes at the corresponding matching rates as specified in the Schedule of Contributions.

Notes to the Financial Statements

5. Transfers in

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Individual transfers in from other schemes	**-**	**-**	**-**	-	96,543	96,543

6. Other income

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Miscellaneous income	**310**	**-**	**310**	3,092	-	3,092

7. Benefits paid or payable

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Pensions	**6,252,542**	**-**	**6,252,542**	5,799,919	-	5,799,919
Commutation of pensions and lump sum retirement benefits	**1,554,508**	**371,985**	**1,926,493**	1,207,499	214,640	1,422,139
Lump sum death benefits	**-**	**142,450**	**142,450**	50,679	8,409	59,088
Purchase of annuities	**-**	**260,378**	**260,378**	-	60,327	60,327
Lifetime allowances	**-**	**24,897**	**24,897**	18,282	5,409	23,691
Refund of contributions on death	**-**	**500**	**500**	-	-	-
	7,807,050	**800,210**	**8,607,260**	7,076,379	288,785	7,365,164

8. Payments to and on account of leavers

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Individual transfers out to other schemes	**49,650**	**2,873,088**	**2,922,738**	4,292,575	3,444,673	7,737,248

Notes to the Financial Statements

9. Administration expenses

	Defined Benefit Section £	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Actuarial and consultancy fees	**468,111**	**-**	**468,111**	442,460	-	442,460
Administration fees	**598,552**	**-**	**598,552**	459,484	-	459,484
Trustee fees	**99,814**	**-**	**99,814**	106,981	-	106,981
Legal fees	**22,803**	**-**	**22,803**	52,311	-	52,311
Audit fees	**33,150**	**-**	**33,150**	37,950	-	37,950
Miscellaneous expenses	**807**	**-**	**807**	1,798	-	1,798
Plan levies	**48,844**	**-**	**48,844**	72,332	-	72,332
	1,272,081	**-**	**1,272,081**	1,173,316	-	1,173,316

10. Investment income

	Defined Benefit Section £	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Income from pooled investment vehicles	**4,803,356**	**-**	**4,803,356**	1,878,444	-	1,878,444
Annuity income	**921,380**	**-**	**921,380**	895,204	-	895,204
Interest on cash deposits	**36,160**	**-**	**36,160**	10,348	-	10,348
	5,760,896	**-**	**5,760,896**	2,783,996	-	2,783,996

The income from pooled investment vehicles is generated in the main from the LDI portfolio and interest held by BlackRock and relates to deleveraging.

Notes to the Financial Statements

11. Reconciliation of investments

Defined Benefit Section

	Value at 5 April 2023 £	**Purchases at cost £**	**Sales proceeds £**	**Change in market value £**	**Value at 5 April 2024 £**
Pooled investment vehicles	127,030,566	**61,312,746**	**(56,325,697)**	**(9,280,432)**	**122,737,183**
Insurance policies	17,100,000	**-**	**-**	**(1,600,000)**	**15,500,000**
	144,130,566	**61,312,746**	**(56,325,697)**	**(10,880,432)**	**138,237,183**
Cash and cash equivalents	10,000				**16,531**
Other investment balances	7,200,000				**-**
	151,340,566				**138,253,714**

Defined Contribution section

	Value at 5 April 2023 £	**Purchases at cost £**	**Sales proceeds £**	**Change in market value £**	**Value at 5 April 2024 £**
Pooled investment vehicles	86,285,505	**4,182,378**	**(4,108,363)**	**9,287,784**	**95,647,304**

11.1. Transaction costs

Transaction costs include costs charged directly to the Plan such as fees, commissions, stamp duty and other fees. Direct transaction costs incurred during the year amounted to £NIL (2023: £NIL). In addition to the direct transaction costs disclosed above, indirect costs are incurred through the bid-offer spread on investments within the pooled investment vehicles. The amount of indirect costs is not separately provided to the Plan.

11.2. Defined contribution assets

Investments purchased by the Plan are allocated to provide benefits to the individuals on whose behalf corresponding contributions were paid. The investment provider designates the investment records by member. The Trustee may hold investment units representing the value of employer contributions that have been retained by the Plan that relate to members leaving the Plan prior to vesting.

	2024 £	2023 £
Designated to members	**95,647,304**	86,285,505

Following the transfer of the majority of the AVC investments held for members participating in both the Defined Benefit Section and the Defined Contribution Section with The Equitable Life Assurance Society to Aviva Life & Pensions UK Limited in 2013, it is no longer possible to provide a split of these AVC investments between members participating in the Defined Benefit Section and the Defined Contribution Section. As such, the AVC investments held with Aviva Life & Pensions UK Limited have been shown entirely as being in relation to the Defined Contribution Section.

Notes to the Financial Statements

12. Investment management expenses

	Defined Benefit Section £	Defined Contribution Section £	2024 Total £	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Administration, management and custody fees	**1,099,389**	**310,672**	**1,410,061**	635,443	303,681	939,124
Advisory	**32,545**	**-**	**32,545**	30,792	-	30,792
	1,131,934	**310,672**	**1,442,606**	666,235	303,681	969,916

Included in the investment management expenses for the Defined Benefit Section are fee rebates totalling £13,904 (2023: £47,537) received in respect of the investment with Towers Watson Limited. The TWIM Partners Fund charges a performance fee which accrues in the monthly NAV and crystallises annually on 30 June. Investment management expenses totalling £310,672 (2023: £303,681) for the Defined Contributions Section are taken from member accounts in line with fee agreements.

13. Taxation

The Plan is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax. The Plan is registered for VAT with HMRC.

14. Transfers between sections

The financial statements include transfers between the Defined Contribution and Defined Benefit Sections of the Plan. Certain members of the Defined Contribution Section of the Plan have a Defined Benefit Section underpin, on exiting the Plan assets held in their Defined Contribution accounts are transferred to the Defined Benefit Section prior to being settled.

15. Pooled investment vehicles

	Defined Benefit Section £	Defined Contribution Section £	2024 Total £	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Equities*	**66,305,718**	**10,874,581**	**77,180,299**	64,382,775	10,077,429	74,460,204
Bonds	**55,863,098**	**7,239,045**	**63,102,143**	51,964,549	7,078,015	59,042,564
Diversified growth	**-**	**42,191,359**	**42,191,359**	-	38,650,567	38,650,567
Hedge funds	**-**	**30,806,734**	**30,806,734**	-	27,184,893	27,184,893
Property	**-**	**921,522**	**921,522**	-	894,692	894,692
Cash	**568,367**	**3,614,063**	**4,182,430**	10,683,242	2,399,909	13,083,151
	122,737,183	**95,647,304**	**218,384,487**	127,030,566	86,285,505	213,316,071

* The Defined Benefit Section equity funds include the diversified growth funds.

The pooled investments are held in the name of the Plan. Income generated by the liability hedging funds held by BlackRock is shown in note 10. Income generated by the other funds is not distributed but retained within the pooled investments and reflected in the market value of the units.

The Legal and General funds are free from charge or lien except for the provision of the floating charge and any liens put in place by counterparties or custodians (please note that this is normal practice within the industry). The floating charge was put in place for the benefit of all policy holders. All clients were notified of the charge, which was also discussed with the FCA and it confirmed that it had no objection to it The Trustee believes that this method is similar to that adopted by most providers of insured pooled funds.

Notes to the Financial Statements

16. Insurance policies

The total amount of insurance policies held under a policy with Just Retirement Limited at the year end is shown below:

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Buy In policy	**15,500,000**	**-**	**15,500,000**	17,100,000	-	17,100,000

Annuity policies to secure the retirement benefits of 106 (2023: 108) of the retired members have been valued by the Plan Actuary. The valuation is based on the Plan's Technical Provisions assumptions, updated to reflect market conditions at the assessment date.

The discount rate used is the WTW nominal gilt curve at 5 April 2024. Allowing for the weight and distribution of the insured liabilities, this discount rate is equivalent to a level discount rate of approximately 4.5% p.a. (2023: 3.7% p.a.).

RPI inflation has been assumed to be in line with the WTW gilt market breakeven inflation curve as at 5 April 2024.

CPI inflation has been assumed to be 0.9% pa below RPI inflation until 2030 and 0.1% below RPI inflation from 2030.

17. AVC investments

The Trustee holds AVC assets within the main fund. These secure additional benefits, on a money purchase basis, for those members who have elected to pay additional voluntary contributions. Members participating in this arrangement receive an annual statement made up to 5 April each year, confirming the amounts held to their account and the movements during the year.

The total amount of AVC investments at the year end is shown below:

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Aviva Life & Pensions UK Limited	**-**	**3,113,091**	**3,113,091**	-	2,653,108	2,653,108

18. Cash

	Defined Benefit Section	**Defined Contribution Section**	**2024 Total**	Defined Benefit Section	Defined Contribution Section	2023 Total
	£	**£**	**£**	£	£	£
Sterling	**16,531**	**-**	**16,531**	10,000	-	10,000

Notes to the Financial Statements

19. Fair value determination

The fair value of financial instruments has been determined 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.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Plan's investment assets fall within the above hierarchy as follows:

At 5 April 2024				
Defined Benefit section	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Pooled investment vehicles	-	122,737,183	-	122,737,183
Insurance policies	-	-	15,500,000	15,500,000
Cash and cash equivalents	16,531	-	-	16,531
	16,531	**122,737,183**	**15,500,000**	**138,253,714**
Defined contribution section	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Pooled investment vehicles	-	95,647,304	-	95,647,304
	-	**95,647,304**	**-**	**95,647,304**

At 5 April 2023				
Defined Benefit section	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	-	127,030,566	-	127,030,566
Insurance policies	-	-	17,100,000	17,100,000
Cash and cash equivalents	10,000	-	-	10,000
Other investment balances	7,200,000	-	-	7,200,000
	7,210,000	**127,030,566**	**17,100,000**	**151,340,566**
Defined contribution section	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Pooled investment vehicles	-	86,285,505	-	86,285,505
	-	**86,285,505**	**-**	**86,285,505**

Notes to the Financial Statements

20. Investment risk disclosures

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

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

Market risk: this comprises currency risk, interest rate risk and other price risk.

- **Currency risk**: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest rate risk**: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other price risk**: this is the risk that the fair value or future cash flows of a financial asset 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 individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustee determines its investment strategy after taking advice from a professional investment adviser. The Plan has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustee manages investment risks, including credit and market risk, within risk limits which are considered when setting the Plan's strategic investment objectives.

These investment objectives and risk limits are implemented through investments in pooled investment vehicles 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. This includes the investments within the defined benefit and defined contribution sections only, as other investments outside these sections are not considered significant in relation to the overall investments of the Plan.

Investment strategy

To guide it in its strategic asset management, the Trustee (in consultation with the Principal Employer) has considered its key investment objectives. The primary objective is that the Plan's assets are held to meet the Plan's liabilities as and when they fall due.

In setting the long-term asset allocation to achieve its stated objective, the Trustee has, with the help of its Scheme Actuary and Investment Consultant, evaluated the degree of risk associated with various asset allocation strategies taking account of the Plan's liability profile. The investment strategy makes use of three key types of investments.

- using a range of instruments that provide a reasonable match to changes in liability values, which may include gilts, corporate bonds and derivatives
- a diversified range of return-seeking assets, including (but not limited to) diversified growth funds
- actively and passively managed portfolios.

The current strategy, excluding the Plan's buy-in, is to hold:

- 50% in return seeking investments comprising of diversified growth funds which include a range of different underlying strategies.
- 50% in investments that move in line with the long-term liabilities of the Plan. This is referred to as LDI and comprises UK and fixed and index-linked government bonds, and derivative instruments, the purpose of which is to hedge against the impact of interest rate and inflation movements on long term liabilities.

Additionally the Plan holds a buy-in with Just Retirement Limited that insures a portion of the Plan's pensioner liabilities.

Notes to the Financial Statements

20. Investment risk disclosures (continued)

Credit risk

The Plan is exposed to direct credit risk through the Plan's holdings in the buy-in asset and cash in the trustee bank account. Direct credit risk arising from the Plan's buy-in is mitigated by capital requirements and the Prudential Regulatory Authority's regulatory oversight. In addition to this, the Plan's buy-in was arranged with a suitably regulated insurer (Just) on which the Trustee carried out due diligence checks. The direct credit risk arising from the Plan's cash is mitigated by the cash being held in regulated UK bank accounts.

Indirect credit risks arise in the Plan in relation to underlying investments held in pooled cash investment vehicles, LDI pooled funds and Diversified Growth Funds. This is predominately managed by investing in derivative instruments, gilts and pooled cashed funds from the Plan's LDI portfolio (£56.4m as at 31 March 2024) with BlackRock. Counterparty risk exposure is managed by the investment manager through diversification of counterparties and collateralising derivative exposure on a daily basis. The Plan has exposure to credit assets through its investments managed by TWIM and LGIM.

The Plan's holdings in pooled investment vehicles are unrated. 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.

Some of the Plan's pooled funds enter into FX (currency market) contracts which may not be collateralised and are therefore exposed to some credit risk through these contracts; the Trustee has delegated credit risk management to the investment managers. The information about exposures to and mitigation of credit risk above applied at the current year end.

Currency risk

The Plan is subject to currency risk because some of the Plan's investments are held in overseas markets via pooled investment vehicles. The Plan has allocated to overseas assets through the Legal and General Investment Management (LGIM) Diversified Fund and Towers Watson Investment Management (TWIM) Partners Fund (c. £11.4m and c. £54.9m respectively, as at 31 March 2024); these are all subject to currency risk.

However, the currency risks are mitigated through hedging the currency, which is subject to the managers' discretion. As at 31 March 2023, the LGIM Diversified Fund and TWIM Partners Fund had a net overseas currency exposure of 50.6 % and 35.0% respectively.

Interest rate risk

The Plan is subject to interest rate risk because of the Plan's investments are held in LDI pooled funds and gilts funds. The types of instruments used in the Plan's LDI portfolio are used to reduce the impact of changes to interest rates on the Plan's overall position. Under this strategy, if interest rates fall the value of the liability matching assets will rise to help match the increase in liabilities from a fall in the discount rate. Similarly, if interest rates rise the investments will fall in value as will liabilities because of an increase in the discount rate. The Plan has set a target asset allocation to matching assets of 50% of total Plan assets, excluding the partial buy-in. As at the year-end, the LDI portfolio and cash holdings represented 48.2% of the investment portfolio (2023: 47.2%).

The Plan is also subject to interest rate risk from investments in credit investments held within the Plan's Diversified Growth Funds, cash through pooled vehicles, and cash through the Trustee bank account. Whilst the value of these assets are influenced by changing interest rates, the impact is reduced due to the diversified and global nature of the Plan's assets.

Notes to the Financial Statements

20. Investment risk disclosures (continued)

Other price risk

Other price risk arises principally in relation to the Plan's return seeking assets which includes equities, credit, property and other alternative investments held in pooled vehicles. The Plan has set a target asset allocation of 50% of investments being held in return seeking investments; at the year-end the return-seeking portfolio represented 51.8% of the total investment portfolio (2023: 52.8%).

The Plan manages this exposure to overall price movements by constructing a diverse portfolio of investments across various markets. The Plan is also exposed to buy-in insurer risk. This is the risk that the buy-in insurer fails to pay the benefits secured under the buy-in contract. This is addressed by having selected a regulated insurer, reliance on the insurance regulatory regime and through obtaining appropriate termination rights which have been agreed with the insurers and written into the contracts.

Summary of pooled investment vehicles by type

A summary of the Plan's pooled investment vehicle by type of arrangement is shown below:

	31 March 2024 £m	31 March 2023 £m
Unit linked insurance contracts	29.8	9.5
Authorised unit trusts	37.4	42.9
Open ended pooled funds	0.6	10.7
Other	54.9	63.9
	122.7	127.0

Notes: The other category includes the Plan's investment in TWIM Partners Fund which is a Qualifying Investor Alternative Investment Fund.

Defined Contribution (DC) Section

The Trustee's objective is to make available to members of the DC Section an appropriate range of investment options designed to generate income and capital growth, 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). The Statement of Investment Principles outlines the investment objectives and strategy for the DC assets of the Plan. The investment funds offered are provided by Aviva and can be accessed by investing in one of the four lifestyle strategies {the Diversified Lifestyle Annuity Investment Programme, the World Equity Lifestyle Annuity Investment Programme, the Diversified Lifestyle Drawdown Investment Programme and the World Equity Lifestyle Drawdown Investment Programme) or by choosing them as a self-select option. The available funds include:

- Av Artemis UK Special Situations
- Av BlackRock Aquila UK Equity Index
- Av BlackRock Aquila World (ex UK) Index
- Av CT Pensions Property
- D&B Global Equity Active
- Av Money Market
- Av BlackRock Aquila Over 15 Years UK Gilt Index
- Av L&G All Stocks Gilt Index
- Av BlackRock Aquila Over 5 Years Index Linked Gilt Index
- Av BlackRock Aquila Global Equity (30/70) Currency Hedged Index
- Av BlackRock Aquila Over 15 Years Corporate Bond
- Av L&G Diversified Fund

Notes to the Financial Statements

20. Investment risk disclosures (continued)

All of the funds on the above page are structured as unit-linked insurance contracts.

The policy for the DC Section of the Plan is held with Aviva and sets out guidelines for the underlying investments held by the funds. The day-to-day management of the underlying investments of the funds is the responsibility of the investment manager, including the direct management of credit and market risks.

The Trustee monitors the underlying risks through regular investment reviews.

Credit risk

The DC Section is subject to direct credit risk arising from the financial instruments held by the pooled investment vehicles. This risk is managed by the investment managers of the pooled investment vehicles who maintain the credit risk exposure of the financial products within acceptable parameters.

Currency risk

The DC Section of the Plan is subject to currency risk because some of investments are held in overseas markets in pooled investment vehicles. The Plan manages a proportion of this exposure through currency hedging.

Interest rate risk

The DC Section's assets are subject to interest rate risk because some of the investments are held in bonds through the pooled investment vehicles.

Other price risk

Other price risk arises principally in relation to the DC Section's return-seeking assets (such as equities) held through the pooled investment vehicles. The Plan manages this exposure to overall price movements by constructing a diverse portfolio of investments across various markets.

The Trustee has selected the above funds and has considered the indirect risks in the context of the investment strategy undertaken.

21. Concentration of investments

The following investments each account for more than 5% of the Plan's net assets at the year end:

	2024		2023	
	£	**%**	£	%
TWIM Partners Fund	**54,939,749**	**23.3**	63,964,040	26.8
Av Pension LGIM Diversified Fund	**42,191,359**	**17.9**	38,650,567	16.2
Av Pension L&G Global Equity 30:70 Market Wts 75% GBP Hedge Fund	**30,806,734**	**13.1**	27,184,893	11.4
Insurance policies - Just Retirement Limited	**15,500,000**	**6.6**	17,100,000	7.2

22. Employer-related investments

There was no employer-related investment as at 5 April 2024 (5 April 2023: none).

Notes to the Financial Statements

23. Current assets

	Defined Benefit Section £	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Cash deposits held	**3,078,168**	**29,613**	**3,107,781**	2,506,061	5,409	2,511,470
VAT recoverable	**21,203**	**-**	**21,203**	17,163	-	17,163
Annuity income due	**-**	**-**	**-**	10,807	-	10,807
Cash in transit	**-**	**87,467**	**87,467**	-	-	-
Bank interest due	**2,881**	**-**	**2,881**	3,013	-	3,013
	3,102,252	**117,080**	**3,219,332**	2,537,044	5,409	2,542,453

The cash deposits are held in the name of the Trustee with Lloyds Bank plc. The balance for the Defined Benefit Section is not allocated to members and the balance for the DC Section is allocated to members.

24. Current liabilities

	Defined Benefit Section £	**Defined Contribution Section £**	**2024 Total £**	Defined Benefit Section £	Defined Contribution Section £	2023 Total £
Benefits payable	**70,241**	**138,033**	**208,274**	-	-	-
Taxation payable	**91,374**	**-**	**91,374**	82,678	-	82,678
Taxation payable where lifetime or annual allowance exceeded	**-**	**24,897**	**24,897**	-	5,409	5,409
Administrative expenses payable	**132,218**	**-**	**132,218**	97,230	-	97,230
Investment management expenses payable	**50,370**	**-**	**50,370**	645,476	-	645,476
Employer contributions received in advance	**707,250**	**-**	**707,250**	632,250	-	632,250
	1,051,453	**162,930**	**1,214,383**	1,457,634	5,409	1,463,043

Contributions received in advance at the year end have been paid in accordance with the Schedules of Contributions.

Notes to the Financial Statements

25. Related party transactions

Key management personnel of the Plan

The following Directors of the Trustee Company are members of the Plan: Andy Jermy, Alan Batley, Piers Woolston, Richard Archer (resigned 31 March 2024), George Prior, Dessislava Laski (appointed 1 November 2023) and Simon Rodaway (appointed 1 November 2023). Their contributions and pensions are in accordance with the rules of the Plan.

Piers Woolston, Richard Archer (resigned 31 March 2024), George Prior, Andy Jermy and Alan Batley are pensioners of the Scheme.

Richard Clarke (appointed 11 August 2023) is a deferred member of the Scheme.

The Trustee Directors may also have family members who are/have been employed by the Principal Employer. Their contributions and pensions are in accordance with the rules of the Plan.

As shown in note 9, fees were paid and expenses were reimbursed to certain Trustee Directors of the Plan for their services. At the year end, fees and expenses totalling £12,143 remained unpaid. These were settled in April 2024.

Other related parties

All transactions involved with the Employer, D & B Europe Limited relate to the remittance of contributions required under the Rules of the Plan. There were no other related party transactions during the year.

26. Contingent liability

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to Guaranteed Minimum Pension (GMP) benefits. The issues determined by the judgment also apply to many other defined benefit pension schemes. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

Following on from the original judgment, a further High Court ruling on 20 November 2020 has provided clarification on the obligations for trustees. This judgment focused on the GMP treatment of historical transfers out of members' benefits, an issue which had not been addressed in the 2018 GMP ruling. Under this ruling, trustees are required to review historical transfer values paid from May 1990 to assess if any top up payment is required to be paid to the receiving scheme, to reflect members' rights to equalised GMP benefits.

It is expected these amounts will not be material to the Plan's financial statements. While the Trustee and employer have reached a preliminary agreement on the equalisation methodology to be used, equalisation has not yet been implemented and therefore the Trustee is not in a position to reach a reliable estimate of the backdated benefits and related interest. Therefore the cost of backdating pension benefits and related interest have not been recognised in these financial statements. They will be recognised once the Trustee is able to reach a reliable estimate. An approximate allowance of 1.3% of defined benefit section liabilities has been made within the 5 April 2021 valuation results for GMP equalisation. In addition, an allowance of £0.4m was made for the equalisation of historical transfer values.

27. Subsequent events

There were no subsequent events to report in the Financial Statements.

Independent Auditor's Statement about Contributions, under Regulation 4 of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, to the Trustee of the Dun & Bradstreet (UK) Pension Plan

Statement about contributions payable under schedule of contributions

We have examined the summary of contributions payable to the Dun & Bradstreet (UK) Pension Plan on page 49, in respect of the Plan year ended 5 April 2024.

In our opinion the contributions for the Plan year ended 5 April 2024 as reported in the Summary of Contributions on page 49 and payable under the Schedule of Contributions have in all material respects been paid at least in accordance with the Schedule of Contributions certified by the Plan Actuary on 5 July 2022.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported on page 49 have in all material respects been paid at least in accordance with the Schedule of Contributions. 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 Contributions.

Respective responsibilities of trustee and auditor

As explained more fully on page 27 in the Statement of Trustee's Responsibilities, the Plan's Trustee is responsible for ensuring that there is prepared. maintained and from time to time revised a Schedule of Contributions showing the rates and due dates of certain contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Plan and for monitoring whether contributions are made to the Plan by the employer in accordance with the Schedule of Contribution.

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

Use of our statement

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

RSM UK Audit LLP
Statutory Auditor
Chartered Accountant
103 Colmore Row
Birmingham
B3 3AG

Date:………………………………..

Summary of Contributions

During the year ended 5 April 2024, the contributions payable to the Plan by the Employer were as follows:

	Defined Benefit Section £	Defined Contribution Section £	**2024 Total** £
Contributions payable under the Schedule of Contributions:			
Employer contributions:			
Normal	221,125	3,802,488	**4,023,613**
Other	916,844	-	**916,844**
Deficit funding	1,900,000	-	**1,900,000**
	3,037,969	3,802,488	**6,840,457**
Employee contributions:			
Normal	56,266	-	**56,266**
Contributions payable under the Schedule of Contributions (as reported on by the Plan Auditor)	3,094,235	3,802,488	**6,896,723**
Other contributions:			
Additional voluntary contributions	-	379,890	**379,890**
Total contributions reported in the financial statements	**3,094,235**	**4,182,378**	**7,276,613**

Approved on behalf of Dun & Bradstreet (UK) Pension Plan Trustee Company Limited and signed on its behalf by:

………………………………………………Trustee Director

………………………………………………Trustee Director

Date:……………………………………………

Actuarial Certificate

Actuary's certification of schedule of contributions

Name of scheme: Dun & Bradstreet (UK) Pension Plan

Adequacy of rates of contributions

1 I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 5 April 2021 to be met by the end of the period specified in the recovery plan dated 30 June 2022.

Adherence to statement of funding principles

2 I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 30 June 2022.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signed ....

Date 05 July 2022

Mr S M Aries, FIA
Scheme Actuary
Towers Watson Limited, a WTW company

Watson House
London Road, Reigate
Surrey RH2 9PQ

Annual Governance Statement for the year ending 5 April 2024

DUN & BRADSTREET (UK) PENSION PLAN

ANNUAL GOVERNANCE STATEMENT FOR THE PLAN YEAR ENDING 5 APRIL 2024

PREPARED IN ACCORDANCE WITH REGULATION 23 OF THE OCCUPATIONAL PENSION SCHEMES (SCHEME ADMINISTRATION) REGULATIONS 1996 (THE "REGULATIONS")

1. **INTRODUCTION**

1.1 Governance requirements apply to defined contribution (DC) pension schemes, such as the DC Section of the Dun & Bradstreet (UK) Pension Plan ('the Plan'). The Trustee of the Plan is required to produce a yearly statement, signed by the Trustee Chair, to outline how these governance requirements have been met in relation to:

- The investment options available to members, including the default investment options,
- The net investment returns for each of the investment options,
- The asset allocation assessment,
- The requirements for processing financial transactions,
- The charges and transaction costs incurred by members, including the extent to which they provide value to members and the possible impact they have on benefits, and
- Trustee knowledge and understanding.

1.2 This statement covers the Plan's year from 6 April 2023 to 5 April 2024 (although some of the information below relates to the year ending 31 March 2024, the period closest to the Plan's year end for which information is available).

2. **INVESTMENT OPTIONS**

The default investment options

2.1 During 2021, the Diversified Annuity Lifestyle 2021 was replaced as the default investment option for members who are automatically enrolled into the DC Section and who do not make an investment choice, to the Diversified Drawdown Lifestyle 2021.

2.2 Following the above change, the DC Section has three default investment options:

- The Diversified Drawdown Lifestyle 2021 (previously called the Diversified Lifestyle Drawdown Investment Programme) – since 14 June 2021, this has been the default investment option for new members who were automatically enrolled into the DC Section,
- The Diversified Annuity Lifestyle 2021 (previously called the Diversified Lifestyle Annuity Investment Programme) – before 14 June 2021, this was the default investment option for new members who were automatically enrolled into the DC Section, and
- The AP Money Market Fund – this is the default investment option that was used for the temporary investment of members' contributions following the suspension in trading of one of the investments funds in 2020.

2.3 The Trustee prepares and keeps under review a Statement of Investment Principles in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 and a copy of the latest version (dated September 2024) is attached as Appendix I to this statement and can also be found on the Plan's website (see the D&B (UK) Pension Plan) along with a copy of this statement. This sets out the Trustee's investment policies relating to the Plan as a whole, including such matters as the Trustee's investment beliefs and objectives, the investment management arrangements, risk controls, as well as the selection and monitoring of investment managers. In addition, the SIP sets out the Trustee's approach to sustainable investment (such as the extent to which environmental, social and governance (ESG) factors are considered) and the exercising of voting rights that arise from the Plan's investments.

2.4 The SIP also includes the aims and objectives for the DC Section's default investment options, together with the reasons why the Trustee feels they are appropriate for those members who do not actively make their own investment choice.

2.5 None of the default investment options operate with performance-based fees.

2.6 Further information on all of the default investment options is provided below.

The Diversified Drawdown Lifestyle 2021

2.7 The DC Section is used as a Qualifying Scheme for auto-enrolment. For new members who are automatically enrolled into the DC Section and who do not make an explicit choice on how to invest their pension savings, contributions are automatically invested in the Diversified Drawdown Lifestyle 2021. This has been the DC Section's 'auto-enrolment' default investment strategy since 14 June 2021.

2.8 The aims and objectives of the Diversified Drawdown Lifestyle 2021 are to:

- Provide long-term real growth whilst members are far from their selected retirement date,
- Gradually reduce risk as members get nearer to their selected retirement date by automatically moving members savings to lower risk investment funds, and
- Have an asset allocation at the member's selected retirement date that is appropriate and consistent with providing a flexible income in retirement by using income drawdown.

2.9 The Trustee undertakes a strategic review of the Diversified Drawdown Lifestyle 2021 every three years to ensure it remains appropriate for new members who are automatically enrolled into the DC Section, although an earlier review will be undertaken if there are any significant changes in investment policy or membership. The latest review was undertaken in August 2023. Following the review, the Trustee concluded that the Lifestyle remains appropriate except to replace the BlackRock (30:70) Currency Hedged Global Equity Tracker fund with a global equity fund which reduces the UK bias in the current approach and better integrates Environmental, Social and Governance (ESG)/sustainable investments. An appropriate blended fund has been identified as a suitable alternative to replace the BlackRock (30:70) Currency hedged Global Equity Tracker fund and the transition is planned for March 2025.Further details will be provided to affected members closer to the time

2.10 Between full reviews, as part of its quarterly meetings and based on fund performance information provided by Aviva, the Investment and Funding Committee (I&FC) reviews the performance of the Diversified Drawdown Lifestyle 2021 to ensure that it is performing in line with its objectives.

The Diversified Annuity Lifestyle 2021

2.11 For members who were automatically enrolled into the DC Section before 14 June 2021 and who did not make an investment choice, their own and the employer's contributions were invested in the Diversified Annuity Lifestyle 2021 (previously the Diversified Lifestyle Annuity Investment Programme).

2.12 The aims and objectives of the Diversified Annuity Lifestyle 2021 are to:

- Provide long-term real growth whilst members are far from their selected retirement date,
- Gradually reduce risk as members get nearer to their selected retirement date by automatically moving members savings to lower risk investment funds, and

- Have an asset allocation at the member's selected retirement date that is appropriate and consistent with providing a guaranteed income by the purchase of an annuity.

2.13 The Trustee will undertake a strategic review of the Diversified Annuity Lifestyle 2021 every three years to ensure it remains appropriate for the relevant members, although an earlier review will be undertaken if there are any significant changes in investment policy or membership. The latest review was undertaken in August 2023. Following the review and in line with the above, the Trustee concluded that the Lifestyle remains appropriate except to replace the BlackRock (30:70) Currency Hedged Global Equity Tracker fund with a global equity fund which reduces the UK bias in the current approach and better integrates ESG/sustainable investments. An appropriate blended fund has been identified as a suitable alternative to replace the BlackRock (30:70) Currency hedged Global Equity Tracker fund and the transition is planned for March 2025.Further details will be provided to affected members closer to the time.

2.14 Between full reviews, as part of its quarterly meetings and based on fund performance information provided by Aviva, the I&FC reviews the performance of the Diversified Annuity Lifestyle 2021 to ensure that it is performing in line with its objectives.

The AP Money Market Fund

2.9 Towards the end of March 2020, trading in the AP CT Pensions Property Fund (formerly named the Threadneedle Pensions Property Fund) was temporarily suspended due to the impact of Covid-19 making it difficult to place an accurate value on the properties in which the fund invested. This meant that it was not possible for members to invest new money in or withdraw money from this fund (except in specific circumstances, such as normal retirement). Consequently, for members investing at least part of their contributions in the AP CT Pensions Property Fund, to avoid any delay in the collection and investment of those contributions, the Trustee agreed that from April 2020 these contributions should be temporarily invested in an alternative fund and chose the AP Money Market Fund for this purpose.

2.10 At the time of trading being suspended, affected members were informed that once the trading suspension was lifted, their contributions would once again be invested in the AP CT Pensions Property Fund. The trading suspension in the AP CT Pensions Property Fund was lifted in September 2020 and consequently the investment of contributions resumed from this date.

2.11 The aims and objectives of the AP Money Market Fund is to protect the value of capital by investing in deposit investments and similar assets with governments, first class banks and major companies (although while the fund aims to provide a lower risk return, values can fall). Consequently, as it was felt likely that the trading suspension in the AP CT Pensions Property Fund was likely to only be over the short term, the Trustee agreed that the AP Money Market Fund was an appropriate default option for the temporary investment of members' contributions as it minimised the risk of these contributions falling in value pending the recommencement of their investment in the AP CT Pensions Property Fund.

2.12 The Trustee will undertake a strategic review of the AP Money Market Fund every three years to ensure it remains appropriate as the default option for the temporary investment of members' contributions if trading in an investment fund is temporarily suspended. An earlier review will be undertaken if there are any significant changes in investment policy or membership.

2.13 The first review of the AP Money Market Fund was undertaken during the Plan Year. Following the review, the Trustee concluded that the fund remains appropriate

2.14 Between full reviews, as part of its quarterly meetings and based on fund performance information provided by Aviva, the I&FC reviews the performance of the AP Money Market Fund to ensure that it is performing in line with its objectives.

The alternative investment options

2.15 As an alternative to the three default investment options, members of the DC Section can invest in:

- Two alternative lifestyle investment strategies, the Equity Drawdown Lifestyle 2021 (previously the World Equity Lifestyle Drawdown Investment Programme) and the Equity Annuity Lifestyle 2021 (previously the World Equity Lifestyle Annuity Investment Programme), and
- A selection of 12 investment funds (including the AP Money Market Fund) that make up the ‘self-select fund range’.

The changes to the global equity fund (referred to above) will also apply to the Equity Drawdown Lifestyle 2021 and the Equity Annuity Lifestyle 2021.

The Old Money Purchase Section

2.16 Members with benefits in the Plan’s Old Money Purchase Section are invested in the OMPS Lifestyle 2021 (previously the Dun & Bradstreet Lifecycle 2018) that mirrors the Diversified Annuity Lifestyle 2021. The changes to the global equity fund (referred to above) will also apply to these strategies.

3. NET INVESTMENT RETURNS

3.1 In the tables below are shown the net investment returns for each of the default investment strategies and the alternative investment options that members are (or were) able to select and in which members were invested during the year to 5 April 2024. Net investment returns are the performance of each of the investment options and funds less all member borne charges and transaction costs. The information has been provided by Aviva (see also the notes on page 5).

3.2 When preparing this information, the Trustee has considered the guidance issued by the Department for Work and Pensions (DWP) titled ‘Completing the annual Value for Members assessment and Reporting of Net Investment Returns’ dated October 2021.

The default investment options

3.3 For the Diversified Drawdown Lifestyle 2021 and the Diversified Annuity Lifestyle 2021, because the net investment returns are different for members of different ages, the tables below show the annual net investments returns for members aged 25, 45 and 55 at the start of the five-year period.

The Diversified Drawdown Lifestyle 2021

Age of member	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
25	9.4% pa	19.5%
45	6.5% pa	15.2%
55	4.1% pa	8.0%

The Diversified Annuity Lifestyle 2021

Age of member	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
25	9.4% pa	19.5%
45	6.5% pa	15.2%
55	2.4% pa	7.8%

The AP Money Market Fund

Fund name	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
AP Money Market	1.5% pa	4.7%

The alternative investment options

3.4 As an alternative to the default investment options, members of the DC Section can choose from two alternative lifestyle strategies, the Equity Drawdown Lifestyle 2021 and the Equity Annuity Lifestyle 2021, or from individual investment funds included in the self-select fund range.

3.5 For the Equity Drawdown Lifestyle 2021 and the Equity Annuity Lifestyle 2021, because members invested in these two lifestyles are invested in the BlackRock (30:70) Currency Hedged Global Equity Index Tracker fund until they are five years from their selected retirement age, the net investment returns are the same for members aged 25, 45 and 55 at the start of the five-year period. The net investment returns for these two lifestyles are shown in the table below.

The Equity Drawdown Lifestyle 2021 & the Equity Annuity Lifestyle 2021

Age of member	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
25	9.4% pa	19.5%
45	9.4% pa	19.5%
55	9.4% pa	19.5%

3.6 The net investment returns for the investment funds that make up the self-select fund range are shown in the table below.

Fund name	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
Equity funds		
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	9.4% pa	19.5%
D&B Global Equity Active	9.7% pa	13.1%
Artemis UK Special Situations	7.7% pa	12.9%
BlackRock UK Equity Index Tracker	5.1% pa	7.4%
BlackRock World ex-UK Equity Index Tracker	13.6% pa	24.7%
Fixed Interest funds		
L&G All Stocks Gilt Index	-4.2% pa	-2.7%
BlackRock Over 15 Year Gilt Index Tracker	-8.3% pa	-4.8%
BlackRock 5 Year Index Linked Gilt Index Tracker	-6.8% pa	-7.8%
BlackRock Over 15 Year Corporate Bond Index Tracker	-3.7% pa	5.3%
Alternative funds		
CT Pensions Property	0.4% pa	0.5%
LGIM Diversified	4.2% pa	8.1%
Money Market	1.5% pa	4.7%

The Old Money Purchase Section

3.7 For the OMPS Lifestyle 2021, because the net investment returns are different for members of different ages, the table below shows the annual net investments returns for members aged 25, 45 and 55 at the start of the five-year period.

Age of member	Net investment return 5 years to 31 March 2024	Net investment return 1 year to 31 March 2024
25	9.4% pa	19.5%
45	6.5% pa	15.2%
55	2.4% pa	7.8%

Notes to net investment returns

a. Figures calculated by Aviva in line with the requirements of the Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 and accompany statutory guidance.

b. The net investment returns for the Diversified Drawdown Lifestyle 2021 and the Diversified Annuity Lifestyle 2021 assume a retirement age of 65.

c. The returns are net of all charges and costs borne by members, including platform or product administration charges, fund management charges, additional fund expenses and transaction costs.

d. The net investment returns reflect the charges and costs at the time of calculation, which could vary in the future.

4. **ASSET ALLOCATION ASSESSMENT**

4.1 The Trustee is required to assess and report on the allocation of assets in each default arrangement and the results are included in Appendix II.

5. **CORE FINANCIAL TRANSACTIONS**

5.1 The completion of all core financial transactions is subject to Aviva's agreed service levels that are set out in the Service Level Agreement (SLA) with the Trustee. Amongst other services, the SLA covers the timeliness and accuracy of tasks, such as the collection and investment of the monthly contributions, investment fund switches and benefit payments for retirements, leavers and deaths.

5.2 The Trustee's Governance Committee (GC) monitors Aviva's performance against its agreed service levels at each of its quarterly meetings (held in May, August, November and February during the year covered by this statement), which are attended by Aviva. At each GC meeting, Aviva presents its quarterly governance report and provides an overview of its performance against its agreed service levels (which are broken down by task and transaction type) and explains the reasons for any instances of underperformance, including the steps being taken to address the underperformance. Attendance by Aviva also allows the GC to ask for further information on tasks that are significantly beyond the target set out in the SLA.

5.3 During the year to 5 April 2024:

- For core financial transactions completed using 'straight through processing' (the payment and investment of monthly contributions), 100% were completed within the targets set out in the SLA,
- For core financial transactions not completed using 'straight through processing', the proportion completed within the targets set out in the SLA was 99% for the year (ranging from 97% to 100% each quarter), and

- For all administration tasks, the proportion completed within the targets set out in the SLA was 97% for the year (ranging from 94% to 99% each quarter).

5.4 The Plan's auditors also review core financial transactions as part of the annual audit.

5.5 Based on the monitoring by the GC at its quarterly meetings, the Trustee is satisfied that during the Plan year ending 5 April 2024:

- Aviva operated appropriate procedures, checks and controls in relation to its agreed service levels,
- There were no material administration errors in relation to the processing of core financial transactions, and
- Overall, core financial transactions were completed promptly and accurately.

6. CHARGES, TRANSACTION COSTS, AND VALUE FOR MEMBERS

Charges and transaction costs

6.1 The explicit fund charges for each investment fund, known as the Total Expense Ratio (TER), applicable to the Plan's investment options are shown in Appendix III to this statement (provided by Aviva). The TERs cover the costs of the administration, communication and investment services that Aviva provides to members of the DC Section as well as some governance support provided to the Trustee, such as the provision of quarterly governance reports.

6.2 In addition to these explicit fund charges, transaction costs are incurred by fund managers as a result of buying, selling, lending or borrowing the underlying investments of each fund. Details of the total transaction costs incurred by each fund for the year ending 31 March 2024 (the period closest to the Plan's year end for which information is available) are also provided in Appendix III.

6.3 There is no standard way of calculating transaction costs. The FCA has stipulated that a calculation methodology called 'slippage cost' should be used, which calculates the difference between the expected price of buying an underlying investment in an investment fund (for example, shares in a company) at the time the order is placed by the investment manager and the price at which the trade is executed. One consequence of this method is that, rather than generating a cost, it can result in a negative transaction cost being reported by the investment manager. In line with guidance from the DWP, where a negative transaction cost has been reported for one of the investment funds included in the DC Section (because an overall gain was made on the transactions, which can happen as a result of changes in the pricing of the assets being bought or sold), a zero transaction cost has been shown in the tables in Appendix III. However, where this has happened for the year covered by this statement, it is not expected that transaction costs will always be negative, and it is important to note that negative (or zero) transaction costs during any one year may not accurately represent the actual transaction costs a member may expect to see in future years.

6.4 In addition, Appendix IV includes illustrations produced by Aviva that provide an indication of how charges and transaction costs impact a member's benefits. The Trustee confirms that it believes that Aviva has taken account of the relevant statutory guidance when preparing these illustrations.

Value for members

6.5 The Trustee is required to assess the extent to which the charges and transaction costs incurred by members represent good value for members. There is no legal definition of 'good value' but the Trustee considers it to broadly mean that the combination of costs, and the quality of what is provided in return for those costs, is appropriate for the DC Section's membership, when compared to other options available in the market.

6.6 The Trustee recognises that good value for members does not necessarily mean the lowest charges, and the overall quality of the service received in return for the charges incurred by members must also be considered along with other benefits from their membership for which they do not meet the cost. These include the Trustee's:

- Oversight and governance duties for both the DC Section and the Plan as a whole, which include ensuring compliance with relevant legislation, such as the charge cap, and holding regular meetings to monitor the Plan and address any material issues that may impact members,
- Review of the default investment options (undertaken at least once every three years) and alternative investment options to ensure they remain appropriate for the membership,
- Monitoring of the quality of communications delivered to members, including the most appropriate and efficient method of delivery e.g. sending communications by email whenever possible, and
- Review of the quality of the support services provided such as the Plan's website where members can access information online.

6.7 The Trustee assesses the extent to which the DC Section represents value for members by:

- Comparing the charges and transaction costs with other pension schemes and investment sectors, particularly in relation to the default option, the Diversified Drawdown Lifestyle 2021,
- Assessing the performance of the investment funds against each fund's benchmark over both one year and five year periods.
- Assessing the Trustee's and Aviva's performance in the areas of governance, administration and communications.

6.8 As part of this and with the assistance of its advisers, the Trustee regularly monitors the competitiveness of the charges incurred by members. In addition:

- The performance of the investment funds compared to each fund's investment objective, as well as their continuing suitability, is monitored each quarter by the I&FC,
- The administration performance of Aviva is closely monitored by the GC during their quarterly meetings, and
- Transaction costs should provide value for members as the ability for investments managers to buy and sell investments (which gives rise to the transactions costs) forms an integral part of their management of the investments funds in which members are invested, which in turn should lead to greater investment returns, net of fees, over time.

6.9 In addition, the Trustee has previously surveyed members to obtain their views on a variety of aspects of the DC Section, such as the investment options available.

6.10 Having undertaken its value for member assessment and giving more weight to the DC Section's default option (in which most members are invested) in relation to charges and costs and investment performance, a summary of the Trustee's conclusions is set out below.

- Charges and transaction costs – as the charges represent most of the costs incurred by members, and the charges for the investment funds used in the default option are either below the average or 25th percentile of the charges of default options used by other DC pension schemes, the Trustee concluded that the charges and transaction costs provided 'good value'.
- Investment performance – the performance of the funds used in the default option was good over the one year and five year periods to 31 March 2024.The AP LGIM Diversified fund underperformed its benchmark over both periods. However, the comparator for the LGIM Diversified Fund is the FTSE Developed World Index – 50% GBP Hedged. Whilst this is used because the long-term expected rate of return of the fund is broadly

similar to that of a developed market equity fund, the AP LGIM Diversified fund carries less exposure to equity and so a deviance would be expected in periods of benign or positive market conditions.

- Giving greater weight to where most assets are invested and considering the performance of the self-select funds, overall, the Trustee concluded that investment performance provided 'fair value'.
- Governance, administration and communications – the Trustee has a Service Level Agreement (SLA) in place with Aviva and Aviva's performance against its targets set out in the SLA was good during the year and showed an improvement over the previous year. In addition, the Trustee operates an effective governance framework and continues to support members with a variety of good quality communications, including a dedicated website for the Plan (see the D&B (UK) Pension Plan). Overall, the Trustee therefore concluded that governance, administration and communications provided 'good value'.

6.11 Based on the above, for the year ending 5 April 2024, the Trustee concluded that overall, the DC Section provided 'fair value' to the members.

6. TRUSTEE KNOWLEDGE AND UNDERSTANDING (TKU)

6.1 The requirement under section 248 of the Pensions Act 2004 (requirement for knowledge and understanding) has been met during the Plan year by the Trustee Directors undertaking regular training at each quarterly board meeting and targeted attendance at external training courses. In addition, the I&FC receive from the Trustee's investment advisers regular training on investment topics as part of their I&FC meetings.

6.2 The Trustee has measures in place to ensure each of the Trustee Directors meet the TKU requirements. These are summarised below:

- There is an agreed induction process for new Trustee Directors (and there were three new appointments during the year covered by this statement).
- All Trustee Directors are required to complete all sections of the Pensions Regulator's trustee toolkit (all the Trustee Directors as at the reporting date have successfully completed the toolkit).
- Four out of the seven Trustee Directors hold the Pensions Management Institute's 'Award in Pension Trusteeship (Defined Contribution and Defined Benefit Schemes)'.
- Training needs are identified by self-assessment undertaken by individual Trustee Directors or collectively by the Trustee board to identify a specific need for the group (the Trustee Directors last undertook an updated self-assessment of their training needs in January 2023. They will carry out the next self-assessment in the year ending 5 April 2025 to identify topics for future training sessions).
- The Trustee's advisers bring to the Trustee's attention any changes in legislation or governance requirement that are relevant to the DC Section of the Plan.
- The Trustee has a dedicated budget to meet the costs associated with the provision of the required training. During the year ending 5 April 2024, examples of the training received relevant to the DC Section are as follows:
  - Supporting DC savers in the current economic climate,
  - Value for Member (VfM) assessment.
  - Communications Discovery Session

In addition to the above, in relation to the wider Plan, the Trustee received training on GMP equalisation, General Code of Practice, Liability-Driven Investment (LDI) and ESG factors as well as quarterly updates on the current issues in pensions.

- Plan documents are available to the Trustee Directors on a dedicated Trustee site that allows them to refer to them as necessary and thereby maintain a working knowledge of the Plan's key documents, including the Trust Deed and Rules, the Statement of Investment Principles and the Trustee's current policies, which is supplemented by relevant training and advice as required.

- All training undertaken by the Trustee Directors, whether individually or collectively as a group, is recorded in a training log.

The Plan benefits from a very stable and experienced Trustee board. This, combined with the knowledge and understanding of the Trustee Directors and the advice received by them from their professional advisers (both as part of their attendance at quarterly Trustee and I&FC meetings and on an ongoing basis throughout the year), enables them to properly exercise their functions as Trustee Directors by formulating a suitable investment framework and providing rigorous governance for the Plan.

Signed for and on behalf of Dun & Bradstreet (UK) Pension Plan

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Andy Jermy, Chair of Trustee

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Date

Statement of Investment Principles
Dun & Bradstreet (UK) Pension Plan

September 2024

Contents

Introduction

1 This document is the Statement of Investment Principles ('the Statement') made by the Trustee of the Dun & Bradstreet (UK) Pension Plan (the 'Plan') in accordance with the requirements of Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004 and regulations made under it).

2 The Trustee will review this Statement at least every three years and without delay after any significant change in investment policy. Before finalising this Statement, the Trustee took written advice from the Plan's Investment Consultant (Towers Watson Limited) and consulted the Principal Employer. The Investment Consultant's written advice will consider the issues set out in the Pensions Act, the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this Statement.

3 When choosing investments, the Trustee and the investment managers (to the extent delegated) are required to have regard to the criteria for investment (including diversification and suitability of investments) set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. Additionally the Trustee will obtain advice on whether its existing investments remain satisfactory on a regular basis.

4 The ultimate power and responsibility for deciding investment policy lies solely with the Trustee.

Investment managers

5 In accordance with the Financial Services and Markets Act 2000, the Trustee will set general investment policy, but will delegate the responsibility for selection of specific investments to an appointed investment manager or managers. The investment managers shall provide the skill and expertise necessary to manage the investments of the Plan competently.

6 The Plan may use different investment managers and mandates to implement its investment policies. The Trustee will ensure that, in aggregate, its portfolio is consistent with the policies set out in this Statement, in particular those required under regulation 2(3)(b) of the Occupational Pension Schemes (Investment) Regulations (2005). The Trustee will also review the investment objectives and guidelines of any particular pooled vehicle for consistency with its policies, where relevant to the mandate in question. Where segregated mandates are used, the Trustee will use its discretion, where appropriate, to set explicit guidelines within the Investment Management Agreement to ensure consistency with the Trustee's policies, where relevant to the mandate.

7 To maintain alignment, investment managers will be provided with the most recent version of the Plan's Statement of Investment Principles on an annual basis and are asked to confirm if the management of the assets is consistent with those policies relevant to the mandate in question. Should the Trustee's monitoring process reveal that a manager's objectives and guidelines do not appear to be sufficiently aligned with the Trustee's policies, the Trustee will engage with the manager further to encourage alignment. If this is not possible, the Trustee may consider alternative options available in order to terminate and replace the investment manager.

8 For most of the Plan's investments, the Trustee expects the investment managers to invest with a medium to long time horizon, and to use their engagement activity where applicable to drive improved performance over these periods. The Trustee may invest in certain strategies (e.g. hedge fund strategies) where such engagement is not deemed appropriate, due to the nature of the strategy and/or the investment time horizon underlying decision making. The appropriateness of the Plan's allocation to such mandates is determined in the context of the Plan's overall objectives.

9 The Trustee appoints its investment managers with an expectation of a long-term partnership, which encourages active ownership of the Plan's assets. When assessing an investment manager's performance, the focus is on longer-term outcomes, and the Trustee would not expect to terminate a investment manager based purely on short term performance. However, an investment manager's appointment could be terminated within a shorter timeframe due to other factors such as a significant change in business structure or the investment team.

10 The Trustee will maintain processes to ensure that performance is assessed on a regular basis against a measurable objective for each investment manager, consistent with the achievement of the Plan's long-term objectives, and an acceptable level of risk. In order to do this, the Trustee will monitor both the performance of the Plan's asset classes and its investment managers quarterly. In addition, the Trustee will meet with the Plan's investment managers periodically and review the Investment Consultant's views on the investment managers. These views are typically summarised by the Plan's Investment Consultant in a rating system, along with other summary documents.

11 Managers are paid an ad valorem fee, in line with normal market practice, for a given scope of services which includes consideration of long-term factors and engagement. In addition, where appropriate, performance fees may be utilised to incentivise managers.

12 The Trustee will monitor the level of transaction costs (including commissions) across the Plan incurred by each investment manager through regular engagement with the manager on this subject and through receipt of MiFID II compliant cost reporting. There is no broad targeted portfolio turnover (how frequently assets within a fund are bought and sold by investment managers) which the Trustee adheres to. The Trustee will monitor that the level of portfolio turnover remains appropriate in the context of the investment managers' strategy and the Plan's investment strategy.

A. Defined benefit section

Plan objectives

13 To guide it in its strategic asset management, the Trustee (in consultation with the Principal Employer) has considered its key investment objectives. The primary objective is that the Plan's assets are held to meet the Plan's liabilities as and when they fall due. At the time of the last review of long-term investment strategy, the Trustee's policy in this regard was summarised as follows:

(i) To invest in a range of suitable assets of appropriate liquidity which will generate, in the most effective manner possible, income and capital growth to ensure that, with any new contributions from members and the Principal Employer, there are sufficient assets to meet the cost of the current and future benefits which the Plan provides as part of its Defined Benefit sections.

(ii) To minimise the long-term costs to the Principal Employer by maximising the return on the assets, whilst having regard to the risk objectives described above.

(iii) To minimize exposure to excessive short-term volatility of investment returns.

Investment strategy

14 In setting the long-term asset allocation to achieve its stated objective, the Trustee has, with the help of its Scheme Actuary and Investment Consultant, evaluated the degree of risk associated with various asset allocation strategies taking account of the Plan's liability profile.

15 The investment strategy makes use of three key types of investments:

(i) using a range of instruments that provide a reasonable match to changes in liability values, which may include gilts, corporate bonds, derivatives and annuities

(ii) a diversified range of return-seeking assets, including (but not limited to) a number of diversified growth funds

(iii) actively and passively managed portfolios.

16 The balance within and between these investments will be determined from time to time with regard to maximising the chance of achieving the Plan's investment objectives.

17 The Trustee will monitor the liability profile and funding level of the Plan and will regularly review, in conjunction with the Investment Consultant and the Scheme Actuary, the appropriateness of its investment strategy. The Trustee has adopted a journey plan whereby the Plan has set an objective to reach a 100% funding level on a gilt flat funding basis, excluding the buy-in assets and liabilities but including any deficit arising from the Old Money Purchase Scheme (OMPS) liabilities. This is being implemented via an investment strategy which reduces investment risk over time but is expected to reach this goal by 2030. This objective is measured using an alert tool designed to automatically track the Plan's assets and liabilities on a daily basis, enabling dynamic management of the investments by the Trustee in conjunction with its advisors.

18 The expected return of investments will be monitored regularly and will be directly related to the Plan's investment objective. When setting investment strategy the Trustee will take advice from its advisors, including regular Asset

Liability Modelling undertaken by the Plan's Investment Consultant, and will consult with the Principal Employer. Specifically, this Asset Liability Modelling will consider the expected return required to reach the Plan's end goal and the level of expected risk being taken.

19 The Trustee's policy is that there will be sufficient investments in liquid or readily realisable assets to meet cashflow requirements in foreseeable circumstances so that the realisation of assets will not disrupt the Plan's overall investments, where possible. The Trustee, together with the Plan's administrators, will hold sufficient cash to meet benefit and other payment obligations. The Trustee does not borrow money and does not permit the investment managers to borrow money for the purpose of providing liquidity.

Sustainable investment

20 ESG factors and stewardship policies have an impact on the Plan's financial and non-financial outcomes. These are considered amongst other risk factors when making investment decisions.

21 The Trustee's view is that relevant ESG factors and stewardship policies should be included amongst the criteria taken into account when considering decisions relating to investment strategy, selection of investment managers and the purchase, retention or sale of the underlying investments. The Trustee expects there to be a positive impact on the Plan's financial and non-financial outcomes when ESG factors and stewardship policies are considered in decisions relating to investment strategy.

22 The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account in the purchase, retention or sale of underlying investments to the investment managers. This includes consideration of all financially materially factors and other relevant matters including capital structure of investee companies, actual and potential conflicts, other stakeholders and ESG impact of underlying holdings. The Trustee will review the investment managers ESG and stewardship policies regularly to ensure that the investment managers are carrying out their delegated responsibilities. The Trustee has agreed the following priority areas when considering the stewardship activities undertaken by the investment managers on behalf of the Trustee:

- Diversity, remuneration and workforce interests
- Environmental and social issues, including climate change

Statement of Funding Principles

23 A Plan specific Statement of Funding Principles ('SFP') has been prepared by the Trustee and the Principal Employer after taking advice from the Scheme Actuary, and will be updated after each actuarial valuation. The Trustee considers that this Statement of Investment Principles is consistent with the SFP.

Other matters

24 The Plan is a Registered Pension Scheme for the purposes of the Finance Act 2004.

25 The Trustee recognises a number of risks involved in the investment of the Plan's assets:

Deficit risk:

- is measured through a qualitative and quantitative assessment of the expected development of the liabilities relative to the current and alternative investment policies
- is managed through assessing the progress of the actual development of the Plan's funding level and ongoing consideration of the Plan's asset allocation.

Liquidity risk:

- is measured by the level of cashflow required by the Plan over a specified period
- is managed by the Plan's administrators assessing the level of cash held in order to limit the impact of cash flow requirements on the investment policy and through holding assets of appropriate liquidity.

Currency risk:

- is measured by the level of exposure to non-Sterling denominated assets
- is managed by reducing the translation risk of investing overseas, by hedging a proportion of the overseas investments' currency translation risk, for those overseas currencies that can be hedged efficiently.

Interest rate and inflation risk:

- is measured by comparing the likely movement in the Plan's liabilities and assets due to movements in inflation and interest rates
- is managed by holding a portfolio of matching assets that enable the Plan's assets to better-match movements in the value of the liabilities due to inflation and interest rates.

Political risk:

- is measured by the level of concentration of any one market leading to the risk of an adverse influence on investment values arising from political intervention
- is managed by regular reviews of the actual investments relative to policy and through the level of diversification within the existing policy.

Sponsor risk:

- is measured by receiving regular financial updates from the Principal Employer and periodic covenant assessments
- is managed through an agreed contribution and funding schedule.

Manager risk:

- is measured by the expected deviation of the return relative to the benchmark set
- is managed by limiting exposure to any one investment manager, consideration of the appropriate amount of the Plan to allocate to each active portfolio and by monitoring the actual deviation of returns relative to the benchmark and factors supporting the managers' investment process.

Derivatives risk

- Counterparty and operational risk – this risk is mitigated through collateral management, diversifying exposure across counterparties, and the use of robust ISDA, GMRA or other relevant derivatives documentation and appropriate advice. This is managed by the Plan's hedging manager.
- Liability risk – pension liabilities can only be estimated and there is a risk of divergence between the performance of the derivatives and the actual value of the liabilities (for example, due to changes in assumptions or demographics). This risk is mitigated by updating the liability hedging benchmark at appropriate regular intervals.

Buy-in insurer risk

- This is the risk that the buy-in insurer(s) fail to pay the benefits secured under the buy-in contract. This is addressed by having selected a regulated insurer, reliance on the insurance regulatory regime and with appropriate termination rights which have been agreed with the insurers and written into the contracts.

B. Defined contribution (DC) section

DC section objectives

26 The primary investment objective of the DC section is to offer members a range of investment options that accommodate different investment objectives and attitudes to investment risk. The Trustee also feels that it is important to offer a choice of 'lifestyle' options whereby, as a member approaches retirement, their investments are automatically switched from higher risk/higher potential return investments to lower risk investments that are aligned with how they intend to take their retirement benefits. The Trustee operates four lifestyle options, two offering a choice between a diversified or passively managed global equity investment strategy during the growth phase, which then de-risk to an investment split appropriate for a member planning to take a flexible income during retirement via pension income drawdown and two offering the same choice during the growth phase, which then de-risk to an investment split appropriate for a member planning to purchase an annuity on retirement.

27 The Trustee monitors the ongoing suitability and performance of all the lifestyle options and investment fund range in line with the Pensions Regulator's General Code of Practice (March 2024.

Default arrangements

28 The Diversified Drawdown Lifestyle 2021 (DDL) is the nominated default investment option for members who are auto-enrolled in to the Plan. The aims and objectives of the DDL are to provide members with a medium to high risk investment strategy that potentially offers good levels of growth whilst they are more than 10 years from retirement but then de-risks to a mix of lower risk investments appropriate for a member who, on retirement, intends to take part of their retirement savings as a tax-free lump sum and use the balance to provide a flexible income over the long term via pension income drawdown.

In order to meet the aims and objectives of the DDL, the adopted investment strategy is as follows:

- To provide members with higher levels of growth when they are more than 25 years from retirement, the DDL invests entirely in passively managed global equities, split 30% in the UK and 70% overseas. During this period, annual long term growth is expected to be in line with a benchmark of 30% FTSE All Share Index, 60% FTSE All-World Developed (ex-UK) Index and 10% MSCI Emerging Markets Index.

- To provide members with good levels of growth during the middle years of their membership but with lower volatility (risk) compared to wholly investing in global equities by gradually switching into a more diversified range of investments whilst a member is between 25 and 10 years from retirement. During this period, annual long term growth is expected to be in line with the relevant combination of each individual fund's benchmark / performance objective, namely the 30% FTSE All Share Index, 60% FTSE All-World Developed (ex-UK) Index and 10% MSCI Emerging Markets Index and 3.5% above the Sterling Overnight Index Average (SONIA).

- To consolidate a member's investments by gradually switching to a lower risk mix of diversified and cash investments. During this period, annual long term growth is expected to be in line with the relevant combination of each individual fund's benchmark / performance objective, namely 3.5% above SONIA and SONIA.

29 The Diversified Lifestyle Annuity Investment Programme (DLA) is a deemed default investment option. This was the nominated default investment option for new members who were auto-enrolled in to the Plan before 14 June 2021. The aims and objectives of the DLA are to provide members with a medium to high risk investment strategy that potentially offers good levels of growth whilst they are more than 10 years from retirement but then de-risks to a mix of lower risk investments appropriate for a member who, on retirement, intends to take part of their retirement savings as a tax-free lump sum and use the balance to purchase an annuity.

In order to meet the aims and objectives of the DLA, the adopted investment strategy is as follows:

- To provide members with higher levels of growth when they are more than 25 years from retirement, the DLA invests entirely in passively managed global equities, split 30% in the UK and 70% overseas. During this period, annual long term growth is expected to be in line with a benchmark of 30% FTSE All Share Index, 60% FTSE All-World Developed (ex-UK) Index and 10% MSCI Emerging Markets Index.

- To provide members with good levels of growth during the middle years of their membership but with lower volatility (risk) compared to wholly investing in global equities by investing in a more diversified range of investments whilst a member is between 25 and 10 years from retirement. During this period, annual long term growth is expected to be 3.5% above SONIA).

- To consolidate a member's investments and provide some protection against fluctuations in annuity rates during the 10 years immediately before their retirement by switching to a lower risk mix of diversified, UK Government bonds (both fixed interest and index-linked) and cash investments. During this period, annual long term growth is expected to be in line with the relevant combination of each individual fund's benchmark / performance objective, namely the FTSE UK Index-Linked Gilts Over 5 Years index, the FTSE UK Gilts All Stocks Index, 3.5% above SONIA and in line with SONIA.

30 The AP Money Market Fund is a deemed default investment option. This was used for the temporary investment of members' contributions following the temporary suspension in trading of the AP CT Pensions Property Fund in 2020. The aims and objectives of the AP Money Market Fund is to protect the value of capital by investing in deposit investments and similar assets with governments, first class banks and major companies (although while the fund aims to provide a lower risk return, values can fall). Annual long-term growth is expected to be in line with SONIA. The Trustee agreed that this fund was an appropriate default option for the temporary investment of members' contributions as it minimised the risk of these contributions falling in value pending the recommencement of their investment in the AP CT Pension Property Fund.

31 In order to ensure compliance with the restriction on charges applicable to default investment options, the Trustee predominately use passively managed investment funds for the default arrangements.

32 For the default arrangements, to the extent that they are relevant, the Trustee's policy on investment risks, illiquid assets, social, environmental or ethical considerations and voting rights are the same as those set out under paragraphs 33, 34, 35 and 37 below.

33 The default arrangements invest in pooled investment funds to ensure that in foreseeable circumstances the Trustee can realise a member's retirement account in order to provide benefits on retirement or earlier withdrawal from the Plan.

34 The Trustee believes that the above aims and objectives of the default arrangements together with the associated investment policies are in the best interests of those members who do not select an alternative investment option. This is because in combination they provide the relevant members with an investment strategy that:

- provides good prospects for growth without undue costs thereby trying to ensure that members achieve a good level of pension savings at retirement
- manages the risks faced by the members throughout their membership
- targets a secure level of income in retirement.

35 The Trustee believes that allocating a proportion of the default arrangements to illiquid assets is likely to improve diversification and offer the potential for higher risk adjusted returns. The default arrangements do not currently include a specific allocation to illiquid assets although there may be a small allocation within the LGIM Diversified Fund at the discretion of the investment manager. The Trustee is currently investigating with the platform provider whether there are options to include illiquid assets. Any decision to include a specific allocation will be considered relative to the size of the investment, the proximity of members to retirement age and the timetable available for investing into illiquid assets.

36 The Trustee reviews the default arrangements, including their performance, at least every three years or earlier following a significant change in investment policy or the demographic profile of the members invested in the options.

Overall investment strategy

37 The retirement benefits to be provided for each member of the DC section of the Plan are directly linked to the accumulated value at retirement of the contributions paid by them and the Principal Employer on their behalf. The level of pension benefits for a given level of total contributions will principally depend on three factors:

(i) The return on the contributions invested over the period to date of retirement, and

(ii) The level of income withdrawn if a flexible pension is taken through pension income drawdown, or

(iii) The level of annuity prices at retirement if a fixed pension is purchased.

Members are also able to take the whole of their retirement savings as a lump sum (part tax-free).

38 Members can choose from a number of investment options for the investment of ongoing contributions.

39 The Trustee offers passively and actively managed investment funds. Use of passive management minimises the risk of underperformance attributable to manager skill in asset selection. The Trustee has decided to make available actively managed funds across a range of asset classes.

Sustainable investment

40 The Trustee's view is that relevant ESG factors and stewardship policies should be included amongst the criteria taken into account when selecting investment funds for inclusion in the default arrangements, the alternative lifestyle strategies and the self-select fund range.

41 The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account to the platform provider (in relation to the monitoring of the funds and fund managers available on its platform) and to the investment managers (in relation to the purchase, retention or sale of underlying investments). This includes consideration of all financially materially factors and other relevant matters including capital structure of investee companies, actual and potential conflicts, other stakeholders and ESG impact of underlying holdings. The Trustee will review the platform provider's and the investment managers' ESG and stewardship policies regularly to ensure that they are carrying out their delegated responsibilities. The Trustee has agreed the following priority areas when considering the stewardship activities undertaken by the investment managers on behalf of the Trustee:

- Diversity, remuneration and workforce interests
- Environmental and social issues, including climate change

42 The Trustee's policy at this time is not to take into account non financial matters.

Investment risk

43 Under the DC section, it is the members, rather than the Principal Employer, who bear the investment risk. Members should therefore be particularly interested in the investment risk/volatility profiles of the lifestyle options and investment funds available.

44 The Trustee recognises a number of additional risks involved in the investment of assets of the DC section, including:

Inflation risk:

- is the risk that the real value of contributions made will erode over time and help lead to an inadequate amount of benefit at retirement. This could be by failing to achieve an adequate amount of return in excess of price inflation commensurate with the term of investment
- is managed by the provision of equity and index-linked gilt funds.

Pension conversion risk:

- is the risk that the value of a member's account when approaching retirement does not reflect the change in the cost of purchasing an annuity at retirement
- is managed by the provision of long index-linked gilt, fixed interest gilt and corporate bond funds as well as two lifestyle strategies that target annuity purchase at retirement.

Capital risk:

- the risk that the value of a member's account may fall in value over any period of time but particularly in the immediate period before retirement

- is managed by the provision of a cash fund.

Currency risk:

- the risk arising from the added volatility of members investments, due to the currency translation risk assumed from holding non-Sterling assets
- is managed through providing members with a blend of options that invest in Sterling and non-Sterling assets, including a currency hedged global equity fund.

Political risk:

- is measured by the level of concentration of any one market leading to the risk of an adverse influence on investment values arising from political intervention
- is managed by regular reviews of the actual investments relative to policy and through the level of diversification within the existing policy.

Manager risk:

- is measured by the expected deviation of the return relative to the benchmark set
- is managed by limiting exposure to any one investment manager, through offering passively managed investment funds, consideration of the appropriate number of actively managed investment funds to offer and by monitoring the actual deviation of returns relative to the benchmark and factors supporting the managers' investment process.

C. Old Money Purchase Section ("OMPS")

OMPS objectives

45 The primary investment objective of the OMPS is to provide members with an accumulated value of contributions at retirement that is at least sufficient to provide the contracting-out underpin (see paragraph 34). This is achieved by investing members' retirement savings under the OMPS in a 'lifestyle' strategy whereby members' investments are automatically switched from higher risk/higher potential return investments to lower risk (or more appropriate) investments as they approach retirement.

46 Where appropriate, the Trustee monitors the ongoing suitability and performance of the lifestyle option in line with the Pensions Regulator's General Code (March 2024).

Investment strategy

47 The retirement benefits to be provided for each member of the OMPS are directly linked to the accumulated value of the contributions that were paid by them and the Principal Employer on their behalf but are subject to a minimum benefit equal to the amount of contracting-out benefit accrued by a member during their membership of the OMPS (the 'contracting-out underpin'). Subject to the contracting-out underpin, the level of pension benefits for a given level of total contributions will principally depend on two factors:

- The return on the contributions invested over the period to date of retirement.
- The level of annuity prices at retirement when the pension is purchased.

48 Members do not have a choice in relation to the investment of their retirement savings under the OMPS.

49 The Trustee has selected a passively managed lifestyle strategy for the investment of members' funds under the OMPS.

Sustainable investment

50 The Trustee's view is that relevant ESG factors and stewardship policies should be included amongst the criteria taken into account when selecting investment funds for inclusion in the lifestyle strategy.

51 The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account to the platform provider (in relation to the monitoring of the funds and fund managers available on its platform) and to the investment managers (in relation to the purchase, retention or sale of underlying investments). This includes consideration of all financially materially factors and other relevant matters including capital structure of investee companies, actual and potential conflicts, other stakeholders and ESG impact of underlying holdings. The Trustee will review the platform provider's and the investment managers' ESG and stewardship policies regularly to ensure that they are carrying out their delegated responsibilities.

Investment risk

52 Under defined contribution plans generally, it is the members, rather than the employer, who bear the investment risk. However, under the OMPS, the Trustee recognises that there is an element of risk for the Principal Employer because if on retirement, the value of a member's retirement savings under the OMPS are insufficient to provide the contracting-out underpin, the additional cost needed to provide the contracting-out underpin must be met by the Principal Employer.

53 In addition to the above risk faced by the Principal Employer, the Trustee recognises a number of further risks involved in the investment of assets of the OMPS, including:

Inflation risk:

- is the risk that the real value of contributions made will erode over time and help lead to an inadequate amount of benefit at retirement. This could be by failing to achieve an adequate amount of return in excess of price inflation commensurate with the term of investment.
- is managed by the use of a global equity and long index-linked gilt fund in the lifestyle strategy.

Pension conversion risk:

- is the risk that the value of a member's account when approaching retirement does not reflect the change in the cost of purchasing an annuity at retirement thereby increasing the likelihood of the contracting-out underpin applying.
- is managed by the use of a long index-linked gilt fund in the lifestyle strategy as a member approaches retirement.

Currency risk:

- the risk arising from the added volatility of members investments, due to the currency translation risk assumed from holding non-Sterling assets

- is managed by using a global equity fund that invest in Sterling and non-Sterling assets and is partly currency hedged.

Political risk:

- is measured by the level of concentration of any one market leading to the risk of an adverse influence on investment values arising from political intervention.
- is managed by regular reviews of the actual investments relative to policy and through the level of diversification within the existing policy.

Manager risk:

- is measured by the expected deviation of the return relative to the benchmark set.
- is managed by the use of passively managed investment funds and by monitoring the actual deviation of returns relative to the benchmark index.

D. Additional Voluntary Contributions ("AVCs")

Plan options

54 The Plan provides a facility for members of the CARE Section to pay AVCs to enhance their benefit at retirement. Members are offered a range of options which are identical to those available to the DC section.

The Trustee reviews the suitability of these arrangements when considered necessary.

APPENDIX II – ASSET ALLOCATION ASSESSMENT

The Trustee has assessed the allocation of assets in each default arrangement and the results are below. For the arrangements where the asset allocation varies with age, such as the Diversified Drawdown Lifestyle 2021 strategy, the asset allocation is shown for a member aged 25,45,55 and State Pension Age (SPA (age 66)).

When preparing this assessment, the Trustee has considered the guidance issued by the DWP titled 'Disclose and Explain asset allocation reporting and performance-based fees and charge cap' dated January 2023.

Diversified Drawdown Lifestyle 2021

Asset Class Report

Main Asset Class	Percentage allocation in each main asset class at age			
	25	45	55	SPA (66)
Cash	-0.63%	4.43%	16.79%	38.58%
Bonds	0.12%	7.39%	25.17%	20.29%
Listed Equities	95.91%	73.67%	19.28%	10.13%
Private Equities	0.00%	0.00%	0.00%	0.00%
Infrastructure	0.00%	0.00%	0.00%	0.00%
Property	1.30%	2.43%	5.20%	4.12%
Private Debt	0.00%	0.00%	0.00%	0.00%
Other	3.30%	12.08%	33.56%	26.88%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: Broadridge

Sub Class Report

Subclasses have been grouped as per the geographic standards.

Sub Asset Class	Percentage allocation in each sub asset class at age			
	25	45	55	SPA (66)
Cash	-0.63%	4.43%	16.79%	38.58%
UK Government Bonds	0.00%	0.87%	2.99%	2.41%
UK Corporate Bonds	0.01%	0.42%	1.42%	1.14%
Europe (ex UK) Bonds	0.07%	1.06%	3.49%	2.81%
North American Bonds	0.01%	2.39%	8.22%	6.63%
Japan Bonds	0.01%	0.02%	0.07%	0.05%
Asia (ex Japan) Bonds	0.01%	0.59%	2.01%	1.62%
Emerging Market Bonds	0.00%	0.78%	2.67%	2.15%
Other Bonds	0.01%	1.26%	4.32%	3.48%
UK Listed Equities	26.39%	19.90%	4.03%	1.76%
Europe (ex UK) Listed Equities	10.81%	8.56%	3.06%	1.86%
North American Equities	42.36%	32.07%	6.91%	3.18%
Japan Equities	4.47%	3.99%	2.79%	2.00%

Sub Asset Class	Percentage allocation in each sub asset class at age			
	25	45	55	SPA (66)
Asia (ex Japan) Listed Equities	9.53%	7.39%	2.16%	1.21%
Other Equities	2.34%	1.76%	0.33%	0.14%
Real Estate	1.30%	2.43%	5.20%	4.12%
Alt. Trading Strategies	1.13%	0.95%	0.51%	0.35%
Non-Classified	0.41%	1.34%	3.60%	2.88%
Other	1.76%	9.79%	29.45%	23.65%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

OMPS Lifestyle 2021

Asset Class Report

Main Asset Class	Percentage allocation in each main asset class at age			
	25	45	55	SPA (66)
Cash	-0.63%	4.43%	16.79%	20.30%
Bonds	0.12%	7.39%	25.17%	62.77%
Listed Equities	95.91%	73.67%	19.28%	3.92%
Private Equities	0.00%	0.00%	0.00%	0.00%
Infrastructure	0.00%	0.00%	0.00%	0.00%
Property	1.30%	2.43%	5.20%	1.59%
Private Debt	0.00%	0.00%	0.00%	0.00%
Other	3.30%	12.08%	33.56%	11.42%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: Broadridge

Sub Class Report

Subclasses have been grouped as per the geographic standards.

Sub Asset Class	Percentage allocation in each sub asset class at age			
	25	45	55	SPA (66)
Cash	-0.63%	4.43%	16.79%	20.30%
UK Government Bonds	0.00%	0.87%	2.99%	55.85%
UK Corporate Bonds	0.01%	0.42%	1.42%	0.44%
Europe (ex UK) Bonds	0.07%	1.06%	3.49%	1.09%
North American Bonds	0.01%	2.39%	8.22%	2.56%
Japan Bonds	0.01%	0.02%	0.07%	0.02%
Asia (ex Japan) Bonds	0.01%	0.59%	2.01%	0.63%
Emerging Market Bonds	0.00%	0.78%	2.67%	0.83%

Other Bonds	0.01%	1.26%	4.32%	1.35%
UK Listed Equities	26.39%	19.90%	4.03%	0.68%
Europe (ex UK) Listed Equities	10.81%	8.56%	3.06%	0.72%
North American Equities	42.36%	32.07%	6.91%	1.23%
Japan Equities	4.47%	3.99%	2.79%	0.77%
Asia (ex Japan) Listed Equities	9.53%	7.39%	2.16%	0.47%
Other Equities	2.34%	1.76%	0.33%	0.05%
Real Estate	1.30%	2.43%	5.20%	1.59%
Alt. Trading Strategies	1.13%	0.95%	0.51%	0.14%
Non-Classified	0.41%	1.34%	3.60%	1.61%
Other	1.76%	9.79%	29.45%	9.67%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

AV Money Market

Asset Class Report

Main Asset Class	Percentage allocation in each main asset class at age			
	25	45	55	SPA (66)
Cash	100.00%	100.00%	100.00%	100.00%
Bonds	0.00%	0.00%	0.00%	0.00%
Listed Equities	0.00%	0.00%	0.00%	0.00%
Private Equities	0.00%	0.00%	0.00%	0.00%
Infrastructure	0.00%	0.00%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%
Private Debt	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Source: Broadridge

Sub Class Report

Subclasses have been grouped as per the geographic standards.

Sub Asset Class	Percentage allocation in each sub asset class at age			
	25	45	55	SPA (66)
Cash	100.00%	100.00%	100.00%	100.00%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

APPENDIX III – CHARGES AND TRANSACTION COSTS
INVESTMENT CHARGES

The Trustee has obtained the Total Expense Ratio (TER) and transactions costs for all funds for the year ending 31 March 2024 and these are shown in the tables below.

In preparing this section, the Trustee has considered statutory guidance prepared by the Department of Work and Pensions.

The default investment options

The Diversified Drawdown Lifestyle 2021 and the Diversified Annuity Lifestyle 2021

The Total Expense Ratio (TER) and transaction costs for the year ending 31 March 2024 (the period closest to the Plan's year end for which information is available) for the funds that are used in these two default options are shown in the table below.

The Diversified Drawdown Lifestyle 2021

Underlying fund names	AMC % pa (from 25/05/2022)	Additional Expenses % pa	TER % pa	Total Transaction costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
LGIM Diversified*	0.40	0.00	0.40	0.0000
Money Market	0.22	0.00	0.22	0.0000

The Diversified Annuity Lifestyle 2021

Underlying fund names	AMC % pa (from 25/05/2022)	Additional Expenses % pa	TER % pa	Total Transaction costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
LGIM Diversified	0.40	0.00	0.40	0.0000
BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.24	0.00	0.24	0.0832
L&G All Stocks Gilts Index	0.24	0.00	0.24	0.0000
Money Market	0.22	0.00	0.22	0.0000

* Transaction costs were negative

As the TER incurred by members invested in the Diversified Drawdown Lifestyle 2021 (DDL 2021) and the Diversified Annuity Lifestyle 2021 (DAL 2021) depends on the mix of funds in which the member is invested at any point in time, the table below shows examples of how the charges change over time.

Lifestyle strategy	TER (%pa)					
	25 yrs and over to retirement age	20 yrs to retirement age	15 yrs to retirement age	10 yrs to retirement age	5 yrs to retirement age	At retirement age
DDL 2021	0.23	0.29	0.34	0.40	0.38	0.36
DAL 2021	0.23	0.29	0.34	0.40	0.34	0.28

The AP Money Market Fund

Fund name	AMC % pa	Additional Expenses % pa	TER % pa	Total Transaction costs %
Money Market	0.22	0.00	0.22	0.0000

The alternative lifestyle strategies

As an alternative to the Diversified Drawdown Lifestyle 2021 and the Diversified Annuity Lifestyle 2021, members can invest in the Equity Drawdown Lifestyle 2021 or the Equity Annuity Lifestyle 2021.

The Total Expense Ratio (TER) and transaction costs for the year ending 31 March 2024 (the period closest to the Plan's year end for which information is available) for each of the funds that are used in these two options are shown in the table below.

The Equity Drawdown Lifestyle 2021

Underlying fund names	AMC % pa	Additional Expenses % pa	TER % pa	Total Transaction costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
LGIM Diversified*	0.40	0.00	0.40	0.0000
Money Market	0.22	0.00	0.22	0.0000

The Equity Annuity Lifestyle 2021

Underlying fund names	AMC % pa	Additional Expenses % pa	TER % pa	Total Transaction costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
LGIM Diversified*	0.40	0.00	0.40	0.0000
BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.24	0.00	0.24	0.0832
L&G All Stocks Gilts Index	0.24	0.00	0.24	0.1111
Money Market	0.22	0.00	0.22	0.0000

As the TER incurred by members invested in the Equity Drawdown Lifestyle 2021 (EDL 2021) and the Equity Annuity Lifestyle 2021 (EAL 2021) depends on the mix of funds in which the member is invested at any point in time, the table below shows examples of how the charges change over time.

Lifestyle strategy	TER (%pa)					
	25 yrs and over to retirement age	20 yrs to retirement age	15 yrs to retirement age	10 yrs to retirement age	5 yrs to retirement age	At retirement age
EDL 2021	0.23	0.23	0.23	0.23	0.23	0.36
EAL 2021	0.23	0.23	0.23	0.23	0.23	0.28

The self-select fund range

The TERs and transaction costs for the year ending 31 March 2024 (the period closest to the Plan’s year end for which information is available) for the self-select fund range under the Plan are shown in the table below. The table below also includes the AP Money Market Fund, the DC Section’s second default investment option.

Self-select fund name	AMC % pa	Additional Expenses % pa	TER % pa	Total Transaction Costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
BlackRock World ex-UK Equity Index Tracker	0.24	0.00	0.24	0.0169
BlackRock UK Equity Index Tracker	0.24	0.00	0.24	0.1415
Artemis Special Situations	1.03	0.00	1.03	0.1909
Dun & Bradstreet Global Equity Active	1.03	0.00	1.03	0.0934
BlackRock Over 15 Year Corporate Bond Index Tracker	0.24	0.00	0.24	0.1318
BlackRock Over 15 Year Gilt Index Tracker	0.24	0.00	0.24	0.0321
BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.24	0.00	0.24	0.0832
L&G All Stocks Gilts Index	0.24	0.00	0.24	0.1111
CT Pensions Property	0.83	0.00	0.83	0.1290
LGIM Diversified*	0.40	0.00	0.40	0.0000
Money Market	0.22	0.00	0.22	0.0000

* Transaction costs were negative

The Old Money Purchase Section

Members with benefits in the Old Money Purchase Section are invested in the OMPS Lifestyle 2021.

The Total Expense Ratio (TER) and transaction costs for the year ending 31 March 2024 (the period closest to the Plan's year end for which information is available) for each of the funds that are used in the OMPS Lifestyle 2021 are shown in the table below.

Underlying fund names	AMC % pa	Additional Expenses % pa	TER % pa	Total Transaction costs %
BlackRock (30:70) Currency Hedged Global Equity Index Tracker	0.23	0.00	0.23	0.0549
LGIM Diversified	0.40	0.00	0.40	0.0000
BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.24	0.00	0.24	0.0832
L&G All Stocks Gilts Index	0.24	0.00	0.24	0.1111
Money Market	0.22	0.00	0.22	0.0000

The TER incurred by members invested in the OMPS Lifestyle 2021 (OL 2021) depends on the mix of funds in which the member is invested at any point in time. The table below shows examples of how the charges change over time.

Lifestyle strategy	TER (%pa)					
	25 yrs and over to retirement age	20 yrs to retirement age	15 yrs to retirement age	10 yrs to retirement age	5 yrs to retirement age	At retirement age
OL 2021	0.23	0.29	0.34	0.40	0.34	0.28

APPENDIX IV – THE IMPACT OF CHARGES AND TRANSACTION COSTS

What are the illustrations for and how could they help you?

The information in this document is an 'illustration' only and is provided to show you the possible effect of costs and charges on your pension savings to help you plan for your retirement. The figures shown in it are not personal to you and do not show the actual pension benefits you could get from the Plan.

Your benefits depend on many things such as contributions from you or the Company, how your chosen investment funds have performed, and costs and charges. You may get back less than you put in.

How charges affect the Plan's investment funds?

On the following pages are tables which show how different costs and charges can impact the pension pot over certain periods of time, based on a selection of investment funds. **Table 1** shows the DC Section's three default options (the Diversified Drawdown Lifestyle 2021, the Diversified Annuity Lifestyle 2021 and the AP Money Market fund) whereas **Table 2** shows the self-select funds with the lowest and highest charges.

Under each investment fund, there are two columns. The first shows the projected pension values assuming no charges are taken. The second shows the projected pension values after costs and charges are taken. By comparing the two you can see how much the charges over the years will impact your pension fund. So, for example, if you started your pension at age 30 and expect to retire at 65, the figures at the end of year 35 would give an idea of figures are based on a monthly investment of £100.

How Aviva worked out the figures in the tables

It's important to understand how much or how little difference charges make to your pension savings, but Aviva can't predict exactly what will happen in the future, so it has had to make some assumptions, which are:

1. Aviva has assumed that someone doesn't have anything in their pension pot when they start saving. Contributions are assumed to be £100 monthly increasing in line with assumed earnings inflation of 2.5% pa.
2. The figures illustrate the pension pot value in 'today's money' which means they take inflation into account by discounting values at 2.5% a year. Seeing the figures in this way shows you what they could be worth today. It's important to note that inflation reduces the worth of all savings and investments. The effect of this is shown in the illustration and could mean the fund may reduce as well as grow in 'today's money'.
3. Transaction costs may not have been included where data was not available from the fund managers.

Some important things to remember

The Plan offers other funds to those illustrated, with different growth potential and different charges, and also offers four lifestyle investment programs. If you have selected one of the lifestyle investment programs your pension pot will automatically be moved into different funds as you approach your retirement date, and your scheme literature will provide details of how this works. As the individual funds used in the lifestyle investment programs have different growth potential and different charges, the overall growth rate and overall charge will change over time.

For these reasons, Aviva has shown a range of funds with a range of charges which are available to you, and which could apply to your pension pot during the life of your membership. A personal projection of your pension pot is included in your annual benefit statement, and you should read that to get an individual view of your projected pension benefits. You'll also find details of the actual charges applicable to you in your scheme literature.

The figures shown here:

- Shouldn't be used to make investment decisions, so if you need to do that, we recommend that you take financial advice,
- May not be relevant to your personal circumstances – for example, your money may be invested in different funds,
- Are estimates and not guaranteed.

Table 1: the default options

Illustration of the effect of annual charges and costs for the three default options						
Default option	Diversified Drawdown Lifestyle 2021		Diversified Annuity Lifestyle 2021*		Money Market Fund	
Assumed growth rate	4.7% pa		5.0% pa		2.0% pa	
Assumed costs and charges	0.47% pa		0.43% pa		0.22% pa	
At end of year	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken
1	£1,210	£1,210	£1,210	£1,210	£1,180	£1,180
2	£2,480	£2,470	£2,480	£2,470	£2,360	£2,360
3	£3,810	£3,790	£3,810	£3,790	£3,530	£3,520
4	£5,190	£5,150	£5,190	£5,150	£4,700	£4,680
5	£6,630	£6,570	£6,630	£6,570	£5,860	£5,830
10	£14,900	£14,600	£14,900	£14,600	£11,600	£11,500
15	£25,000	£24,300	£25,000	£24,300	£17,200	£16,900
20	£37,700	£36,200	£37,700	£36,200	£22,600	£22,100
25	£53,300	£50,700	£53,300	£50,700	£27,900	£27,200
30	£71,100	£66,700	£71,100	£66,700	£33,100	£32,100
35	£88,400	£81,500	£88,400	£81,500	£38,200	£36,800
40	£103,000	£93,600	£103,000	£93,600	£43,100	£41,300
45	£117,000	£103,000	£118,000	£105,000	£47,900	£45,700
50	£129,000	£113,000	£136,000	£119,000	£52,600	£49,900

Source: Aviva on behalf of the Trustee

* Also applicable for the OMPS Lifestyle 2021

Table 2: the self-select funds with the lowest and highest charges.

Illustration of the effect of annual charges and costs for the funds with the lowest and highest charges				
Fund	**Money Market Fund (lowest charges)**		**Artemis UK Special Situations Fund (highest charges)**	
Assumed growth rate	**2.0% pa**		**7.0% pa**	
Assumed charges and costs	**0.22% pa**		**1.23% pa**	
At end of year	**Projected value assuming no charges are taken**	**Projected value after costs and charges are taken**	**Projected value assuming no charges are taken**	**Projected value after costs and charges are taken**
1	£1,180	£1,180	£1,210	£1,210
2	£2,360	£2,360	£2,480	£2,450
3	£3,530	£3,520	£3,810	£3,730
4	£4,700	£4,680	£5,190	£5,060
5	£5,860	£5,830	£6,630	£6,420
10	£11,600	£11,500	£14,900	£13,900
15	£17,200	£16,900	£25,000	£22,600
20	£22,600	£22,100	£37,700	£32,800
25	£27,900	£27,200	£53,300	£44,600
30	£33,100	£32,100	£72,700	£58,400
35	£38,200	£36,800	£96,800	£74,500
40	£43,100	£41,300	£127,000	£93,300
45	£47,900	£45,700	£164,000	£115,000
50	£52,600	£49,900	£209,000	£141,000

Source: Aviva on behalf of the Trustee

The projected growth rates for the individual funds that make up the default investment programme are shown below:

Fund name	Growth Rate (p.a.)
Aviva BlackRock (30:70) Currency Hedged Global Equity Index Tracker fund	7.00%
Aviva LGIM Diversified fund	4.00%
Aviva Money Market fund	2.00%
Aviva BlackRock Over 5 Year Index-Linked Gilt Index Tracker fund	7.00%
Aviva L&G (PMC) All Stocks Gilts Index fund	4.00%

Source: Aviva on behalf of the Trustee