Tomkins 2008 Pension Scheme (the 'Scheme')

Annual Governance Statement by the Chair of the Trustee for the Scheme year ending on 5 April 2024

Under legislation set out in regulation 23 of The Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the 'Administration Regulations'), (as amended), the Chair of the Trustee of the Tomkins 2008 Pension Scheme (the 'Trustee') is required to publish this statement (the 'Statement') on governance in the annual report.

The Trustee is pleased to present the Trustee's annual statement on Defined Contribution ('DC') governance for inclusion in the Report and Accounts for the Scheme, covering the period 6 April 2023 to 5 April 2024. This statement describes how the Trustee seeks to make sure that the Scheme is well-managed and delivers excellent services to members. In doing so, we provide the various statutory disclosures required by legislation. This statement covers the following areas:

1. The Scheme's default investment arrangement;
2. The processing of core financial transactions;
3. Net returns on investments;
4. Asset allocation and performance based fees disclosures;
5. Charges and transaction costs within the Scheme, including the additional requirements in relation to the disclosures of costs and charges;
6. Value for members; and
7. The Trustees' compliance with the statutory knowledge and understanding (TKU) requirements.

This statement relates to the Pegler DC Section of the Main Section of the Scheme and the Additional Voluntary Contributions ('AVCs') arrangements, which are overseen by a sole professional Trustee, Capital Cranfield Trustees Limited ('Capital Cranfield').

Default investment arrangement

Review of the default investment strategy

There are two default arrangements in relation to the Scheme:
- Lifestyle - DC members with DB benefits
- Lifestyle – DC only members

For members who have not accrued DB benefits in the Main Section, the default arrangement is a lifestyle strategy which automatically moves members' assets from growth seeking assets to index linked gilts and cash.

For members who have accrued DB benefits in the Main Section, the default is a lifestyle strategy, which automatically moves their assets from growth seeking assets to cash.

Pegler DC Section

The Trustee, with input from its Investment Consultant, Mercer Limited, reviews the default strategy and performance of the default arrangement regularly at meetings and at least every three years, with the last review carried out in October 2023. The review included:

- Membership analysis, to understand the membership profile, how members have been taking their benefits, the number of members making active fund choices, as well as what protection against significant drops in the capital value of funds or large falls in bond yields, members have. This will help to determine the needs of the members and is in line with regulatory guidance;
- Consideration of market trends;
- A review of the default objective and whether the benefit targeted by the defaults remain appropriate;
- A review of the structure of the growth phase and at-retirement phases; A review of the performance of individual fund components, and lastly;
- A review of the current self-select options.

From a wider governance perspective, the Tomkins Retirement Benefits Plan merger, with the transfer of DB assets into the Scheme by 31 March 2023, did not have a direct impact on the DC Section.

No changes were recommended to the current default arrangement and the objectives of the Scheme are being accomplished. The Trustee agreed that the current Default arrangements remained fit for purpose.

AVCs

As at 5 April 2024, the Scheme held With-Profits policies with Aviva and Standard Life, one Unit-Linked fund with Standard Life and Unit Linked arrangements with Royal London.

Statement of Investment Principles

In accordance with the Administration Regulations, the Trustee has appended the latest copy of the Statement of Investment Principles (the 'SIP') prepared for the Pegler DC Section of the Scheme in compliance with Section 35 of the Pensions Act 1995 and regulation 2 / regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005, dated September 2023.

During the year to 5 April 2024, the Trustee reviewed the SIP and made some amendments in order to be consistent with Regulations that will be implemented during 2024. These modifications included updating the Trustee's policy in relation to illiquid assets. It was also updated to include the areas chosen by the Trustee as the "most significant votes" to comply with updated guidance. The SIP has been approved and signed on 19 September 2023. The latest version of the SIP can be accessed at: https://capitalcranfield.com/wp-content/uploads/2023/09/Tomkins-2008-Pension-Scheme-2023-SIP.pdf and the SIP in respect of the Default Arrangements is available at: https://capitalcranfield.com/wp-content/uploads/2023/09/Tomkins-2008-Pension-Scheme-2023-SIP-DC-Default.pdf.

Requirements for processing core financial transactions

As required by the Administration Regulations, the Trustee must ensure that "core financial transactions" are processed promptly and accurately. Core financial transactions include (but are not limited to):

- Investment of contributions made to the Scheme by members and their employer(s);
- Transfers into and out of the Scheme of assets relating to members;
- Switches of members' investments between different funds within the Scheme; and
- Payments from the Scheme to or in respect of members (e.g. payment of death benefits).

The Scheme is closed to further DC and AVC contributions and, as a result, there are no contributions to monitor or invest. During the Scheme year, the following arrangements have been made to ensure that core financial transactions are processed promptly and accurately:

- The services provided by the AVC policy providers, Aviva Plc, Standard Life and Royal London are not subject to a formal Service Level Commitment ('SLC'). The Scheme's administrator, Buck, acquired by Gallagher in April 2023, the Buck name has been retired as of 1st July 2024, are however subject to a formal Service Level Agreement ('SLA') and this is monitored within the quarterly administration reports that are produced by Gallagher and provided to the Trustee for review. These were presented to the Trustee during the 31 October 2023 and 5 March 2024 meetings.
- The expected service standards are:

Task	SLA (days)
Death – Notification	5
Death – Finalisation	5
Retirement – Quote	15
Retirement – Finalisation	15
Transfer Out – Quotes	20
Transfer Out – Finalisation	20

- The Trustee operates a system of internal controls aimed at monitoring the Scheme's administration and management and ensuring Gallagher meets the service levels. Included in this system are mechanisms for ensuring the prompt and accurate processing of financial transactions, including core transactions such as the transfer of member assets into and out of the Scheme and the payment of benefits on retirement.
- During the period between March 2023 to March 2024, Gallagher achieved an average of 97.0% of SLAs against a 90% target, which shows an improvement from previous Scheme year. Where there is any failure of service levels, this is challenged by the Trustee at meetings.
- The Gallagher administration team has a peer review process in place, which means that each member transaction is performed by one team member and reviewed by another. Where there is a complex case, there will be a third level of review. The Scheme's Risk Register outlines the risks to Scheme members in relation to financial transactions that are monitored and reviewed on a regular basis.
- The Trustee also monitors the accuracy of the Scheme's common data regularly.
- The Scheme Auditor tests a sample of financial transactions for accuracy and timeliness as part of the annual audit process.

- The Gallagher Quality Assurance team also provides regular reviews and undergoes the annual AAF audit. The AAF 01/20 internal controls report is provided to the Trustee annually.

There were no material issues identified during the Scheme year and the Trustee is comfortable that core financial transactions were processed promptly and accurately throughout the Scheme year. The administration report includes any potential complaints/errors and omissions and further actions taken to address those and discretionary benefits and decisions taken for ratification.

Net returns on investments

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 ('the 2021 Regulations') introduced new requirements for trustees of 'relevant' occupational pension schemes.

From 1 October 2021, trustees of all relevant pension schemes, regardless of asset size, are required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges.

The tables below set out annualised net performance for the 1 and 5 year periods for the lifestyle arrangements (for age 25, 45, and 55) and for the self-select fund range.

Default arrangements

DC only Default	Annualised returns to 31 March 2024 (%)	
	1 year	5 years
Age of member		
25	12.9	7.8
45	12.9	7.8
55	12.9	2.1

DC and DB Default	Annualised returns to 31 March 2024 (%)	
	1 year	5 years
Age of member		
25	12.9	7.8
45	12.9	7.8
55	12.9	4.5

Source: Royal London and Mercer. Returns are net annual charge of 1%, rebated by bonus units of 0.48%.

Self-Select Funds

Fund	Annualised returns to 31 March 2024 (%)			
	1 year	5 years	10 years	15 years
BlackRock Aquila Global Equity Index (50:50)	12.9	7.8	8.0	10.4
RLP Index Linked	-5.8	-5.3	1.5	3.5
RLP Deposit	4.8	1.2	0.6	0.5
RLP Managed	11.3	5.6	6.3	8.5
RLP Property	-0.3	0.5	4.1	5.4
RLP Long (15yr) Gilt	-3.0	-5.5	1.0	2.6
RLP Long (15yr) Corporate Bond	3.3	-3.4	2.3	5.5

RLP Long (15yr) Index Linked	-2.9	-2.9	1.7	3.7
RLP Global High Yield Bond	9.1	2.1	2.9	-
RLP Short Duration Global High Yield	7.3	2.1	2.6	-
RLP Commodity	-4.0	5.3	-	-
RLP BlackRock ACS Global Blend	16.0	8.1	8.4	10.6
RLP Absolute Return Government Bond	5.9	2.5	-	-
RLP Annuity	2.2	-0.1	-	-
RLP Fixed Interest	1.5	-3.0	0.9	3.3
RLP Medium (10yr) Corporate Bond	6.3	-1.3	2.7	5.9
RLP Medium (10yr) Gilt	0.8	-3.0	1.1	2.3
RLP Medium (10yr) Index Linked	-1.2	-0.7	1.6	3.4
RLP Sustainable Leaders	10.8	9.7	7.3	11.2
RLP Global Corporate Bond	4.7	-	-	-
RLP Global Government Bond	2.4	0.0	1.2	-
RLP Short Duration Global Index Linked	2.0	-	-	-
RLP Short Duration UK Corporate Bond	7.0	-	-	-
RLP Short Duration UK Government Bond	3.5	-	-	-
RLP UK Corporate Bond	8.7	-	-	-
RLP UK Government Bond	0.4	-3.2	0.8	-

Source: *Royal London.*
Performance shown are net annual charge of 1%, rebated by bonus units of 0.48%. Performance of standalone self-select options is independent of age, therefore performance is shown in a different format to the lifestyle performance above.

AVC Funds

Self-select funds	Annualised returns (%)			
	1 year	5 years	10 years	15 years
Standard Life - Pension With-Profits One Fund [a)]	9.4	5.0	-	-
Aviva - With-Profits Guaranteed Pension Standard	3.1	2.6	5.7	4.9
Standard Life - International Equity Pension Fund	17.8	10.1	9.8	11.5

Source: *Aviva and Standard Life as at 31 March 2024.*
Performance shown net of all charges and transaction costs.

a) *Standard Life was not able to provide accurate returns for this fund. Standard Life was not able to provide annualised net returns as per request but provided a guide with the asset mix for the With-Profits One Fund and the investment returns for the last five calendar years. Recent investment returns are best estimates and do not allow for tax, charges, expenses or the effects of any smoothing and have been rounded down. The Trustee adviser has continued to chase for this information on a regular basis.*

Asset Allocation in the default arrangements

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 introduce new requirements for trustees and managers of certain occupational pension schemes.

For the first scheme year that ends after 1 October 2023, trustees or managers of relevant occupational pension schemes, are required to disclose their full asset allocations of investments from their default arrangements.

There is also a requirement to disclose details of performance-based fees in the Scheme. Royal London confirmed no performance-based fees are currently being applied to the Scheme as at 5 April 2024.

Information on the asset allocation for the Global PN Retirement Investment Strategy, the default for the DC only members, as at 5 April 2024 is set out below:

Asset Class	25 years old (%)	45 years old (%)	55 years old (%)	65 years old (%)
Listed Equities	100.0	100.0	100.0	0.0
Bonds	0.0	0.0	0.0	76.9
Cash	0.0	0.0	0.0	19.8
Private Equity	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Private Debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	3.3

Source: Royal London, Mercer calculations.

The table below shows the percentage of each of the main asset classes held by the Global PE Retirement Investment Strategy, the default for DC members with DB benefits, as at 5 April 2024 is set out below:

Asset Class	25 years old (%)	45 years old (%)	55 years old (%)	65 years old (%)
Listed Equities	100.0	100.0	100.0	0.0
Bonds	0.0	0.0	0.0	12.6
Cash	0.0	0.0	0.0	74.0
Private Equity	0.0	0.0	0.0	0.0
Property	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Private Debt	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	13.3

Source: Royal London, Mercer calculations.

Notes:

- *Normal Retirement Date for the Scheme is age 65, members have the opportunity of selecting their own retirement date.*
- *The following describes the types of investments covered by the above asset classes:*
    - ***Listed Equity** – Shares in companies that are listed on global stock exchanges. Owning shares makes the Plan a part owner of the company, entitled to a share of the profits (if any) payable as dividends.*
    - ***Bonds** – Loans made to the bond issuer, usually a government or a company, to be repaid at a later date. This includes Government, Corporate and Other Bonds.*
    - ***Cash** – Cash and assets that behave similarly to cash e.g. treasury bills. It only includes invested cash and not the cash balance held by the Plan.*
    - ***Private Equity** – Unlisted equities that are not publicly traded on stock exchanges. Encompasses a broad range of investment styles, including:*

      - *Venture Capital – Small, early stage businesses that may have high growth potential, albeit at significant risk.*
      - *Growth Equity – Relatively mature companies that are going through a transformational event with potential for growth.*
  - ***Infrastructure** – physical structures, facilities, systems, or networks that provide or support public services including water, gas and electricity networks, roads, telecommunications facilities, schools, hospitals, and prisons*
  - ***Property** – Real estate, potentially including offices, retail buildings which are rented out to businesses.*
  - ***Private Debt** – Other forms of loan that do not fall within the definition of a 'Bond'.*
  - ***Other** – Any assets that do not fall within the above categories.*

Charges and transaction costs

The Trustee is required by the Administration Regulations to report on the charges and transaction costs for the investments used in the default investment options as well as the wider fund range and assess the extent to which the charges and costs represent good value for members.

The charges (quoted in the following table as "TER" – Total Expense Ratio) and transaction costs applicable to the assets held with Royal London during the period are detailed below. This includes all of the Pegler DC Section's investment funds and those used by members with AVCs invested within Royal London. The funds highlighted in bold form part of the default investment strategies available or are classed as technical defaults within the Scheme.

All funds comprise of an annual charge of 1%, rebated by bonus units of 0.48%, which is well below the Government's imposed charge cap of 0.75% for default arrangements used for auto enrolment (noting the Scheme is not used for automatic enrolment purposes).

Fund Name	TER[1] (% p.a.)	Transaction Costs (% p.a.)
BlackRock Aquila Global Equity Index (50:50)	0.52	0.017
RLP Index Linked		0.060
RLP Deposit		0.000
RLP Managed		0.015
RLP Property		0.045
RLP Long (15yr) Gilt		0.000
RLP Long (15yr) Corporate Bond		0.000
RLP Long (15yr) Index Linked		0.000
RLP Global High Yield Bond		0.020
RLP Short Duration Global High Yield		0.000
RLP Commodity		0.000
RLP BlackRock ACS Global Blend		0.015
RLP Absolute Return Government Bond		0.060
RLP Fixed Interest		0.000
RLP Medium (10yr) Corporate Bond		0.000
RLP Medium (10yr) Gilt		0.000
RLP Medium (10yr) Index Linked		0.000
RLP Sustainable Leaders		0.130
RLP Global Corporate Bond		0.000
RLP Global Government Bond		0.040
RLP Short Duration Global Index Linked		0.000
RLP Short Duration UK Corporate Bond		0.000
RLP Short Duration UK Government Bond		0.010
RLP UK Corporate Bond		0.000
RLP UK Government Bond		0.000
RLP Annuity		0.070

Source: Royal London. TER data is as at 5 April 2024 and Transaction Cost data is as at 31 December 2023, as more up to date data will only be available later in 2024.

[1]TERs include the Annual Management Charge ("AMC") for Royal London's administration and investment services plus their additional expenses associated with trading the funds (which will vary slightly from time to time).

The following table provides information on the charges and transaction costs applicable to the funds used within the AVC Section of the Scheme during the year:

Provider	Fund Name	AMC (% p.a.)	TER (% p.a.)	Transaction Costs (% p.a.)
Aviva	With Profits	0.9	0.9	0.04
Standard Life[1]	Standard Life Pension With Profits One Fund	*	*	0.04
	Standard Life International Equity Pension Fund[1]	1.0	1.0	0.09

Sources: Aviva as at 16 February 2024, Standard Life transaction costs as at 31 March 2024 and TER as at 30 September 2023.

[1] There is a scheme discount of 0.40% for members depending on their individual circumstances.

* There is no explicit fund management charge for the Standard Life Pension With-Profits One Fund.

Where charges and transaction costs have not been provided, in reference to both the Pegler DC Section and the AVCs, the Trustee's advisers are continuing to request this information from investment managers so it can be shared with members.

Reporting of Costs and Charges

Using the charges and transaction cost data provided by each of the providers and in accordance with regulation 23(1)(ca) of the Administration Regulations, as inserted by the 2018 Regulations, the Trustee's advisers have prepared an illustration on behalf of the Trustee detailing the impact of the costs and charges typically paid by a member of the Scheme on their retirement savings pot. The statutory guidance provided has been considered when providing these examples.

Due to a lack of information available from Royal London, we have represented the membership with broad estimates for the following elements:

- Savings pot size;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Age of member.

No allowance has been made for future contributions as the Scheme is closed to further DC and AVC contributions.

Illustration 1: A typical member's pot as it changes over time

This illustration shows the projected change in the pot size of a typical member invested in Royal London funds (including both members of the Pegler DC Section and members holding AVCs) from now until the member's normal retirement age, which for this Scheme is assumed to be 65.

	Global PN Retirement Investment Strategy (DC Only)		Global PE Retirement Investment Strategy (DC with DB benefits)		Sustainable Leaders (Highest cost fund)		Long (15yr) Gilt (Lowest cost fund)	
Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
58	£4,252	£4,230	£4,215	£4,193	£4,273	£4,242	£4,264	£4,242
59	£4,385	£4,338	£4,296	£4,250	£4,433	£4,368	£4,413	£4,368
60	£4,517	£4,445	£4,361	£4,292	£4,598	£4,497	£4,568	£4,497
61	£4,648	£4,550	£4,410	£4,316	£4,769	£4,630	£4,728	£4,630
62	£4,779	£4,653	£4,442	£4,324	£4,947	£4,767	£4,893	£4,767
63	£4,909	£4,754	£4,456	£4,314	£5,131	£4,909	£5,065	£4,909
64	£5,038	£4,852	£4,453	£4,288	£5,322	£5,054	£5,242	£5,054
65	£5,165	£4,948	£4,432	£4,244	£5,521	£5,204	£5,425	£5,204

	Royal London Managed Pension Fund (Technical default)		BlackRock Aquila Global Equity Index (50:50) Fund (Technical default)		RLP Deposit Fund (Technical default)	
Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
58	£4,184	£4,160	£4,265	£4,242	£4,101	£4,078
59	£4,250	£4,200	£4,414	£4,368	£4,081	£4,037
60	£4,316	£4,241	£4,569	£4,497	£4,062	£3,996
61	£4,384	£4,283	£4,729	£4,630	£4,043	£3,955
62	£4,452	£4,324	£4,895	£4,767	£4,023	£3,915
63	£4,522	£4,366	£5,067	£4,909	£4,004	£3,875
64	£4,593	£4,409	£5,245	£5,054	£3,985	£3,835
65	£4,665	£4,452	£5,429	£5,204	£3,967	£3,796

We have shown in the table seven current investment options available in the Scheme, as outlined in the most recent Statement of Investment Principles (SIP) and Investment Policy Implementation Document (IPID). These seven options are the Scheme's two default investment strategies and five self-select options (which comprise the two defaults):

In order to represent the range of funds available to members we are required to show the effect on a member's savings of investment in the following (with the Scheme's relevant funds/strategies listed in brackets):
- The default for DC only members of the Scheme: Global PN Retirement Investment Strategy
- The default for DC members with DB benefits: Global PE Retirement Investment Strategy
- The most expensive fund (Sustainable Leaders)
- The least expensive fund (Long (15yr) Gilt)
- The technical funds:
    - Royal London Managed Pension Fund
    - RLP/BlackRock Aquila Global Equity Index (50:50) Fund; and
    - RLP Deposit Fund.

Due to the number of investors in the Aviva and Standard Life With-Profit Funds and with lack of clarity on the charging structure and the make-up of the funds, it was deemed to not be representative of the membership to illustrate either of these funds.

Notes

- Values shown in pounds (£) and are estimates at end of each year and are not guaranteed.
- Projected pension pot values are shown in today's terms.
- To make this analysis representative of the membership, the Trustee has based this assumed member on data sourced from Royal London. The assumed member is age 57, with a normal retirement age of 65, using a starting pot size of £4,120. The member is assumed to be making no further contributions to the Scheme.
- Inflation is assumed to be 2.5% per annum.
- Charges, transaction costs and estimated growth rates are assumed as follows:

	TER	**Transaction costs**	**Growth rate assumptions**
Global PN Retirement Investment Strategy – the default for DC only members of the Scheme	0.52% p.a. from growth phase until retirement phase.	0.01% p.a. for members within 8 years of retirement and 0.02% p.a. at retirement	5.70% p.a. before inflation for members 8 years from retirement, falling to 5.00% p.a. before inflation for members at retirement.
Global PE Retirement Investment Strategy – the default for DC members with DB benefits	0.52% p.a. from growth phase until retirement phase.	0.01% p.a. for members within 8 years of retirement and 0.03% p.a. at retirement	4.80% p.a. before inflation for members 8 years from retirement, falling to 2.00% p.a. before inflation for members at retirement.
Sustainable Leaders	0.52% p.a.	0.22% p.a.	6.00% p.a. before inflation
Long (15yr) Gilt	0.52% p.a.	0.00% p.a.	6.00% p.a. before inflation
Royal London Managed Pension Fund	0.52% p.a.	0.06% p.a.	4.00% p.a. before inflation

RLP/BlackRock Aquila Global Equity Index (50:50) Fund	0.52% p.a.	0.01% p.a.	6.00% p.a. before inflation
RLP Deposit Fund	0.52% p.a.	0.03% p.a.	2.00% p.a. before inflation

Charge, costs figures and growth rate assumptions provided by Royal London. The Regulations require that where possible the transaction costs assumed in these illustrations are based on an average of the previous five years' transaction costs for each fund, where available. As Royal London was unable to provide historic transaction costs for these funds, the transaction costs shown above are an average of the costs provided for the 4 year period to 31 March 2024, noting that for the last two years transaction costs are as at as 31 December 2022 and 2023.

Illustration 2: The youngest deferred member

	Global PN Retirement Investment Strategy (DC Only)		Global PE Retirement Investment Strategy (DC with DB benefits)		Sustainable Leaders (Highest cost fund)		Long (15yr) Gilt (Lowest cost fund)	
Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
49	£4,472	£4,448	£4,472	£4,448	£4,481	£4,448	£4,471	£4,448
50	£4,628	£4,580	£4,628	£4,580	£4,648	£4,580	£4,628	£4,580
53	£5,133	£4,999	£5,133	£4,999	£5,187	£4,999	£5,131	£4,999
55	£5,499	£5,299	£5,499	£5,299	£5,581	£5,299	£5,496	£5,299
58	£6,064	£5,751	£5,959	£5,651	£6,228	£5,784	£6,094	£5,784
60	£6,441	£6,044	£6,165	£5,784	£6,700	£6,132	£6,528	£6,132
61	£6,629	£6,186	£6,234	£5,817	£6,950	£6,314	£6,756	£6,314
62	£6,815	£6,327	£6,279	£5,828	£7,209	£6,501	£6,993	£6,501
63	£7,001	£6,464	£6,299	£5,815	£7,478	£6,693	£7,238	£6,693
64	£7,184	£6,597	£6,295	£5,779	£7,756	£6,891	£7,491	£6,891
65	£7,365	£6,727	£6,265	£5,720	£8,045	£7,095	£7,753	£7,095

	Royal London Managed Pension Fund (Technical default)		BlackRock Aquila Global Equity Index (50:50) Fund (Technical default)		RLP Deposit Fund (Technical default)	
Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
49	£4,388	£4,362	£4,472	£4,448	£4,300	£4,276
50	£4,456	£4,404	£4,628	£4,580	£4,279	£4,233
53	£4,669	£4,534	£5,133	£4,999	£4,219	£4,105
55	£4,816	£4,623	£5,499	£5,299	£4,179	£4,022
58	£5,045	£4,759	£6,099	£5,784	£4,120	£3,900
60	£5,204	£4,852	£6,534	£6,132	£4,081	£3,821
61	£5,286	£4,899	£6,763	£6,314	£4,062	£3,782
62	£5,368	£4,947	£7,000	£6,501	£4,042	£3,744
63	£5,452	£4,995	£7,246	£6,693	£4,023	£3,706
64	£5,538	£5,043	£7,500	£6,891	£4,004	£3,668
65	£5,624	£5,092	£7,763	£7,095	£3,985	£3,631

Notes

1. Values shown are estimates at end of each year and are not guaranteed.
2. Projected pension pot values are shown in today's terms.
3. To make this analysis representative of the membership, the Trustee has based this assumed member on data sourced from Royal London. The assumed member is age 48, with a normal retirement age of 65, using a starting pot size of £4,320. The member is assumed to be making no further contributions to the Scheme.
4. Inflation is assumed to be 2.5% per annum.
5. Charges, transaction costs and estimated growth rates are assumed as follows:

	TER	Transaction costs	Growth rate assumptions
Global PN Retirement Investment Strategy – the default for DC only members of the Scheme	0.52% p.a. from growth phase until retirement phase	0.01% p.a. for members within 8 years of retirement and 0.02% p.a. at retirement	6.00% p.a. before inflation for members 8 years from retirement, falling to 5.00% p.a. before inflation for members at retirement.
Global PE Retirement Investment Strategy – the default for DC members with DB benefits	0.52% p.a. from growth phase until retirement phase.	0.01% p.a. for members within 8 years of retirement and 0.03% p.a. at retirement	6.00% p.a. before inflation for members 8 years from retirement, falling to 2.00% p.a. before inflation for members at retirement.
Sustainable Leaders	0.52% p.a.	0.22% p.a.	6.00% p.a. before inflation
Long (15yr) Gilt	0.52% p.a.	0.00% p.a.	6.00% p.a. before inflation
Royal London Managed Pension Fund	0.52% p.a.	0.06% p.a.	4.00% p.a. before inflation
RLP/BlackRock Aquila Global Equity Index (50:50) Fund	0.52% p.a.	0.01% p.a.	6.00% p.a. before inflation
RLP Deposit Fund	0.52% p.a.	0.03% p.a.	2.00% p.a. before inflation

Charge, costs figures and growth rate assumptions provided by Royal London. The Regulations require that where possible the transaction costs assumed in these illustrations are based on an average of the previous five years' transaction costs for each fund, where available. As Royal London was unable to provide historic transaction costs for these funds, the transaction costs shown above are an average of the costs provided for the 4 year period to 31 March 2024, noting that for the last two years transaction costs are as at as 31 December 2022 and 2023.

Value for members

In accordance with regulation 25(1)(b), the Trustee undertakes a review of the charges and transaction costs incurred by members in order to ascertain whether or not the DC and AVC arrangements in place represent good value for members, relative to peers and alternative arrangements that are available.

In August 2024, the Trustee has carried out an assessment of the "value for members" of the arrangements for managing the DC Section and the AVCs, covering the Scheme year to 5 April 2024.

The Tomkins 2008 Pension Scheme's value for members assessment considers the current charges, the administration and investment services, as well as online and other communication services. The review concluded that the Scheme overall represents **good value for money** in comparison to the costs payable by members. The reasons underpinning this conclusion include:

- The DC Section funds in use are all provided by Royal London with both the Annual Management Charge (AMC) and Total Expense Ratio (TER) of 0.52% p.a. The assessment identified ten funds which lie in the mid-upper and upper quartile range of the relevant Mercer peer group.. This view has been taken, noting the size of the scheme and level on contributions and balanced by the costs of change. Two of the funds that are in the upper quartile range of the relevant peer group are components of the default strategy.
- The Scheme's current default investment arrangements (including technical defaults) comply comfortably within the charge cap of 0.75% per annum.
- The performance of the funds has also been reviewed, with most funds performing well in absolute and relative terms over the longer term.
- Administration - the Pegler DC Section of the Scheme is a bundled arrangement whereby members bear the cost of investment fees, administration and other general running costs, however, the Company pays for an independent trustee to govern the Scheme's arrangements and provide oversight on behalf the members' best interests, and also pays for Trustee advisory services.
- Members of the DC Section have access to a member portal provided by Royal London, which provides online access to DC accounts and engagement tools.

Trustee knowledge and understanding

The Scheme is run by a sole Professional Trustee, Capital Cranfield Trustees Limited (‘Capital Cranfield’). Capital Cranfield is a leading professional pension trusteeship and governance firm. They act for many pension schemes that range in type and size from multi-billion pound DB schemes to master trusts and sole trusteeships.

Capital Cranfield, as the Trustee, is represented by Christopher Clayton. Christopher has worked for Capital Cranfield since 2011 and has extensive experience of advising pension scheme trustees and sponsoring employers. His background is in corporate finance and he has over 30 years’ experience advising companies in the UK and overseas on mergers and acquisitions and fund raising. He also spent a period on secondment at the Pensions Regulator.

Christopher is an Accredited Member of the Association of Professional Pension Trustees (AMAPPT). He is supported by other representatives of Capital Cranfield including Tova Docherty who is also an AMAPPT.

Capital Cranfield requires that each of the Professional Trustees is professionally qualified and undertakes a minimum level of CPD each year, maintaining an adequate level of knowledge and understanding of the law relating to pensions and trust. All of which is logged individually as testament to the continued training on relevant issues.

In accordance with sections 247 and 248 of the Pensions Act 2004, the Trustee is required to maintain an appropriate level of knowledge and understanding that, together with professional advice available to them, enables them to properly exercise their functions and duties in relation to the Scheme.

The Trustee must also be conversant with the Scheme’s own documentation. These are described in legislation as the Trustee’s Memorandum and Articles of Association, trust deed and rules and the statement of investment principles. The Trustee must also be conversant with any other document recording current policy relating to the administration of the Scheme generally. The Pensions Regulator interprets ‘conversant’ as having a working knowledge of those documents such that the Trustees are able to use them effectively when they are required to do so in the course of carrying out their duties as Trustees.

The Trustee is required to disclose how these duties have been fulfilled and how their combined knowledge and understanding, together with the advice, which is available to them, enables them to properly exercise their duties and responsibilities.

The table below shows how these requirements have been met during the year.

Requirement	How met
Trustees must describe how, through the scheme year the trustees have demonstrated a working knowledge of the trust deed and rules.	The Trustee is conversant with, and has demonstrated a working knowledge of, the Trust Deed and Rules by having access to the documents on an online directory (Global Vision) and providing decisions in line with the Rules. If there are any ambiguities over the interpretation of the Rules legal advice is sought from the Scheme’s Lawyers (Hogan Lovells). The Trustee takes legal advice from Hogan Lovells regarding decisions relating to the Scheme Rules. Christopher has worked on the Scheme for six years and has built up a working knowledge of the Scheme documents over that period.
Trustees must describe how, through the scheme year the trustees have demonstrated a working knowledge of the current SIP.	The Trustee is conversant with, and has a working knowledge of, the current SIP which has been updated over the Scheme year in order to incorporate the Trustee view on Illiquid Assets. A SIP Implementation Statement has been prepared for the year ended 5 April 2024 and will be presented at the October 2024 meeting.
Trustees must describe how, through the scheme year the trustees have demonstrated a working knowledge of all documents setting out the trustees’ current policies.	The Trustee is conversant with and has demonstrated a working knowledge of the Scheme documents which has been achieved through the maintenance of a business plan, which is reviewed at each Trustee meeting and covers any review required or statutory reporting requirements. During the Scheme year, the Trustee held meetings on 31 October 2023 and 5 March 2024. The Trustee reviewed the Chair’s Statement, Value for Members assessment, Implementation Statement and Statement of Investment Principles

	ahead of the 31 October 2023 meeting due to the statutory deadline and discussed it during the meeting.
Trustees must describe how, through the scheme year the trustees have demonstrated that they have sufficient knowledge and understanding of the law relating to pensions and trusts.	Capital Cranfield work for a broad range of clients and is familiar with the law relating to pensions and trusts. This can be demonstrated through the qualifications held by the Trustee and their continued involvement with many pension schemes. Mercer attends meetings as required and gives the Trustee an overview of market and legislative developments, including the Trustee's duties and requirements for strong governance. In addition, Mercer provide specific training on any relevant aspect ahead of any scheme reviews or new legal requirements. In addition, and as noted above, the Trustee has access to legal advice through Hogan Lovells.
Trustees must describe how, through the scheme year the trustees have demonstrated that they have sufficient knowledge and understanding of the relevant principles relating to the funding and investment of occupations schemes.	The Trustee reviews its training needs on a regular basis. Christopher attended various training sessions throughout the year in order to maintain sufficient knowledge and understanding of the relevant principles relating to the funding and investment of occupational schemes. Training sessions have been provided by Capital Cranfield and leading professional consultants in the pensions industry. In the 12 months to 5 April 2024, Christopher and Tova completed the required 25 hours of training for the Association of Professional Pension Trustees.
Trustees must describe how, through the scheme year the trustees have demonstrated that their combined knowledge and understanding, together with available advice, enable them to properly exercise their functions.	The Trustee receives professional advice from Mercer and Gallagher to support it in reviewing the performance of the Scheme and in governing the Scheme in line with the Trust Deed and Rules and the relevant skills and experience of those advisers is a key criterion when evaluating adviser performance or selecting new advisers. The advice received by the Trustee along with the experience of its representatives allows the Trustee to properly exercise its function as Trustee. At all Trustee meetings, there are attendees from Mercer and Gallagher as required. In addition, at the 31 October 2023 and 5 March 2024 meetings, there were also attendees from Hogan Lovells to discuss Current Issues in Pensions and Notifiable Events.

The Trustee also reviews and assesses, on an ongoing basis, whether the systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator’s Code of Practice 13. The Trustee Directors have been made aware of the new requirements imposed by the Pensions Regulator’s General Code, released in March 2024.

The Trustee reviews its training needs annually and maintains an individual training log. There is an agreed process to ensure that the Trustee meets the requirements of the legislation, appropriate for the circumstances of the Scheme. In addition, as part of annual Trustee business planning, training requirements for the year ahead are considered to support specific Trustee business needs and where applicable, are delivered at the regular Trustee meetings by their professional advisors.

This statement has been prepared in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 as amended by the Occupational Pension Schemes (Charges and Governance) 2015 (together ‘the Regulations’) and I confirm that the above statement has been produced by the Trustee to the best of my knowledge.

Signed for and on behalf of the Trustee of the Tomkins 2008 Pension Scheme

Name: Christopher Clayton

Date: 31 October 2024

Appendix

STATEMENT OF INVESTMENT PRINCIPLES IN RESPECT OF THE DEFAULT INVESTMENT OPTIONS FOR THE DC SECTION

1. Introduction

1.1 The Trustee of the Scheme has drawn up this Statement of Investment Principles ("the Statement") in respect of the default investment options to comply with the requirements of the Pensions Act 1995, as amended by the Pensions Act 2004, the Occupational Pension Schemes (Investment) Regulations 2005, as amended by the Occupational Pension Schemes (Charges and Governance) Regulations 2015; and subsequent legislation (as at the date of publication), relating to provision of information specific to default investments, referred to as the "Default Arrangement". This should be read in conjunction with the main Statement.

1.2 In considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of Mercer, whom the Trustee believes to be suitably qualified to provide such advice. The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended).

1.3 The Default Arrangements covered by this Statement are:

- Lifestyle - DC Members with DB Benefits
- Lifestyle - DC Only Members

2. Principles

2.1 The Trustee recognises that many members do not consider themselves competent to take investment decisions. The Trustee has made available default arrangements that cover the two different types of members with defined contribution benefits that are covered by the Scheme.

2.2 Unless members make a specific request for their contributions to be invested in a different manner, they are invested in the relevant Default Arrangement.

3. Both strategies have two phases: the accumulation phase and the consolidation phase. When a member is younger, their account is invested in funds that aim for long-term growth (accumulation phase) in excess of inflation. As the member approaches retirement, their account is switched automatically into lower risk, lower growth funds (consolidation phase) that aim to provide greater stability by targeting the purchase of an annuity and the withdrawal of cash. Risk is considered relative to expected short-term changes in annuity prices in the consolidation phase.

3.1 There are two default arrangements.

- *For members who have not accrued DB benefits in the Main Section,* the Default Arrangement is a lifestyle strategy which automatically moves members' assets from growth seeking assets to index linked gilts and cash.
- *For members who have accrued DB benefits in the Main Section*, the default is a lifestyle strategy, which automatically moves their assets from growth seeking assets to cash.

4. Default Arrangement

Objectives

4.1 The aims of the Default Arrangements and the ways in which the Trustee seeks to achieve these aims are detailed below:

- To generate returns in excess of inflation during the accumulation phase of the strategy whilst managing downside risk.

At the time of writing, the Default Arrangement's accumulation phase invests 100% of members' assets in a fund comprised wholly of global equities, and this exposure is expected to provide long-term growth in excess of inflation.

- To provide a strategy that reduces investment risk for members as they approach retirement, relative to the targeted retirement destination.

The Trustee believes that a strategy that seeks to reduce investment risk as the member approaches retirement is appropriate to protect the level of savings built up as a fall in markets will have a greater impact on member outcomes at this stage. Moreover, as members approach retirement, the Trustee believes the primary aim should be to provide protection against a mismatch between asset values and the changes in values of the assets that the different types of members are expected to take at retirement.

The two Default Arrangements therefore aim to reduce volatility near retirement via automated switches over a 10 year period to a member's selected retirement date.

Investments are gradually switched from a growth oriented fund (the BlackRock Aquila Global Equity (50:50) Fund), into a lower risk / return exposure:

- *provided by the Royal London Index Linked Gilt and the Royal London Deposit Fund for the option for DC only members.*
- *provided by the Royal London Deposit Fund for the option for DC members with DB benefits.*

- To provide exposure at retirement to assets that are broadly appropriate for an individual planning to use their savings in the Scheme to:
  - buy an (index-linked) annuity and to take a 25% tax-free cash lump sum at retirement if they are a DC only members
  - take cash only at retirement, if they are a DC member with DB benefits.

If a member is a DC only member, at the member's selected retirement date, 75% of the member's assets will be invested in index-linked gilts and 25% in cash and money market instruments.

If a member is a DC member with DB benefits, at the member's selected retirement date, 100% of the member's assets will be invested in cash and money market instruments

Policies in relation to the Default Arrangements

4.2 The Trustee's policies in relation to the Default Arrangements are:

- The Default Arrangements manages investment risks through a diversified allocation within equity markets, spread geographically across the main developed markets. Section 4 provides further information on the Trustee's risk policies in relation to the Default Arrangements.
- In designing the Default Arrangements, the Trustee has considered the trade-off between expected risk and return. This policy is reviewed regularly to ensure that the design remains appropriate for members and reflects developments in the market.
- The Trustee has also taken into account the needs of members with regards to security, quality, liquidity and profitability of a member's portfolio as a whole. The Trustee has designed the Default Arrangements taking account of the underlying assets.
- If members wish to, they can opt to choose their own investment options at any time from a range that has been agreed by the Trustee. The Trustee monitors performance of the components of the Default Arrangements, relative to objectives, albeit the Trustee will not provide advice to members on their individual choice of investment options.

- Assets in the Default Arrangements are invested in daily traded pooled funds which hold highly liquid assets. The pooled funds are commingled investment vehicles, which are managed by BlackRock and Royal London which are accessed via an investment platform provided by Royal London.

- The selection, retention and realisation of assets within the pooled funds are delegated to these managers in line with the mandates of the funds. They also have full discretion (within the constraints of their mandates) on the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realisation of investments. Further details are set out in section 7.

- The structure of the Default Arrangements are shown in the table below:

For DC only members

Time to Retirement (years)	BlackRock Aquila Global Equity (50:50) Fund	Royal London Index Linked Gilts Fund	Royal London Deposit Fund
>10	100.0	0	0
9	90.0	7.5	2.5
8	80.0	15.0	5.0
7	70.0	22.5	7.5
6	60.0	30.0	10.0
5	50.0	37.5	12.5
4	40.0	45.0	15.0
3	30.0	52.5	17.5
2	20.0	60.0	20.0
1	10.0	67.5	22.5
0	0.0	75.0	25.0

For DC members with DB benefits

Time to Retirement (years)	BlackRock Aquila Global Equity (50:50) Fund	Royal London Deposit Fund
>10	100.0	0
9	90.0	10.0
8	80.0	20.0
7	70.0	30.0
6	60.0	40.0
5	50.0	50.0
4	40.0	60.0
3	30.0	70.0
2	20.0	80.0
1	10.0	90.0
0	0.0	100.0

5. Policies with Regards to Risk

5.1 In determining the Default Arrangements, the Trustee has considered financially material risks from a number of perspectives. These include:

- *Investment return risk* – the risk that investment returns over members' working lives will not keep pace with inflation and the member's account does not, therefore, secure an adequate pension.

  The Trustee has sought to reduce this risk by investing in a growth-oriented fund during the accumulation phase.

- *Capital risk* – the risk of a fall in value of the members' funds.

  The Default Arrangements include an element of de-risking in the approach to retirement.

- *Inflation risk* - the risk of investment returns not keeping pace with inflation.

  Within the Default Arrangements the growth phase is invested in a global equity fund, which is expected to achieve a real rate of return over both price inflation and earnings growth in the long term. Towards retirement the DC Only Default Arrangement switches into an index-linked gilt fund, in which income received from underlying bonds is explicitly linked to inflation.

- *Manager risk* – the risk that the decisions taken by an investment manager may have a detrimental impact on the returns of a fund.

  The Trustee has sought to reduce this risk by investing in a passively managed equity fund which attempts to replicate rather than outperform market returns.

- *Annuity conversion risk* – the risk that, as the cost of an annuity rises, the value of the investment fund that will be used to purchase the annuity does not change by an equal amount. The cost of purchasing a pension is closely linked to the value of long term bonds.

  The Trustee has sought to reduce this risk by switching member funds gradually into an index-linked gilts fund in the run up to retirement.

- *Environmental, social and governance ("ESG") risk*, including climate change, may significantly affect the investment returns and risk of certain asset classes.

  The Trustee's policy on ESG risks are set out in Section 7.

6. Suitability of Default Arrangements

6.1 Based on their understanding of the Scheme's membership, the Trustee believes that the above objectives and policies reflect members' best interests. The rationale underpinning this belief is as follows:

- The Trustee believes that most members save into a pension plan either:

  - to achieve a stable income in retirement that will provide real long term growth and enable them to access a secure income in retirement. The targeting of an annuity purchase at retirement during the consolidation phase is aligned with that objective.

    or

  - to take cash to supplement other benefits, particularly where they have built up DB benefits. The targeting of a cash holding at retirement during the consolidation phase is aligned with that objective.

Almost all members withdraw some cash at retirement. Inclusion of the Royal London Deposit Fund within the

Default Arrangements addresses this requirement.

6.2 The policy of the Trustee is to monitor members' decisions and other inputs from time to time to ensure that the Default Arrangements remain suited to their needs. They will also review the investment choices available to members to ensure that those who regard the Default Arrangements as unsuited to their needs have suitable alternative investment funds to select from.

7. Environmental, Social and Governance considerations

7.1 The Trustee believes that good stewardship and ESG issues, including climate change, may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

7.2 As all of the DC assets within the Default Arrangements are managed in pooled funds, the Trustee accepts that the assets are subject to the investment managers' own policies when evaluating ESG issues, including climate change, and in exercising rights and stewardship obligations attached to the funds within the Default Arrangements.

7.3 Similarly, the Trustee accepts that any voting rights attached to the funds are exercised by the investment managers in accordance with their own corporate governance policies and taking account of current best practice including the UK Corporate Governance Code and UK Stewardship Code.

7.4 Following the DWP's consultation response and outcome regarding Implementation Statements on 17 June 2022 updated guidance was produced which is effective for all scheme year-ends on or after 1 October 2022. It requires trustees to include a description of what they believe to be a significant vote within the Implementation Statement. The Trustee agreed to the proposed areas below of focus for the Scheme:

- **Environmental:** Climate change and Pollution & natural resource degradation
- **Social:** Human rights
- **Governance:** Diversity, Equity and Inclusion (DEI)

7.5 Equity managers who are authorised in the UK are expected to report to their adherence to the UK Stewardship Code on an annual basis.

7.6 The DC Only Default Arrangement makes use of an index-linked gilt and cash deposit fund, where ESG issues have little relevance to risk control.

7.7 The Trustee considers how ESG, climate change and stewardship is integrated within investment processes in appointing new investment managers and monitoring existing investment managers within the Default Arrangements. The Trustee will consider the ESG ratings provided by Mercer and how each investment manager embeds ESG factors into its investment process. A change in ESG rating (or lack of ESG rating) does not mean that the fund will be removed or replaced automatically.

7.8 The Trustee does not take into account members' or beneficiary views on "non-financial matters" (such as their ethical views) in the selection, retention or realisation of investments within the Default Arrangements.

8. Manager Arrangements

Please refer to section 9 of the main Statement of Investment Principles for the Tomkins 2008 Pension Scheme for the Trustee's policies on manager arrangements.

9. Policies in relation to the Additional Voluntary Contributions ("AVC") Default Arrangements

- In April 2018 the Department for Work and Pensions ("DWP") amended the Occupational Pension Schemes (Charges and Governance) Regulations 2015, effective from 6 April 2018. In particular, the DWP's guidance in association with new regulations clarified the government's policy in relation to default investment arrangements in the receiving scheme when a member with self-select funds is mapped into new funds which most closely reflect their original choice. This applies when mapping member savings between arrangements but also to in-scheme changes.

- For the purposes of consolidation of assets, unit linked AVC assets held with Aviva and Standard Life were mapped across to Royal London (the incumbent manager of the assets in respect of the Pegler Defined Contribution section of the Scheme). Namely, the assets were mapped across to the Royal London Managed Pension Fund and RLP/BlackRock Aquila Global Equity Index (50:50) Fund. As this transfer mapped member's assets across to new funds without members' consent, these funds have become additional default options.

- Following the changes to Equitable Life, members' AVC Assets held with Equitable Life are now invested with Royal London, namely the Royal London Managed Pension Fund and the RLP Deposit Fund. As this transfer mapped member's assets across to new funds without members' consent, these funds have become additional default options.

- Fund details and the fund objectives for the additional defaults created are listed in the table below. The Total Expense Ratios provided are as at 31 March 2023 and are equal to the Annual Management Charge of the funds. All funds comprise of an annual charge of 1%, rebated by bonus units of 0.48%, resulting in a TER of 0.52% p.a.

Fund	Investment Style	Benchmark	Fund Objective	Total Expense Ratio (p.a.)
RLP Managed	Active	27.5% FTSE All Share Index	To maximise 'real returns' over a ten year period	0.52%
		27.5% FTSE All World (ex UK) Index		
		15% ABI UK - UK Direct Property Sector Average		
		5% Bloomberg Commodity Index		
		2.5% BofA Merrill Lynch Global Non-Financial High Yield Constrained Index		
		5% various Markit iBoxx Sterling Non Gilts Indices		
		5% various FTSE A (Index Linked) British Government Gilts indices		
		5% various FTSE A British Government Gilt indices		
		7.5% LIBID GBP 7 Days Index		
RLP Deposit	Active	LIBID 7 Days Index	To outperform its benchmark	0.52%
RLP/BlackRock Aquila Global Equity Index (50:50)	Passive	50% FTSE All Share Index	To track its benchmark	0.52%
		16.5% FTSE AW Europe ex UK Index		
		16.5% FTSE USA Index		
		8.5% FTSE AW Developed Asia Pacific ex Japan Index		
		8.5% FTSE Japan index		

The following applies to the default options as specified:

Overall Trustee's Aims and Objectives

To provide members with a fund that is a suitable replacement, having considered expected risk and return, for one that has been removed previously either on a permanent or temporary basis.

The realisation of investments

The Trustee has considered these manager and mandate appointments noting that the selection, retention and realisation of assets within the pooled funds are delegated to the respective investment manager in line with the mandates of the funds.

Risk in relation to the Additional Default Options

The Trustee has explicitly considered the trade-off between risk and expected returns for the funds offered to members. Risk is not considered in isolation, but in conjunction with expected investment returns and retirement outcomes for members.

With regards to the funds that are classified as additional defaults, the Trustee considers the liquidity of the investments in the context of the likely needs of members. The Trustee has considered risks from a number of perspectives. The principal risks that members face are listed in Section 5 of this Statement.

The risks and financially material considerations identified by the Trustee in Section 7 of this Statement and the Trustee's policy in relation to the managers used by Scheme as outlined in Section 8 of this Statement are also applicable to the Additional Default Options.

10. Review of this Statement

10.1 The Trustee will review this Statement at least once every three years and without delay after any significant change in investment policy or Scheme demographics. Any change to this Statement will only be made after having obtained and considered the written advice of someone who the Trustee reasonably believes to be qualified by their ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension scheme investments.

Signed Christopher Clayton

Date: 19 September 2023