

Chair's Statement Regarding DC Governance

For the year ended 30 September 2024
(the "Trust year")



Contents

This statement explains how governance standards have been met in relation to the defined contribution (“DC”) scheme within The Pensions Trust (“The Trust”).

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Our detailed response to each of these areas is set out below, as well as some relevant background information.



| Background

The Trust is a leading workplace pension provider with more than 75 years' experience of providing pensions and c.£11 billion of assets (as at 30 September 2024) under management.

The DC Scheme is an authorised master trust supervised by the Pensions Regulator ("TPR") to ensure quality and sustainability. The Trustee of the Trust is Verity Trustees Limited ("VTL" or "the Trustee"). The Trustee provides governance oversight and various functions noted throughout this statement. You can find further information about our Trustee Board at [Verity Trustees Limited - TPT Retirement Solutions](#).

A corporate restructuring in 2023 resulted in VTL appointing its wholly owned subsidiary, TPT Retirement Solutions Limited, to provide pensions administration and management services from 2 October 2023.

The Trustee Board ("the Trustee") and TPT Retirement Solutions Limited receive help and advice from experienced professionals and suppliers. Of most relevance to the governance standards in this Chair's Statement is the work of the DC Scheme's investment managers, AllianceBernstein and its investment advisers, TPT Investment Management Ltd.



Recruiting new Trustee Directors

VTL has a board of nine Trustee Directors: the independent Chair, four member-nominated directors (“MNDs”) and four employer-nominated directors (“ENDs”). This year, there were three vacancies for one MND and two ENDs.

Our mission is to improve pension performance for everyone and ensure our Master Trust is truly market-leading. To achieve this, we know we need an exceptional Trustee Board comprised of diligent, conscientious, empathetic and committed individuals from a variety of backgrounds.

Pensions are notoriously complex, with onerous responsibilities for Trustee Directors, so finding suitable individuals to hold these important roles is a widely acknowledged challenge for the industry.

Our last Trustee Director recruitment campaign, in 2022, was our most successful to date in terms of applications received – focusing on inclusivity, life experience and diversity. This year, we wanted to build on that success by focusing more on relevant skills, knowledge and professional experience that would complement and strengthen the existing board. To help us achieve this, we ran a comprehensive recruitment campaign:

- Emails were sent to 245,000 members and 6,500 employer contacts
- 121,000 flyers were mailed to 121,000 members
- A LinkedIn campaign generated 5,000 impressions
- Our recruitment website had 3,799 visits with over 900 video views
- 182 people attended our recruitment webinar

We received over 150 applications and, after a multi-stage interview and selection process, three new directors with a wealth of relevant skills and experience joined the Trustee Board on 1 October 2024.

Completing our triennial investment review

The DC Scheme’s formal triennial review of investment strategy and investment management arrangements was conducted in the 2023/24 Trust year.

The Trustee’s investment advisers, TPT Investment Management (“TPTIM”), provided advice considering:

- The services provided by the DC Scheme’s investment manager, AllianceBernstein (“AB”)
- The capabilities of the AB retirement solutions investment team
- AB’s Strategic allocation process (“SAA”)
- AB’s Dynamic Asset allocation process (“DAA”)
- AB’s investment performance
- AB’s integration of Environmental, Social and Governance (“ESG”) factors into the investment process
- AB’s Responsible Investment capabilities
- AB’s investment research agenda

After considering TPTIM’s advice, the Trustee was pleased to conclude that AB remained a “best-in-class” investment manager and has a satisfactory approach to responsible investment, which is reasonably aligned with the Trustee’s expectations.

The default target date funds (“TDFs”) in the DC Scheme have achieved strong investment returns for our members and, at the conclusion of the review, it was pleasing to note that the strategy has above-average chances of producing outperformance (after fees) over its investment horizon and is also considered ‘best-in-class’ by the Trustee’s investment advisers.

Continuing our digital transformation journey

In the 2022/23 Trust year, the Trustee and Scheme Strategist identified the digitalisation of the member and employer experience as a key priority to improve customer service and help members engage more easily with their pension savings.

The digital transformation programme continued during 2023/24, with a large team of TPT staff and external partners working together to build the new technology platform. The transition to the new platform and the innovative changes to customer service will roll out in the 2024/25 Trust year.

Approval

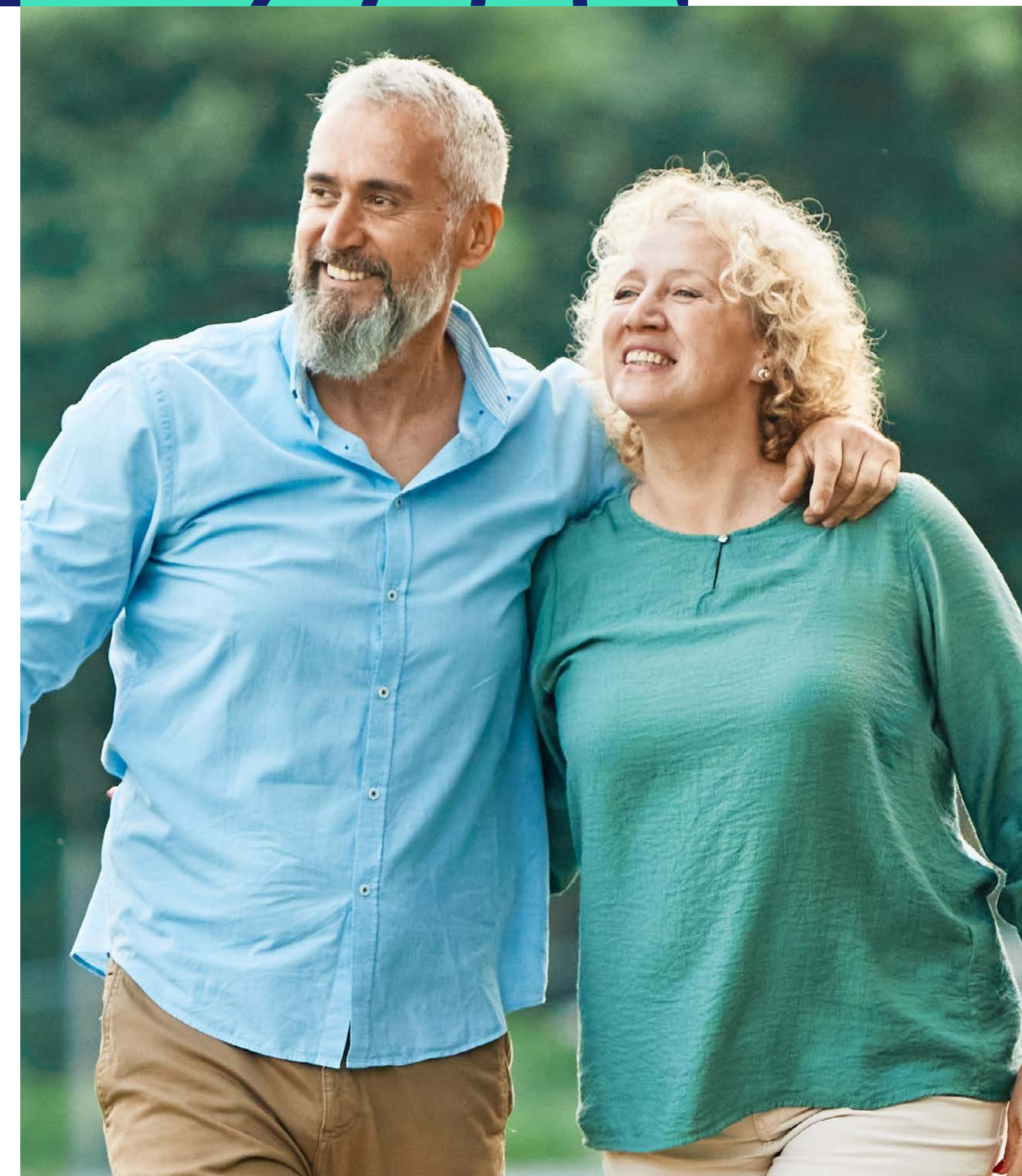
This DC Governance Statement was approved on 3 March 2025 and signed for and on behalf of the Trustee on 10 March 2025.



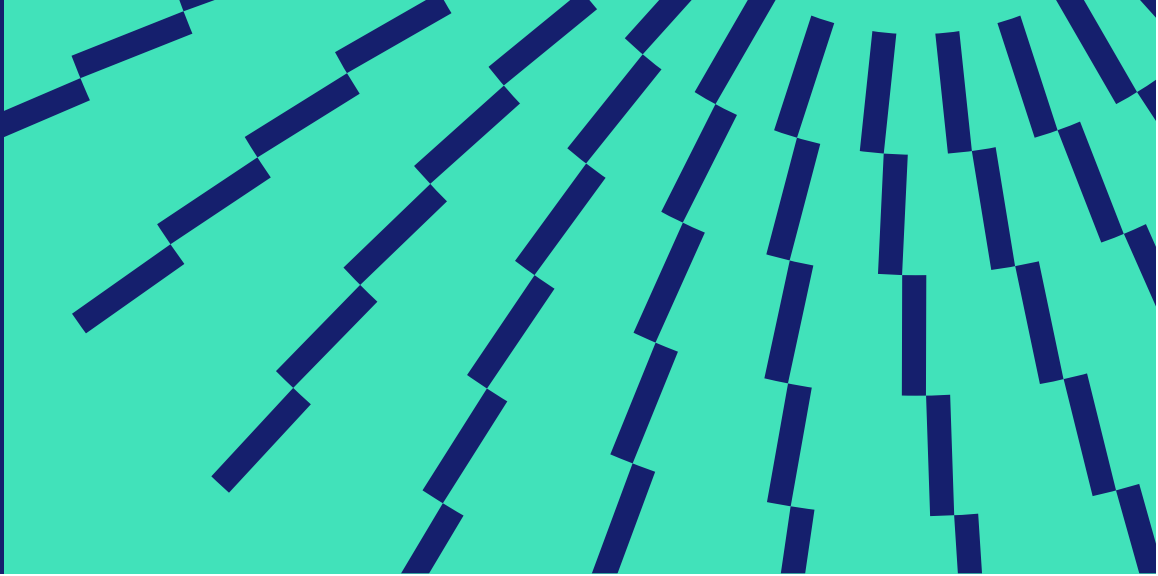
Joanna Matthews

Independent Chair, Verity Trustees Limited

The remainder of this statement describes in more detail the Trustee Directors' governance and management of the DC Scheme during the last year.



Default investment



Investment

The Trustee invests contributions to provide pensions / retirement benefits having taken advice from appropriately qualified investment advisers. In October 2023 VTL appointed TPT Investment Management (“TPTIM”) as its investment adviser. The day-to-day selection of investments is delegated to the appointed specialist investment manager, AllianceBernstein.

Triennial review of investment strategy and investment management arrangements

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TPTIM provided advice considering:

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- The capabilities of the AB retirement solutions investment team
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After considering TPTIM’s advice, the Trustee was pleased to conclude that AB remains a “best-in-class” investment manager and has a satisfactory approach to responsible investment, which is reasonably aligned with the Trustee’s expectations.

The default target-date funds (TDFs) in the DC Scheme have achieved strong investment returns for our members. At the conclusion of the review, it was pleasing to note that the strategy has above-average chances of producing outperformance (after fees) over its investment horizon and is also considered ‘best-in-class’ by TPTIM.

The triennial review involves a review of both the performance and the strategy of the default arrangement. In summary, the aims and objectives of each default arrangement are:

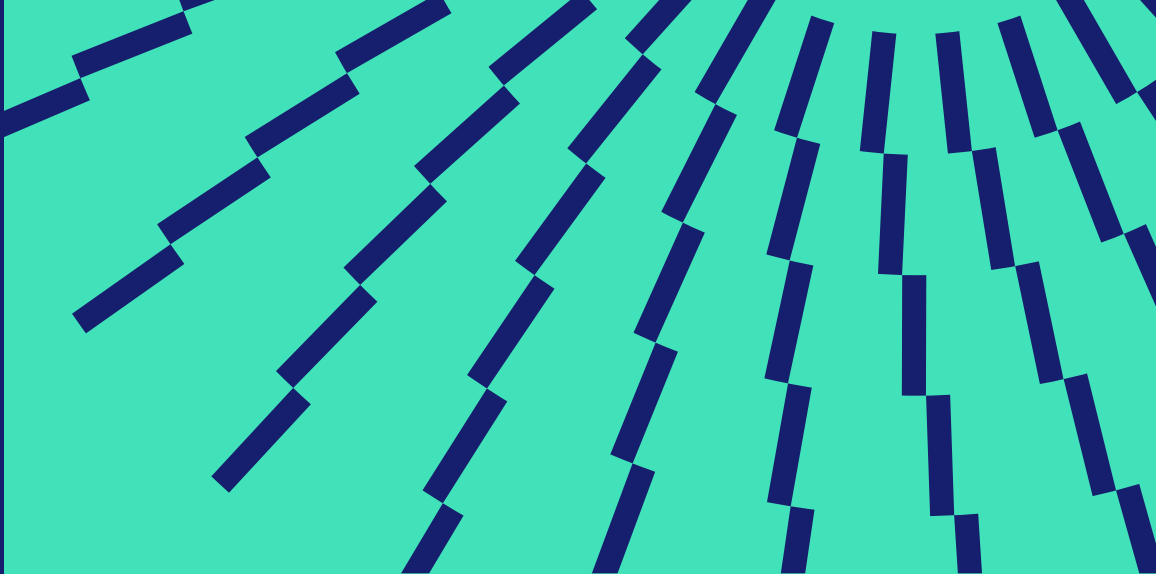
- Default TDFs: outperform respective CPI+ benchmark and maximise members’ retirement outcomes while taking into account TPT DC member-specific characteristics
- Cash / Inadvertent Default: perform in line with the cash benchmark

The review assessed the extent to which the performance of the default arrangement is still consistent with the aims and objectives shown in the default Statement of Investment Principles (“SIP”). In the Trust year, the review process involved the following steps:

- Meeting AB in April 2024 to undertake on-site due diligence
- Providing AB with information necessary for analysing DC member data against the PLSA Retirement Living Standards
- Appointing a third-party consultant in April 2024 to undertake DC market research
- TPTIM produced an advice report which was submitted to the Trustee in May 2024
- TPTIM’s review of the Trustee’s DC and Self Select offering was discussed at the Trustee Board meeting on 21 May 2024. This represents the completion of the Triennial Review and will constitute the date of the last review for the purposes of future review and reporting
- Agreed changes to the standard and ethical TDFs were implemented by AB over the following months and were completed by 30 September 2024

Having completed the review and after considering TPTIM’s advice, The Trustee was pleased to conclude that AB remains a “best-in-class” investment manager and has a satisfactory approach to responsible investment, which is reasonably aligned with the Trustee’s expectations.

Default investment continued



This was on the basis that:

- Research into DC market trends by the appointed third-party adviser showed that TDFs display significantly more benefits than Lifestyle funds
- AB Multi-Asset Solutions team based in UK is well-resourced
- AB has strong Responsible Investment policies and offers customised reporting to the Trustee. However, these do not extend to the underlying external managers

In addition to the above, the review also noted that the default TDFs in the DC Scheme have achieved strong investment returns for our members. At the conclusion of the review, it was pleasing to note that the strategy has above-average chances of producing outperformance (after fees) over its investment horizon and is also considered ‘best-in-class’ by TPTIM.

The review found that the following changes were required to the standard and ethical TDFs:

- Increase the risk budget by 0.5% in the year preceding and after the target date
- For the ethical TDFs, adopt a risk budget consistent with the standard TDF range and incorporate active sustainable positive tilts in addition to existing negative tilts

Following the Trustee Board meeting in May 2024, AB, the investment manager for the TDFs, implemented these changes, which were

completed by 30 September 2024. These changes brought the risk budget of the ethical TDFs in line with the standard TDFs, better matching the Trustee’s DC membership data and increasing the expected return of the TDFs in the years preceding and after the target retirement date.

Default investment

Most members (over 90%) accept the default investment offered and governed by the Trustee. Some members actively self-select their investments from the range offered by the Trustee.

The default investment uses Target Date Funds. Ethical Target Date Funds (ETDFs) are also available as the default option for members of The Ethical Fund (TEF).

Each TDF’s asset allocation is based on the member’s target retirement date (assumed to be age 65 unless the member selects otherwise). To help protect the value of the investment as the member approaches (and passes) the target retirement date, the TDF will move progressively from riskier, growth-orientated assets (e.g. equities and property) into lower-risk, income protection-orientated assets (e.g. bonds).

Self-Select Cash Fund

The TPT Self-Select Cash Fund is technically a default investment as it may be used when the market is not open for dealing in other TPT investment funds.

Statement of Investment Principles (“SIP”)

The Trustee’s investment aims, policies and objectives regarding the default investment can be found in the latest SIP.

The SIP policies cover risks, returns and issues associated with Responsible Investment and Climate Change. The SIP also covers how the DC Scheme’s default investment strategy is intended to ensure that assets are invested in the best financial interests of members and beneficiaries.

In broad terms, the default investment aims to deliver a return of inflation plus a margin (where applicable), subject to an acceptable degree of risk, where the risk profile of the members is assumed to decrease as they approach retirement. The Trustee believes default investment members should not need to make investment choices or switch funds as they approach retirement.

The SIP states that the Trustee is part of the following collaborative bodies: Institutional Investors Group on Climate Change (“IIGCC”), the Global Steering Group of Partnership on AI (“PAI”), signatory of the Climate Action 100+, Investor Statement on Just Transition, Investor Policy Dialogue on Deforestation (“IPDD”). This means that the Trustee is part of the public discourse on climate change risks and opportunities and can influence change collaboratively. A copy of the latest SIP is included in **Appendix 1**.

Default investment continued



Default investment review

Default investments are kept under review to consider the extent to which net returns are consistent with the aims and objectives. Those aims and objectives are also reviewed as part of the wider strategy, along with performance generally. In broad terms, the review aims to ensure the default investment remains suitable for the members.

A typical review process (triennial or annual) involves various layers of delegated roles and responsibilities. The Trustee monitors performance continuously and receives relevant updates at each quarterly Board meeting. The investment manager also produces formal papers for the Investment Strategy Review and advice is taken from the investment adviser.

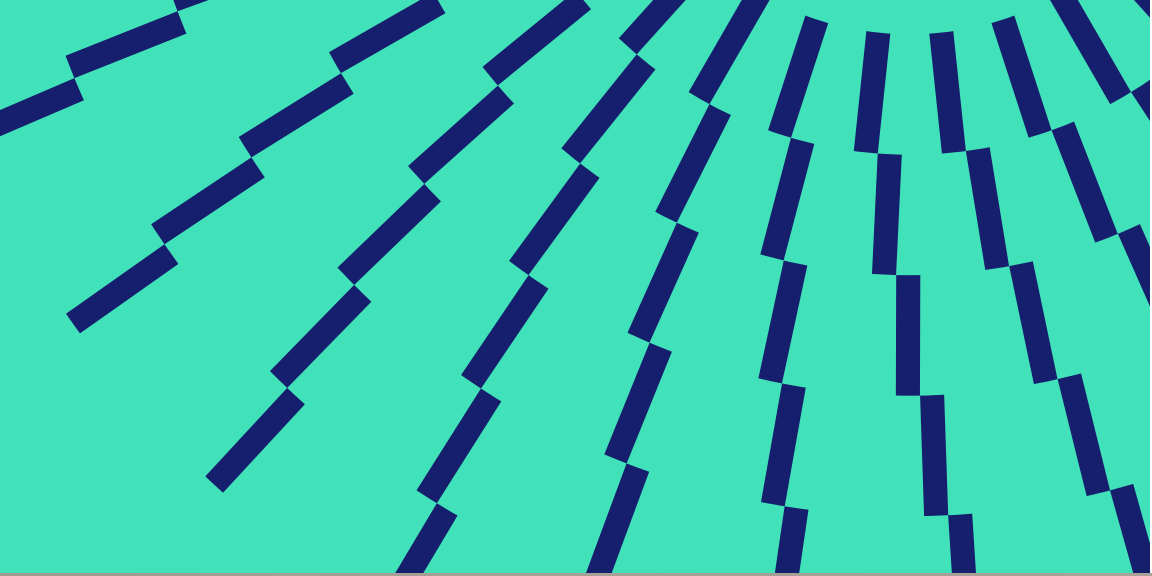
During the Trust year, the Investment Oversight Committee undertook quarterly performance monitoring. The Trustee also held a DC investment-focused meeting during which the DC Scheme's formal triennial review of investment strategy and investment management arrangements took place.

Asset allocation

As required by law, we have included table(s) showing asset allocation broken down into various components in **Appendix 5**.

These disclose the percentage of assets allocated to each of the following asset classes:

- cash
- bonds creating or acknowledging indebtedness, issued by a company or issued by His Majesty's Government in the United Kingdom or issued by the government of any country or territory other than the United Kingdom
- listed equities - shares listed on a recognised stock exchange
- private equity (that could include venture capital and growth equity) - shares which are not listed on a recognised stock exchange
- 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 - property which does not fall within infrastructure (above)
- private debt/credit - instruments creating or acknowledging indebtedness which do not fall within the description in bonds (above)
- other - any other assets which do not fall within the above (which might include assets that do not use a physical allocation, such as derivatives)



Administration



Good member outcomes in DC schemes rely, at least in part, on a high standard of administration. The Trustee is required to have processes in place to ensure that key aspects of administration are processed promptly and accurately.

Core financial transactions

Key elements of administration are known as “core financial transactions” and very broadly relate to the movement of money and member payments.

They include (but are not limited to):

- Investment of contributions
- Transfer of members’ assets to and from the DC Scheme
- Switching between investments within the DC Scheme
- Payments out of the DC Scheme to members/beneficiaries

In the DC Scheme, the administration that delivers these core financial transactions is undertaken by the administrator (Aptia), a specialist third-party provider of pensions administration services. A dedicated employer support team within TPT collected all monthly contributions and member data.

Assessment

Based on the completion of the DC Scheme’s rigorous monitoring and assessment processes, the Trustee believes that these core financial transactions were processed promptly and accurately during the Trust year.

Administration reports demonstrate that monthly reviews of reconciliations of investment transactions and member units took place. Any discrepancies were accounted for, with the administrator confirming the circumstances leading to the differences and the actions being taken to address these. All discrepancies were managed to resolution.

We are pleased to report that the standard monitoring process was undertaken in the Trust year and no issues regarding the DC Scheme were identified that required reporting to TPR.

There were, therefore, no outstanding issues to resolve at the end of the Trust year.

Service Level Agreement

The starting point for monitoring and assessment is a set of service levels and key controls that are agreed with the administrator, covering the timeframes for and accuracy of processing core financial transactions. These cover the processing of monthly contributions and fund switches with the investment manager within 24 hours of request, the payment of retirement benefits within 10 working days of receiving all completed documentation and transfers-in processing within 5 working days of receipt.

Following the communications issued regarding the digitalisation project, there has been a spike in the workload received and undertaken by the administration team. This had an impact on the SLA from May 2024 onwards.

The Trustee target for the overall Service Level Agreement (“SLA”) is 95%.

Month	Overall SLA Performance
Oct-23	96.69%
Nov-23	97.18%
Dec-23	98.75%
Jan-24	98.02%
Feb-24	97.37%
Mar-24	95.34%
Apr-24	95.39%
May-24	93.88%
Jun-24	87.11%
Jul-24	92.75%
Aug-24	90.52%
Sep-24	90.46%



Below is a sample of the individual tasks included in the overall SLA data:

Task	Target SLA (95%)	Actual SLA Q1	Actual SLA Q2	Actual SLA Q3	Actual SLA Q4
Complaints – investigation and formal response	20 days	78.0%	76.0%	86.9%	65.5%
Data amendments submitted by members	5 days	99.3%	99.5%	94.5%	97.3%
Retirement quotation pack	5 days	98.1%	98.0%	89.6%	91.9%
Transfer value quotation	5 days	96.1%	92.8%	81.1%	83.5%
Payment of transfer value	5 days	97.6%	97.7%	91.9%	88.4%
Payment of retirement benefits	5 days	98.9%	98.7%	95.1%	87.7%
Death benefit settlement	5 days	97.6%	99.6%	98.0%	99.5%
New entrants	5 days	99.9%	99.1%	99.9%	92.8%
Benefit statements completed	3 months from year end	100%	100%	100%	100%

The administrator also undertakes daily monitoring of bank accounts, uses a dedicated contribution processing team and has two individuals checking all investment and banking transactions. The standard process for helping to ensure that no issues arose in the Trust year is set out below.

Standard monitoring process

The DC Operations Manager reviews the administrator’s monthly administration report, discussing any discrepancies and documenting actions requiring resolution and reviews the administrator’s activity levels, capacity and resource planning in scheduled weekly calls (along with ad-hoc or unscheduled calls when necessary).

TPT’s Quality Assurance team carried out monthly audits to review the core financial transactions that were originally processed by the administrator, including member investment allocations and other aspects of the DC investment cycle. Any issues raised by the annual audit are discussed during the monthly meetings between TPT and the administrator and escalated to the Trustee as necessary.

External auditors, Crowe UK LLP, test TPT’s controls, including administrative processes and prepare an assurance report (TECH 05/20 AAF Assurance Reporting on Master Trusts) in accordance with the framework provided by the Audit and Assurance faculty of the Institute of Chartered Accountants in England and Wales. This assurance report considers the design, description and operational effectiveness of the control procedures established by the Trustee over the reporting period.

The administrator obtained a TECH 05/20 AAF report covering the relevant period, which provides a substantially accurate description of their internal controls and confirms that the control activities described remain operationally effective.

The administrator’s AAF reports are reviewed by the TPT DC Team as part of TPT’s own DC governance process and by the DC Oversight Committee on behalf of the Trustee.

TPT’s in-house Internal Audit function provides assurance to the Trustee’s Audit, Risk and Compliance Committee (“ARCC”) and the Executive Board regarding the management of outsourced services including the administrator.

For monthly contributions and member data collection, the process includes verification by employers that the contribution schedules submitted are correct and verification by TPT that the contributions received match the contribution schedules. Any issues where standards are not being met are escalated to the Operations Director and the Executive Board for rectification and then reported to the Member Services Committee and the Trustee via the administration report. If necessary, the ARCC may also be notified of an issue for resolution.

Member-borne costs and charges



In DC pension schemes, members typically pay charges associated with running the DC Scheme and managing the investments. These charges are deducted as a percentage of the value of members' pots.

As required by law, the Trustee has calculated member-borne charges for each default investment and the self-select investment also. In the Trust year, member-borne charges were well within the statutory charge cap (0.75% per annum) for default investments. There is no charge cap for self-select investments.

There are no performance fees for the default funds.

What information have we shown?

In the following appendices we have shown:

Appendix 2: Member-borne costs & charges

Appendix 3: Cumulative illustrations

Appendix 4: Investment net returns

In this section of the Statement and Appendices 2, 3 and 4, the Trustee has taken account of statutory guidance unless specifically stated.

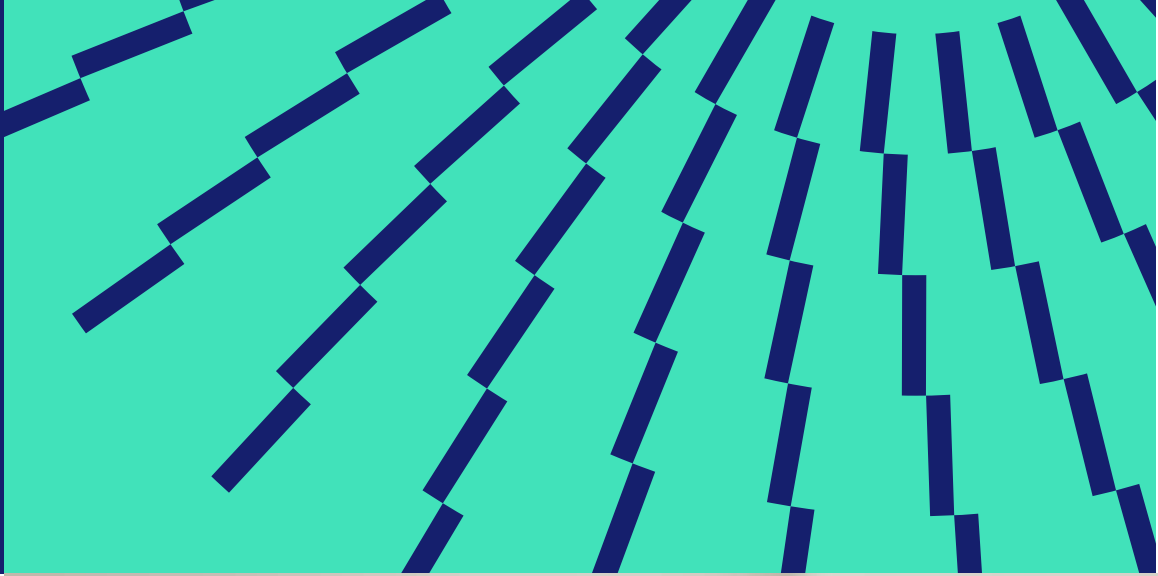
All costs and charges shown are the percentage of a member's fund that is taken each year to meet the costs and charges borne by the member.

Administration charges

These are the charges made for running the DC Scheme and investing a member's money.

In the DC Scheme, administration charges are aggregated as the annual management charge ("AMC"), which comprises fixed costs, including platform charges.

For some funds, additional expenses are payable over and above the AMC. These typically include custodian fees, legal fees and depository expenses. The expenses vary between each fund and from month to month. All of our member communications state when and where additional fund expenses may be payable. Fund Fact Sheets detail the actual fund expenses charged over the previous quarter. The Investment Oversight Committee monitors data in respect of additional charges every quarter.



Member-borne costs and charges

continued

Transaction costs

These costs are incurred when investing money in funds or investments, for example, when buying or selling shares or bonds or selling out of a fund altogether. They are part of the activity involved in protecting the value of the investments and helping them grow.

Transaction costs have been calculated in accordance with Financial Conduct Authority requirements.

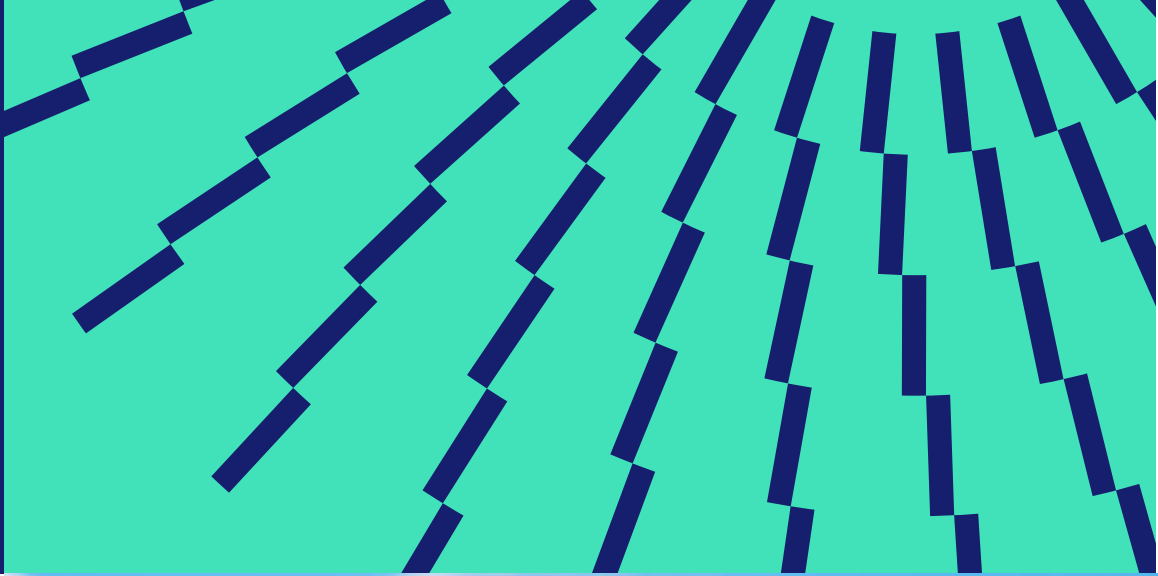
In the Trust year, all relevant transaction cost information was obtained through the standard engagement process with the Investment Manager except for new funds for which transaction cost information is not yet available. Comments are included where details of transaction costs are limited in any way.

Cumulative illustrations

As required by law, we have included illustrations in **Appendix 3** which show how a member’s investments may grow relative to charges over the period to retirement. These are not personal projections for individual members and members should not rely on them. They are provided to promote the general understanding of the DC Scheme.

Net investment returns

As required by law, we have included tables showing net investment returns in **Appendix 4**. These show how administration charges and transaction costs have affected investment returns in each default target date fund over the relevant period. Self-select options are also covered. Please note that past performance does not necessarily indicate how an investment may perform in future.



Value for members



The Trustee believes that, in the Trust year, the Trust provided good value for members.

Report

The Trustee carried out a value-for-member assessment covering the year ended 30 September 2024 and a formal report was provided by the Trustee’s independent adviser, Redington. The outcome of this report is detailed in the assessment section below.

The purpose of this report was to assess the value for members of the DC arrangements within the Trust, when considering the costs members pay in return for the benefits and services they receive. The report was approved by the Trustee on 3 March 2025.

The Trustee obtained independent expert advice on its processes again this year and retained the expanded range of criteria it considers when assessing whether the DC Scheme offers value for members.

Assessment

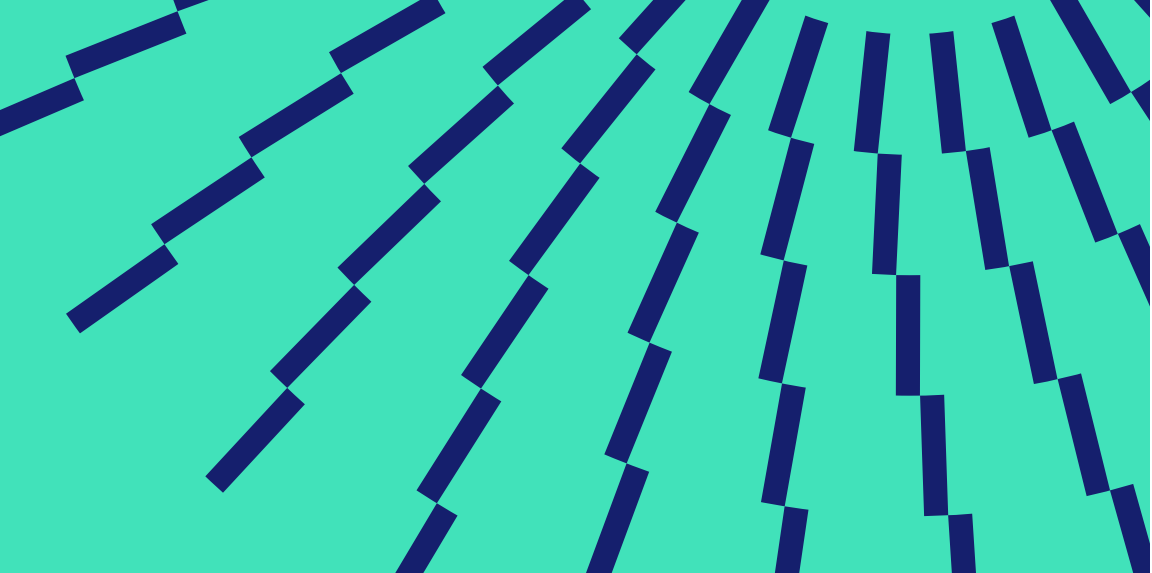
The Trustee has used seven criteria to assess whether the DC Scheme offers value for members, taking into account the relevant regulatory guidance. The key points identified and the Trustee’s conclusions in each area are shown as follows.

Costs and Charges:

- Members pay charges expressed as a “Total Expense Ratio” (TER) throughout the default strategy, covering all investment, administration and communication costs. This TER is at the upper end of fees charged by DC master trusts, though it has been reduced from 0.53% in 2023
- Flexible, client-dependent charges have been introduced during the DC Scheme year, with most members now paying the lower charge of 0.52%
- The TER for self-select funds ranges from 0.30% to 1.05%

Conclusion:

- The Trustee believes that, when considered in the broader context of the services provided to members, the costs and charges paid by members for the services provided are reasonable and provide value for money.



Value for members

continued



Trustee Governance

- Strong governance and oversight are demonstrated by the Trustee, with clear delegations in the use of sub-committees, including a DC Oversight Committee
- The Trustee Board has nine non-affiliated Directors with diverse, complementary skills and experience and has made strenuous efforts to encourage applications for three vacancies, from a diverse range of high-quality candidates
- One Director has declared a disability and three identify as female

Conclusion:

- The Trustee believes that the Trust has a robust and independent governance structure based on the diverse skills and experience of the individuals on the Trustee Board.

Administration

- Day-to-day administration is carried out by a dedicated service team of more than 60 full-time staff employed by a specialist third-party administrator
- Performance against SLAs is regularly monitored and regularly exceeds contractual requirements
- Data quality is reviewed annually and is rated at 95% against the Pension Regulator’s “common data” score. Common data is the data held by all pension schemes and is used to uniquely identify a member. There are plans in place to improve this score further
- In line with market best practice, “straight-through processing” is used for a number of tasks, reducing human intervention and the risk of manual error

Conclusion:

- The Trustee believes that the performance of administration services is appropriately monitored and performance during the year has been good.

Investment

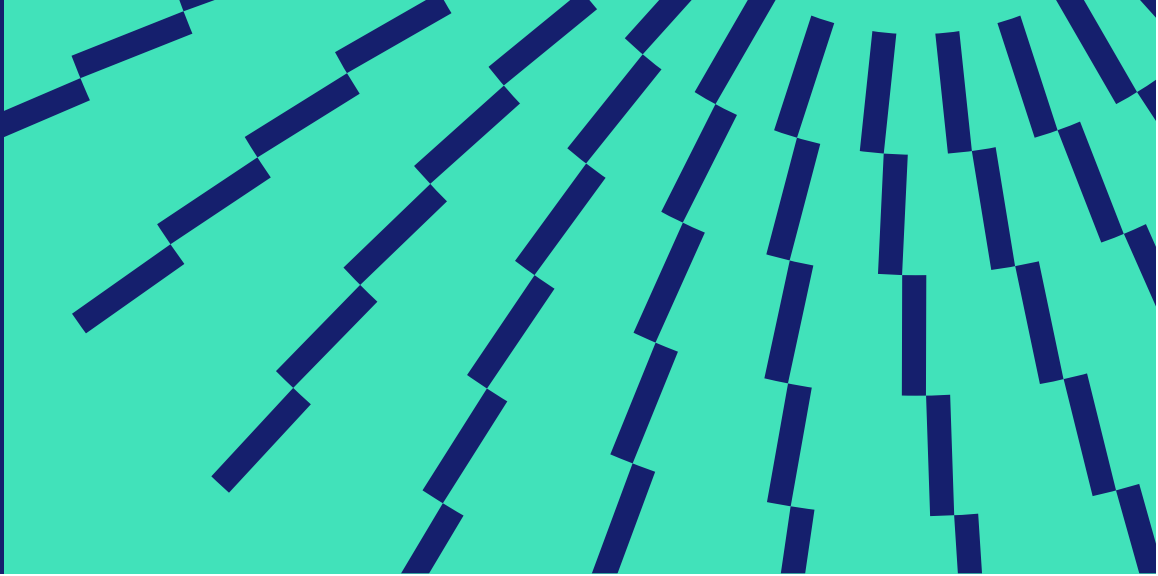
- The Trustee’s approach to Investment is a key contributor to the good value Members receive
- The default investment strategy is facilitated through a Target Date Fund (“TDF”) structure managed by Alliance Bernstein (“AB”), designed specifically for TPT, reflecting its risk budget and membership characteristics
- AB has made several changes to the default strategy over the last 12 months and its long-term performance remains strong for members throughout the investment journey, with 5-year performance in line with the median and the highest relative one-year returns
- The TDF structure allows implementation of innovative strategies into the default strategy, such as illiquid investments and real assets
- The self-select range offers a sensible, thoughtful choice for members wishing to create their own investment strategy

Conclusion:

- The Trustee believes that the DC Scheme offers its members an appropriate range of investment options. The long-term performance of the default strategy remains strong, with self-select for Members who wish to have more choice.

Value for members

continued



Environmental, Social and Governance

- The Trustee’s climate action plan includes a commitment to halving carbon intensity by 2030 and a net zero position by 2050
- AB’s climate change action plan for UK DC defaults is aligned with and applied to the default strategy of the DC Scheme
- ESG factors are integrated across all asset classes in the default investment allocation process and AB uses its scale and established relationships to aid voting in the developed market equity allocation

Conclusion:

- The Trustee believes that the strategies within the DC Scheme demonstrate a good appreciation for the risks and opportunities arising from ESG factors and are likely to lead to better member outcomes.

Retirement Journey

- Members have a range of options for drawing benefits at retirement, which now includes the ability to take benefits as multiple lump sums rather than a single payment and tools available to help them make their decisions
- The Trustee has partnered with an external organisation, Origen, to provide free guidance and cost-effective regulated advice for members at retirement

Conclusion:

- The Trustee believes that members have access to a range of retirement options and is committed to improving this. Support and tools are available to help members make their retirement decisions.

Communication and Tools

- Segmented retirement life-stage communications are provided to allow members to focus on key decisions
- TPT provides member communications which are segmented by stage and age and these communications are available to members in a range of different formats to accommodate members’ needs and preferences
- Communications can also be personalised for the member and tailored on a bespoke basis to their employer
- Topics of communication include all key stages of the savings and retirement journey and are triggered by different life events and changes in the legal and economic environment
- TPT is undertaking a digitalisation project aimed at providing a mobile App. In the meantime, members have access to a secure web portal

Conclusion:

- The Trustee believes that it provides engaging member communications and demonstrates an ongoing commitment to understanding its members’ needs and improving communications and tools. The Trust has received several pensions industry awards in this area.

Trustee knowledge and understanding (TKU)



The Trustee Directors have considerable relevant experience and expertise, with skills and knowledge that complement each other and provide diverse experience on the Trustee Board. Trustee Directors must complete the Pension Regulator’s Trustee Toolkit and satisfy “Fit and Proper” regulatory requirements. Further, Trustee Directors are required by law to meet knowledge and understanding requirements in relation to the DC Scheme.

Assessment

Having considered actions taken individually as Trustee Directors and collectively as the Trustee and the professional advice available, the Trustee is confident that the combined knowledge and understanding of the Trustee Directors enables the Trustee to exercise its functions properly. This assessment is made by reference to the requirement for the Trustee Directors to demonstrate:

- Working knowledge of the DC Scheme rules, the SIP and the governance policies relevant to the DC Scheme
- Sufficient knowledge and understanding of the law relating to pensions and trusts and the principles of funding and investment
- Combined knowledge and understanding (together with available advice) to enable them to exercise their functions properly

A standard set of TKU arrangements meets these general requirements, along with specific requirements for new trustees, the Trustee as a whole and the training programme.

Standard TKU arrangements

In each Trust year, each Trustee Director must undertake a minimum of 25 hours of training (at Trustee Board and Committee meetings and externally), read and understand the Governance Document containing the Trust’s governance policies and complete any updates to the Pension Regulator’s Trustee Toolkit.

All Trustee Board and Committee meetings and decisions are supported by professional advice as appropriate. The Trustee’s legal adviser attends each Trustee Board meeting (supporting a working knowledge of the Rules and law relating to pensions and trusts) and the Investment Consultant attends all Investment Oversight Committee meetings (supporting a working knowledge of the SIP and sufficient knowledge of relevant principles of funding and investment of occupational pension schemes).

These standard arrangements have been in evidence in the Trust year.



Trustee knowledge and understanding (TKU) continued



Board effectiveness

The Trustee is expected to challenge and question advisers, committees and other delegates effectively, make decisions in accordance with the Rules and in line with trust law duties and manage any conflicts of interest. The Trustee undertakes regular board effectiveness reviews measured against the Trustee’s objectives and annual business plan. The Trustee has agreed to undertake the next external effectiveness review in 2025.

The last external review was undertaken in 2021 by Independent Audit. It included observing meetings of the Trustee and its Committees, reviewing meeting packs and individual interviews with Board and Committee members and TPT staff. The review concluded that good progress had been made in strengthening the Trustee governance framework and noted that:

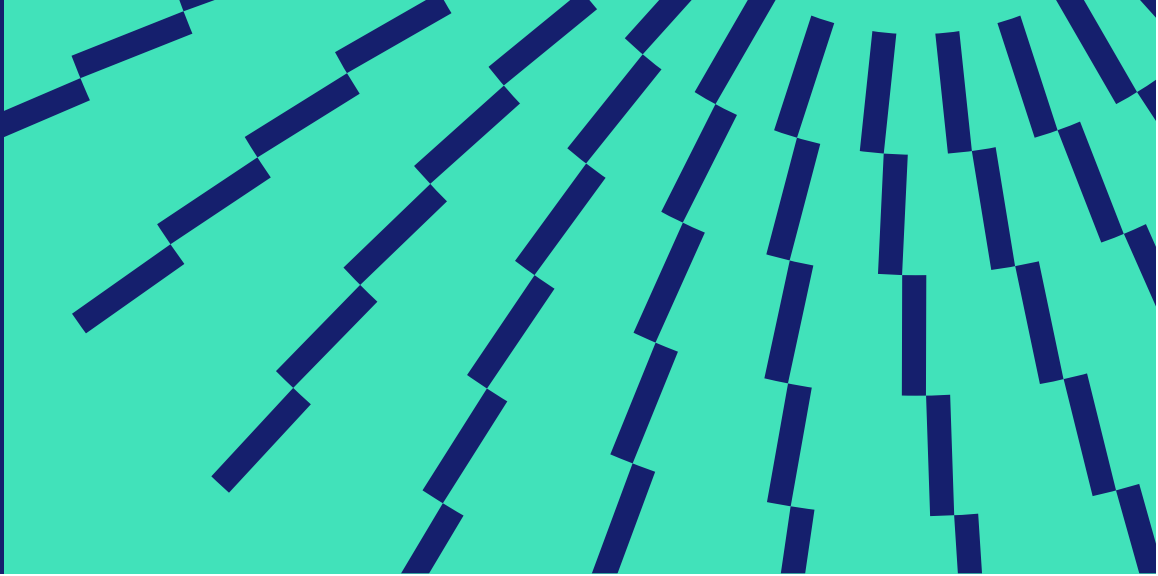
- Oversight of TPT is underpinned by the personal commitment of the Trustee Directors and those co-opted
- There is a supportive approach from management which recognises the importance of governance and transparency
- There is evidence of deep expertise across the organisation
- There is a commitment to overcome challenges via cooperation and communication
- Board and Committee Chairs are widely respected

The 2021 review also noted that the Trustee may want to consider reviewing its corporate structure to address the potential for conflicts of interest that arise as a consequence of it being both (i) the Trustee of large non-associated multi-employer occupational pension schemes (in which capacity its fiduciary duties are primarily owed to the Pension Schemes’ members) and (ii) the effective provider of services to employers.

A corporate restructuring in 2023 resulted in VTL appointing its wholly owned subsidiary, TPT Retirement Solutions Limited, to provide pensions administration and management services from 2 October 2023.



Trustee knowledge and understanding (TKU) continued



Individual assessment

At the end of the Trust year, each Trustee Director self-evaluates their performance by completing a questionnaire. In addition, the Chair is asked to indicate if she has identified knowledge gaps or believes that a Trustee Director needs any specific training. Any gaps identified are recorded on the relevant Trustee Director’s appraisal form.

Each Trustee Director must also confirm, by way of a fit and proper person’s declaration, that they continue to meet the necessary standards of honesty, integrity, good conduct and financial soundness.

This process was undertaken in the Trust year and the conclusions have been fed into the training requirements as appropriate.

New Trustee Directors

A comprehensive induction process is in place for all new Trustee Directors, as set out in the Trustee’s Governance Document. The extent of the induction programme will depend on the new Trustee Director’s skills, knowledge and competencies.

As a minimum, a new Trustee will be expected to:

- Read and understand the policies in the Governance Document
- Familiarise themselves with the Trust documentation, including the Rules, the SIP, the risk register and the Chair’s Statement

No new Trustee Directors were appointed during the year ended 30 September 2024. On 1 October 2024, Roger Boulton, Daniel Jackson and Lauren Whitworth were appointed. Their induction programme commenced prior to their appointment and is ongoing.

Training

The Trustee follows an annual training programme to ensure all Trustee Directors have appropriate knowledge and understanding. The training programme is reviewed regularly by the Trustee to ensure it is up to date. It is designed to cover major developments (legal, investment and otherwise) and address any knowledge gaps identified in the individual assessment (and rolling assessment).

In the Trust year, the Trustee undertook a range of training, including:

- Risk identification and management
- The Trustee’s responsibilities in the provision and oversight of services to members
- The DC market, policy environment and future regulation
- Climate change reporting and Taskforce on Nature-related Financial Disclosures (“TNFD”)
- The Pension Regulator’s General Code

The breadth and complexity of pension trusteeship is such that we have not managed to address all of the knowledge gaps identified during the Trust year. The Trustee has, therefore, implemented a rolling programme to ensure gaps are filled promptly. In the year ahead, the Trustee Directors will be receiving training on (amongst other things):

- Crisis Management
- Communication to Members
- Pensions Dashboard
- FCA Advice Guidance Boundary Review
- Impact Investing and Net Zero
- Investment in Private Markets
- Investments and Funding

This training will address the knowledge gaps identified in the previous Trust year.

Trustee independence



With regard to the Trust, the legislation requires that a majority of the Trustee Directors (including the Chair) must be “non-affiliated”. In broad terms, “non-affiliated” means independent of the service providers and other commercial parties involved with the Trust.

Majority Independent

For the year ended 30 September 2024, there were nine Trustee Directors of VTL, all of whom were non-affiliated. The Trustee Directors were:

- Joanna Matthews**, Co-Opted Director and Chair
- Jonathan Wheeler**, Employer Nominated Director (END)
- Jonathan Cawthra**, END
- Paul Oldroyd**, END
- Dean Waddingham**, END
- Thomas Hague**, Member Nominated Director (MND)
- Linda Henry**, MND
- Helen Astle**, MND
- Chris Roles**, MND

In determining whether a Trustee Director is non-affiliated, the Trustee has taken account of the detailed legal requirements regarding whether the individual has been an employee (or similar) of any service providers and any conflicts of interest (especially where payments are concerned).

The Trustee monitors non-affiliated status through governance processes, which include maintaining records of the length of the appointment and declarations of conflict as they arise and at Trustee Board meetings.

Based on the non-affiliated test (summarised above), the terms of appointment and ongoing monitoring, the Trustee is comfortable that all of the Trustee Directors (including the Chair) were “non-affiliated” in the Trust year.



Trustee independence

continued



Appointment process

The recruitment of non-affiliated trustees must be open and transparent. An open and transparent process can include advertising the vacancy in national publications or using a recruitment agency to assist in the selection of candidates. These methods are adopted for the recruitment of the Trustee’s co-opted directors, including the Chair.

However, the nature of the Trust means a different method is used for MNDs and ENDs. This entails communication to all eligible members and employers, inviting them to nominate candidates in accordance with the terms of the Rules. For example, a nominee can stand as an MND candidate if they are a member of either The Pensions Trust or The Pensions Trust 2016. An employer may nominate only one person as an END candidate and there cannot be more than one employee of a participating employer on the Trustee Board at any one time.

The Trustee’s Remuneration and Appointments Committee (“RAC”) will agree the candidates to be interviewed following an assessment of the application forms against the job specification and required competencies agreed by the Trustee. There is a two-stage interview process.

The first stage is conducted by a panel comprising existing Trustee Directors, including at least one current MND/END as appropriate and a member of TPT Retirement Solutions Limited’s Executive Board. The output from the first stage interviews will be reviewed by the panel and cross-referenced against any identified skill gaps. The panel will then shortlist candidates for a second interview.

The second stage interview is conducted by a panel comprising the Chair, the Senior Nominated Director and a member / employer representative as appropriate. The second stage interview panel will recommend the preferred candidates for appointment to the Trustee.

A recruitment process to appoint 2 ENDs and 1 MND took place during the year ended 30 September 2024. The END process was followed to appoint Roger Boulton and Daniel Jackson and the MND process was followed to appoint Lauren Whitworth, all of whom were appointed as Trustee Directors with effect from 1 October 2024.

No co-opted (non-affiliated) directors were appointed in the Trust year.



Member feedback



The Trustee is always keen to hear members’ views and is legally required to make arrangements to encourage feedback. Feedback can highlight areas for improvement and help the Trustee understand how TPT can support members and encourage them to engage with their pension.

Our communications

There are over 359,000 members, making this a very large DC Scheme in relative terms. Given the scale, we use email as the main communication channel with our members.

To support them, we provide members with a comprehensive suite of education and engagement tools designed to empower them to manage their long-term savings.

Our aim is to deliver a modern, compelling pensions experience – ensuring members have access to the right tools and information at the right time to make informed decisions.

The Trustee’s communication programme over the past year has included:

- TPT’s DC member website is regularly updated with articles covering a range of topics to support members with their pension planning
- Regular educational and “nudge” email updates are sent to members throughout the year, including annual benefit statement notifications, personalised video benefit statements and bi-annual member newsletters
- An engagement programme aimed at new joiners, consisting of emails to members during their first year post-enrolment
- A library of short on-demand video guides and a programme of live webinars run throughout the year, which members can access through our dedicated learning hub
- Employers have been provided with a range of materials to use in the workplace, including posters, flyers and intranet banners. TPT can offer larger employers a branded microsite

Manner of feedback

Given the scale of the DC Scheme, we consider email to be the most effective means of obtaining member feedback. We use email surveys and other approaches to show that we have designed the process with the size, nature and demographic of the Trust membership in mind.

Feedback arrangements

Feedback from members who contact us is gathered through monthly satisfaction surveys. An independent provider undertakes these surveys and the results are used to measure, modify and improve services.

Annually, we invite members to give their views and provide feedback by participating in member research conducted by an external research agency. The findings from this research are used to refine our communication plans and identify gaps and improvement opportunities.

The TPT website also includes an “Ask the Trustees” function, which allows members to submit questions or give feedback directly to the Trustee.

Trustee Statement of Investment Principles

Defined Contribution Elements

Reviewed by the Investment Oversight Committee: 26 September 2024. Approved by the Trustee Board: 14 October 2024.

1. Introduction

- 1.1. TPT Retirement Solutions administers two occupational pension schemes, The Pensions Trust (TPT) and The Pensions Trust 2016 (TPT 2016). TPT is an occupational pension scheme providing Defined Contribution (DC) pension benefits. This Statement of Investment Principles (SIP) governs decisions about investments in respect of the defined contribution elements of TPT, including the “default arrangement” (DC SIP). The default arrangement is, broadly, the fund into which members’ accounts are invested if they do not exercise a choice of investments.
- 1.2. In considering the appropriate investments and preparing this DC SIP, the Corporate Trustee, Verity Trustees Limited (the Trustee), has obtained and considered the written advice of its Investment Consultant, 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 the Pensions Act 1995 (as amended) and the Occupational Pension Schemes (Investment) Regulations 2005. The Trustee has consulted the participating employers about this DC SIP.
- 1.3. For the purposes of this DC SIP, references to ‘default arrangement’ include the TPT Cash Fund (for as long as it is a default arrangement), unless otherwise stated.

2. Appointments and Delegation

- 2.1. The Trustee has delegated investment decisions and compliance stewardship of the default arrangement to the investment manager (AllianceBernstein) that reports back to the Trustee via an Investment Oversight Committee (IOC).
- 2.2. The investment manager has delegated day-to-day investment management of the default arrangement to authorised managers and has taken steps to satisfy itself that the managers have the appropriate knowledge and

experience for managing the Trustee’s investments. The managers are not appointed for a fixed period of time but these appointments are regularly reviewed as part of the monitoring and review processes already in place. The continued appointment of an investment manager who fails to comply with the Trustee’s policies and fails to give a satisfactory explanation will be reviewed. The details of individual managers are published each year in the investment report within the Trustee’s Annual Report.

3. Investment Beliefs

- 3.1. The Trustee has agreed a set of Investment Beliefs that the investment manager uses as a framework when making decisions and agreeing investment strategy with respect to the default arrangement. The Investment Beliefs are reviewed annually and published each year and are available on TPT Retirement Solutions’ website. The Trustee regularly reviews the asset allocation of its DC investments in line with its Responsible Investment Framework (RI Framework), available on TPT Retirement Solutions’ website, to ensure the security, liquidity, quality and performance of the DC portfolio as a whole and to ensure DC investments are appropriately diversified.

4. Investment Strategies

- 4.1. The Trustee recognises that individual members have differing investment needs, that these may change during the course of members’ working lives and that members have differing attitudes to risk. The Trustee has established a suite of funds based on the ‘target date fund’ concept, i.e. funds that do not require members to make their own investment decisions and are designed to be suitable given for members’ own individual expected retirement dates.
- 4.2. The Trustee invests TPT’s DC assets via a unit-linked insurance policy with Phoenix Life (the “provider”), who provides the DC investment platform and manages the default arrangement and self-select funds. By investing in this

way, the Trustee has no direct ownership of the underlying funds, which has implications for stewardship and aspects of other policies referred to in this SIP. The Trustee has appointed a third-party manager, Alliance Bernstein (the “investment manager”), to appoint underlying investment managers, monitor investment performance and vary the asset allocation of the underlying funds with a view to enhancing investment returns.

- 4.3. For those members who do wish to make their own investment decisions, self-select investment funds are available. The Trustee offers a range of self-select funds with diversification of asset class and risk to reflect the full range of membership. A suite of ethical target date funds is available within the default option for members who wish to invest in accordance with ethical considerations and the Trustee’s Ethical Investment Framework. The Framework is reviewed annually and published each year and is available on TPT Retirement Solutions’ website.
- 4.4. All funds are made available after the provision to the Trustee of appropriate written advice from its investment consultant. In doing this the Trustee has taken into account the risk that the investments might not, over a member’s working life, produce adequate returns and that during the period preceding retirement a change in investment market conditions might lead to a reduction in anticipated benefits.
- 4.5. The performance of the default arrangement and the self-select funds is monitored on a quarterly basis by the IOC and reviewed annually in conjunction with the managers of the funds.
- 4.6. The on-going suitability and objectives of the default arrangement and the range of self-select funds are also reviewed annually by the Trustee Board in conjunction with its Investment Consultant, taking into account member feedback and benchmarking material provided by the Investment Consultant.

Trustee Statement of Investment Principles

continued

- 4.7. The aims and objectives of the default arrangement and default investment strategy are to provide an investment return in excess of inflation (measured by CPI). The investment manager seeks to dampen the impact of short-term market moves by adjusting the asset allocation tactically. Over the life of the funds, the strategic asset allocation shifts so that as a member approaches retirement the exposure to growth assets (such as equities) is reduced in favour of more defensive, less volatile assets (such as bonds). This default strategy and the aims and objectives of the default arrangement are intended to ensure that assets are invested in the best interests of members and their beneficiaries. The self-select funds are chosen by members who bear the risks associated with their chosen fund(s).
- 4.8. The range of default funds consists of unitised products which are dealt on a daily basis and so are readily realisable. The relevant number of units are purchased with the underlying funds on a bulk basis and allocated to each individual member. Reconciliations of investments take place through the daily investment cycle, with money sent for investment reconciled against unit information returned to the scheme's administrator at a member level.
- 4.9. The default arrangement does not yet invest in illiquid assets and the Trustee currently has a policy of not investing in illiquid assets. The Trustee does not consider that the members' best interests are currently met by the use of this asset class. However, the Trustee plans to keep its policy on illiquid investments under regular review.
- 4.10. The aims and objectives of the TPT Cash Fund as a default arrangement for relevant members are different from the aims and objectives of the overall default arrangement and default investment strategy. The Trustee takes the view that diverting members' contributions to the TPT Cash Fund during a suspension of trading in a self-select Fund is in the best

interests of the relevant members because the TPT Cash Fund is a low risk, liquid option with diversified exposure to a range of high quality financial institutions and a total expense ratio well below the statutory charge cap.

5. Investment Return

- 5.1. The Trustee Board determines the targets for the default arrangement and self-select funds. The long-term performance of the target date funds comprising the default depends on the asset allocation strategy and the Trustee Board has appointed the investment manager to oversee the asset allocation of the passive funds comprising the default arrangement to ensure appropriate risk-adjusted returns. The passive self-select funds are designed to match the performance of the underlying index tracking funds (before allowing for fees).

6. Management and Risk

- 6.1. The default funds and the self-select options invest in a range of (mainly) index tracking funds which are provided by leading investment houses. Regular meetings are held with the provider and the investment manager to assess protection for members and contingency plans. All funds are accessible on a daily basis.
- 6.2. The risks shown opposite, which are not exhaustive, are assessed and monitored regularly.
- 6.3. The Trustee acknowledges and accepts that portfolio turnover (which means the frequency with which scheme assets are expected to be bought or sold) and associated transaction costs are a necessary part of investment management. The Trustee also accepts that the impact of portfolio turnover costs (which means the costs of buying, selling, lending or borrowing investments), which are incurred by the investment managers, is reflected in performance figures provided by the investment managers.

Risk	Description	Mitigation
Counterparty	Exposure to credit risk of insurance provider	Maintain regular reporting from provider and regular meetings to assess credit worthiness
Costs and charges	The charging structure of the self-select funds (and transaction costs) are disproportionately high compared to the type of investment	Regular review of the charging structure; benchmarking process against charging structures of similar funds and providers in the market; and annual value for money assessment
Diversification	A high proportion of the assets are invested in securities of the same, or related, issuer or in the same or similar industry sector	Regularly review and monitor the composition of the default arrangement and self-select funds to ensure diversity of asset class and risk profile
ESG & Climate Change	Downside risk that results from environmental, social and governance (ESG) related factors including climate-change	RI Framework sets out ESG risk management strategy as an integral part of investment decision making process, with specific reference to climate-change and the Trustee's approach to engaging with and monitoring its investment managers in relation to ESG
Illiquidity	Inability of assets to be sold quickly or sold at fair market value	Set a prudent limit for the proportion of illiquid assets to be held in the portfolio and monitor the exposure on a regular basis
Managers / Product provider	Investment managers / product provider persistently underperform their performance objectives	Maintain a robust manager selection and monitoring process, manager diversification, tracking error limits and performance targets. This is delegated to the investment manager for the default arrangement
Operational	Loss arising from insufficient internal processes, people or systems and external events. This includes risk arising from the custody or transfer of assets, either internally or from new schemes entering TPT	Ensure processes and procedures are robust, documented and operated by trained personnel. Appropriately test systems and put in place appropriate business continuity plans
Strategic Investment	The selected long-term investment strategy fails to deliver the level of expected return or risk characteristics necessary to meet members' objectives	Set risk measures and limits, to be monitored regularly. Consider valuation metrics for investments, review strategic allocations on a regular basis

Trustee Statement of Investment Principles

continued



7. Decumulation phase

7.1. Whilst the Trustee does not currently offer a drawdown facility within TPT, members are able to take multiple lump sums at retirement and they have access to a drawdown service provided by Mercer for a fee.

8. Responsible Investment (including ESG factors) and non-financial matters

8.1. Introduction

- 8.1.1. The Investment Regulations require that trustees disclose their policies in relation to:
- a) financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments;
 - b) the exercise of the rights (including voting rights) attaching to the investments;
 - c) undertaking engagement activities in respect of investments (including methods by which, and the circumstances under which, trustees would monitor and engage with relevant persons about relevant matters); and
 - d) the extent (if at all) to which non-financial matters (the views of members and beneficiaries including their ethical views) are taken into account in the selection, retention and realisation of investments.
- 8.1.2. The Investment Regulations also require trustees to be transparent about their scheme’s arrangements with their asset managers including how (if at all) the arrangement incentivises the asset manager to act in accordance with trustee policies and the duration of the arrangement.

8.2. Financially material considerations

- 8.2.1. Financially material considerations are defined in the Investment Regulations as environmental, social and governance (ESG) considerations, including but not limited to climate change.
- 8.2.2. The Trustee is committed to being a responsible investor in line with its legal duties under the Investment Regulations. Responsible Investment is an approach which seeks to integrate ESG considerations into investment management and ownership practices.
- 8.2.3. The Trustee believes that certain ESG factors can have an impact on financial performance and that it is part of its fiduciary and its legal duties to incorporate this information into its investment decisions to reduce investment risk and enhance portfolio returns over the appropriate time horizon for an individual scheme in a way which reflects the demographics of members and beneficiaries. This view is expressed formally as a statement (number 10) in the Trustee’s Investment Beliefs.
- 8.2.4. In order to formalise the activities that the Trustee undertakes to demonstrate its commitment to being a responsible investor, it has put in place a Responsible Investment (RI) Framework. The RI Framework covers the key activities undertaken by the Trustee in managing the assets of the scheme and ultimately allows it to communicate its approach to both key suppliers and members.
- 8.2.5. Responsible Investment forms an integral part of the governance and risk management framework used to protect the long-term value of the assets we manage on behalf of our members and beneficiaries.
- 8.2.6. The Trustee Board delegates responsibility for implementation of the RI Framework to the investment manager. In order to ensure the ongoing suitability of the Trustee’s approach to Responsible Investment the RI Framework is reviewed annually by both the IOC and the Trustee Board.

Fund Manager Selection and Monitoring

- 8.2.7. The Trustee’s RI Framework applies to all of its investments although its expectations are tailored according to the different asset classes and the investment styles of its managers (e.g. active or passive strategies).
- 8.2.8. The third-party manager selects a number of underlying investment managers who share key attributes, including: a long-term mind-set; appropriate remuneration structures; robust risk management; and integration of ESG factors into their decision-making process. The Trustee’s monitoring process for asset managers is robust and it monitors performance and the manager’s remuneration on an ongoing basis which allows it to make decisions about a manager’s value throughout that manager’s appointment.
- 8.2.9. The Trustee incorporates its expectations on ESG and climate-change in the manager selection process to ensure that it understands the extent to which ESG is integrated into the investment philosophy and process. It also incorporates specific requirements for ESG capabilities and reporting into its operational due diligence and into the Investment Management Agreements put in place which are tailored according to the particular mandate.
- 8.2.10. The Investment Management Team (IMT) discusses the approach of the Trustee’s incumbent managers to stewardship, climate-change and ESG risks as part of the manager monitoring process and requires the managers to report back on their Responsible Investment activities on a regular basis.
- 8.2.11. Each manager’s approach is assessed using the Trustee’s rating system, with four key areas considered: Values, Stewardship, RI Integration and RI Reporting and Transparency. Each investment manager is then assigned a Responsible Investment rating.
- 8.2.12. The Trustee agrees the Responsible Investment manager rating of the appointed investment manager at least annually.

Trustee Statement of Investment Principles

continued



8.2.13. The Trustee does not offer individual incentives to managers but managers are incentivised by various other means. For example, the robust processes for selecting, monitoring and reviewing managers (together with the overriding possibility of their appointment being terminated) ensure that managers are incentivised to provide a high quality service that is aligned with the Trustee’s policies and objectives, as outlined in this SIP and in the Investment Beliefs and RI Framework. In addition, if the managers are not aligned with the Investment Beliefs and the Investment Committee’s objectives, their appointment could be terminated.

Environmental, Social and Governance Factors

- 8.2.14. As part of its approach to Responsible Investment, the Trustee considers a range of ESG risks, including corporate governance, human rights, bribery and corruption as well as labour and environmental standards. Of the environmental and social issues that we consider, we believe that climate-change presents a material financial risk to the assets held in our portfolios.
- 8.2.15. The Trustee therefore supports the goals of the Paris Agreement and has signed the Global Investor Statements to Governments on Climate Change.
- 8.2.16. The Trustee has developed an approach to ensure that climate-change risk, including physical, regulatory and transition risks are more explicitly considered through the investment process, from portfolio construction through to asset allocation. The Trustee’s approach to climate-change is set by its Climate Change Policy and commitments towards net zero.
- 8.2.17. The Trustee is taking action to tackle the risks of climate-change through a commitment to net zero by 2050. Climate considerations are an integral part of the Trustee’s Responsible Investment (RI) Principles and set our RI and stewardship approach in portfolio construction and monitoring, advocacy and reporting. Investments in thermal coal, oil sands and arctic drilling activities are not aligned with an ambition for net zero emissions.

- 8.2.18. The Trustee is a member of the Institutional Investors Group for Climate Change and part of the Global Steering Group of the Paris Aligned Investment Initiative. Due to the interdependence of climate-change with nature and society, it is a signatory of Climate Action 100+, the Investor Statement on Just Transition (World Benchmarking Alliance) and the Investors’ Policy Dialogue on Deforestation (IPDD) initiative. This means that the Trustee is a part of the public discourse on climate-change risks and opportunities and can influence change collaboratively.
- 8.2.19. The investment manager provides regular updates to the IOC and Trustee Board on its activities related to climate-change considerations and it is committed to reporting on its progress as part of its annual update on Responsible Investment.

Social Factors

- 8.2.20. The Trustee considers that companies it invests in have a responsibility to support and uphold the observance of basic human and labour rights in accordance with the United Nations Global Compact. The Trustee does not condone any activity which constitutes modern slavery or human trafficking under the Modern Slavery Act 2015.
- 8.2.21. The Trustee expects investment managers to choose an investment that has a positive social impact when compared to a similar investment with the same expected return and risk.
- 8.2.22. The Trustee recognises that the Defence sector poses particular risks to the value of the assets held within its portfolio, specifically with regard to the status of certain weapons, and that investments in the sector have to be informed by the restrictions set out in international conventions. As a result, the Trustee does not invest in companies involved in certain controversial weapons.
- 8.2.23. The Trustee defines corporate involvement in controversial weapons as development, production, stockpiling, maintenance and offering for sale of controversial weapons and their key components.
- 8.2.24. In order to identify companies involved in controversial weapons the Trustee uses external data to compile an Exclusions List. Total avoidance

of companies identified on the Exclusions List may not however always be practicable from an implementation perspective, partly because of the range of asset classes and investment strategies in which the Trustee invests and in particular the use of derivatives in the portfolio.

- 8.2.25. The exclusion of companies involved in controversial weapons as defined above therefore applies to investments in physical equities and corporate bonds where the Trustee also has the ability to direct which assets are held within the fund structure.
- 8.2.26. The Trustee does not restrict investments in sovereign bonds based on states’ commitment or adherence to the above international legal instruments.
- 8.2.27. The Trustee carries out regular reviews of its portfolio to ensure adherence with its approach to restricting investments in controversial weapons.

Governance Factors

- 8.2.28. The Trustee considers that companies it invests in have a responsibility to comply with the UK Corporate Governance Code and international best practice pertaining corporate governance such as G20/OECD Corporate Governance Principles and the ICGN Global Governance Principles.
- 8.2.29. Where a company’s activities are found clearly to conflict with relevant English law or guidance from the UK government, or with international treaties ratified by the British parliament, this may result in one of two outcomes:
- a) A decision to engage with the company with a view to having the company desist from that activity. Such engagement should be held at an appropriate level and be subject to ongoing review as to its progress. If after a reasonable time engagement has been unsuccessful then divestment might be the response.
 - b) In exceptional circumstances where conduct is overtly unacceptable and/or there seems no reasonable prospect of engagement success, an immediate decision by the Trustee to divest from the company.

Trustee Statement of Investment Principles

continued



8.3. Voting

- 8.3.1. The Trustee aims to vote its shares in all markets where practicable. In the normal course of events it delegates this activity to its investment managers. That said, the Trustee retains the right (where possible) to direct its investment managers to vote in a particular way that it believes is in the best interest of its members. The Trustee expects its managers to use their best endeavours to facilitate the implementation of client voting decisions. This right is most noteworthy in situations where the voting decision taken on a resolution would enable the Trustee to better implement the commitments set out in its RI Framework. The Trustee Board delegates judgement on these matters to the investment manager.
- 8.3.2. The Trustee expects its investment managers to exercise its voting rights, on behalf of the Trustee, in line with this DC SIP and/or consistent with the Corporate Governance Policy and Voting Guidelines issued by the Pension and Lifetime Savings Association (PLSA). Although the PLSA guidelines focus solely on voting at UK companies, they reference support for the G20/OECD Corporate Governance Principles and the ICGN Global Governance Principles. The Trustee expects its investment managers to use these guidelines when voting in markets outside the UK. In some cases where the Trustee deems the investment manager to have Voting policies that better reflect the Trustee’s approach to Responsible Investment than those set out by the PLSA, the IMT may choose to instruct the investment manager to vote in line with the investment manager’s own policies.
- 8.3.3. Where an investment manager intends to vote at variance with this policy, the manager is asked to inform the Trustee as far in advance as possible to afford the best possible chance for the IMT to review the appropriateness of that manager’s voting intentions on behalf of the Trustee.
- 8.3.4. The Trustee has an active securities lending programme which can sometimes prevent it from voting all of its shares. The Trustee may choose to recall or restrict the amount of stock lent in case of a contentious vote or a vote relating to the Trustee’s engagement activities. This decision will be considered on a case-by-case basis with counsel from the relevant investment manager(s).

This decision will be considered on a case by case basis with counsel from the relevant investment manager(s).

8.4. Engagement

- 8.4.1. The Trustee’s approach to engagement applies to equity and corporate bond holdings and consists of four elements:

a) **Engagement by investment managers:** The Trustee delegates primary responsibility for its corporate engagement activities to its investment managers. The Trustee believes that investment managers are best placed to engage with invested companies on ESG matters, given their knowledge of the company and the level of access they have to company management. This is a pragmatic approach because of the number of stocks owned by the Trustee, and the amount of time corporate entities have available for single investors. Engagement, with the aim of improving the medium to long-term performance of investor companies, is one of the factors taken into account by the Trustee in the selection, monitoring and review of managers. The Trustee expects its managers to engage on ESG matters where they are considered material and relevant to the investment case. It also expects its managers to respond to specific requests the Trustee might have.

b) **Joint engagements with investment managers:** There may be occasions when engagement topics identified by the Trustee overlap with the engagement efforts of its investment managers. In these situations, the Trustee will seek to undertake joint engagement activities with investment managers.

c) **Collaborative engagements:** The Trustee recognises that as a responsible asset owner, it should, wherever practicable given time and resources, support initiatives which aim to improve the regulatory and operational environment for all investors. As part of this, the Trustee will participate in collaborative engagements with other asset owners which it sees as furthering the aims and objectives of its investment beliefs and its RI Framework. As part of its efforts in this area the Trustee is committed to joining

collaborative engagements through its association with organisations such as the PRI, 30% Club, Investors Policy Dialogue on Deforestation (IPDD) and the Institutional Investors Group on Climate Change (IIGCC). This list is not considered to be exhaustive.

- d) **Direct engagements:** On occasions, an issue may arise where the Trustee believes it is necessary to directly engage with companies on particular ESG related issues.

In each case, the Trustee’s approach to engagement is designed so that there is effective stewardship over the investments. It therefore requires an investment manager to consider a range of financial and non-financial considerations concerning the Trustee’s investments, including performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, social and environmental impact and corporate governance.

- 8.4.2. The Trustee’s engagement activities will include written, oral and electronic communication and personal meetings with a company’s senior policy makers.

Codes and industry initiatives

- 8.4.3. The Trustee supports industry wide initiatives to promote Responsible Investment and Stewardship and is a signatory to the Principles for Responsible Investment (PRI) and the Montreal Pledge.
- 8.4.4. The Trustee does not insist that current and potential future investment managers are themselves PRI signatories, but it will discuss with its investment managers how they are implementing the spirit of these principles and whether they are signatories. The Trustee does not insist the investment managers publicly support the UK Stewardship Code but it will seek detail from its investment managers on how they demonstrate their support for the code (for asset classes where it is appropriate).
- 8.4.5. 8.4.5. The Trustee also aims to engage on relevant policy issues alongside other like-minded, responsible investors. To support the Trustee’s work in this regard it is a member of the IIGCC and the UK Sustainable Investment and Finance Association (UKSIF).

Trustee Statement of Investment Principles

continued



Communicating and reporting

- 8.4.6. The Trustee shares information on its Responsible Investment activities via regular member and employer reporting channels.
- 8.4.7. As a substantial investor in both UK and non-UK listed companies, the Trustee accepts its responsibilities as a shareholder and owner, whether that ownership is directly or indirectly held. This responsibility includes ensuring, where possible, that the companies in which it invests are run by executive officers and directors in the best long-term interests of shareholders.

8.5. Non-financial matters

- 8.5.1. Non-financial matters are taken into account in the selection, retention and realisation of investments. Non-financial matters for the purposes of the Occupational Pension Schemes (Investment) Regulations 2005 means the views of the members and beneficiaries including (but not limited to) their ethical views and their views in relation to social and environmental impact and present and future quality of life of the members and beneficiaries of TPT and TPT2016.
- 8.5.2. The Trustee recognises that by delegating the selection, retention and realisation of its DC investments to its investment managers, there are limitations to the extent to which it can take into account non-financial matters in its DC investments. However, the Trustee has adopted a practical and holistic approach to non-financial matters in relation to DC investment as set out in its Ethical Investment Framework. Further, the Trustee Board requires its relevant investment managers to report regularly on the application of the Ethical Investment Framework in the selection, retention and realisation of ethical investments across all asset classes and how they seek to exclude companies with business interests and activities that conflict with members' moral and ethical preferences (e.g. tobacco).
- 8.5.3. The Trustee will review its policy on non-financial matters on an annual basis.

9. Compliance

- 9.1. The Trustee Board requires all investment managers to confirm, through their reporting, that the investments are diversified and suitable, and that they have complied with the principles set out in this DC SIP. The Trustee will review this DC SIP annually and without delay after any significant change in investment policy and in addition, the default strategy and funds after any significant change in the demographic profile of members invested in these funds.
- 9.2. Consultation with participating employers will be undertaken if these investment principles change.
- 9.3. A common investment policy is offered to all employers, with the target date funds being offered as the default and members able to choose from a range of self-select options. Fact sheets on all the funds are available to members on TPT's website.



Member-borne costs & charges

continued



Administration charges

Investment	AMC (pa)	Additional Charge (pa)*	Default
TDF	0.50%	0.02%	Yes
ETDF (post-99)**	0.63%	0.07%	Yes
ETDF (pre-99)**	0.50%	0.07%	Yes
Annuity Aware Fund	0.45%	N/A	No
Cash Fund	0.45%	N/A	Yes, for technical reasons
Global Equity Fund	0.45%	N/A	No
Index-Linked Gilts Fund	0.45%	N/A	No
Ethical Global Equity Fund	0.45%	0.02%	No
Diversified Growth Fund	0.52%	N/A	No
Property Fund	1.00%	0.865%	No
Emerging Markets Equity Fund	0.55%	NA	No
Global Corporate Bond Fund	0.50%	NA	No
Global Impact Bond Fund	0.50%	0.10%	No
Global Impact Equity Fund	0.70%	0.03%	No
Islamic Global Equity Fund	0.33%	0.09%	No
Low Carbon Transition Global Equity	0.344%	0.016%	No
UK Equity Index Fund	0.30%	N/A	No
Global Infrastructure Fund	0.95%	0.10%	No

These charges are deducted from members’ funds in addition to the AMC. In respect of the default investment options, these charges are considered when ensuring adherence to the charge cap.

** The higher charge for ETDFs reflects the additional screening required to ensure they meet the ethical standards required. Members who joined the Ethical Fund before 1999 pay a lower AMC of 0.5% a year because they paid a fixed price on joining the Fund (as required by the Rules at that time). We have included the higher end of a range of possible additional charges for the ETDFs

Three employers have reduced charges: Employer A – 41bps on TDFs; Employer B – 32bps on TDFs; Employer C – 38bps on TDFs.

Member-borne costs & charges

continued

Transaction Costs

Target date funds (default investment)

The default investment is a Target Date Fund. Members are enrolled in a target date fund which matches their expected retirement date. For example, a member retiring in 2045 will be invested in the AB Retirement Fund 2044-2046 fund.

The underlying assets of the fund are moved between different investment funds as members approach their retirement date. This means that the level of charges and transaction costs will vary depending on how close members are to retirement and in which fund they are invested.

For the period covered by this statement, annual charges and transaction costs are set out in the following tables:

Default arrangement charges and transaction costs

TDF Vintage	Admin Costs	Transaction Costs	Total Costs
AB Retirement Fund 2011-2013	0.5137%	0.0823%	0.5960%
AB Retirement Fund 2014-2016	0.5138%	0.0831%	0.5969%
AB Retirement Fund 2017-2019	0.5138%	0.0847%	0.5985%
AB Retirement Fund 2020-2022	0.5141%	0.0859%	0.6000%
AB Retirement Fund 2023-2025	0.5146%	0.0868%	0.6014%
AB Retirement Fund 2026-2028	0.5163%	0.0882%	0.6090%
AB Retirement Fund 2029-2031	0.5183%	0.0907%	0.6199%
AB Retirement Fund 2032-2034	0.5207%	0.0992%	0.6322%
AB Retirement Fund 2035-2037	0.5222%	0.1100%	0.6449%
AB Retirement Fund 2038-2040	0.5229%	0.1220%	0.6504%
AB Retirement Fund 2041-2043	0.5223%	0.1281%	0.6511%
AB Retirement Fund 2044-2046	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2047-2049	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2050-2052	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2053-2055	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2056-2058	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2059-2061	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2062-2064	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2065-2067	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2068-2070	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2071-2073	0.5223%	0.1288%	0.6511%
AB Retirement Fund 2074-2076	0.5233%	0.1288%	0.6511%
AB Retirement Fund 2077-2079	0.5233%	0.1288%	0.6511%

Member-borne costs & charges

continued



Default arrangement charges and transaction costs

Ethical TDF Vintage	Admin Costs	Transaction Costs	Total Costs				
AB Ethical Retirement Fund Pre 1999 (2011-2013)	0.5478%	0.1176%	0.6654%	AB Ethical Retirement Fund Post 1999 (2035-2037)	0.6999%	0.1311%	0.8310%
AB Ethical Retirement Fund Post 1999 (2011-2013)	0.6778%	0.1176%	0.7954%	AB Ethical Retirement Fund Pre 1999 (2038-2040)	0.5348%	0.0810%	0.6158%
AB Ethical Retirement Fund Pre 1999 (2014-2016)	0.5501%	0.1210%	0.6711%	AB Ethical Retirement Fund Post 1999 (2038-2040)	0.6948%	0.0810%	0.7758%
AB Ethical Retirement Fund Post 1999 (2014-2016)	0.6801%	0.1210%	0.8011%	AB Ethical Retirement Fund Pre 1999 (2041-2043)	0.5320%	0.0610%	0.5930%
AB Ethical Retirement Fund Pre 1999 (2017-2019)	0.5517%	0.1235%	0.6752%	AB Ethical Retirement Fund Post 1999 (2041-2043)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Post 1999 (2017-2019)	0.6817%	0.1235%	0.8052%	AB Ethical Retirement Fund Post 1999 (2044-2046)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2020-2022)	0.5530%	0.1253%	0.6783%	AB Ethical Retirement Fund Post 1999 (2047-2049)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Post 1999 (2020-2022)	0.6830%	0.1253%	0.8083%	AB Ethical Retirement Fund Post 1999 (2050-2052)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2023-2025)	0.5339%	0.1264%	0.6603%	AB Ethical Retirement Fund Post 1999 (2053-2055)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Post 1999 (2023-2025)	0.6839%	0.1264%	0.8103%	AB Ethical Retirement Fund Post 1999 (2056-2058)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2026-2028)	0.5357%	0.1296%	0.6653%	AB Ethical Retirement Fund Post 1999 (2059-2061)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Post 1999 (2026-2028)	0.6857%	0.1296%	0.8153%	AB Ethical Retirement Fund Post 1999 (2062-2064)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2029-2031)	0.5392%	0.1358%	0.6750%	AB Ethical Retirement Fund Post 1999 (2065-2067)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Post 1999 (2029-2031)	0.6892%	0.1358%	0.8250%	AB Ethical Retirement Fund Post 1999 (2068-2070)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2032-2034)	0.5481%	0.1484%	0.6965%	AB Ethical Retirement Fund Pre 1999 (2071-2073)	0.5320%	0.0610%	0.5930%
AB Ethical Retirement Fund Post 1999 (2032-2034)	0.6981%	0.1484%	0.8465%	AB Ethical Retirement Fund Post 1999 (2071-2073)	0.6920%	0.0610%	0.7530%
AB Ethical Retirement Fund Pre 1999 (2035-2037)	0.5499%	0.1311%	0.6810%	AB Ethical Retirement Fund Post 1999 (2074-2076)	0.6920%	0.0610%	0.7530%
				AB Ethical Retirement Fund Post 1999 (2077-2079)	0.6920%	0.0610%	0.7530%

Member-borne costs & charges

continued



Self-select investment arrangements

For the period covered by this statement, annual charges and transaction costs for the self-select investment options are set out in the table below:

Fund	Admin Costs	Transaction Costs	Total Costs
Global Equity	0.450%	0.0622%	0.5122%
Cash	0.450%	-0.0829%	0.3671%
Annuity Aware	0.450%	0.0335%	0.4835%
Index Linked Gilts	0.450%	0.0675%	0.5175%
Property	1.8653%	-1.5372%	0.3281%
Ethical Global Equity	0.4502%	0.0177%	0.4679%
Diversified Growth	0.5200%	0.0013%	0.5213%
Islamic Global Equity	0.420%	0.0044%	0.4244%
Global Corporate Bond	0.50%	0.3247%	0.8247%
Emerging Markets Equity	0.55%	0.3765%	0.9265%
UK Equity Index	0.30%	0.0171%	0.3171%
Global Impact Bond	0.60%	0.1640%	0.7640%
Low Carbon Transition Global Equity	0.36%	-0.0136%	0.3464%
Global Impact Equity	0.73%	0.0541%	0.7841%
Global Infrastructure	1.05%	0.1224%	1.1724%

Transaction costs can be negative from time to time where, for example, 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. Managers often report these negative costs as zero. It is not expected that transaction costs will always be negative or zero. Where the transaction costs figures are negative or zero in any one scheme year, it is important to note that this may not accurately represent the actual transaction costs a member may expect to see in any future scheme year.

Cumulative illustrations

Default arrangement illustrations

Notes

- 1. Projected pension pot values are shown in today’s terms and do not need to be reduced further for the effect of future inflation.
- 2. The starting pot size is assumed to be £3,994 at age 16 for a member retiring at age 65.
- 3. Inflation is assumed to be 2.5% each year.
- 4. Contributions are assumed to be paid at the end of each month from age 16 to 65 and increase in line with assumed earnings growth of inflation plus 1% each year on the anniversary of the first contribution. The initial contribution level is considered to be £252 per month.
- 5. Values shown are estimates and are not guaranteed.
- 6. Charges are based on a prudent historical average of charges (as a percentage of the fund invested), including all member-borne charges and underlying transaction costs. This is likely to overestimate the impact of these costs and charges as it is likely they will fall through time as the size of the plan grows and provision of administration and investment services to the plan becomes more efficient. Furthermore, we note that the transaction costs incurred when buying and selling the TDF strategies has been included in this analysis, which is noted as a optional for trustees and investment managers within the guidance provided by the DWP. Three employers have reduced charges: Employer A – 41bps on TDFs; Employer B – 32bps on TDFs; Employer C – 38bps on TDFs.
- 7. The projected future growth rate is 3.54% above inflation for both the Ethical TDF and the TDFs.
- 8. The provision of these outcomes on behalf of members assumes the provision of administration and investment services. As such, the numbers shown for the accumulated fund allowing for investment returns but before the deduction of costs and charges are purely hypothetical and do not represent an achievable member outcome.
- 9. In addition, the trustee is required to provide value for money to members and as such, it would be inappropriate to assume that lower costs and charges would necessarily equate to better member outcomes, i.e. that the assumed level of overall service to members, including the investment returns achieved, could be maintained at a lower cost. The Trustee considers that a key determinant of overall value is the net investment return to members after charges. It is, therefore, important that the investment manager has a sufficient budget to deliver a diversified investment strategy that includes a variety of asset classes in public and private markets.

TPT Ethical Target Date Fund 2071 – 2073

Projected Pension Pot in Today's Money (as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,165	7,127
3	13,938	13,752
5	21,323	20,879
10	42,770	41,106
15	69,158	65,215
20	101,471	93,830
25	140,878	127,671
30	188,777	167,568
35	246,830	214,477
40	317,020	269,502
49	481,771	393,172

Cumulative illustrations

continued



TPT Target Date Fund 2077-2079

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,165	7,136
3	13,938	13,795
5	21,323	20,980
10	42,770	41,482
15	69,158	66,097
20	101,471	95,522
25	140,878	130,567
30	188,777	172,173
35	246,830	221,431
40	317,020	279,610
49	481,771	411,665

TPT Target Date Fund 2077-2079 42bps

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,165	7,140
3	13,938	13,816
5	21,323	21,032
10	42,770	41,672
15	69,158	66,547
20	101,471	96,389
25	140,878	132,058
30	188,777	174,553
35	246,830	225,041
40	317,020	284,881
49	481,771	421,386

TPT Target Date Fund 2077-2079 38bps

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,165	7,142
3	13,938	13,827
5	21,323	21,057
10	42,770	41,768
15	69,158	66,773
20	101,471	96,827
25	140,878	132,812
30	188,777	175,759
35	246,830	226,875
40	317,020	287,565
49	481,771	426,355

Cumulative illustrations

continued



TPT Target Date Fund 2077-2079 32bps

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,165	7,146
3	13,938	13,843
5	21,323	21,096
10	42,770	41,913
15	69,158	67,115
20	101,471	97,488
25	140,878	133,953
30	188,777	177,590
35	246,830	229,661
40	317,020	291,650
49	481,771	433,947

Self-select arrangement illustrations

Notes

1. Projected pension pot values are shown in today's terms and do not need to be reduced further to account for future inflation.

2. The starting pot size is assumed to be £3,994 at age 16 for a member retiring at age 65.

3. Inflation is assumed to be 2.5% each year.

4. Contributions are assumed to be paid at the end of each month from age 16 to 65 and increase in line with assumed earnings growth of inflation plus 1% each year on the anniversary of the first contribution. The initial contribution level is assumed to be £252 per month.

5. Values shown are estimates and are not guaranteed.

6. Charges are based on a prudent historical average of charges (as a percentage of the fund invested), including all member-borne charges and underlying transaction costs. This is likely to overestimate the impact of these costs and charges as it is likely they will fall through time as the size of the plan grows and provision of administration and investment services to the plan becomes more efficient. Furthermore, we note that the transaction costs incurred when buying and selling the TDF strategies has been included in this analysis, which is noted as a optional for trustees and investment managers within the guidance provided by the DWP.
7. The projected future growth rate for the self-select arrangements are:
 - Annuity Aware Fund: 3.41% above inflation
 - Cash Fund: -0.49% above inflation*
 - Diversified Growth Fund (DGF): 1.46% above inflation
 - Emerging Markets Equity Fund: 3.41% above inflation
 - Ethical Global Equity Fund: 3.41% above inflation
 - Global Corporate Bond Fund: 1.46% above inflation
 - Global Equity Fund: 3.41% above inflation
 - Global Impact Bond Fund: 1.46% above inflation
 - Global Impact Equity Fund: 4.39% above inflation
 - Global Infrastructure Fund: 3.41% above inflation
 - Index-Linked Gilts Fund: 4.39% above inflation
 - Islamic Global Equity Index Fund: 3.41% above inflation
 - Low Carbon Transition Equity Fund: 3.41% above inflation
 - Property Fund: 3.41% above inflation
 - UK Equity Index Fund: 3.41% above inflation
 - Money Market Fund: -0.49% above inflation

*The Cash Fund is technically a default investment as it may be used when the market is not open for dealing in other TPT investment funds.
8. The provision of these outcomes on behalf of members assumes the provision of administration and investment services. As such, the numbers shown for the accumulated fund allowing for investment returns but before the deduction of costs and charges are purely hypothetical and do not represent an achievable member outcome.

9. In addition, the trustee is required to provide value for money to members and as such, it would be inappropriate to assume that lower costs and charges would necessarily equate to better member outcomes, i.e. that the assumed level of overall service to members, including the investment returns achieved, could be maintained at a lower cost.

Cumulative illustrations
continued



Annuity Aware Fund

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,133
3	13,905	13,783
5	21,243	20,953
10	42,467	41,379
15	68,433	65,856
20	100,051	95,059
25	138,399	129,774
30	184,755	170,909
35	240,632	219,518
40	307,823	276,823
49	464,301	406,547

Cash Fund

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	6,949	6,925
3	12,904	12,793
5	18,919	18,669
10	34,230	33,411
15	49,956	48,254
20	66,126	63,231
25	82,769	78,376
30	99,918	93,725
35	117,605	109,313
40	135,865	125,175
49	170,291	154,537

Diversified Growth Fund

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,054	7,025
3	13,397	13,263
5	20,048	19,738
10	38,096	37,008
15	58,326	55,917
20	80,944	76,581
25	106,172	99,129
30	134,253	123,694
35	165,448	150,419
40	200,042	179,457
49	271,878	238,077

Emerging Markets Equity Fund

Projected Pension Pot in Today's Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,128
3	13,905	13,756
5	21,243	20,889
10	42,467	41,143
15	68,433	65,302
20	100,051	93,996
25	138,399	127,955
30	184,755	168,018
35	240,632	215,156
40	307,823	270,485
49	464,301	394,963

Cumulative illustrations

continued



Ethical Global Equity Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,133
3	13,905	13,783
5	21,243	20,953
10	42,467	41,379
15	68,433	65,856
20	100,051	95,059
25	138,399	129,774
30	184,755	170,909
35	240,632	219,518
40	307,823	276,823
49	464,301	406,547

Global Corporate Bond Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,054	7,027
3	13,397	13,268
5	20,048	19,750
10	38,096	37,049
15	58,326	56,007
20	80,944	76,743
25	106,172	99,387
30	134,253	124,078
35	165,448	150,961
40	200,042	180,194
49	271,878	239,269

Global Equity Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,133
3	13,905	13,783
5	21,243	20,953
10	42,467	41,379
15	68,433	65,856
20	100,051	95,059
25	138,399	129,774
30	184,755	170,909
35	240,632	219,518
40	307,823	276,823
49	464,301	406,547

Global Impact Bond Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,054	7,021
3	13,397	13,243
5	20,048	19,691
10	38,096	36,845
15	58,326	55,559
20	80,944	75,940
25	106,172	98,103
30	134,253	122,172
35	165,448	148,275
40	200,042	176,550
49	271,878	233,393

Cumulative illustrations
continued



Global Impact Equity Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,210	7,170
3	14,164	13,963
5	21,865	21,381
10	44,862	42,991
15	74,252	69,689
20	111,613	102,514
25	158,901	142,706
30	218,544	191,753
35	293,552	251,435
40	387,662	323,880
49	620,691	494,901

Global Infrastructure Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,101
3	13,905	13,623
5	21,243	20,576
10	42,467	39,991
15	68,433	62,626
20	100,051	88,917
25	138,399	119,357
30	184,755	154,499
35	240,632	194,968
40	307,823	241,469
49	464,301	342,960

Index-linked Gilts Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,210	7,185
3	14,164	14,039
5	21,865	21,565
10	44,862	43,695
15	74,252	71,393
20	111,613	105,882
25	158,901	148,650
30	218,544	201,501
35	293,552	266,622
40	387,662	346,670
49	620,691	539,090

Islamic Global Equity Index Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,135
3	13,905	13,791
5	21,243	20,972
10	42,467	41,451
15	68,433	66,024
20	100,051	95,382
25	138,399	130,326
30	184,755	171,789
35	240,632	220,849
40	307,823	278,762
49	464,301	410,105

Cumulative illustrations
continued



Low Carbon Transition Global Equity Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,138
3	13,905	13,807
5	21,243	21,010
10	42,467	41,594
15	68,433	66,361
20	100,051	96,030
25	138,399	131,440
30	184,755	173,566
35	240,632	223,543
40	307,823	282,692
49	464,301	417,342

Property fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,103
3	13,905	13,636
5	21,243	20,607
10	42,467	40,104
15	68,433	62,887
20	100,051	89,408
25	138,399	120,181
30	184,755	155,784
35	240,632	196,872
40	307,823	244,182
49	464,301	347,748

UK Equity Index Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	7,158	7,142
3	13,905	13,823
5	21,243	21,049
10	42,467	41,737
15	68,433	66,700
20	100,051	96,685
25	138,399	132,567
30	184,755	175,368
35	240,632	226,280
40	307,823	286,693
49	464,301	424,740

Money Market Fund

Projected Pension Pot in Today’s Money
(as at 30 September 2024)

Years	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	6,949	6,912
3	12,904	12,732
5	18,919	18,533
10	34,230	32,969
15	49,956	47,345
20	66,126	61,701
25	82,769	76,081
30	99,918	90,524
35	117,605	105,071
40	135,865	119,763
49	170,291	146,703

Investment net returns

This section states the return, after the deduction of charges and transaction costs. It covers the default investment(s) and all self-select investment options, during the Trust year in which these investments were available for selection, and/or in which members’ assets were invested during the Trust year.

We have taken into account the relevant DWP guidance in preparing this Appendix 4 and content shown is aligned with the spirit of that guidance. Due to the nature of the default arrangement (target date funds) we have not followed the example presentation used by the DWP but instead provided the same breadth of information in a form we consider more relevant to the Scheme and the members.

Default investment arrangements

The default investment is a Target Date Fund in which the underlying assets are moved between different investment funds (each with varying costs and performance) as members approach their retirement date. In short, this means the returns are age related in the default arrangement as follows:

Target Date Fund	Age of member in 2024 (years)	1 year (2024)	3 years (2021 to 2024)	5 years (2019 to 2024)	Since Inception (2013 to 2024)
2044-2046 to 2077-2079	e.g. age 16 to 44	22.4%	7.2%	8.9%	9.1%
2041-2043	e.g. age 47	22.3%	7.1%	8.9%	9.1%
2038-2040	e.g. age 50	21.8%	6.6%	8.6%	9.0%
2035-2037	e.g. age 53	19.0%	5.2%	7.2%	8.5%
2032-2034	e.g. age 56	16.6%	4.5%	5.9%	7.7%
2029-2031	e.g. age 59	14.8%	4.0%	5.1%	7.0%
2026-2028	e.g. age 62	13.6%	3.7%	4.5%	6.4%
2023-2025	e.g. age 65	12.6%	3.6%	3.8%	5.7%
2020-2022	e.g. age 68	12.1%	3.6%	3.6%	5.2%
2017-2019	e.g. age 71	11.7%	3.4%	3.4%	4.6%
2014-2016	e.g. age 74	11.4%	3.4%	3.4%	4.0%
2011-2013	e.g. age 77	11.2%	3.3%	3.3%	3.7%

Investment net returns

continued

Ethical Target Date Fund	Age of member in 2024 (years)	1 year (2024)	3 years (2021 to 2024)	5 years (2019 to 2024)	Since Inception (2013 to 2024)
2044-2046 to 2077-2079	e.g. age 16 to 44	17.7%	5.2%	8.1%	8.9%
2041-2043	e.g. age 47	17.3%	4.4%	7.3%	8.5%
2038-2040	e.g. age 50	16.6%	3.6%	6.3%	8.1%
2035-2037	e.g. age 53	15.4%	2.7%	5.3%	7.6%
2032-2034	e.g. age 56	14.3%	2.1%	4.6%	7.2%
2029-2031	e.g. age 59	13.2%	1.9%	4.0%	6.8%
2026-2028	e.g. age 62	12.2%	1.9%	3.6%	6.4%
2023-2025	e.g. age 65	11.3%	2.0%	3.3%	5.9%
2020-2022	e.g. age 68	10.8%	2.2%	2.8%	5.1%
2017-2019	e.g. age 71	10.4%	2.1%	2.6%	4.3%
2014-2016	e.g. age 74	9.4%	2.0%	2.3%	3.6%
2011-2013	e.g. age 77	9.0%	2.2%	2.3%	3.2%

Performance data is included for 1, 3, 5 year and since inception periods, as of 30 September 2024. Inception date is 28 February 2013, with the exception of TDF 2074-2076 and 2077-2079 with inception dates of 31 August 2017.

We have included age of member against each Target Date Fund but, for a given member, the actual relevant Target Date Fund will be determined by the member’s Target Retirement Age.

Self-select investment arrangements

For the self-select investment options there are no age-related returns. Returns over periods to Trust year end are as follows:

Fund Name	1 year (2024)	3 years (2021 to 2024)	5 years (2019 to 2024)	Since Inception (to 2024)
TPT Annuity Aware Fund	10.4%	-8.4%	-5.2%	1.3%
TPT Cash Fund	5.0%	3.0%	1.7%	0.8%
TPT Diversified Growth Fund	13.1%	2.0%	3.5%	2.3%
TPT Emerging Markets Equity Fund	14.4%	-	-	14.2%
TPT Ethical Global Equity Fund	19.9%	10.0%	11.3%	11.7%
TPT Global Corporate Bond Fund	11.9%	-	-	10.0%
TPT Global Equity Fund	22.1%	7.9%	9.6%	9.2%
TPT Global Impact Bond Fund	11.2%	-	-	8.8%
TPT Global Impact Equity Fund	8.4%	-	-	6.0%
TPT Index Linked Gilts Fund	5.9%	-14.6%	-9.1%	0.5%
TPT Islamic Global Equity	26.6%	-	-	21.6%
TPT Low Carbon Transition Global Equity Fund	28.7%	-	-	24.9%
TPT Property Fund	8.9%	1.7%	1.3%	4.9%
TPT UK Equity Index Fund	12.8%	-	-	15.4%

Performance data is included for 1, 3, 5 year and since inception periods, as of 30 September 2024.

Diversified Growth Fund inception date is 30 September 2015. Islamic Global Equity Fund inception date is 30 September 2022. Emerging Market Equity, Global Corporate Bond, Global Impact Bond, Global Impact Equity, Low Carbon Transition and UK Equity Index Funds inception date is 23 August 2023. All other self-select fund inception date is 1 March 2013.

Asset allocation

As required by law, we have included table(s) showing asset allocation broken down into various components. These disclose the percentage of assets allocated to each of the following asset classes:

- Cash
- bonds creating or acknowledging indebtedness, issued by a company or issued by His Majesty’s Government in the United Kingdom or issued by the government of any country or territory other than the United Kingdom
- listed equities - shares listed on a recognised stock exchange
- private equity (that could include venture capital and growth equity) - shares which are not listed on a recognised stock exchange
- 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 - property which does not fall within infrastructure (above)
- private debt/credit - instruments creating or acknowledging indebtedness which do not fall within the description in bonds (above)
- other - any other assets which do not fall within the above (which might include assets that do not use a physical allocation, such as derivatives)

September 2024	Cash	Bonds	Listed Equity	Private Equity	Infrastructure	Property / Real Estate	Private Credit	Other
2011 - 2013	0.0	65.1	33.1	0.0	0.0	1.1	0.0	0.7
2014 - 2016	0.0	64.4	33.5	0.0	0.0	1.3	0.0	0.9
2017 - 2019	0.0	64.0	33.6	0.0	0.0	1.4	0.0	1.0
2020 - 2022	0.0	62.5	34.8	0.0	0.0	1.6	0.0	1.1
2023 - 2025	0.0	60.6	36.3	0.0	0.0	1.8	0.0	1.3
2026 - 2028	0.0	54.1	42.0	0.0	0.0	2.2	0.0	1.6
2029 - 2031	0.0	45.6	49.9	0.0	0.0	2.7	0.0	1.9
2032 - 2034	0.0	32.2	62.3	0.0	0.0	3.3	0.0	2.2
2035 - 2037	0.0	18.5	75.7	0.0	0.0	3.8	0.0	2.2
2038 - 2040	0.0	3.9	90.1	0.0	0.0	4.2	0.0	1.8
2041 - 2043	0.0	0.4	93.9	0.0	0.0	4.2	0.0	1.5
2044 - 2046	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2047 - 2049	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2050 - 2052	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2053 - 2055	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2056 - 2058	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2059 - 2061	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2062 - 2064	0.0	0.0	94.4	0.0	0.0	4.2	0.0	1.5
2065 - 2067	0.0	0.0	94.4	0.0	0.0	4.2	0.0	1.5
2068 - 2070	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2071 - 2073	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5
2074 - 2076	0.0	0.0	94.4	0.0	0.0	4.1	0.0	1.5
2077 - 2079	0.0	0.0	94.3	0.0	0.0	4.2	0.0	1.5

Asset allocation
continued



September 2024	Cash	Bonds	Listed Equity	Private Equity	Infrastructure	Property / Real Estate	Private Credit	Other
AllianceBernstein Ethical Retirement Fd 2011-2013	0.0	61.7	38.3	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2014-2016	0.0	61.3	38.7	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2017-2019	0.0	60.1	39.9	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2020-2022	0.0	58.1	41.9	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2023-2025	0.0	55.7	44.3	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2026-2008	0.0	46.1	53.9	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2029-2031	0.0	35.2	64.9	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2032-2034	0.0	22.0	78.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2035-2037	0.0	10.5	89.5	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2038-2040	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2041-2043	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2044-2046	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2047-2049	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2050-2052	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2053-2055	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2056-2058	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2059-2061	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2062-2064	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2065-2067	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2068-2070	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2071-2073	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2074-2076	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
AllianceBernstein Ethical Retirement Fd 2077-2079	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0

The above tables contain the asset allocation of the Standard and Ethical TDFs. In addition to the information above, the asset allocation of the Self Select Cash fund is 100% to money market instruments.