

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 2022 to 5 April 2023 (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 latest SIP is available at the following website: <https://iqvia.pensions-directory.co.uk/>. The SIP is currently being updated to reflect recent changes to the Plan's investment strategy. This will be available in due course on the Company's website.

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 three funds/strategies classified as default arrangements:

1. 15-year lifecycle strategy: drawdown focused
2. LGIM Future World Annuity Aware Fund (previously named the LGIM Pre-Retirement Fund).
3. LGIM Future World Global Equity Index 50% GBP Hedged Fund.

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. The next default investment review will take place in the Plan Year 2024/2025.

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 *	-3.48	N/A	N/A

LGIM Future World Annuity Aware Fund (previously Pre-Retirement Fund)	-19.63	-8.42	-3.19
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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	-3.48	13.70	6.55
	45	-3.48	13.70	6.55
	55	-4.91	8.69	3.67

* The LGIM Future World Global Equity Index 50% GBP Hedged Fund was created in November 2021, therefore reporting for this fund is only available for the last 12 months.

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	-4.67	8.60	2.32
LGIM Diversified Fund	-5.02	6.75	4.09
LGIM Over 5 Year Index-linked Gilts Fund	-30.50	-9.30	-4.21
LGIM Cash Fund	2.11	0.68	0.62
HSBC Islamic Global Equity Index Fund	-3.19	16.59	14.75
LGIM World (ex UK) Index Fund	-1.24	-1.24	-1.24

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	-3.48	13.70	6.55
	45	-3.48	13.70	6.55
	55	-9.94	3.75	0.84

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	-3.48	13.70	6.55
	45	-3.48	13.70	6.55
	55	-3.90	9.26	3.94

The age-specific reporting for the three lifecycle strategies is calculated including returns for the two accumulation phase funds that were in place over the five-year reporting period: the LGIM Future World Global Equity Index 50% GBP Hedged Fund, effective from 10 November 2021 and, prior to this date, the LGIM Global Equity Market Weights (30:70) Index Fund.

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. 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. In addition, the Trustee continues to be engaged with Capita to improve the service experienced by the Plan, through weekly meetings held between the Director of Pensions, IQVIA and Capita. Quarterly administration reporting is tabled at all Trustee Board meetings and the administrator attends these meetings. Monthly and 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 78% (for the full Plan and not just the Money Purchase Section members), ranging from 69% to 89%, a considerably lower rate than in previous years, and below the 90% sufficiency limit.
- Contributions have been made and invested as per the agreed period, excluding December's contributions, which were affected by changes to the HSBC fund that required more administration system changes than had been anticipated.

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 Director of Pensions, IQVIA 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. Complaints over the period in relation to core financial transactions were mainly relating to delays in retirement and transfer-out payments, including two transfer payments made outside the disclosure period.

Capita informed the Trustee that, in the Plan Year, it suffered a cyber incident from 22 March 2023 to 31 March 2023. Capita has carried out a forensic review of the incident. Capita has contacted any members potentially impacted on behalf of the Trustee. The data breach has been reported to the Information Commissioner's Office and the Pensions Regulator by Capita and the Trustees and updates provided as required.

The previous Statement provided details of some investments into closed funds that had been allowed in error. During this reporting period, a degree of work was undertaken to rectify this, such as communicating to the members who had switched into these funds, and additionally, the investment manager was contacted to reject any future switch requests. Affected member records were corrected after 5 April 2023, and the Trustee is looking to establish that members have not lost out financially as a result of these errors.

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

Capita has put together a data management plan, supported by their senior management team, to seek to improve the overall service it is providing to the Trustee and members, and the Trustee, with support from the Director of Pensions, IQVIA, is closely monitoring the ongoing service to ensure these improvements are made.

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 2023**
Lifecycle: Drawdown focused	0.13%-0.18%*	0.019%-0.083%*
LGIM Future World Annuity Aware Fund	0.15%	0.029%
LGIM Future World Global Equity Index 50% GBP Hedged Fund	0.13%	0.083%
Other funds/strategies		
Lifecycle: Annuity focused	0.13% - 0.14%*	0.032%-0.083%*
Lifecycle: Cash focused	0.13% – 0.17%*	0.013%-0.083%*
LGIM World Emerging Markets Equity Index Fund	0.47%	0.045%
LGIM Diversified Fund	0.20%	0.000%
LGIM Over 5 Year Index-linked Gilts Fund	0.10%	0.210%
LGIM Cash Fund	0.12%	0.042%
LGIM World (ex UK) Index Fund ***	0.22%	0.065%
LGIM UK Equity Fund ***	0.18%	0.029%
HSBC Islamic Global Equity Index Fund	0.30%	0.068%

* 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 2023). LGIM has calculated the transaction costs as the average cost incurred over the last financial year (1 April 2022 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.

*** Over the reporting period, two closed funds were found to have been made available to members in error; as a result, a small number of members switched into these funds. The administrator completed the switches out of these funds after the reporting period, and further information will be provided in the next Chair's statement.

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.

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 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 the 2023 review are summarised below.

Costs and charges:

- The weighted average Total Expense Ratio (TER) of the Plan was 0.14% as of 31 March 2023, and the TER for the growth phase of the default investment strategy is 0.13%. To benchmark the charges members pay, the Plan advisers (WTW) assisted the Trustee to compare the Plan against the wider market. 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%.
- 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, with the exception of the LGIM Diversified Fund (this fund forms part of the decumulation phase of this investment strategy), which provided lower returns against the composite benchmark. Over the five-year period to 31 March 2023, the self-selected funds have all performed in line with their benchmarks.
- Both the default investment strategy returns and the returns of the self-select fund range have been assessed as providing fair 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 compiled 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 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).
 - 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 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.
 - 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 at-retirement support assessed were slightly behind service target, and that there is room for further improvements in these areas.

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 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:
 - Trustee duties
 - New Singling Code of Practice (June 2022)
 - External training sessions:
 - Understanding Pensions Tax changes (April 2023)
 - Managing the cost living crisis for DC members (March 2023)
 - Pensions and Savings conference 2022 (December 2022)
 - Turbulent Market conditions (October 2022)
 - Pension dashboards (August & September 2022)
 - Hot topics for global pensions managers (May 2022)
- 'Hot Topics' reports are tabled at each meeting to give the Trustee Directors latest updates on DC-related themes in pensions.

The Board last 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. 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 next TKU and trustee effectiveness assessments will take place in the next reporting period, and the results will be provided in the Statement covering 2023/24.

The Trustee Directors agree a business plan covering planned Plan activity for each Plan year which is reviewed throughout the year.

Signed: Simon Parker

Date: 2 November 2023

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 2023.

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. In addition, the accrued contributions shown are for illustrative purposes only, with the aim to compare them against the relevant projected fund values. (See note 8 below.)

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)	Example contributions over period	Lifecycle drawdown focused strategy (Default)		LGIM Future World Global Equity Index Fund		LGIM Future World Annuity Aware Fund	
			Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£2,500	£2,600	£2,600	£2,600	£2,600	£2,500	£2,500
	3	£7,500	£8,000	£8,000	£8,000	£8,000	£7,700	£7,700
	5	£12,500	£14,000	£14,000	£14,000	£14,000	£13,000	£12,900
	10	£25,000	£31,600	£31,300	£31,600	£31,300	£27,000	£26,700
	15	£37,500	£53,500	£52,800	£53,500	£52,800	£42,000	£41,500
	20	£50,000	£81,100	£79,500	£81,100	£79,500	£58,200	£57,300
	25	£62,500	£115,500	£112,600	£115,500	£112,600	£75,700	£74,100
	30	£75,000	£158,700	£153,700	£158,700	£153,700	£94,500	£92,100
	35	£87,500	£207,900	£200,200	£212,700	£204,800	£114,800	£111,400
	40	£100,000	£256,400	£245,000	£280,300	£268,200	£136,700	£132,000
	45	£112,500	£302,000	£286,400	£365,000	£346,800	£160,200	£153,900
Average member	1	£56,000	£58,400	£58,300	£58,400	£58,300	£56,800	£56,700
	3	£68,000	£76,500	£76,100	£76,500	£76,100	£70,700	£70,400
	5	£80,000	£96,200	£95,600	£96,200	£95,600	£85,000	£84,500
	10	£110,000	£154,200	£152,100	£154,200	£152,100	£122,700	£121,300
	15	£140,000	£221,800	£217,400	£226,700	£222,300	£163,400	£160,600
	20	£170,000	£291,400	£283,700	£317,500	£309,400	£207,100	£202,700
	25	£200,000	£360,000	£348,100	£431,100	£417,600	£254,300	£247,600
Approaching retirement	1	£97,000	£99,500	£99,300	£101,300	£101,100	£98,400	£98,200
	3	£111,000	£118,700	£118,100	£125,500	£124,900	£115,600	£115,100
	5	£125,000	£138,400	£137,300	£151,900	£150,800	£133,300	£132,400

Example Member	Projection period (years)	Example contributions over period	LGIM Over 5 Year Index-Linked Gilts Fund		LGIM World Emerging Markets Equity Index Fund	
			Before charges	After charges	Before charges	After charges
Youngest member	1	£2,500	£2,500	£2,500	£2,600	£2,600
	3	£7,500	£7,500	£7,500	£8,000	£8,000
	5	£12,500	£12,600	£12,500	£14,000	£13,800
	10	£25,000	£25,400	£25,100	£31,600	£30,800
	15	£37,500	£38,400	£37,800	£53,500	£51,400
	20	£50,000	£51,500	£50,600	£81,100	£76,700
	25	£62,500	£64,900	£63,400	£115,500	£107,600
	30	£75,000	£78,500	£76,300	£158,700	£145,300
	35	£87,500	£92,300	£89,300	£212,700	£191,500
	40	£100,000	£106,200	£102,400	£280,300	£247,900
	45	£112,500	£120,400	£115,500	£365,000	£316,800
Average member	1	£56,000	£56,200	£56,100	£58,400	£58,200
	3	£68,000	£68,500	£68,200	£76,500	£75,500
	5	£80,000	£81,000	£80,400	£96,200	£94,300
	10	£110,000	£112,400	£110,900	£154,200	£148,500
	15	£140,000	£144,400	£141,700	£226,700	£214,700
	20	£170,000	£176,800	£172,600	£317,500	£295,700
	25	£200,000	£209,600	£203,700	£431,100	£394,600
Approaching retirement	1	£97,000	£97,300	£97,100	£101,300	£100,800
	3	£111,000	£111,900	£111,400	£125,500	£123,800
	5	£125,000	£126,600	£125,600	£151,900	£148,800

Assumptions and notes:

- Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of inflation.
- Contributions are paid halfway through the year.
- Investment returns and costs/charges as a percentage reduction per annum are assumed to be deducted at the end of the year.
- Charges and costs are deducted before applying investment returns.
- Switching costs are not considered in the lifestyle strategy.
- Inflation is assumed to be 2.5% each year.
- 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; contributions increase in line with assumed earnings inflation of 0% per year (in real terms).
- Contributions shown are examples based on starting fund value plus the initial contribution value accumulated over the relevant period of years.
- Values shown are estimates and are not guaranteed.
- The real projected growth rates for each fund are as follows:
 - Drawdown focused (default) Lifestyle Strategy - from 2.19% to 4.60% (adjusted depending on term to retirement)
 - LGIM Future World Global Equity Index Fund - 4.60%
 - LGIM Future World Annuity Aware Fund - 1.50%
 - LGIM Over 5 Year Index-Linked Gilts Fund - 0.30%
 - LGIM World Emerging Markets Equity Index Fund - 4.60%
- Transactions costs and other charges have been provided by LGIM and covered the period Q2 2018 to Q1 2023. The transaction costs have been averaged by WTW using a time-based approach. The transaction costs for Blended funds were estimated by WTW based on the transaction costs for the underlying funds.
- Pension scheme's normal retirement age is 65.
- Example member:
 - Youngest: age 20, total initial contribution: £2,500, starting fund value: £0.
 - Average: age 40, total initial contribution: £6,000, starting fund value: £50,000.
 - Approaching retirement: age 60, total initial contribution: £7,000, starting fund value: £90,000.
- 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 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. 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.