The Chair's Annual Governance Statement ('Statement')

This Statement has been prepared by the Trustee of the IMS (UK) Pension Plan (the 'Plan') to demonstrate how the Trustee has complied with the governance standards introduced under the Occupational Pension Schemes (Charges and Governance) Regulations 2015 in respect of the Money Purchase section of the Plan (the 'Money Purchase Section'). The Statement covers the period from 6 April 2021 to 5 April 2022 (the 'Plan Year').

This Statement is not relevant for the Final Salary section of the Plan (the 'Final Salary Section'), except for additional voluntary contributions (AVCs), which Final Salary Section members may have paid in the past.

Default Arrangements

The Trustee is responsible for the Plan's investment governance, which includes setting and monitoring the investment strategy for the Plan's default investment arrangements. To do this the Trustee maintains a dedicated Statement of Investment Principles (SIP) for the Plan. This document contains important information such as the Trustee's aims and objectives in relation to the default arrangements, its policies in relation to the types of investments to be offered, how risks will be measured and managed etc. The SIP was formally updated by the Trustee on 21 February 2022. The current SIP is appended to this Statement and is also available at the following website: https://iqvia.pensions-directory.co.uk/

The objective of the default arrangements, as stated in the SIP, is to provide capital growth for members in the early years of their career and then de-risk into a more diversified portfolio as members approach retirement, in expectation that members will opt for an income drawdown focused retirement proposition and therefore want to retain some investment risk at retirement.

The Plan is not being used as an automatic enrolment vehicle. All new members are required to make an investment decision on joining the Money Purchase Section. However, during the Plan Year the Plan had four funds/strategies classified as default arrangements:

1. 15-year lifecycle strategy: drawdown focused
2. LGIM Pre-Retirement Fund – following the 2015 investment review, members invested in the LGIM Over 15 Year Gilts Index had their assets automatically moved into this fund.
3. LGIM Future World Global Equity Index 50% GBP Hedged Fund – members in the LGIM Global Equity Market Weights (30:70) Index Fund were switched into this fund in November 2021.
4. LGIM Global Equity Market Weights (30:70) Index Fund (now closed).

The default strategy and the performance of the default arrangement are formally reviewed at least every three years (or immediately following any significant change in investment policy or the membership profile) and were last reviewed during the period covered by this statement, completing on 27 July 2021. This review considered both the performance and the appropriateness of the design.

The latest default investment strategy review took place in stages, as shown below:

- *Stage 1* (3 February 2021 Trustee meeting) – In this part of the review, the Trustee analysed member demographics within the Money Purchase Section), which concluded that the current drawdown-targeted lifecycle remained appropriate as the default strategy.
- *Stage 2* (12 May 2021 Trustee meeting) – The Trustee review the results of a member survey that took place in Q1 2021, which focused on members' views about ESG (Environmental, Social and Governance). The main aim of the review was to establish whether ESG considerations should be integrated into the Money Purchase Section. The Trustee reviewed potential ESG options and decide, considering member feedback, to replace the existing global equity fund with a new fund, the LGIM Future World Global Equity Index 50% GBP Hedged Fund, with a 50% currency hedge to ensure a lower level of currency risk. Additionally, this fund would provide members with lower charges.

  It was also agreed that a cash lump sum-targeted lifecycle should be added to the lifecycle suite.
- *Stage 3* (27 July 2021 Trustee meeting) – The review concluded with final agreement on the designs of the global equity fund and the new cash lump sum focused lifecycle. The review included

initial implementation considerations, including mitigating risks such as Brexit and COVID-19 restrictions.

In November 2021, the Plan administrator completed a switch to the new LGIM Future World Global Equity Index 50% GBP Hedged Fund. This impacted all members with global equity holdings in the Money Purchase Section, therefore the two existing drawdown and annuity focused lifecycle strategies were also affected.

In addition, from November 2021, the Trustee added the new cash lump sum-focused 15-year lifecycle strategy to the fund range.

Investment Monitoring

The Trustee reviews the performance of all the Plan's Money Purchase funds, including those underlying the lifecycle strategies, every quarter. A more detailed assessment of the Investment Managers is also included with the fund performance monitoring on an annual basis. In conjunction with the Trustee's advisers, the performance of the Investment Managers is compared against the agreed performance objectives. The Trustee may decide to replace an Investment Manager if it feels it is appropriate.

Net Investment Returns

The Trustee can confirm it has taken account of the DWP's Statutory Guidance on net investment reporting. The Trustee is required to report on the net investment returns for the default arrangements and for all self-select funds during the Plan year. The net investment return is after all transaction costs and charges.

Default funds:

Fund	Last 12 months (%)	Last 3 years (%p.a.)	Last 5 years (%p.a.)
LGIM Future World Global Equity Index 50% GBP Hedged Fund *	-4.1	N/A	N/A
LGIM Global Equity Market Weights (30:70) Index Fund *(now closed)* **	12.6	13.6	10.32
LGIM Pre-Retirement Fund	-6.7	0.4	1.4

Lifecycle: Drawdown focused	Age of member as at start of the stated period	Last 12 months (%)	Last 3 years (%p.a.)	Last 5 years (%p.a.)
	25	8.0	10.2	8.6
	45	8.0	10.2	8.6
	55	6.7	7.2	5.8

* The LGIM Future World Global Equity Index 50% GBP Hedged Fund was created in November 2021, therefore reporting information covers the period 10 November to 31 March 2022.

** The LGIM Global Equity Market Weights (30:70) Index Fund was closed in November 2021, therefore the reporting information covers the period 1 April 2021 to 8 November 2021.

The figures for net investment returns in the tables above have been provided by LGIM.

Other funds:

Fund	Last 12 months (%)	Last 3 years (%p.a.)	Last 5 years (%p.a.)
LGIM World Emerging Markets Equity Index Fund	-4.0	5.1	4.9
LGIM Diversified Fund	5.9	6.5	5.7
LGIM Over 5 Year Index-linked Gilts Fund	4.8	3.2	3.1
LGIM Cash Fund	-0.0	0.2	0.2
HSBC Islamic Global Equity Index Fund	19.64	20.23	16.01
LGIM World (ex UK) Index Fund	14.6	15.0	11.6

Lifecycle: Annuity focused	Age of member as at start of the stated period	Last 12 months (%)	Last 3 years (%p.a.)	Last 5 years (%p.a.)
	25	8.0	10.2	8.6
	45	8.0	10.2	8.6
	55	2.1	5.4	4.4

Lifecycle: Cash focused	**Age of member as at start of the stated period**	**Last 12 months (%)**	**Last 3 years (%p.a.)**	**Last 5 years (%p.a.)**
	25	8.0	10.2	8.6
	45	8.0	10.2	8.6
	55	6.3	6.3	4.7

Core Financial Transactions

The Trustee has appointed Capita to provide administration services for the Plan. The Trustee has received assurance from Capita and has taken steps to try and ensure that core financial transactions have been processed promptly and accurately during the Plan Year. 'Core financial transactions' include (but are not limited to):

- Investment of contributions in the Plan.
- Transfers of assets relating to members into and out of the Plan.
- Transfers of assets relating to members between different investments within the Plan.
- Payments from the Plan to, or in respect of members.

The Plan has a service level agreement ("SLA") in place with Capita which covers the processing of all core financial transactions. To help it meet its SLAs, Capita has a dedicated administration team for the Plan and all administration tasks are logged and automatically monitored by a workflow system that is managed by a senior member of the dedicated team. All financial and investment transactions are processed and then checked (with an additional level of review undertaken where amounts are over certain limits.) All financial transactions processed are reviewed, with transactions over £250,000 receiving an additional review from senior personnel who are authorised to approve such transactions.

Capita's Finance team monitors the bank accounts daily. The separate Scheme Event team at Capita manage the processing of contributions. All investment and banking transactions are checked and sanctioned separately before they are actioned to ensure that all core financial transactions are processed promptly and accurately. The SLA for investing contributions is five working days from reconciliation and ten working days from date of receipt of the contributions into the Trustee bank account. A similar checking process is implemented for regular core financial transactions, for example, where a member requests a transfer and provides all the relevant transfer forms, a processor will review the documentation and a list of risk checks. After which, they will raise the transaction on the member's record. This transaction cannot be sanctioned by the same person who has processed the payment as the administrator's systems restrict this. A checker will then review the documentation and the payment and subject to all being correct will then authorise and sanction the transaction.

During the Plan Year, the Trustee closely monitored the Plan's core financial transactions through the quarterly administration reporting provided by Capita to ensure that no issues arose. In addition, the Trustee continues to be engaged with Capita to improve the service experienced by the Plan through monthly meetings arranged through the Administration Sub-Committee. Quarterly administration reporting is tabled at all Trustee Board meetings and the administrator attends these meetings. Quarterly reporting includes the relevant monthly contribution dates of payment and investment so that the Trustee can monitor the end-to-end process for contribution payments. The average SLA rating over the Plan Year was 91% (for the full Plan and not just the Money Purchase Section members). There was only one month of concern over the period where there was a delay of investing the HSBC contributions (July 2021).

As part of the investment transition which completed in November 2021 (see 'Default arrangements' section above), in relation to core financial transactions specifically, the following actions was undertaken:

- Additional manual work was required by Capita to undertake the trade due to the method Legal & General applied to process the fund switches. As a result of this, the existing black-out period was extended by one week. As a result of the manual elements of the switch, Capita ensured work was completed and checked by individuals with relevant Plan knowledge and sanctioning limits to process the switch and fully reconcile the unit position and the member records.
- The Trustee sought to mitigate out of market exposure to members. The sale of units look place on 9 November 2011 by Legal & General and, following transaction cost deduction, the new units were purchased into the new fund on 10 November 2021. The Trustee considered ways to keep

transaction costs to a minimum, for example, opting for the exercise to take place in one tranche (as opposed to two tranches).

Where any complaints or issues arise, these are reported to the Trustee in the quarterly reporting in detail, including the resolution status. Capita will also raise any specific service issues directly with the Plan Secretary with a service recovery approach to be agreed. In addition, a representative from Capita attends the quarterly meetings to discuss service levels and future plans. During the Plan Year there were generally no justified complaints that related to core financial transactions, except for one delayed transfer payment of the Plan (for which an amount of compensation was paid out by the administrator).

The Trustee established, as part of its quarterly fund performance monitoring that, in Q1 2022, several members had been able to invest a small amount of holdings into the LGIM World (ex UK) Index Fund in error. This fund was not part of the fund range. The Administrator made investigations into its online administration platform and found the option to invest in this fund has remained open. This was immediately closed, and the Administrator is undertaking an exercise to rectify the member records and ensure the affected members did not lose out financially (this will be concluded in the 2022/23 Plan year). The Administrator also reviewed all its material online to ensure all information was up-to-date and accurate following the discovery of this issue.

The Plan's Accounts are also audited annually by the Plan's appointed auditors.

Based on the above, the Trustee is generally satisfied that the Plan's core financial transactions have been processed promptly and accurately during the Plan Year.

Charges and transaction costs

The Trustee is required to set out the on-going charges borne by members in this Statement, which are annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs. The stated charges exclude any administration costs since these are not met by members.

The Trustee is also required to separately disclose transaction cost figures that are borne by members. In the context of this Statement, the transaction costs shown are those incurred when the Plan's fund managers buy and sell assets within investment funds.

The level of charges applying to members during the Plan Year ranged from 0.10% p.a. to 0.47% p.a. (for example if you have £1,000 invested you will be charged £1 a year based on a 0.10% charge). The charges and transaction costs are set out below and rounded to the nearest basis point:

Default arrangements:	**% Total member borne deductions (Annual Management Charge plus additional expenses)**	**Transaction costs to 31 March 2022****
Lifecycle: Drawdown focused	0.12-0.19%*	0.000-0.018%*
LGIM Pre-Retirement Fund	0.15%	0.000%
LGIM Future World Global Equity Index 50% GBP Hedged Fund	0.12%	0.018%

Other funds/strategies	**% Total member borne deductions (Annual Management Charge plus additional expenses)**	**Transaction costs to 31 March 2022****
Lifecycle: Annuity focused	0.12-0.14%*	0.000-0.018%*
Lifecycle: Cash focused	0.12-0.18%*	0.000-0.018%*
LGIM World Emerging Markets Equity Index Fund	0.47%	0.028%
LGIM Diversified Fund	0.21%	0.000%
LGIM Over 5 Year Index-linked Gilts Fund	0.10%	0.021%
LGIM Cash Fund	0.12%	0.020%

HSBC Islamic Global Equity Index Fund	0.296%	0.033%
LGIM Global Equity Market Weights (30:70) Index Fund	0.23%	0.032%

* The ranges shown illustrate the range of current charges and transaction costs for the lifecycle strategies.

** LGIM has provided transaction costs incurred by members at a fund level (based on the fund values at 31 March 2022). LGIM has calculated the transaction costs as the average cost incurred over the last financial year (1 April 2021 to 31 March 2022) as a necessary part of buying and selling each of the fund's underlying investments in order to achieve the investment objective. A zero cost has been reported in the tables above for funds where there are negative transaction costs (i.e. an overall gain was made on the transaction, which can happen as a result of changes in the pricing of the assets being bought or sold). It is not expected that transaction costs will always be negative.

Fund charges shown are the total charge on the fund and consist of the annual management charge plus additional expenses (these include trading fees, legal fees, auditor fees, and other operational expenses).

Transaction costs are those incurred by the investment managers, Legal & General Investment Management (LGIM) & HSBC as a result of buying, selling, lending or borrowing investments, these are typically categorised as:

- *Explicit costs* which are directly observable and include broker commissions and taxes, or
- *Implicit costs* which cannot be observed in the same way but can also result in a reduction in the value of capital invested. Implicit costs include market impact or delay costs which can also result in a gain for the fund (i.e., negative transaction cost).

From 6 April 2015, trustee boards have been required (insofar as they are able) to assess transaction costs and report on them in the Chair's Statement.

The information provided is shown in the tables above. The Trustee has taken account of statutory guidance in preparing this section of the Statement.

The Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 requires the Trustee to produce an illustration showing the compounding effect of costs and charges on DC funds and include this in the annual Chair's Statement. As a result, the Trustee has set out an illustration in the Appendix which shows the projected values based on three example members of the Plan (these are not actual members). The three examples show members at different ages, with different average pension savings and investing in a range of different investment options.

The projections compare what the investments could grow to at age 65 before and after charges have been deducted.

The transition exercise that took place in November 2021 (see 'Default strategy' section above) moved all of the assets from the existing global equity fund to a blend of the LGIM Future World Global Equity Fund (50% currency hedged and 50% non-currency hedged funds). This resulted in transaction costs that amounted to £78,774.75 in total, 0.05% of the value of the assets that were moved. On implementation of the replacement Fund, the Trustee also agreed to meet the annual blended fund fee charge of £2,500 so this cost will not be passed on to members. Members that invest in the replacement Fund also now benefit from a lower annual management charge of 0.12% (previously (0.22%).

Value for Members (VFM)

The Trustee acknowledges the legal requirement for pension arrangements to assess their Plan against the value of services and features that members pay for through costs and charges, or where members share the cost with the employer. The Trustee is committed to ensuring that members receive value from the Plan and it is worth noting that it has gone beyond the minimum legal requirements in assessing Plan 'member value'.

The Trustee's VFM assessment is centred on investment costs (and charges) since this is the only aspect of the Plan that members bear the cost of. However, it has also considered the value derived from the wider features of membership which the Company bears the cost of, such as the quality of the Plan administration, communication, governance and management.

The Plan advisers have undertaken a detailed refresh of the assessment framework following on from the introduction of new VFM requirements and to incorporate current best practice. The revised VFM assessment is focused on the following three pillars:

- Costs and charges, including benchmarking the Plan's ongoing charges against comparable schemes.
- Net investment returns, to assess how the Plan's fund range performed against the Plan's agreed objectives.
- Governance, administration, and communications, compared against features observed across market leading DC arrangements (noting that these elements are not paid for by Plan members).

In summary, this considers the relative member need and the quality of service through the Plan to meet that need. The Trustee continually seeks to ensure the Plan provides VFM and will continue to review this on an annual basis. The results of its most recent review, conducted in July 2022 to reflect on the reporting period, are summarised below.

Costs and charges:

- The weighted average Total Expense Ratio (TER) of the Plan was 0.15% as of 31 March 2022, and the TER for the growth phase of the default investment strategy is 0.12%. To benchmark the charges members pay, the Plan advisers (WTW) assisted the Trustee to compare the Plan against the wider market.
- The Plan's overall and the default's growth phase weighted average TERs are both below the average for similar WTW unbundled schemes. When compared to all trust-based schemes, including 'bundled' arrangements (i.e., those where administration and investment services are provided by the same supplier) the charges members pay are further below average and well below the charge cap of 0.75 bps. The transaction costs evaluation also shows that most of the transaction costs for the Plan's funds are below three-year benchmarks for comparable funds.
- Overall, the Trustee's VFM assessment concluded that the Plan investment offering offers good member value for the costs and charges paid.

Net investment returns:

- Net performance of the component funds of the default investment strategy have performed broadly in line with their objectives and expectations over medium and long-term periods. Over the five-year period to 31 March 2022, the self-selected funds have all performed in line with their benchmarks.
- Therefore, both the default investment strategy returns and the returns of the self-select fund range have been assessed as providing good value to members (net of fees).

Administration, governance and communications:

- The assessment also considered the administration, governance and communications aspects of the Plan, acknowledging that these elements are not paid for by Plan members. Comparing the Plan against a checklist of key features complied by the Trustee's advisers that build on the components identified in the DWP guidance and also those that are typically available within leading DC schemes, the Plan was found to offer the majority of key criteria driving value. The key items identified included:
    - The Trustee has a strong track record of analysing the Plan's membership demographics to inform investment design and considering the varying risk profiles and retirement objectives of members. Ultimately, this drives a bespoke set of glidepaths which are tailored for the needs and risk profile of the Plan's membership.
    - The Plan provides a range of supplementary investment options that are designed with the needs of the membership in mind. This is reflected in the recent triennial review of the Plan's default investment strategy and self-selected funds.
    - Robust investment governance processes are in place, designed to identify any potential issues early and thereby increase the likelihood that each of the Plan's funds meet the agreed objectives.
    - The continued overall depth of governance and the Trustee's approach to formally align this with its objectives for the Plan (which are in turn founded on seeking to achieve good member outcomes).

- Regular Plan member communication materials supported by employer sponsored specific Trustee communications (bespoke investment guides, an updated online member website and the recent ESG member survey).

The review acknowledged that administration service standards and the data quality assessed were slightly behind service target, and that there is room for further improvements of communication and engagement of members (bespoke simplified at-retirement communications or member presentations on specific issues).

Overall, acknowledging the strong performance recorded under the three pillars of the assessment, the Trustee was satisfied the Plan had continued to offer members good value over the reporting period.

Trustees' Knowledge and Understanding (TKU)

The Trustee Directors are required to maintain appropriate levels of knowledge and understanding to run the Plan effectively.

The Trustee has measures in place to comply with the legal and regulatory requirements regarding conversance and knowledge and understanding. Details of how the conversance and knowledge and understanding requirements have been met during the Plan Year are set out below.

The Trustee Directors are generally long standing and have worked together for a number of years and as such have learnt to operate in a way which plays to each other's strengths and areas of expertise. The Trustee Directors have a good working knowledge of the documents governing the Plan (such as the Trust Deed and Rules, the SIP and all other documents setting out the Trustee's current policies and procedures) but they take advice from advisers when it is appropriate to do so. In particular, the Trustee refers to the Trust Deed and Rules as part of considering and deciding to make any changes to the Plan and, where relevant, deciding individual member cases, and the SIP is formally reviewed at least every three years and as part of making any change to the Plan's investments. The SIP is updated informally on an annual basis to ensure it is fully up to date. The last in-depth review was completed in February 2022.

The Trustee has a TKU process in place. Taking this into account along with the knowledge and experience of the Trustee Directors, together with the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisors (e.g. investment consultants, legal advisors), the Trustee Directors believe they are well placed to exercise their functions as Trustee Directors of the Plan properly and effectively.

The Trustee's approach to meeting the TKU requirements includes the following:

- New Trustee Directors are provided with copies of the Plan documentation and attend external 'new trustee' training sessions.
- The Trustee Directors each undertake bespoke training and maintain a training log;
- All of the Trustee Directors have completed the core modules within The Pensions Regulator's trustee toolkit (this is a free online learning programme from The Pensions Regulator) and reviews its content on an ongoing basis.
- A number of Trustee Directors have pension specific qualifications (including PMI Award in Trusteeship units 1, 2 and 3).
- The Trustee Directors receive relevant updates and bulletins from their advisers as well as attend seminars to maintain and enhance their knowledge.
- The Trustee's investment advisers proactively raise any changes in governance requirements and other relevant matters as they become aware of them.
- Trustee training is a standing item on the agenda for Trustee Board meetings. This involves discussions which enable each Trustee Director to identify any knowledge gaps and required training. The training programme is reviewed annually.
- The training that has been carried out by the Trustee Directors over the Plan Year (in relation to defined contribution (DC)) include:
    - Trustee meeting sessions:
        - ESG (DC focus) (April 2021)

- External training sessions:
  - Introduction to the Pension Regulator’s new Combined Code of Practice (May 2021)
  - Delivering a better financial future for members (November 2021)
  - Decision-making in a changing environment (September 2021)
  - The purpose of investments: ESG essentials; Stewardship: a force for change (September 2021)
- ‘Hot Topics’ reports are tabled at each meeting to give the Trustee Directors latest updates on DC-related themes in pensions.

The Board undertook a TKU review in July 2021, the results of which showed reasonable or good levels of knowledge. These self-assessments involve a review of individual knowledge and understanding of pension and trust legislation, investment requirements, and being conversant with the main governing documents. Where any gaps are identified within the assessment, relevant training will be allocated in the training/business plan to ensure this is picked up. Following the review, the areas identified for potential future training were:

- Trust and pension law
- Scheme documentation and operation
- Additional training resource – such as the Pensions Regulator’s toolkit for refreshing knowledge.

The Trustee Directors also undertook a trustee effectiveness assessment in July 2021 as part of the overall TKU exercise. The results showed that the Directors believe the Board operates effectively in most areas.

The Trustee Directors agree a business plan covering planned Plan activity for each Plan year which is reviewed throughout the year. The Trustees carried out an evaluation of the performance and effectiveness of the Trustee Board as a whole as measured against the objectives of the Plan’s business plan after the reporting period; as a result, this will be picked up in the next Statement.

Signed: Simon Parker **Date: 3 November 2022**

Trustee Chairman

IMS (UK) Pension Plan

Appendix - Illustration of the effect of costs and charges on a member's pension pot

Over a period of time, the charges and transaction costs that are taken out of a member's pension savings can reduce the amount available to the member at retirement. In order to achieve greater transparency about costs, regulations came into force on 6 April 2018 which require the Trustee to provide members with additional information in relation to investment charges and transactions costs.

The illustration has been prepared in accordance with the DWP's statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension schemes" and reflects the impact of costs and charges for three typical examples of members within the Plan, using the Plan's default arrangements and the lowest and highest charging funds within the fund range as of 5 April 2022.

The illustrations below show the projected fund values based on certain assumptions before and after charges so that the potential impact of charges is clearly shown. Members should be aware that these are simply illustrations, and so the actual fund values and implication of charges for members' investments may be different if members' personal details or investment choices differ from those shown or the assumptions are not borne out. This means that the information contained in this Appendix is not a substitute for the individual and personalised illustrations which are provided to members each year by the Plan.

Example Member	Projection period (years)	Lifecycle drawdown focused strategy (Default)		LGIM Future World Global Equity Index Fund		LGIM Pre-Retirement Fund	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£2,400	£2,400	£2,400	£2,400	£2,300	£2,300
	3	£7,400	£7,400	£7,400	£7,400	£7,000	£7,000
	5	£12,700	£12,700	£12,700	£12,700	£11,600	£11,600
	10	£27,600	£27,400	£27,600	£27,400	£23,100	£22,900
	15	£45,200	£44,700	£45,200	£44,700	£34,300	£33,900
	20	£65,900	£64,900	£65,900	£64,900	£45,400	£44,700
	25	£90,200	£88,500	£90,200	£88,500	£56,400	£55,300
	30	£118,800	£116,000	£118,800	£116,000	£67,100	£65,600
	35	£152,500	£148,100	£152,500	£148,200	£77,700	£75,600
	40	£189,100	£182,300	£192,000	£185,800	£88,200	£85,500
	45	£222,900	£213,200	£238,600	£229,700	£98,500	£95,100
Average member	1	£46,800	£46,700	£46,800	£46,700	£45,300	£45,200
	3	£61,100	£60,900	£61,100	£60,900	£55,800	£55,500
	5	£76,400	£75,900	£76,400	£75,900	£66,200	£65,800
	10	£119,100	£117,900	£119,100	£117,900	£92,000	£91,000
	15	£169,400	£166,800	£169,400	£167,000	£117,400	£115,600
	20	£225,200	£220,200	£228,600	£224,300	£142,500	£139,600
	25	£279,200	£271,000	£298,200	£291,300	£167,200	£163,200
Approaching retirement	1	£88,400	£88,300	£89,000	£88,900	£86,100	£85,900
	3	£105,400	£104,800	£108,000	£107,600	£98,100	£97,700
	5	£122,200	£121,200	£128,300	£127,500	£110,100	£109,300

Example Member	Projection period (years)	LGIM Global Equity Market Weights (30:70) Index Fund		LGIM Over 5 Year Index-Linked Gilts Fund		LGIM World Emerging Markets Equity Index Fund	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£2,400	£2,400	£2,300	£2,300	£2,400	£2,400
	3	£7,400	£7,300	£6,800	£6,800	£7,400	£7,300
	5	£12,700	£12,600	£11,100	£11,100	£12,700	£12,500
	10	£27,600	£27,300	£21,100	£20,900	£27,600	£27,000
	15	£45,200	£44,300	£30,100	£29,700	£45,200	£43,500
	20	£65,900	£64,100	£38,100	£37,600	£65,900	£62,500
	25	£90,200	£87,100	£45,400	£44,600	£90,200	£84,300
	30	£118,800	£113,900	£51,900	£50,900	£118,800	£109,300
	35	£152,500	£144,900	£57,800	£56,500	£152,500	£138,100
	40	£192,000	£181,000	£63,100	£61,400	£192,000	£171,000
	45	£238,600	£223,000	£67,800	£65,900	£238,600	£208,900
Average member	1	£46,800	£46,700	£44,500	£44,400	£46,800	£46,600
	3	£61,100	£60,700	£53,200	£53,000	£61,100	£60,300
	5	£76,400	£75,600	£61,600	£61,200	£76,400	£74,900
	10	£119,100	£117,000	£81,000	£80,200	£119,100	£114,900
	15	£169,400	£165,100	£98,500	£97,100	£169,400	£160,900
	20	£228,600	£220,900	£114,200	£112,100	£228,600	£213,700
	25	£298,200	£285,800	£128,300	£125,600	£298,200	£274,300
Approaching retirement	1	£89,000	£88,800	£84,600	£84,400	£89,000	£88,600
	3	£108,000	£107,300	£93,400	£93,000	£108,000	£106,600
	5	£128,300	£126,900	£101,800	£101,200	£128,300	£125,600

1. Projected pension account values are shown in today's terms.
2. Contributions and costs/charges that are shown as a monetary amount and reductions are made halfway through the year.
3. Investment returns and costs/charges as a percentage reduction per annum are assumed to be deducted at the end of the year.
4. Charges and costs are deducted before applying investment returns.
5. Switching costs are not considered in the lifestyle strategy.
6. Inflation is assumed to be 2.5% each year.
7. Contributions are assumed to be paid from age 20 to 65 for the youngest member, 40 to 65 for the average member, and 60 to 65 for the member approaching retirement.
8. Salaries are assumed to increase in line with inflation.
9. Values shown are estimates and are not guaranteed.
10. The real projected growth rates for each fund are as follow:
    - Lifecycle drawdown focused strategy – from 1.78% to 3.30% (adjusted depending on term to retirement)
    - LGIM Future World Global Equity Index Fund – 3.30%
    - LGIM Pre-Retirement Fund – -0.30%
    - LGIM Global Equity Market Weights (30:70) Index Fund – 3.30%
    - LGIM Over 5 Year Index-Linked Gilts Fund – -2.1%
    - LGIM World Emerging Markets Equity Index Fund – 3.30%
11. Transactions costs and other charges have been provided by LGIM and cover the period from 1 April 2018 to 31 March 2022, except for the LGIM Future World Global Equity Index Fund which covers the period 1 April 2021 to 31 March 2022. Transaction costs have been averaged by WTW using a time-based approach.
12. A zero cost has been used where there are negative transaction costs (i.e., an overall gain was made on the transaction, which can happen because of changes in the pricing of the assets being bought or sold). It is not expected that transaction costs will always be negative. It is important to note that using a negative or zero cost during any one scheme year may not accurately represent the actual transaction costs a member may expect to see in any future scheme year.
13. Pension Plan's normal retirement age is 65.
14. Example members
    - Youngest: age 20, total initial contribution: £2,340, starting fund value: nil.
    - Average: age 40, total initial contribution: £5,400, starting fund value: £40,000.
    - Approaching retirement: age 60, total initial contribution: £6,300, starting fund value: £80,000.