The Pensions Trust 2016

Annual Report and Financial Statements 2024

Pension Scheme Registration Number 12013479

tpt
Retirement Solutions

Contents

Trustee and Advisors

Trustee	Verity Trustees Limited
Chair of the Trustee Board	Joanna Matthews
Co-opted Directors	Joanna Matthews – Independent Chair
Employer-Nominated Directors	Jonathan Wheeler (resigned 30 September 2024) Paul Oldroyd Jonathan Cawthra (resigned 30 September 2024) Dean Waddingham Daniel Jackson (appointed 1 October 2024) Roger Boulton (appointed 1 October 2024)
Member-Nominated Directors	Thomas Hague Linda Henry (resigned 30 September 2024) Helen Astle Chris Roles Lauren Whitworth (appointed 1 October 2024)
Pensions Manager and Administrator	TPT Retirement Solutions Limited (appointed 2 October 2023)
Fiduciary Investment Manager	TPT Investment Management Limited (appointed 2 October 2023)
Scheme Actuary	Michael Kelly FIA Mercer Limited
Independent Auditors	PricewaterhouseCoopers LLP Atria House 144 Morrison Street Edinburgh EH3 8EX
Legal Advisors	Linklaters LLP CMS Cameron McKenna Nabarro LLP Pinsent Masons LLP
Bankers	Barclays Bank plc

Trustee and Advisors (continued)

Investment Managers	abrdn Alternative Funds Limited (resigned 1 April 2024) Alcentra Limited Apollo Global Management, LLC (resigned 29 August 2024) Ares Management LLC (resigned 1 April 2024) Ashmore Investment Management Limited BlackRock Investment Management (UK) Limited Carne Global Fund Managers (UK) Limited (appointed 28 March 2024) Chorus Capital Limited (resigned 1 July 2024) Christofferson, Robb & Company LLC (resigned 1 July 2024) Foresight Group Holdings PLC (resigned 1 April 2024) Hayfin PT LP (resigned 1 July 2024) IFM Investors Pty, Limited (resigned 1 April 2024) Insight Investment Management (appointed 8 July 2024) King Street Capital Management L.P (resigned 29 August 2024) KKR & Co. Inc. Legal & General Assurance (Pensions Management) Limited Man Group PLC (resigned 29 August 2024) Nephila Capital Limited Ownership Capital B.V. Pacific Investment Management Company LLC (resigned 1 July 2024) Partners Group RBC Global Asset Management (UK) Limited Royal London Asset Management Limited Ruffer LLP (resigned 22 August 2024) Sands Capital Management, LLC Siguler Guff & Company, LP Standard Life Assurance Limited Stonepeak Holdings LLC (resigned 1 April 2024) Vontobel Asset Management SA (formerly TwentyFour Asset Management LLP) Wellington Management International Limited
AVC Policy Providers	See listing in Note 15
Insurance Policy Providers	See listing in Note 14
Investment Consultants	TPT Investment Management Limited (appointed 2 October 2023) Mercer Investment Consulting (resigned 2 October 2023) Redington Investments Limited (resigned 2 October 2023)

Trustee and Advisors (continued)

Custodian	The Northern Trust Company
Custody Consultants	Thomas Murray Data Services
Address for enquiries	TPT Retirement Solutions Limited Verity House 6 Canal Wharf Leeds West Yorkshire LS11 5BQ Email: enquiries@tpt.org.uk Website: www.tpt.org.uk

Trustee's Report

For the year ended 30 September 2024

Verity Trustees Limited (the "Trustee") presents its Annual Report on The Pensions Trust 2016 (the "Trust"), together with the Financial Statements of the Trust for the year ended 30 September 2024.

Trust Constitution and Management

The Trust is governed by Verity Trustees Limited, the sole corporate Trustee. As at 30 September 2024, the Trustee Board consisted of nine Directors, four of whom are nominated by the members, four by the employers and one Director co-opted onto the Trustee Board by the member and employer-nominated Directors. During 2024 the Trustee undertook a recruitment exercise to appoint two Employer Nominated Directors ("END"s) and one Member Nominated Director ("MND"s). On 30 September 2024, Jonathan Wheeler and Jonathan Cawthra retired as ENDs and Linda Henry retired as an MND. On 1 October 2024, Roger Boulton and Daniel Jackson were appointed as ENDs and Lauren Whitworth as an MND.

The Trustee Board has the following six sub-committees which comprise a combination of Trustee Board members and independent experts. The paper and minutes of sub-committee meetings are made available to all Trustee Board members.

- The Investment Oversight Committee ("IOC") normally meets four times a year. Its purpose is to oversee the performance of TPTIM and review policies before recommending them to the Trustee Board for approval. The Chair of the IOC is Mark Laidlaw. The Chair attends Trustee Board meetings quarterly to present a report from the IOC.

- The Funding Committee ("FC") meets at least four times a year. Its purpose is to agree scheme-specific funding and asset allocation decisions for the Trust's defined benefit pension schemes and to oversee the actuarial valuation process. The Chair of the FC is Colin Richardson and Ian Maybury is also appointed to the FC. The Chair attends Trustee Board meeting quarterly to present a report from the FC.

- The Audit, Risk & Compliance Committee ("ARCC") meets four times a year to consider internal audit, internal controls, compliance, the annual audit and the Annual Report and Financial Statements. The Chair of the ARCC is Calum Thomson and Felicity Bambury and John Schofield are also appointed to the ARCC. The Chair attends Trustee Board meetings annually to present a report from the ARCC.

- The Remuneration and Appointments Committee ("RAC") meets at least twice a year to approve the remuneration strategy for all Board and Committee members. The RAC is chaired by a Senior Nominated Director (Chris Roles) and comprises only MNDs and ENDs. The Chair presents an annual report from the RAC to the Trustee Board.

- The Member Services Committee ("MSC") usually meets four times a year and is responsible for overseeing the services TPTRSL provides to members, providing input on the development of service enhancements and agreeing administration policy as required. This committee is

Trustee's Report (continued)

chaired by a member of the Trustee Board (Dean Waddingham) and comprises only MNDs and ENDs. The Chair of the MSC presents a quarterly report to the Trustee Board.

- The Appeals and Discretions Committee ("ADC") determines appeals to the Trustee at the second stage of the Internal Disputes Resolution Procedure and exercises discretion on behalf of the Trustee. The Committee will usually discuss and agree an appeal via video conference rather than a face-to-face meeting. This committee is chaired by a member of the Trustee Board (Paul Oldroyd) and comprises only MNDs and ENDs. The Chair of the ADC presents an annual report to the Trustee Board. The ADC may also refer matters arising from disputes to the MSC for further consideration.

On 2 October 2023, the Trustee entered into a contract with TPT Retirement Solutions Limited ("TPT RSL") for the provision of pensions management and administration services and appointed TPT Investment Management Limited ("TPTIM") as a Fiduciary Investment Manager. TPT RSL is a wholly owned subsidiary of Verity Trustees Limited in its capacity as a Trustee of The Pensions Trust, and TPTIM is a wholly owned subsidiary of TPT RSL.

Verity Trustees Limited is also the corporate Trustee of The Pensions Trust. Directors of Verity Trustees Limited, other than those who are co-opted, can be nominated by members and employers of either Trust.

The Articles of Association of the corporate Trustee and the Rules of the Trust contain provisions for the appointment and removal of Trustee Directors.

Joanna Matthews was the Independent Chair of the Trustee Board for the year ended 30 September 2024.

The Trustee has appointed professional advisors and other organisations to support it in delivering the Trust's objectives. These individuals and organisations are listed on pages 1 to 3. The Trustee has written agreements in place with each of them.

The Trust is a centralised occupational pension fund for non-associated employers ("employers").
There are 12 (2023: 10) segregated schemes ("schemes") within the Trust as at 30 September 2024.

Trustee's Report (continued)

The individual schemes and the asset values are detailed below

	2024 £'000	2023 £'000
Coventry Building Society Staff Superannuation Scheme[2]	142,246.4	139,701.5
Cambridge Building Society Retirement Plan[2]	13,104.0	11,897.7
Darlington Building Society Pension Plan[2]	18,372.8	18,169.8
Frank Roberts & Sons Pension Scheme[2]	18,252.7	16,435.8
Heywood and Partners Ltd Pension Scheme [2]	12,907.0	-
Hinckley and Rugby Building Society Defined Benefit Pension Scheme[2]	18,752.1	18,491.3
Medicash Pension Fund[2]	12,923.1	12,745.5
National Counties Building Society Pension Scheme[1]	22,697.6	20,708.7
Reading Transport Staff Retirement Plan[1]	47,107.6	-
Seabourne Pension Scheme[2]	5,964.3	5,621.9
Together Working for Wellbeing Pension Scheme[2]	17,413.6	15,152.8
Waterloo Housing Association Benefit Plan[2]	9,947.3	9,454.8
	339,688.5	**268,379.8**

[1] *Closed to new entrants*

[2] *Closed to future defined benefit accrual*

Current Economic Environment

The last year's economic environment has seen high inflation and subsequently high central bank rates, as banks look to bring inflation back to their targets. Although long term global government bond yields have fallen, the loosening of monetary policy has been slower than expected at the start of this year. The Bank of England has reduced the base rate 25bps from 5.25% on 1 October 2023 to 5.00% on 30 September 2024 and as a result have almost achieved the 2% target, with UK CPI falling from 6.7% to 2.2% over the same period. Subsequently, the close management of collateral required during 2022 and 2023 has eased slightly, tempered further by the gradual expected repayment of cashflow generating assets held by the Trust.

Despite the higher rates affecting all parts of the economy, consumer demand and economic activity, particularly in the US, have held up well. Although defaults have increased, as might be expected due to the higher borrowing cost, these have not been as significant as implied by the market pricing of corporate debt. Equity performance has been volatile over the year, however despite this, performance has been positive across the board. The Trustee retains a well-diversified portfolio in order to mitigate these associated risks.

Trustee's Report (continued)

Economic Outlook

Looking forward it has become apparent that, although inflation in major economies in the West has fallen closer to target following the monetary tightening that occurred post-pandemic, a number of inflationary pressures remain, particularly in wage inflation. Due to these inflationary pressures, and

in light of the expected tariffs being introduced by the US, expectations of further interest rate cuts have been put on hold, and the narrative has turned to 'higher for longer'. In the UK, the outlook for GDP growth remains muted, with the economy growing by just 0.1% in the fourth quarter of 2024. In particular the level of government bond issuance required to deliver the spending plans announced in the budget in October 2024, and the subsequent increases in the cost of government borrowing, have placed a strain on the expected fiscal headroom which may curb spending or require further tax increases.

Membership and Benefits

As at the year end, there were 12 (2023: 10) participating employers.

The change in membership during the year is as follows:

	Active Members	Deferred Members	Pensioners	Beneficiaries	Total
At the start of the year	70	1,767	1,445	137	3,419
	-	-	-	-	-
New members*	67	116	225	-	408
Members retiring	(1)	(83)	84	-	-
Members leaving prior to pension age	(5)	5	-	-	-
Members leaving with refunds	-	(3)	-	-	(3)
Transfers out	(1)	(10)	-	-	(11)
Full commutations	-	(6)	-	-	(6)
Deaths	-	(4)	(31)	-	(35)
New beneficiaries*	-	-	-	51	51
Reclassifications	-	-	-	-	-
Change in member status	-	-	1	-	1
At the end of the year	**130**	**1,782**	**1,724**	**188**	**3,824**

**New members and new beneficiaries relate to additional records for two new schemes in the year - Heywood and Partners Ltd Pension Scheme and Reading Transport Staff Retirement Plan*

The above membership reflects the number of records held rather than individual members.

Included in the above are 73 (2023: 73 (restated)) pensioners and beneficiaries whose benefits are secured by annuities. Included within the number of active members are 31 (2023: 32) paid-up members. Paid-up members are members who are still in employment but are not contributing to the Trust, though they still maintain a salary link.

Trustee's Report (continued)

Financial Developments and Financial Statements

The Financial Statements included in this annual report are the accounts required by the Pensions Act 1995. The Financial Statements set out on pages 21 to 50 have been prepared and audited in compliance with regulations made under sections 41(1) and (6) of that Act.

The summary financial performance of the Trust is as follows:

	30 Sept 2024 £'000	30 Sept 2023 £'000
Contributions Receivable	7,403.9	7,132.9
Transfers In and Other Income	60,768.6	-
Benefits Paid or Payable	(15,449.5)	(12,617.8)
Transfers Out to Other Schemes	(313.4)	(718.5)
Administrative Expenses (incl. PPF levy)	(1,752.0)	(1,371.8)
Net Additions/(Withdrawals) from dealings with Members	50,657.6	(7,575.2)
Investment Income	10,373.2	9,497.2
Change in Market Value of Investments	12,048.9	(48,513.4)
Investment management expenses	(1,771.0)	(2,051.0)
Net Return on Investments	20,651.1	(41,067.2)
Net Increase/(Decrease) in the Trust during year	71,308.7	(48,642.4)
Net Assets at beginning of year	268,379.8	317,022.2
Net Assets at end of year	**339,688.5**	**268,379.8**

Developments affecting the financial performance of the Trust during the year include:

- Contributions receivable have increased by 3.8% when compared to the prior year, from £7,132.9k to £7,403.9k.
- Within Benefits Paid or Payable, the pensions payable have increased by 22.4% from £12,617.8k to £15,449.5k, largely as a result of Heywood and Partners Ltd Pension Scheme and Reading Transport Staff Retirement Plan transferring in during the year.
- There was a positive return on investments during the year to 30 September 2024 of 7.7% (2023: negative return of 14.9%). Further details on investment performance can be found on page 13.

Trustee's Report (continued)

Pension Increases

The Rules make provision for increases to pensions in payment and deferred pensions. The increases applied depend on when the benefits are accrued and under which pension scheme. Decisions on increases are made in accordance with the provisions of each scheme, taking into account the financial position of the scheme, other relevant factors and the interests of all the categories of beneficiaries. Where pensions in payment are increased annually, this is normally by at least Limited Price Indexation "LPI", which means that the increase is capped at a maximum of either 2.5% or 5.0% depending upon when the benefits were accrued, unless scheme rules provide otherwise. Following the change in the statutory basis for increasing pensions in payment, from April 2011, pensions in payment have been calculated with reference to the Consumer Prices Index "CPI" rather than the Retail Prices Index "RPI", unless scheme rules provide otherwise.

The table below summarises the most recent increases applied:

	Minimum	Maximum	Average
Effective date			
Pensions in payment			
6 April 2024	0.0%	5.0%	**3.2%**
6 April 2023	0.0%	5.0%	**3.1%**

There have been no discretionary increases awarded during the reporting period (2023: none).

Transfer Values

Cash equivalents paid during the year with respect to transfers have been calculated and verified in the manner prescribed by the Pensions Act 1993 and do not include discretionary benefits. Following receipt of an insufficiency report from the Scheme Actuary, transfer values payable from the Frank Roberts & Sons Pension Scheme are currently reduced due to the level of underfunding in the scheme.

Report on Actuarial Liabilities

As required by Financial Reporting Standard 102, the financial reporting standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102'), the Financial Statements do not include liabilities in respect of promised retirement benefits.

Under section 222 of the Pensions Act 2004, every scheme within the Trust is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions, which represent the present value of benefits to which members are entitled based on pensionable service to the valuation date. This is assessed at least every three years using assumptions agreed between the Trustee and the employer and set out in the Statement of Funding Principles, a copy of which is available to scheme members on request from the address for enquiries on page 3.

Trustee's Report (continued)

The Trust's schemes are usually valued once every three years. Details of the individual schemes' actuarial valuation certifications are contained in the Summary of Actuarial Certificates section of the annual report on pages 55 to 56. In the years in between full actuarial valuations an actuarial update is prepared by the Scheme Actuary. The actuarial update is a roll-forward of the full actuarial valuation.

The aggregate valuation of all the Trust's schemes at 30 September 2023 (the latest aggregate valuation available) is the sum total of either the full actuarial valuations at that date or the latest actuarial update.

	2023	**2022**
Valuation date 30 September	**£'000**	**£'000**
Value of Technical Provisions	316,703.3	363,382.2
Value of Assets Available to meet Technical Provisions[1]	268,379.8	310,232.8
as a percentage of Technical Provisions	84.7%	85.4%

[1]Note: In accordance with SORP 2018, the value of assets available to meet technical provisions is as at the date of the related actuarial valuation.

The value of technical provisions is based on the Pensionable Service accrued to the valuation date and assumptions about various factors that will influence each scheme in the future, such as the levels of investment returns and pay increases, when members will retire and how long members will live. The method and significant actuarial assumptions used in general for the 2023 valuations are shown below, although there may be isolated Scheme-specific variations:

Method

The actuarial method used in the calculation of the technical provisions is the Projected Unit Method, with a control period of one year for open schemes and of duration to Normal Pension Age for schemes closed to new entrants.

Significant Actuarial Assumptions

Discount Interest Rate: Scheme-specific set by reference to a fixed interest gilt curve at the valuation date, with an adjustment for expected outperformance from scheme assets.

Future Retail Price Inflation: Set by reference to a market-implied inflation curve as derived from gilt prices at the valuation date.

Future Consumer Price Inflation: Retail Price Inflation less 1.0% per annum until 2030 and then less 0.0% per annum thereafter.

Pension Increases: Derived from the term-dependent rates for future retail or consumer price inflation, allowing for the caps and floors on pension increases according to the provisions of the schemes' rules.

Trustee's Report (continued)

Pay Increases: General pay increases of 2.0% per annum above the rates for the future consumer price inflation, with some scheme-specific variations.

Mortality: Mortality and morbidity tables produced by the CMI (Continuous Mortality Investigation) with the support of the Institute and Faculty of Actuaries are used. No allowance is made for the period pre-retirement. For the period post-retirement, a scheme-specific loading to the S3PxA tables is used, with future improvements based on CMI tables with a long-term scaling factor of 1.50% for males and 1.25% for females and an A parameter of 0.25% for males and females.

Recovery Plan

The arrangements for each scheme section are formalised in Schedules of Contributions that are certified by the Scheme Actuary. Details of the date of certification of each schedule can be found on page 56. A copy of the example certificate can be found on page 55.

Contractual Arrangements

The Trust was party to one (2023: one) other contractual arrangement in relation to one employer (2023: one employer) that participate in the Trust.

GMP Equalisation

The Trustee is currently reviewing, with its advisors, the impact of a High Court ruling made in October 2018, as well as a follow-on judgement in November 2020, concerning Guaranteed Minimum Pension (GMP) Equalisation. Further details can be found in note 24 to the Financial Statements.

Virgin Media Case

During the year ended 30 September 2024, the Trustee also became aware of the Court of Appeal's judgment in the case of Virgin Media v NTL Pension Trustees. Further details can be found in note 25 to the Financial Statements.

Regulation and Governance

The Pensions Trust 2016 is regulated by The Pensions Regulator. The Trustee has in place policies and processes to enable it to monitor compliance with applicable laws and regulations.

Investment Management

Investment Strategy and Principles

The Trustee is responsible for determining the schemes' investment strategies.

In accordance with section 35 of the Pensions Act 1995, the Trustee has agreed a Statements of Investment Principles ("SIP"). The version in place at 30 September 2024 were approved in October 2023. A copy of the SIP may be obtained from the address for enquiries on page 2 or can be found on TPT's website.

Trustee's Report (continued)

Trustees of most schemes with 100 or more members, such as Verity Trustees Limited, must include an Implementation Statement for all Annual Report and Financial Statements produced on or after 1 October 2020. The Implementation Statement requirements differ between Defined contribution/hybrid schemes and pure Defined Benefit schemes, but the statement must set out information about how the Trustee has put its SIP into practice, particularly in relation to stewardship and engagement.

The Trustee is required to set out its opinion on how its policy and the SIP have been followed; to describe voting behaviour; and to explain any change to the SIP and the reason for it. The Trustee must also publish the Implementation Statement online and inform members about its availability.

A copy of the Implementation Statement can be found in Appendix 1 on pages 60 to 89.

Management and Custody of Investments

The Trustee has delegated the management of its investments to professional investment managers which are listed on page 2. These managers, which are regulated by the appropriate regulatory body in their country of operation, such as the Financial Conduct Authority in the United Kingdom, manage the investments within the restrictions set out in investment management agreements which are designed to ensure that the objectives and policies set out in the SIPs are followed.

The mandates put in place by the Trustee specify how rights attaching to the Trust's segregated investments are acted upon. These include active voting participation and a requirement to consider environmental, social and governance ("ESG") and wider stewardship factors when making investment decisions. The Trustee has less influence over the underlying investments within pooled investment vehicles held by the Trust but reviews the managers' policies and statements of compliance in respect of these matters.

The Trustee is committed to being a Responsible Investor, an approach which seeks to integrate ESG considerations into investment management processes and ownership practices.

Of the environmental risks that the Trustee considers, climate change potentially presents the most material long-term risk and, in line with the recommendations set out in the Financial Stability Board's Task Force on Climate-related Financial Disclosures, we have disclosed the Trust's approach to climate-risk management on TPT's website.

During the course of the year the investments held by the Trust were reorganised with the assets being moved out of the Trust's names, and moved in-specie to a series of UK-domiciled unit trusts. The exception to this was the liability hedging assets, ethical funds and any legacy assets brought by Sections joining the Trust; these were not impacted by the reorganisation.

The unit trusts were co-created by TPT Investment Management Limited and Carne Global Fund Managers (UK) Limited ("Carne"), with Carne acting as the Alternative Investment Fund Manager and TPT Investment Manager appointed as the Investment Manager to the funds.

The purpose of the reorganisation was to allow third-party trustees to invest alongside the Trust, benefitting from its scale, and ability to invest in more hard-to-access investments e.g. private market assets. The ultimate objective is to facilitate the consolidation of UK Defined Benefit ("DB") schemes,

Trustee's Report (continued)

which will bring to bear the benefits of scale across the industry. In turn, given the increased assets under management in UK unit trusts it is expected that the Trust will be able to further increase its diversification of investment strategy and lower investment management fees, whilst also simplifying the operational management of the assets.

In addition, the liability hedging assets were transitioned into a new solution to improve the management of asset-liability risk, via a series of bespoke funds set up specifically to match the liabilities of the Trust.

The Trustee has appointed The Northern Trust Company to keep custody of the Trust's investments, other than:

- Pooled investment vehicles and qualifying investment funds, where the manager makes its own arrangements for custody of underlying investments;
- Direct property, where title deeds are held by the Trust's legal advisors; and
- Additional Voluntary Contributions and other investments which are in the form of insurance policies, where the master policy documents are held by the Trustee.

Investment Performance

The performance of the Trust's investments compared to benchmark is summarised in the following table. The Trust manages and monitors its Defined Benefit investments in one main portfolio.

The Trust further manages and monitors three separate portfolios: the Growth Assets Portfolio, the Matching-Plus Portfolio ("MPP"), and Liability Driven Investments ("LDI"). The weightings attributed to each of these portfolios will depend on the characteristics of each scheme.

There was a positive return on investments on the main portfolio in the year to 30 September 2024 of 7.7% (2023: negative return of 14.9%).

The performance of the Trust's investments compared to benchmark is summarised in the following table.

Trustee's Report (continued)

Annualised return over:	**Portfolio allocation**	**1 Year**	**3 Years**	**5 Years**
Growth Assets	**19%**	**7.9%**	**4.8%**	**6.6%**
Benchmark[1]		*9.6%*	*7.6%*	*6.4%*
Matching-Plus	**39%**	**5.2%**	**(4.2)%**	**(1.2)%**
Benchmark[2]		*8.3%*	*(0.9)%*	*(0.4)%*
Liability Driven Investments[3]	**42%**	**9.6%**	**(35.5)%**	**(24.7)%**
Benchmark[4]		*9.4%*	*(46.3)%*	*(32.4)%*
Main Portfolio	**100%**	**7.7%**	**(14.0)%**	**(8.1)%**

[1]The aim of the Growth Assets Portfolio is to outperform cash + 4.25% per annum over rolling 5 year periods (subject to a volatility constraint). The benchmark in the table above represents the cash + 4.25% objective.

[2]The aim of the Matching-Plus Portfolio is to outperform the ICE BoA UK gilts 1-15 years benchmark by 1.4% per annum. The benchmark in the table above represents this objective.

[3]These assets employ leverage and are managed to change in line with the liabilities they cover, therefore they may show large movements on an absolute basis.

[4]The LDI benchmark reported is a fund-weighted composite of underlying account benchmarks.

Further details on investment performance, including against targets rather than benchmarks, for example, can be found in the Annual Review which is available on TPT's website.

Employer-Related Investments

The Trust invests in various housing bonds, whose underlying borrowers are drawn from a pool of registered social landlords. The names of the actual borrowers are not disclosed and can vary over time. Waterloo Housing Association is the only registered social landlord which participates in the Trust which could be an Employer Related Investment.

Employer-Related Investments include contributions that were received later than the due date set out on the Schedules of Contributions. As at 30 September 2024, there were £nil (2023: £nil) late contributions outstanding. This represents 0.0% of net assets (2023: 0.0%).

Statement of Trustee's responsibilities

The Trustee's responsibilities in respect of the Financial Statements

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the Trustee. Pension scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Trust during the Trust year and of the amount and disposition at the end of the Trust year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Trust year; and

- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Trust will continue as a going concern.

The Trustee is also responsible for making available certain other information about the Trust in the form of an annual report.

The Trustee has a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is also responsible for the maintenance and integrity of the TPT Retirement Solutions website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's responsibilities in respect of contributions

The Trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the Trust by or on behalf of employers and the active members of the Trust and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Trust and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Trust in accordance with the schedule of contributions.

Statement of Trustee's responsibilities (continued)

Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

Approval

The Trustee's Report on pages 3 to 16 was approved and signed for and on behalf of the Trustee on 10 March 2025.

Joanna Matthews
Independent Chair
Verity Trustees Limited

Independent auditors' report to the Trustee of The Pensions Trust 2016

Report on the audit of the Financial Statements

Opinion

In our opinion, The Pensions Trust 2016's Financial Statements:

- show a true and fair view of the financial transactions of the Trust during the year ended 30 September 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We have audited the financial statements, included within the Annual Report and Financial Statements, which comprise: the Statement of Net Assets (available for benefits) as at 30 September 2024; the Fund Account for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

Independent auditors' report to the Trustee of The Pensions Trust 2016 (continued)

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report and Financial Statements other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the Financial Statements and the audit

Responsibilities of the Trustee for the Financial Statements

As explained more fully in the Statement of Trustee's responsibilities, the Trustee is responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The Trustee is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Trustee is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Trust, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the Trustee of The Pensions Trust 2016 (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Trust and its environment, we identified that the principal risks of non-compliance with laws and regulations related to the administration of the Trust in accordance with the Pensions Acts 1995 and 2004 and regulations made under them, and codes of practice issued by the Pensions Regulator; and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, by the Trustee and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and determined that the principal risks were related to posting inappropriate journals to conceal misappropriation of assets and inappropriate adjustments of asset valuations. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Testing estimates and judgements made in the preparation of the financial statements for indicators of bias.
- Reviewing meeting minutes, any correspondence with the Pensions Regulator, and significant contracts and agreements.
- Holding discussions with the Trustee to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with the Pensions Acts 1995 and 2004 and regulations made under them.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' report to the Trustee of The Pensions Trust 2016 (continued)

Use of this report

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

10 March 2025

Financial Statements

Fund Account

For the year ended 30 September 2024

	Note	2024	2023
		£’000	**£’000**
Employer Contributions		7,224.5	7,008.8
Employee Contributions		179.4	124.1
Total Contributions	4	7,403.9	7,132.9
Transfers in	5	60,768.6	-
		68,172.5	**7,132.9**
Benefits Paid or Payable	6	(15,449.5)	(12,617.8)
Transfers Out to Other Schemes	7	(313.4)	(718.5)
Administrative Expenses	8	(1,752.0)	(1,371.8)
		(17,514.9)	**(14,708.1)**
Net additions / (withdrawals) from dealings with Members		**50,657.6**	**(7,575.2)**
Net Returns on Investments			
Investment Income	9	10,373.2	9,497.2
Change in Market Value of Investments	10	12,048.9	(48,513.4)
Investment Management Expenses	11	(1,771.0)	(2,051.0)
		20,651.1	**(41,067.2)**
Net Increase / (Decrease) in the Trust		**71,308.7**	**(48,642.4)**
Opening Net Assets		**268,379.8**	**317,022.2**
Closing Net Assets available for benefits		**339,688.5**	**268,379.8**

The notes on pages 24 to 50 form part of these Financial Statements.

Financial Statements (continued)

Statement of Net Assets (available for benefits)

As at 30 September 2024

	Note	Total 2024 £'000	Total 2023 £'000
Investment Assets			
Equities	10	4,699.6	967.9
Bonds	10	5,889.5	7,869.3
Pooled Investment Vehicles	12	306,796.8	240,687.9
Derivatives	13	424.0	88.5
Insurance Policies	14	5,211.6	5,186.4
AVC Investments	15	532.0	261.1
Cash and Cash Equivalents	16	13,706.8	1,892.2
Other Investment Balances	16	1,280.8	11,922.4
		338,541.1	**268,875.7**
Investment Liabilities			
Derivatives	13	(59.0)	(772.3)
Other Investment Balances	16	(444.5)	(38.2)
		(503.5)	**(810.5)**
Total Net Investments		**338,037.6**	**268,065.2**
Current Assets	20	3,250.0	1,389.0
Current Liabilities	21	(1,599.1)	(1,074.4)
Total Net Assets (available for benefits)		**339,688.5**	**268,379.8**

The Financial Statements summarise the transactions of the Trust and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Trust's financial period. The actuarial position of the defined benefit schemes, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities on pages 9 to 11 of the Annual Report. These Financial Statements should be read in conjunction with this Report.

The notes on pages 24 to 50 form part of these Financial Statements.

Financial Statements (continued)

The Financial Statements on pages 21 to 50 have been approved and signed for and on behalf of the Trustee on 10 March 2025.

Joanna Matthews
Independent Chair
Verity Trustees Limited

Notes to the Financial Statements

For the year ended 30 September 2024

1. General Information

The Trust is a centralised occupational pension fund for non-associated employers established as a trust under English Law.

The address of the Trust's principal office is 6 Canal Wharf, Leeds, West Yorkshire, LS11 5BQ. The Trust is registered in the United Kingdom.

The Trust is a Defined Benefit scheme, which is closed to new members but some members maintain a salary link to their benefits upon retirement.

The Trust is a registered pension scheme under Chapter 2, Part 4 of the Finance Act 2004. This means that contributions by employers and employees are normally eligible for tax relief and income and capital gains earned by the scheme receive preferential tax treatment.

2. Basis of Preparation

The individual Financial Statements of The Pensions Trust 2016 have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard (FRS) 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council ("FRS 102") and the guidance set out in the Statement of Recommended Practice "Financial Reports of Pension Schemes" (revised June 2018) ("the SORP").

3. Accounting Policies

The principal accounting policies of the Trust, which have been applied consistently, are as follows:

a. Currency

The Trust's functional currency and presentational currency is pounds sterling (GBP).

Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year end. Foreign currency transactions are translated into sterling at the spot exchange rate at the date of the transaction.

Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

b. Contributions and Other Income

i. Employees' normal contributions and Additional Voluntary Contributions (AVCs) remitted by the employer are accounted for on an accruals basis when deducted from pay.

Notes to the Financial Statements (continued)

3. Accounting Policies (continued)

ii. Employers' normal contributions remitted by the employer that are expressed as a rate of pensionable salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they are due under the Schedules of Contributions.

iii. All contributions payable under salary sacrifice arrangements are classified as employer contributions.

iv. Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Schedules of Contributions and recovery plan under which they are being paid.

v. Special contributions include employer debt on withdrawal contributions (Section 75 debts) which are accounted for on the due dates on which they are payable with provision made where there is uncertainty of receipt.

vi. Other income is recognised on an accruals basis.

c. Transfers from and to Other Schemes

i. Group and individual transfers in are accounted for on an accruals basis, which is normally the earlier of when member liability is accepted by the Trust or the transfer value is paid.

ii. Individual transfers out are accounted for on an accruals basis, which is normally when the transfer value is paid and member liability is discharged.

iii. Where members of new schemes hold externally operated AVC policies, the transfer value is accounted for when the policy is transferred into the name of the Trustee. Payments out to members are made when payments are received from the policy operator.

d. Benefits and Payments to and on Account of Leavers

i. Pensions in payment, including pensions funded by annuity contracts, are accounted for in the period to which they relate.

ii. Where members can choose whether to take their benefits as a full pension or as a lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement or the date the option is exercised.

Notes to the Financial Statements (continued)

3. Accounting Policies (continued)

iii. Other benefits are accounted for on an accruals basis on the date of leaving or death as appropriate. Refunds and opt-outs are accounted for when the Trustee is notified of the member's decision to leave the Trust.

iv. Where the Trustee agrees or is required to settle tax liabilities on behalf of a member (such as where lifetime or annual allowances are exceeded) with a consequent reduction in that member's benefit received from the Trust, any taxation due is accounted for on the same basis as the event giving rise to the tax liability and shown separately within benefits.

e. Administrative and Other Expenses

i. The Trustee of The Pensions Trust 2016, Verity Trustees Limited, is also the Trustee of The Pensions Trust. The Pensions Trust Pays an administration charge to TPT RSL on behalf of the Trust. The Trust pays a monthly management fee to the Pensions Trust in this respect.

ii. Expenses which relate specifically to individual schemes are allocated to the appropriate scheme on an accruals basis.

iii. Investment management expenses and administrative expenses, other than those relating specifically to a particular scheme, are allocated on the basis of asset values and member numbers, as appropriate.

f. Investment Income and Expenditure

i. Income from equities and any pooled investment vehicles which distribute income is accounted for on an accruals basis on the date stocks are quoted ex-dividend or, in the case of unquoted instruments, when the dividend is declared.

ii. Income from bonds is accounted for on an accruals basis and includes income bought and sold on purchases and sales of bonds. Interest on cash and short-term deposits and income from other investments are accounted for on an accruals basis.

iii. Interest is accrued on a daily basis.

iv. Investment income is reported net of attributable tax credits but gross of withholding taxes, which are accrued in line with the associated investment income.

v. Income arising from annuity policies is included in investment income. Income from annuities is accounted for on an accruals basis.

Notes to the Financial Statements (continued)

3. Accounting Policies (continued)

vi. The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time in the year, i.e. profits and losses realised on sales of investments during the year and unrealised

changes in market value on amounts held at the end of the year. In the case of pooled investment vehicles which are accumulation funds, where income is reinvested within the fund without issue of further units, change in market value also includes such income.

vii. Transaction costs are included in the cost of purchases and sale proceeds. Transaction costs include costs charged directly to the Trust such as fees, commissions, stamp duty and other fees. Other investment management expenses are accounted for on an accruals basis and shown separately within net returns on investments.

g. Investments

Investment assets and liabilities are included in the Financial Statements at fair value. Where separate bid and offer prices are available, the bid price is used for investment assets and the offer price for investment liabilities. Otherwise, the closing single price or most recent transaction price is used.

i. Readily traded investments (equities, bonds and certain pooled investments) are stated at the bid price or the last traded price, depending on the convention of the stock exchange on which they are quoted.

ii. Where quoted or unquoted unit prices are not available, the Trustee adopts valuation techniques appropriate to the class of investment. Details of the valuation techniques and principal assumptions are given in the notes to the Financial Statements where used.

iii. Where the value of a pooled investment vehicle ("PIV") is primarily driven by the fair value of its underlying investments, the net asset value advised by the fund manager is normally considered a suitable approximation to fair value unless there are restrictions or other factors which prevent realisation at that value, in which case adjustment is made.

iv. Over-the-counter ("OTC") derivatives are stated at fair value estimated using pricing models and relevant market data as at the year end date. Forward foreign exchange contracts are valued by determining the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date. All gains and losses arising on derivative contracts are reported within 'change in market value'.

Notes to the Financial Statements (continued)

3. Accounting Policies (continued)

v. Insurance policies purchased for retired members in their own names fully discharge the Trust's liability to those members and are therefore not included in these Financial Statements. The individuals are removed from membership records and the cost of purchasing the annuities is reported within payments to and on account of leavers as the former members do not have their pension paid by the Trust.

vi. Insurance policy assets which provide benefits for members, but which are in the name of the Trustee, as detailed in note 14, are valued by the Scheme's Actuary based on the expected future pensioner benefit payments covered by the contract, discounted back to the financial year end using assumptions agreed by the Trustee on advice from the Scheme Actuary. The assets are assumed to be equal to the actuarial liability at the valuation date.

vii. AVCs are invested in accordance with members' instructions.

h. Critical Accounting Judgements and Estimation Uncertainty

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

ii. The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. For the Trust, the Trustee believes the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the valuation of the Trust investments and, in particular, those classified in Level 3 of the fair-value hierarchy. Explanation of the key assumptions underpinning the valuation of investments is included within (g) above and within notes 14, 18 and 19. The Trustee does not consider there to be any critical judgements.

Notes to the Financial Statements (continued)

4. Contributions

	Year ended 30 Sept 2024 £'000	Year ended 30 Sept 2023 £'000
Employer Contributions		
Normal	868.3	880.6
Administrative expenses	1,112.3	1,250.3
Deficit funding	5,237.5	4,877.9
AVC's	6.4	-
	7,224.5	**7,008.8**
Employee Contributions		
Normal	175.7	124.1
AVC's	3.7	-
	179.4	**124.1**
	7,403.9	**7,132.9**

Employer normal contributions: these include contributions in respect of salary sacrifice arrangements made available to certain members by the Employer.

Deficit funding: An actuarial valuation of each DB scheme will be carried out every three years. Deficit funding represents payments by schemes to eliminate past service deficits in accordance with the Schedules of Contributions prepared by the Actuary. Employer normal contributions include contributions in respect of salary sacrifice arrangements made available to certain members by the Employer.

Special Contributions: These are paid by employers in addition to the deficit funding requirements identified in the Schedules of Contributions.

Total future commitments as at 30 September 2024.

	£'000
Due in 1 year	5,048.3
Due in 1 - 2 years	3,657.7
Due in 2 - 5 years	9,086.7
Due in > 5 years	3,911.7
TOTAL	**21,704.4**

Deficit recovery periods differ between Schedules of Contributions. The shortest deficit recovery period is three years, with the longest being 23 years.

During the year, there were no instances (2023: four) of late payments relating to no (2023: one) employers. Further details can be found in the Summary of Contributions on page 53.

Notes to the Financial Statements (continued)

5. Transfers In

	2024 £'000	2023 £'000
Group Transfers in:		
Investments - Reading Transport Staff Retirement Plan	45,429.4	-
Investments - Heywood & Partners Ltd Pensions Scheme	13,092.4	-
Cash - Coventry Building Society Staff Superannuation Scheme*	2,246.8	-
	60,768.6	**-**

**This relates to a final payment in relation to a scheme transferred on 3 June 2019.*

The amounts above were received in cash, with the exception of £44,156.4k received by the transfer of ownership of investment assets.

6. Benefits Paid or Payable

	Year ended 30 Sept 2024 £'000	Year ended 30 Sept 2023 £'000
Pensions	13,106.2	10,701.0
Commutations and Lump Sum Retirement Benefits	2,304.8	1,839.9
Lump Sum Death Benefits	38.5	53.0
Taxation	-	23.9
	15,449.5	**12,617.8**

7. Transfers Out to Other Schemes

	Year ended 30 Sept 2024 £'000	Year ended 30 Sept 2023 £'000
Individual Transfers Out to Other Schemes	313.4	718.5
	313.4	**718.5**

Notes to the Financial Statements (continued)

8. Administrative Expenses

	Year ended 30 Sept 2024 £'000	Year ended 30 Sept 2023 £'000
Monthly Management Charge	1,283.4	1,089.5
Pension Protection Fund Levy	115.5	175.2
Scheme Specific Expenses	353.1	107.1
	1,752.0	**1,371.8**

From 2 October 2023 onwards, administration of the Trust is undertaken by TPT RSL. The Pensions Trust's Expenses Reserve Account pays an administration charge to TPT RSL on behalf of the Trust. The monthly management charge represents the amounts paid to The Pensions Trust in this respect.

9. Investment Income

	Year ended 30 Sept 2024 £'000	Year ended 30 Sept 2023 £'000
Income from Equities	33.7	13.7
Income from Bonds	637.9	523.9
Income from PIVs	9,280.5	8,302.4
Income from Insurance Policies	421.1	467.8
Income from Cash	-	189.4
	10,373.2	**9,497.2**

Notes to the Financial Statements (continued)

10. Reconciliation of Net Investments

	Value at 1 Oct 2023 £'000	Purchases at cost and derivative payments £'000	Sale Proceeds and derivative receipts £'000	Change in market value £'000	Value at 30 Sept 2024 £'000
Equities	967.9	7,217.6	(3,640.8)	154.9	4,699.6
Bonds	7,869.3	7,997.7	(10,017.3)	39.8	5,889.5
Pooled Investment Vehicles*	240,687.9	396,276.7	(340,904.3)	10,736.5	306,796.8
Derivatives - Net	(683.8)	1,031.2	(1,099.2)	1,116.8	365.0
Insurance Policies	5,186.4	-	-	25.2	5,211.6
AVC Investments	261.1	305.3	-	(34.4)	532.0
	254,289.8	**412,828.5**	**(355,661.6)**	**12,038.8**	**323,494.5**
Cash	1,892.2			10.1	13,706.8
Other Investment Balances (net)	11,884.2			-	836.3
Total Investments	**268,065.2**			**12,048.9**	**338,037.6**

*During the year the Trust's investment portfolio was reorganised to simplify the management of investment strategy and facilitate consolidation. This was implemented via the setting up of a number of UK-domiciled units trusts, and the subsequent in-specie transfer of the relevant assets held by the custodian into the funds.

Notes to the Financial Statements (continued)

10. Reconciliation of Net Investments (continued)

Indirect transaction costs are included in the cost of purchases and deducted from sale proceeds.

Direct transaction costs analysed by main asset class and type of cost are as follows:

		2024	
	Fees	**Commission**	**Total**
	£'000	**£'000**	**£'000**
Equities	5.4	2.3	7.7
Commodities	-	0.3	0.3
	5.4	**2.6**	**8.0**

		2023	
	Fees	**Commission**	**Total**
	£'000	**£'000**	**£'000**
Equities	1.4	0.9	2.3
Commodities	-	0.1	0.1
	1.4	**1.0**	**2.4**

11. Investment Management Expenses

	Year ended 30 Sept 2024 £'000	**Year ended 30 Sept 2023 £'000**
Management, Administration and Custody	1,771.0	2,051.0
	1,771.0	**2,051.0**

From 2 October 2023 onwards, fiduciary management services are provided to the Trust by TPTIM. The Pensions Trust's Expenses Reserve Account pays an administration charge to TPTIM on behalf of the Trust. The Trust paid £830.9k (2023: £519.1k) in the year to The Pensions Trust in this respect.

Notes to the Financial Statements (continued)

12. Pooled Investment Vehicle

	2024	2023
By type:	**£'000**	**£'000**
Sole Investor Funds	142,412.7	-
Equities	9,330.0	2,392.1
Bonds	116,840.9	127,663.6
Property	16,370.1	28,349.8
Hedge Funds	-	7,458.0
Venture Capital and Partnerships	14,806.1	64,877.0
Commodities	-	244.3
Cash	7,037.0	9,703.1
	306,796.8	**240,687.9**

At 30 September 2024, the Trust held Sole Investor Funds, included within Pooled Investment Vehicles above. The portfolios are held with Carne Global Fund Managers (UK) Limited and Insight Investment Management and are specifically tailored for the Trust's individual requirements and there are no other investors in them. A breakdown of the underlying investment classes held within the fund has been included in the following table:

Sole Investor Funds

By type:	**2024**	**2023**
	£'000	**£'000**
Equities	1,416.9	-
Pooled Investment Vehicles	46,390.9	-
Bonds - net	253,247.2	-
Reverse Repurchase Agreements	34,113.9	-
Repurchase Agreements	(200,286.5)	-
Cash & Cash Equivalents	7,530.3	-
Total Sole Investor Funds	**142,412.7**	**-**

There were no direct transaction costs associated with the sole investor funds (2023: nil).

Notes to the Financial Statements (continued)

12. Pooled Investment Vehicle (continued)

List of Sole Investor Funds

Fund name:	2024 £m	2023 £m
TPT Long Real Fund	31,528.4	-
TPT Short Real Fund	24,469.4	-
TPT Liquid Alternatives Fund	21,662.6	-
TPT Long Nominal Fund	18,114.1	-
TPT Secure Income Fund	16,018.8	-
TPT Short Nominal Fund	11,269.4	-
TPT Private Credit Fund	7,742.2	-
TPT Funded Short Fund	6,498.3	-
TPT Real Assets Fund	5,109.5	-
Total Sole Investor Funds	**142,412.7**	**-**

13. Derivatives

Outstanding derivative financial instruments at the year-end are summarised as follows:

Forward Foreign Currency

Type:	Expires within	Notional Value £'000	2024 Fair Value Asset £'000	2024 Fair Value Liability £'000
Buy EUR for GBP (6 contracts)	1 Year	919.7	-	(7.9)
Buy GBP for EUR (18 contracts)	1 Year	2,103.3	35.6	-
Buy GBP for JPY (18 contracts)	1 Year	898.8	-	(13.0)
Buy GBP for USD (16 contracts)	1 Year	11,370.7	388.4	-
Buy JPY for GBP (6 contracts)	1 Year	237.2	-	(2.7)
Buy USD for GBP (6 contracts)	1 Year	3,647.3	-	(35.4)
Total 2024		**19,177.0**	**424.0**	**(59.0)**
Total 2023		**26,468.2**	**88.5**	**(772.3)**

The notional value represents the sterling value of the foreign currency amount of the contract translated at the year-end spot rate.

Notes to the Financial Statements (continued)

13. Derivatives (continued)

Objectives and Policies for Holding Derivatives

The Trustee has authorised the use of derivative financial instruments by its Investment Managers as part of its investment strategy as follows:

Forward Foreign Currency: The Trustee uses forward contracts primarily for the purposes of currency risk management.

14. Insurance Policies

The Trustee holds insurance policies with Rothesay Life, Canada Life, Aviva Life, Prudential and a number of sundry insurers, as noted below, which provide annuity income to cover pensions for certain members and their beneficiaries. The valuation of these policies is completed by TPT RSL's in-house Actuary.

	2024	2023
	£'000	£'000
Insurance policies with Rothesay Life	2,603.4	2,582.2
Insurance policies with Canada Life	1,798.3	1,767.2
Insurance policies with Aviva Life	515.0	511.1
Insurance policies with Prudential	239.4	270.0
Insurance policies with Phoenix Life	30.8	30.8
Insurance policies with Scottish Widows	24.7	25.1
	5,211.6	**5,186.4**

Notes to the Financial Statements (continued)

14. Insurance Policies (continued)

The following table summarises the main financial and demographic assumptions used for the valuations of insurance policies as at 30 September 2024 and 30 September 2023:

Scheme funding assumptions	2024 Nominal (%pa)	2023 Nominal (%pa)
Valuation discount rate	Gilt Curve plus 0.5%	Gilt Curve plus 0.5%
Price inflation (RPI)	RPI Inflation Curve	RPI Inflation Curve
Pension increases (where not fixed):		
In line with RPI up to 5% p.a. In line with RPI up to 2.5% p.a.	In line with inflation assumptions with relevant caps and collars, and adjusted in line with statistical distribution for increases in payment. The model used is Black-Scholes with 1.75% p.a. volatility.	
Post retirement mortality:		
Base Table	106% of S3PMA (males) and 106% of S3PFA (females) projected to the valuation date	106% of S3PMA (males) and 106% of S3PFA (females) projected to the valuation date
Improvements to mortality	CMI_2023 (A=0.25%) [S=7, 1.50%] for males CMI_2023 (A=0.25%) [S=7, 1.25%] for females	CMI_2022 (A=0.25%) [S=7, 1.50%] for males CMI_2022 (A=0.25%) [S=7, 1.25%] for females

15. AVC Investments

Money purchase AVCs are held within the Trust and are detailed below.

	2024 £'000	2023 £'000
AVC Investments with Coventry Building Society	109.9	114.6
AVC Investments with Scottish Widows Limited	44.5	81.1
AVC Investments with Legal & General	342.2	40.2
AVC Investments with Utmost Life and Pensions Limited	19.6	10.6
AVC Investments with Phoenix Life Limited	6.3	9.5
AVC Investments with Aviva Life & Pensions UK Limited	9.5	5.1
	532.0	**261.1**

Notes to the Financial Statements (continued)

16. Cash and Other Investment Balances

	2024	2023
	£'000	£'000
Cash – Sterling	13,618.4	1,838.4
Cash – Foreign Currency	88.4	53.8
Cash and Cash Equivalents Asset	**13,706.8**	**1,892.2**
Accrued Investment Income	162.7	221.9
Pending transactions	1,118.1	11,700.5
Other Investment Balances Asset	**1,280.8**	**11,922.4**
Amounts due from Brokers	-	174.4
Amounts due to Brokers	-	(212.6)
Pending transactions	(444.5)	-
Other Investment Balances Liability	**(444.5)**	**(38.2)**
Total Cash and Other Investment Balances	**14,543.1**	**13,776.4**

Notes to the Financial Statements (continued)

17. Concentration of Investments

The following investments exceeded 5% of the Trust's net assets at the financial year end.

	2024		2023	
	Value £'000	%	Value £'000	%
Royal London Corporate Bond	64,613.9	19.0%	11,663.3	4.4%
TPT Long Real Fund	31,528.4	9.3%	-	-
TPT Short Real Fund	24,469.4	7.2%	-	-
TPT Liquid Alternatives Fund	21,662.6	6.4%	-	-
TPT Long Nominal Fund	18,114.1	5.3%	-	-
Vontobel Fund Twentyfour	17,779.4	5.2%	-	-
Standard Life Investment Ltd - Long lease Property Series 5	16,370.4	4.8%	28,349.8	10.8%
Blackrock Investment Management (UK) Ltd - LMF Long Real Profile Fund	-	-	44,662.8	17.0%
Blackrock Investment Management (UK) Ltd - LMF Long Nominal Profile Fund	-	-	24,135.8	9.2%
Blackrock Investment Management (UK) Ltd - LMF Short Nominal Profile Fund	-	-	19,838.3	7.6%
Blackrock Investment Management (UK) Ltd - LMF Short Real Profile Fund	-	-	19,068.6	7.3%
Ares Secured Income Fund	-	-	15,520.4	5.8%

Notes to the Financial Statements (continued)

18. Fair Value of Investments

The fair value of investments has been determined using the following hierarchy.

Investment Category	Description
Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included in level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Trust's investment assets and liabilities have been included at fair value within these categories as follows:

Pooled investment vehicles which are traded regularly are generally included in level 2. Where the absence of regular trading or the unsuitability of recent transaction prices as a proxy for fair values applies, valuation techniques are adopted and the vehicles are included in level 3 as appropriate.

The value of other pooled investment vehicles which are unquoted or not actively traded on a quoted market is estimated by the Trustee. Where the value of the pooled investment vehicle is primarily driven by the fair value of its underlying assets, the net asset value advised by the fund manager is normally considered a suitable approximation to fair value unless there are restrictions or other factors which prevent realisation at that value, in which case adjustments are made. No such adjustments have been made to the valuations at 30 September 2024 (2023: none). The assumptions underlying the Insurance Policies are detailed in note 14.

Notes to the Financial Statements (continued)

18. Fair Value of Investments (continued)

Category:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2024 Total £'000
Investment Assets				
Equities	4,699.6	-	-	4,699.6
Bonds	-	5,889.5	-	5,889.5
Pooled Investment Vehicles	-	262,518.4	44,278.4	306,796.8
Derivatives	-	424.0	-	424.0
Insurance Policies	-	-	5,211.6	5,211.6
AVCs	-	532.0	-	532.0
Cash and Cash Equivalents	13,706.8	-	-	13,706.8
Other Investment Balances	1,280.8	-	-	1,280.8
	19,687.2	**269,363.9**	**49,490.0**	**338,541.1**
Investment Liabilities				
Derivatives	-	(59.0)	-	(59.0)
Cash and Cash Equivalents	-	-	-	-
Other Investment Balances	(444.5)	-	-	(444.5)
	(444.5)	**(59.0)**	**-**	**(503.5)**
Total Investments	**19,242.7**	**269,304.9**	**49,490.0**	**338,037.6**

Analysis for the prior year end is as follows:

Category:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2023 Total £'000
Investment Assets				
Equities	967.9	-	-	967.9
Bonds	2,144.4	5,724.9	-	7,869.3
Pooled Investment Vehicles	-	169,900.7	70,787.2	240,687.9
Derivatives	-	-	88.5	88.5
Insurance Policies	-	-	5,186.4	5,186.4
AVCs	-	261.1	-	261.1
Cash and Cash Equivalents	1,892.2	-	-	1,892.2
Other Investment Balances	11,922.4	-	-	11,922.4
	16,926.9	**175,886.7**	**76,062.1**	**268,875.7**
Investment Liabilities				
Derivatives	-	-	(772.3)	(772.3)
Other Investment Balances*	(38.2)	-	-	(38.2)
	(38.2)	**-**	**(772.3)**	**(810.5)**
Total Investments	**16,888.2**	**175,886.7**	**75,289.8**	**268,065.2**

*Reclassification from Cash & Cash Equivalents to Other Investment Balances

Notes to the Financial Statements (continued)

19. Investment Risks

Types of Risk Relating to Investments

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

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

Market Risk: The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

- **Currency Risk**: This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest Rate Risk**: This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other Price Risk**: This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

In the following table, the risk noted affects the asset class [●] significantly, [◐] partially or [○] hardly/ not at all.

		Market Risk			2024	2023
	Credit Risk	Currency Risk	Interest Rate Risk	Other Price Risk	£'000	£'000
Equities	○	◐	○	●	4,699.6	967.9
Bonds	●	◐	●	◐	5,889.5	7,869.3
Pooled Investment Vehicles					306,796.8	240,687.9
Direct exposure	●	○	○	○		
Indirect exposure	◐	◐	◐	◐		
Derivatives	◐	◐	●	◐	365.0	(683.8)
Insurance Policies	◐	○	●	○	5,211.6	5,186.4
AVC Investments	◐	◐	◐	◐	532.0	261.1
Cash and Other Investment Balances	●	◐	●	○	14,543.1	13,776.4
					338,037.6	**268,065.2**

Notes to the Financial Statements (continued)

19. Investment Risks (continued)

Investment Strategy

In the year under review, the Trustee's objective was to maintain a portfolio of suitable assets of appropriate liquidity which generate investment returns sufficient to meet, together with future contributions, the benefits payable under the Rules as they fall due.

The Trust is a multi-employer pension scheme that provides tailored investment solutions. In order to achieve its objective, the Trustee constructs pools of assets that are then used to determine scheme specific investment strategies tailored to meet their individual set of liabilities.

The Trustee has delegated the power to set investment strategy to its Investment Committee and Funding Committee. In summary, the Investment Committee determines the strategic asset allocation and fund selection, after taking advice from the Trust's independent investment consultants, for the various pools of assets from which the scheme-specific strategies are drawn. The Funding Committee sets scheme-specific asset allocation strategies at the same time as assessing scheme-specific funding needs.

When constructing the pools of assets from which scheme specific investment strategies are drawn the Investment Committee considers a number of factors including, but not limited to, the expected risk and return of each asset class, diversification benefits, liquidity requirements and fees. In order to support its decision-making the Investment Committee takes independent advice from the Trust's investment consultants, as well as receiving input from the Trust's Chief Investment Officer.

In October 2023, the Trustee reviewed a set of 10 Investment Beliefs that the Investment Committee must use as a framework when making decisions and agreeing the investment strategy. These Investment Beliefs can be found on the Trust's website.

In October 2023, the Trustee also reviewed a set of 10 Responsible Investment Principles which are used in conjunction with the Investment Beliefs to inform the investment strategy. The Responsible Investment Principles can be found on the Trust's website.

The Trustee employs third-party fund managers to implement the investment strategy, meaning that the Trust does not manage any money in-house. The Trust uses a combination of both passive and active investments depending on the perceived ability to add value in the relevant area. Fund managers are monitored on an ongoing basis by both the Investment Committee and the in-house Investment Management Team, and are met with at least annually.

When considering the investment strategy on a scheme specific basis for each section of the Trust, the Funding Committee takes into account a number of considerations such as the strength of the employer covenant, the long-term liabilities of the scheme, the appetite for investment risk and the funding strategy agreed with the employer(s). These are reviewed at least every three years in line with the scheme's valuation to ensure that the strategy remains appropriate.

Notes to the Financial Statements (continued)

19. Investment Risks (continued)

Credit Risk

The Trust is subject to direct credit risk because it invests in bonds, forward foreign exchange contracts and has cash equivalents. The Trust also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the provider of the pooled investment vehicle and also indirectly exposed to credit risks arising on some of the financial instruments held by the pooled investment vehicles.

A summary of exposures to credit risk is given in the following table. The notes below explain how this risk is managed and mitigated for the different asset classes.

	2024	2023
Investments exposed to Credit Risk	**£'000**	**£'000**
Bonds	5,889.6	7,869.3
Pooled Investment Vehicles:		
Bond Funds (Direct and Indirect)	232,481.5	127,663.6
Other Funds (Direct Risk only)	74,315.3	113,024.3
Derivatives:		
Assets	424.0	88.5
Liabilities	(59.0)	(772.3)
Insurance Policies	5,211.6	5,186.4
AVC Investments	532.0	261.1
Cash and Other Investment Balances	14,543.1	13,776.4
	333,338.1	**267,097.3**

Credit risk arising on bonds held directly is mitigated by ensuring that the investment manager has a suitable framework in place for assessing the creditworthiness of the counterparty and that the credit rating of the bonds matches the desired risk profile of the mandate.

The Trustee considers financial instruments or counterparties to be of investment grade if they are rated at BBB– or higher by S&P or Fitch or rated at Baa3 or higher by Moody's. There are £5,889.5k of non Investment Grade Bonds held at 30 September 2024 (2023: £7,869.3k). All other bonds are investment grade.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements.

Indirect credit risk arises in relation to underlying investments held in a number of the pooled investment vehicles. This risk is mitigated by ensuring that appropriate due diligence is carried out on the pooled manager's investment process at appointment. Credit risk also arises on forward currency contracts where there are no collateral arrangements; however, all counterparties are required to be at least investment grade.

Notes to the Financial Statements (continued)

19. Investment Risks (continued)

Cash on deposit is held within financial institutions that have an investment grade credit rating.

A summary of pooled investment vehicles by type of arrangement is as follows:

Legal nature of the pooled arrangements:	2024 £'000	2023 £'000
Sole investor authorised fund*	142,416.0	-
Open ended investment company	64,821.6	19,549.3
Unit linked insurance contracts**	31,900.7	44,804.7
Société d'investissement à capital variable (SICAV)	52,792.6	3,135.0
Partnerships	14,865.9	63,476.1
Authorised Unit Trust	-	107,731.3
Exchange Traded Commodities	-	313.2
Closed ended funds	-	1,678.3
	306,796.8	**240,687.9**

* Within sole investor authorised funds is £50,533.1k of Exempt Unauthorised Unit Trusts and £91,879.6k of SICAV funds
**Reclassification of the legal nature from unit-linked insurance contracts to cash

Currency Risk

The Trust is subject to currency risk because some of the investments are held in overseas market either as segregated investments (direct exposure) or via pooled investment vehicles (indirect exposure). To mitigate this risk, the Trustee has put in place a currency hedging arrangement and hedges the exposures to the major currencies, being USD, EUR (as a proxy for European currency exposure) and JPY in line with the percentages below:

- Developed market equities: 70%
- Emerging market debt: 70%
- Other asset classes: 100%

Some assets recognise the currency risk as part of the overall fund strategy and therefore it is recognised that no additional hedging is required in respect of these assets.

The net currency exposure at the current and previous year ends was as follows.

Notes to the Financial Statements (continued)

19. Investment Risks (continued)

	Direct Exposure £'000	Indirect Exposure £'000	Hedging £'000	2024 Net Exposure after Hedging £'000	2023 Net Exposure after Hedging £'000
Euros (EUR)	-	-	-	-	(96.0)
US Dollars (USD)	87.7	10,906.7	(5,073.2)	5,921.2	87,347.5
Japanese Yen (JPY)	-	-	-	-	(32.5)
Other Currencies	-	-	-	-	131.2
	87.7	**10,906.7**	**(5,073.2)**	**5,921.2**	**87,350.2**

Interest Rate Risk

The Trust is subject to interest rate risk because some of the investments are held in bonds or interest rate swaps (either segregated investments or through pooled investment vehicles), and cash.

A summary of exposures to interest rate risk is given in the following table:

Investments exposed to Interest Rate Risk	**2024 £'000**	**2023 £'000**
Bonds	5,889.6	7,869.3
Pooled Investment Vehicles:		
Bond Funds (Direct and Indirect)	232,481.5	127,663.6
Derivatives:		
Assets	424.0	88.5
Liabilities	(59.0)	(772.3)
Insurance Policies	5,211.6	5,186.4
AVC Investments	532.0	261.1
Cash and Other Investment Balances	-	13,776.4
	244,479.7	**154,073.0**

Other Price Risk

The Trust is subject to other price risk, principally in relation to the growth assets which include directly held equities, equities held through pooled or segregated vehicles, commercial property, unlisted infrastructure and a range of strategies that aim to produce absolute returns in all market environments. There is also more limited exposure to other price risk within the Matching-Plus Portfolio, principally in relation to the allocation to commercial property.

Notes to the Financial Statements (continued)

19. Investment Risks (continued)

The Trustee manages this exposure to overall price movements by constructing a diverse portfolio of investments across various markets.

A summary of exposures to other price risk is given in the following table:

Investments exposed to Other Price Risk	**2024 £'000**	**2023 £'000**
Equities	4,699.5	967.9
Bonds	5,889.6	7,869.3
Pooled Investment Vehicles:		
Other Funds (Indirect)	74,315.3	113,024.3
Derivatives:		
Assets	424.0	88.5
Liabilities	(59.0)	(772.3)
AVC Investments	532.0	261.1
	85,801.4	**121,438.8**

20. Current Assets

	2024 £'000	**2023 £'000**
Contributions due in respect of:		
Employers	552.9	301.8
Employees	13.1	10.3
Prepayments	61.3	-
Other debtors	1,382.1	8.8
Cash	1,240.6	1,068.1
	3,250.0	**1,389.0**

All contributions owing at year end were paid on time.

21. Current Liabilities

	2024 £'000	**2023 £'000**
Unpaid Benefits	-	0.8
Tax Deducted from Pensions	203.4	167.9
Other Creditors	263.2	76.7
Accrued Expenses	1,132.5	829.0
	1,599.1	**1,074.4**

Notes to the Financial Statements (continued)

22. Related-Party Transactions

Key management personnel

The Trustee, Verity Trustees Limited, is also the Trustee of The Pensions Trust. All of the Trustee Directors serve as Trustee Directors for each Trust.

The Pensions Trust

From 2 October 2023 onwards, administration of the Trust is undertaken by TPT RSL. The Pensions Trust's Expenses Reserve Account pays an administration charge to TPT RSL on behalf of the Trust.

The monthly management charge represents the amounts paid to The Pensions Trust in this respect. The Trust paid £1,168.6k (2023: £998.7k) to The Pensions Trust in this respect over the period 1 October 2023 to 31 August 2024. A further £114.8k is due in respect of September 2024 and is included as a creditor (2023: £90.8k).

From 2 October 2023 onwards, fiduciary management services are provided to the Trust by TPTIM. The Pensions Trust's Expenses Reserve Account pays an administration charge to TPTIM on behalf of the Trust. The Trust paid £639.0k (2023: £519.1k) in the year to The Pensions Trust in this respect over the period 1 October 2023 to 31 August 2024. A further £62.9k is due in respect of September 2024 and is included as a creditor (2023: £46.2k).

23. Employer-Related Investments

The Trust invests in various housing bonds, whose underlying borrowers are drawn from a pool of registered social landlords. The names of the actual borrowers are not disclosed and can vary over time. Waterloo Housing Association is the only registered social landlord which participates in the Trust which could be an Employer-Related Investment.

Employer-Related Investments include contributions that were received later than the due date set out on the Schedules of Contributions. As at 30 September 2024, there were no (2023: £nil) late contributions outstanding. This represents 0.0% of net assets (2023: 0.0%).

24. Update on GMP Equalisation

Between 1978 and 2016, it was possible to contract out of part of the State Pension by being a member of an occupational pension scheme that met certain conditions. Where the scheme was contracted out, members and the employer paid a reduced rate of National Insurance to reflect the fact that the Scheme would provide benefits to replace some of the members' state pension rights. Between 1978 and 1997, contracted out defined benefit schemes were required to provide a Guaranteed Minimum Pension for each member. From 1997 to 2016 different rules applied.

In October 2018, the High Court determined that benefits provided to members who had contracted out of their pension scheme must be assessed against the impact of the equalisation of state pension ages between May 1990 and April 1997 for both men and women. On 20 November 2020, the High Court issued a follow-on judgement in the Lloyds case and ruled that pension

Notes to the Financial Statements (continued)

24. Update on GMP Equalisation (continued)

schemes will also need to revisit individual transfer payments made since 17 May 1990 to consider if any additional value is due as a result of GMP equalisation.

This issue affects each of the previously contracted out defined benefit schemes in the Trust. During the year to 30 September 2024 the Trustee agreed to equalise GMP via the conversion methodology which is a one-off uplift (where required) for pensioner members and an assessment at future retirement for non-pensioners. Work commenced on the delivery during the year and it is expected to complete in the year to September 2025. An approximate allowance has already been made in each affected scheme's actuarial valuation, with the typical impact being an increase in liabilities of less than 2%. Based on the work performed to date, the Trustees do not consider this to have a material impact in respect of historic payments.

25. Contingencies and Committments

As at 30 September 2024, there were no contingent assets.

As at 30 September 2024, the Trust had the following contingent liability:

Virgin Media Case

During the year ended 30 September 2024, the Trustee also became aware of the Court of Appeal's judgment in the case of Virgin Media v NTL Pension Trustees II. This case was concerned with the validity of changes to certain pension scheme rules in a salary-related contracted out scheme made between 1997 and 2016 without the necessary actuarial confirmation. The Court found that the changes made without the necessary actuarial confirmation were invalid. All the schemes in the Trust were established after 6 April 2016 so the Trust is not directly affected by this judgment. However, there is potential for liabilities which were transferred into the Trust to be affected. This will depend on the terms of the relevant transfer agreements and the rules of previous pension schemes so requires detailed further investigation. In addition, industry bodies have made representations to the Department of Work and Pensions for the Secretary of State to make regulations that would, subject to appropriate safeguards, enable the retrospective validation of amendments. Pending the outcome of these investigations and any action by the DWP, it will not be possible to estimate with any reliability the quantum of any potential additional liability and arrears (if any) that may be due to members, and any future rectification costs.

Notes to the Financial Statements (continued)

25. Contingencies and Committments (continued)

Commitments

The Trust has made capital commitments in respect of a number of direct lending, infrastructure and risk-sharing funds. The balance of the commitments can be drawn down by the Investment Manager when required to fund purchases and costs.

At the year end, the outstanding commitments were:

	2024 Committed (Local CCY)*	Outstanding at 30 Sept 24 (Local CCY)	2023 Committed (Local CCY)	Outstanding at 30 Sept 23 (Local CCY)
Direct Lending	£2,332.1k	£348.8k	£21,700.0k	-
Distressed Opportunities	$14,000.0k	$1,337.0k	$27,000.0k	$1,417.3k
Infrastructure	$898.43k	$179.8k	-	-
Risk Sharing	£1,376.1k	£1,083.6k	-	-
Risk Sharing	-	-	$3,500.0k	-
Renewable Infrastructure	€1,096.9k	€196.6k	€2,100.0k	€814.5k
Renewable Infrastructure	$1,280.3k	$744.5k	$2,500.0k	$1,922.1k

*£ (GBP), $ (USD), € (EUR)

26. Subsequent Events

There were no subsequent events requiring disclosure in the Financial Statements.

Independent auditors' statement about contributions to the Trustee of The Pensions Trust 2016

Statement about contributions

Opinion

In our opinion, the contributions required in accordance with the schedules of contributions certified by the Scheme actuary for the Trust year ended 30 September 2024 as reported in The Pensions Trust 2016's summary of contributions have, in all material respects, been paid in accordance with the schedules of contributions certified by the Trust actuary on the respective dates listed in the summary of contributions.

We have examined The Pensions Trust 2016's summary of contributions for the Trust year ended 30 September 2024 which is set out on page 53.

Basis for opinion

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Trust under the schedules of contributions, and the timing of those payments.

Responsibilities for the statement about contributions

Responsibilities of the Trustee in respect of contributions

As explained more fully in the statement of Trustee's responsibilities, the Trust's Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the Trust by employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' statement about contributions to the Trustee of The Pensions Trust 2016 (continued)

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

10 March 2025

Summary of Contributions

During the year ended 30 September 2024, the contributions required to be paid to the Trust were as follows:

	£'000
Contributions required in accordance with the Schedules of Contributions certified by the Scheme Actuary	
Deficit funding	4,286.5
Scheme expenses	1,067.1
Employer normal contributions	601.4
Member normal contributions	121.8
As reported on by the Trust's Auditors	**6,076.8**
Other contributions	
Deficit funding	951.0
Scheme expenses	45.3
Employer normal contributions	266.8
Employer AVC contributions	6.4
Member normal contributions	53.9
Member AVC contributions	3.7
Total contributions not reported on by the Trust's Auditors	**1,327.1**
Total contributions as reported per the Fund Account	**7,403.9**

The Schedules of Contributions in place during the year are as follows:

Scheme	Date of Actuarial Certification of Schedule of Contributions
Cambridge Building Society Retirement Plan	14/12/2023
Coventry Building Society Staff Superannuation Scheme	26/11/2020
Coventry Building Society Staff Superannuation Scheme	20/12/2023
Darlington Building Society Pension Plan	09/12/2022
Frank Roberts & Sons Pension Scheme	18/10/2022
Hinckley & Rugby Building Society Defined Benefit Pension Scheme	15/10/2020
Hinckley & Rugby Building Society Defined Benefit Pension Scheme	13/12/2023
National Counties Building Society Pension Scheme	17/12/2021
Medicash Pension Fund	23/10/2020
Medicash Pension Fund	14/11/2023
Seabourne Pension Scheme	30/09/2021
Together Working for Wellbeing Pension Scheme	30/11/2022
Waterloo Housing Association Benefit Plan	23/09/2024

Summary of Contributions (continued)

Contributions relating to periods before a Schedule of Contributions has been certified are included within other contributions and not reported on by the Auditors.

The Schedules of Contributions certified by the Scheme Actuary post year-end are as follows:

Scheme	Date of Actuarial Certification of Schedule of Contributions
Frank Roberts & Sons Pension Scheme	09/12/2024
National Counties Building Society Pension Scheme	12/12/2024
Seabourne Pension Scheme	16/12/2024

During the year no employer (2023: one) remitted contributions later than the date set out in the Schedules of Contributions. In respect of the year ended 30 September 2024, there were no late payments (2023: four), representing £nil contributions (2023: £107.5k).

Approved by and signed for and on behalf of the Trustee on 10 March 2025.

Joanna Matthews
Independent Chair
Verity Trustees Limited

Summary of Actuarial Certificates

The Pensions Trust is a multi-employer pension scheme, where the Scheme's Actuary has signed actuarial certificates. The following two statements have been given by the Actuary together with the signature and details of the Actuary.

Statement 1

> I certify that, in my opinion, the calculation of the scheme's technical provisions as at 30 September 202X is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustee of the scheme and set out in the Statement of Funding Principles dated (i.e. signed on behalf of the Trustee on) [Date].

Statement 2

> ### Adequacy of rates of contributions
>
> 1. I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that –
>
> the Statutory Funding Objective could have been expected on 30 September 202X to be met by the end of the period specified in the recovery plan dated (i.e. signed on behalf of the Trustee on) [Date].
>
> ### Adherence to statement of funding principles
>
> 2. I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated (i.e. signed on behalf of the Trustee on [Date]).
>
> The certification of the adequacy of the rates of contributions for the purpose of securing that the Statutory Funding Objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

The dates of the last triennial actuarial valuation and the dates of the Actuary's certification of that valuation for each pension scheme are listed below.

In interim years where no triennial actuarial valuation is required, an Actuarial Report is produced to provide an update on the funding position of the scheme. The date of the latest Actuarial Report for each scheme is detailed in the below table.

Summary of Actuarial Certificates (continued)

Scheme	Most recent Valuation as at 30 September	Date of Certification of Schedule of Contributions	Date of Actuarial Report (annual update)*
Cambridge Building Society Retirement Plan	2022	14 December 2023	30 September 2023
Coventry Building Society Staff Superannuation Scheme	2022	20 December 2023	30 September 2023
Darlington Building Society Pension Plan	2021	09 December 2022	30 September 2023
Frank Roberts & Sons Pension Scheme	2023	9 December 2024	N/A
Heywood and Partners Ltd Pension Scheme	2024[1]	3 November 2023[2]	N/A
Hinckley and Rugby Building Society Defined Benefit Pension Scheme	2022	13 December 2023	30 September 2023
Medicash Pension Fund	2022	14 November 2023	30 September 2023
National Counties Building Society Pension Scheme	2023	12 December 2024	N/A
Reading Transport Staff Retirement Scheme	2024[1]	12 June 2024[2]	N/A
Seabourne Holdings Limited Retirement Benefits Scheme	2023	16 December 2024	N/A
Together Working for Wellbeing Pension Scheme	2021	30 November 2022	30 September 2023
Waterloo Housing Association Benefits Plan	2023	23 September 2024	N/A

Copies of the above certificates are available on request from the address for enquiries on page 3.

[1] New Scheme, valuation to be performed as at 30 September 2024.

[2] Interim Schedule of Contributions is in place until the completion of the 30 September 2024 actuarial valuation.

**This is the date of the annual update, if later than the triennial valuation.*

Appendix 1 - SIP Implementation Statement

The Pensions Trust 2016 (TPT2016) - SIP Implementation Statement

Introduction

This Implementation Statement relates to The Pensions Trust 2016 (TPT 2016). It has been prepared by Verity Trustees Limited (VTL), acting as the Trustee of TPT 2016, and covers the financial year from 1 October 2023 to 30 September 2024.

The purpose of this Statement is to:

- Explain how, and the extent to which, the Trustee has followed the Statement of Investment Principles (SIP) during the reporting year;
- Summarise any changes made to the SIP during the reporting period;
- Provide an overview of voting and engagement activities carried out by, or on behalf of, the Trustee;
- Present evidence of how the Trustee has monitored the performance and stewardship activities of investment managers

This Statement has been prepared in accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the associated guidance published by the Pensions Regulator. It reflects VTL’s enduring commitment to transparency and responsible investment, as well as the Trustee’s dedication to robust governance and stewardship practices, ensuring alignment with regulatory standards and the expectations of scheme members.

SIP Updates and Overview of Investment Strategy

SIP Reviews and Amendments

The Trustee conducts annual reviews of the SIP. For the period under review, the SIP was reviewed and approved on 10 October 2023. A subsequent review and approval took place on 14 October 2024. The review process considers updated guidance, regulatory changes and best practices relevant to the Trustee's investments and wider stakeholder remit. No significant changes were made to the SIP during the period under review.

Investment Strategy

The Trustee delegates investment decisions and compliance stewardship to TPT Investment Management (TPTIM), which reports to the Trustee via the Investment Oversight Committee (IOC). TPTIM, in turn, delegates day-to-day investment management to authorised managers, ensuring they possess the requisite expertise and experience.

The Trustee regularly reviews the asset allocation of its investments in line with its Responsible Investment Framework (available on TPT Retirement Solutions' website) to ensure the security, liquidity, quality and profitability of the portfolio, while maintaining appropriate diversification. The strategic asset allocation reflects the Trustee's assessment of risk-reward characteristics to support the participating schemes' long-term funding objectives.

The investment strategy considers each scheme's liability and risk profile, as well as the underlying financial strength of the employer(s) and its ability and willingness to contribute appropriately to the scheme. In order to meet the long-term funding objectives with an acceptable level of contributions, the Trustee seeks to control investment risk relative to each scheme's liabilities but does not necessarily fully match the expected liability cashflows.

To implement the investment strategy, each participating scheme holds a tailored combination of the Growth Asset Portfolio (GAP), Matching-Plus Portfolio (MPP) and Liability Driven Investments (LDI). The GAP and MPP are made up of several underlying sub-portfolios that allocate to the major asset classes, such as equities and credit, as well as a range of diversifiers such as alternative risk premia. TPTIM employs a combination of both passive and active investments depending on the perceived ability to add value and the availability of strategies in the relevant area.

Assets within the GAP and MPP have the potential for higher returns but typically bring additional risk. LDI consist of assets that have similar characteristics to the liabilities, including interest rate and inflation sensitivity. The GAP and MPP both aim to be well diversified between asset classes and return drivers. The strategy for each scheme is reviewed on an ongoing basis to ensure it remains appropriate.

Strategy Changes During the Reporting Period

During the reporting period, the following strategy changes were made:

- Emerging Markets Debt: A decision was made to dismiss Ashmore, and a selection and due diligence process was undertaken to appoint a new manager. This resulted in the appointment of Ninety One in October 2024, after the reporting period.
- LDI: Insight was appointed in June 2024 as the new LDI manager following a selection and due diligence process, replacing BlackRock.
- Fund Launches: TPTIM launched six collective investment vehicles as part of an asset reorganisation to simplify the investment structure, with two further fund launches after the reporting period.

Appendix 1 - SIP Implementation Statement (continued)

In the Trustee's opinion, the SIP has been followed over the 2023-2024 reporting year.

The key points are outline below:

Table 1. Policy Summary and Evidence

SIP Section	Policy	Evidence
2	**Appointments and Delegation** *Summary:* The Trustee delegates the day-to-day management of investments to authorised managers, ensuring they possess the requisite knowledge and experience. These appointments are reviewed periodically to assess performance and adherence to the Trustee's policies. If a manager fails to comply or provide satisfactory justification for underperformance, their appointment will be reconsidered. Details of the appointed managers are disclosed annually in the Trustee's investment report within the Annual Report.	VTL delegates investment decisions to TPTIM. TPTIM delegates day-to-day investment management to authorised investment managers. Managers are reviewed at least on an annual basis. Please see *Selecting and Monitoring Managers* section (page 13).
3	**Investment Beliefs** *Summary:* The Trustee's investment beliefs provide a guiding framework for decision-making. These beliefs are reviewed annually and published on TPT Retirement Solutions' website.	Published beliefs on TPT Retirement Solutions' website. For the period under review, the Investment Beliefs were reviewed on 10 October 2023.
4 & 5	**Investment Strategies and Investment Return** *Summary:* The Trustee's investment strategy involves allocating assets between Growth, Matching-Plus and Liability Driven Investment (LDI) portfolios, balancing potential returns with associated risks. Strategy is tailored to each scheme's liability and risk profile, financial strength of employers, and funding objectives. The strategy for each scheme is reviewed at least every three years to ensure it remains appropriate.	Performance reviews of the portfolios, documented triennial strategy reviews for individual schemes, and records of asset allocation decisions and outcomes.

6	**Management and Risk** *Summary:* The risks, as stated in the SIP, are assessed and monitored regularly.	The SIP lists a number of risk factors that the Trustee believes may result in a failure to meet the agreed objectives. The Trustee monitors and manages these risk factors through measures specific to each risk on a quarterly basis.
7	**Responsible Investment (including ESG Factors) and Non-financial Matters** *Summary:* 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.	The Responsible Investment Framework outlines the policies that relate to the Trustee's duties under the Investment Regulation, including its approach to voting, engagement and climate risk. For the period under review, the Responsible Investment Framework was reviewed on 10 October 2023.
7.2.7	**Fund Manager Selection and Monitoring** *Summary:* The Trustee incorporates ESG expectations into the manager selection and ongoing monitoring processes, including operational due diligence and Investment Management Agreements tailored to specific mandates.	The Responsible Investment Framework details the Trustee's approach in selecting and monitoring managers. Specific ESG and climate change expectations were considered when appointing new mandates and reviewing existing mandates. Please see *Selecting and Monitoring Managers* section (page 13).
7.2.14	**Environmental, Social and Governance Factors** *Summary:* ESG risks, including climate change, are actively considered within the Trustee's investment process. This is supported by the Climate Change Policy and Responsible Investment Principles.	VTL's Responsible Investment Framework outlines how the Trustee incorporates ESG considerations into investment decisions and the selection and monitoring of investment managers. The Climate Change Policy was updated on 10 October 2023 to integrate the latest best practices and recommendations, and include VTL's interim climate targets. The Responsible Investment Principles were also reviewed on 10 October 2023.

7.3	**Voting** *Summary:* The Trustee delegates voting activities to managers. Managers are expected to exercise voting rights consistent with the Trustee's Responsible Investment Framework and PLSA guidelines.	The Trustee's voting policy is outlined in the Responsible Investment Framework, which is reviewed at least annually. Voting records are included in the Trustee's Stewardship Report. For the period under review, the Responsible Investment Framework was reviewed on 10 October 2023. Please see *Stewardship Summary* (page 9).
7.4	**Engagement** *Summary:* The Trustee's engagement approach spans manager-led, joint, collaborative and direct engagements. Investment managers are tasked with engaging on material ESG issues.	The Trustee's engagement policy is outlined in the Responsible Investment Framework, which is reviewed at least annually. Engagement highlights and case studies are included in the Trustee's Stewardship Report. For the period under review, the RI Framework was reviewed on 10 October 2023. Please see *Stewardship Summary* (page 9).
7.5	**Non-financial matters** *Summary:* Non-financial factors, such as member ethical views, are considered within the Ethical Investment Framework.	VTL has an Ethical Investment Framework that was adopted following consultation with key member organisations. For the period under review, the Ethical Investment Framework was reviewed on 10 October 2023.
9	**Compliance** *Summary:* TPTIM is required to confirm compliance with the SIP principles, including diversification and suitability. The Trustee reviews the SIP annually or following significant policy changes and consults participating employers when adjustments are required.	Manager compliance confirmation, and annual SIP review documents. For the period under review, the SIP was reviewed on 10 October 2023.

Stewardship Summary

Voting Policy

As a significant investor in both UK and non-UK listed companies, the Trustee recognises its responsibilities as a shareholder and owner. These responsibilities include ensuring, where practicable, that the companies in which it invests are operated by executives and directors in the best long-term interests of shareholders. The Trustee is committed to voting its shares in all markets where it is practical to do so.

Ordinarily, the Trustee delegates the execution of voting activities to its appointed investment managers. However, the Trustee retains the authority, where possible, to direct investment managers to vote in a specific manner if it deems such action to be in the best interests of members. The Trustee expects its managers to use their best efforts to implement any client-directed voting instructions effectively. This prerogative is particularly relevant where voting decisions can support the Trustee's broader commitments, as outlined in its Responsible Investment Framework.

The Trustee expects its investment managers to exercise voting rights on its behalf in alignment with the Responsible Investment Framework and/or consistent with the Corporate Governance Policy and Voting Guidelines issued by the PLSA. Although the PLSA guidelines primarily focus on UK companies, they reference international standards, including the G20/OECD Corporate Governance Principles and the International Corporate Governance Network (ICGN) Global Governance Principles. For non-UK markets, the Trustee expects managers to integrate these broader principles into their voting decisions.

While voting rights are delegated to investment managers, the Trustee may choose to exercise its voting rights (or wish to express interest in exercising its voting rights) when companies' actions are not deemed satisfactory or as part of an engagement and escalation strategy. In line with the Responsible Investment Framework, the Trustee reviews manager voting activity regularly to ensure alignment with its guidelines and stewardship objectives.

Stock lending

Some funds in which VTL invests participate in securities lending programmes, which may occasionally restrict VTL's ability to vote all shares. In cases of contentious votes or those related to engagement activities, the Trustee may choose to recall or restrict the lending of shares. These decisions are assessed on a case-by-case basis with input from the relevant investment managers.

Exercising rights and responsibilities across asset classes

Effective stewardship encompasses all asset classes and geographies, extending beyond voting rights, which are unique to listed equities. The Trustee expects investment managers to integrate stewardship into their investment processes across all strategies. Activities include engagement reporting, influencing board composition, monitoring supply chains, contributing to research and engaging in public discourse.

Reporting

Investment managers are requested to submit voting data on a quarterly basis. This data is reviewed and meetings are held in order to discuss alignment with the Trustee's stewardship priorities and preferred approach to determine significant votes.

Voting data for the reporting period is provided in the *Voting activity* section.

TPTIM also publishes full voting records on TPT Retirement Solutions' website.

Engagement policy

VTL follows a comprehensive approach to engagement, which encompasses four key elements.

1. Engagement by investment managers

VTL delegates primary responsibility for corporate engagement to its investment managers, recognising their company-specific expertise and access to management. Investment managers are expected to engage on material ESG issues and respond to specific requests from VTL. This is a pragmatic approach because of the number of stocks owned by VTL, and the amount of time corporate entities have available for single investors. VTL expects its managers to engage on environmental, social and governance matters where they are considered material and relevant to the investment case. It also expects its managers to respond to specific requests that VTL might have.

2. Joint engagements with investment managers

In instances where VTL's engagement priorities align with those of its managers, joint engagement activities may be pursued. Collaborative efforts between an asset owner and an investment manager amplify the impact of discussions and reinforce key messages.

3. Collaborative engagements

Recognising its role as a responsible asset owner, VTL supports initiatives that aim to improve the regulatory and operational landscape for all investors. To support this goal, TPTIM, on behalf of VTL, participates in collaborative engagements with other asset owners and industry groups, aligning these efforts with VTL's Investment Beliefs, Responsible Investment Principles and Responsible Investment Framework.

4. Direct engagements

In certain cases, VTL may identify issues warranting direct engagement with companies. TPTIM leads direct engagements for the portfolio. To complement the underlying investment managers' efforts, in 2024, TPTIM launched an engagement programme. This followed consultation with the Trustee Board and the proposal of a strategic engagement action plan based on climate and nature as key themes, two of the Trustee's stewardship priorities.

Reporting

Similarly to voting, quarterly engagement data is collected from all investment managers and reviewed to assess alignment with the Trustee's expectations. Ongoing dialogue with managers aims to enhance reporting quality, with a focus on clearly defining engagement objectives, milestones and outcomes. While progress has been made, the Trustee continues to encourage more consistent and detailed reporting.

UK Stewardship Code

VTL, as a signatory to the Financial Reporting Council's UK Stewardship Code, publishes an annual **Stewardship Report** that includes **voting statistics**, **significant votes** and **engagement case studies**. The report is structured around the 12 principles of the Code and it describes principle-by-principle how VTL meets the requirements with a focus on activities and outcomes. The report outlines VTL's governance structure, culture, values, and strategy, as well as its approach to risk, conflicts of interest, and ESG integration.

Stewardship priorities

The integration of stewardship and investment, including material ESG issues, is supported by several processes and activities, including:

- asset allocation;
- manager selection and monitoring;
- risk management;
- active ownership;
- training and education; and
- advocacy.

In regards to material ESG issues, the Responsible Investment Framework identifies the following areas:

- Climate Change
- Human Rights
- Board Governance

The Trustee annually reviews and agrees to a number of stewardship priorities. These typically incorporate the material ESG issues identified in the Responsible Investment Framework and any other emerging topics or themes that the Trustee would like to focus on during the year. These stewardship priorities are communicated to investment managers and we also seek to understand their priorities and the degree of alignment that exists between ours and our managers' thinking. These themes also support our annual engagement priorities. We do not request that managers adopt all of our stewardship priorities, but expect some convergence in principle the topics addressed and stewardship goals for the year. In 2024, **climate** and **nature** were two areas of particular focus for the Trustee.

Selecting and Monitoring Managers

VTL's Responsible Investment Framework applies to all of its investments although the Trustee tailors its expectations according to the different asset classes and the investment styles of the underlying investment managers.

VTL delegates investment decisions to TPTIM. TPTIM, in turn, delegates day-to-day investment management to authorised investment managers, ensuring these managers possess the necessary knowledge and experience to manage the Trustee's investments. The managers are not appointed for a fixed period of time and appointments are regularly reviewed as part of established monitoring and oversight processes. TPTIM reports back to the Trustee via the IOC.

All appointed investment managers are regulated by the relevant regulatory authority in their respective jurisdictions, such as the Financial Conduct Authority (FCA) in the UK. The investments are managed within the restrictions and guidelines detailed in bespoke investment management agreements. These agreements are designed to ensure alignment with the objectives and policies articulated in the Trustee's SIP.

For segregated mandates, the Trustee specifies how the rights attached to investments are to be exercised. This includes active voting participation, as well as the integration of ESG factors into investment decision-making. While the Trustee's influence on pooled investment vehicles is inherently more limited, it mitigates this by thoroughly reviewing the managers' policies, practices and statements of compliance to ensure alignment with the Trustee's investment beliefs and policies.

Manager Selection Process

During the selection process, prospective investment managers must demonstrate robust capabilities in responsible investment practices and climate-related expertise. The Trustee seeks to partner with managers who exhibit key attributes, including:

- A long-term investment mindset;
- Remuneration structures that align with sustainable performance;
- Rigorous risk management frameworks; and
- Comprehensive integration of ESG factors within their investment processes.

Expectations around ESG and climate change are embedded into the operational due diligence process. Furthermore, when possible, ESG requirements are incorporated into Investment Management Agreements, ensuring that mandates reflect specific stewardship and responsible investment goals.

Monitoring and Evaluation of Managers

Managers' appointments are not fixed-term and are subject to periodic review through structured oversight mechanisms. TPTIM actively engages with incumbent managers on stewardship, climate change and ESG risks. Regular review meetings provide an opportunity to assess performance and alignment with the Trustee's policies, including adherence to Responsible Investment Principles and stewardship commitments. Investment managers are required to submit regular updates on their responsible investment and stewardship activities.

Selecting and Monitoring Service Providers

The Trustee extends its due diligence and engagement processes to key service providers. The scope and depth of these processes vary based on the criticality of the service provided. Northern Trust, the Trustee's appointed custodian, is subject to robust oversight, including regular operational calls, detailed reporting, adherence to service-level agreements (SLAs), and periodic attestations to ensure high standards are consistently met.

How Voting and Engagement Policies Have Been Followed

The Trustee has implemented its voting and engagement policies through the delegation of stewardship responsibilities to its investment managers. These managers are expected to exercise voting rights and engage with investee companies in line with the Trustee's Responsible Investment Framework and the policies set out in the SIP.

Voting Practices

Investment managers are required to cast votes on behalf of the Trustee in a manner that supports long-term value creation and reflects the Trustee's commitment to high standards of corporate governance. Key priorities include:

- Promoting transparency and accountability in governance practices;
- Supporting robust climate and ESG disclosures in line with recognised frameworks;
- Encouraging companies to adopt credible net-zero strategies; and
- Opposing practices misaligned with shareholder or stakeholder interests, such as excessive executive remuneration.

The Trustee monitors voting outcomes through detailed quarterly reporting from investment managers, which includes information on significant votes and the rationale behind voting decisions. A summary of key voting activities is disclosed in the ***Voting Activity*** section.

Engagement Activities

Engagement is central to the Trustee's approach to stewardship. Investment managers are expected to engage with investee companies on a range of material ESG issues, including but not limited to:

- Climate change and net-zero alignment;
- Board diversity and governance practices;
- Human capital management and supply chain risks; and
- Biodiversity and nature-related risks.

The Trustee requires managers to prioritise engagements that address systemic risks or issues with the potential to impact long-term financial performance. Managers report on their engagement activities, providing details on the objectives, progress and outcomes of their interactions with companies.

Monitoring and Oversight

The Trustee, through TPTIM, monitors how investment managers apply voting and engagement policies through:

- Regular review of manager stewardship reports, which outline voting records, significant engagements, and progress against ESG objectives;
- Annual assessments of managers' Responsible Investment Ratings, which include an evaluation of their voting and engagement practices; and
- Periodic deep-dive discussions with managers to challenge their approaches and ensure alignment with the Trustee's expectations.

Where concerns arise regarding a manager's voting or engagement performance, TPTIM engages with the manager to seek improvements. Persistent failure to meet the Trustee's expectations may result in the manager's appointment being reconsidered.

Outcomes and Continuous Improvement

The Trustee seeks tangible outcomes from its stewardship activities, such as improved corporate disclosures, adoption of more sustainable business practices, or demonstrable progress on climate-related targets. The Trustee also reviews its voting and engagement policies annually to ensure they remain effective and aligned with evolving best practices.

Voting Statistics

Investment Manager	Legal and General Investment Management						
Fund	FTSE4Good UK Equity Index	Ethical Global Equity Index	Low Carbon Transition UK Equity Index	Low Carbon Transition North America Equity Index	Low Carbon Transition Europe (ex UK) Equity Index	Low Carbon Transition Asia Pacific (ex Japan) Equity Index	Low Carbon Transition Japan Equity Index
How many meetings were you eligible to vote at?	267	1182	88	527	478	152	296
How many resolutions were you eligible to vote on?	4609	16707	1822	7294	7903	1132	3668
What % of resolutions did you vote on for which you were eligible?	99.57%	99.50%	100.00%	98.72%	99.67%	100.00%	100.00%
Of the resolutions on which you voted, what % did you vote with management?	94.38%	82.15%	96.65%	64.05%	81.36%	79.06%	90.79%
Of the resolutions on which you voted, what % did you vote against management?	5.56%	17.49%	3.35%	35.08%	18.08%	20.94%	9.21%
Of the resolutions on which you voted, what % did you vote to abstain?	0.07%	0.35%	0.00%	0.87%	0.56%	0.00%	0.00%
In what % of meetings, for which you did vote, did you vote at least once against management?	39.47%	72.65%	30.68%	98.86%	79.45%	70.39%	62.84%
Which proxy advisory services does your firm use?	ISS	ISS	ISS	ISS	ISS	ISS	ISS

Voting Statistics *(continued)*

Do you use their standard voting policy or created your own bespoke policy which they then implemented on your behalf?	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy
What % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	4.92%	13.73%	3.24%	30.27%	9.36%	13.25%	8.56%

Voting Statistics *(continued)*

Investment Manager	Man Group	Ownership Capital	RBC Global Asset Management			Ruffer LLP		Sands Capital Management
Fund	Man Risk Premia SPC	Long-Horizon Equity	Emerging Markets Equity SRI	Emerging Markets Equity ex-China	China Equity	Ruffer Absolute Return SRI	Ruffer Absolute Return	Global Growth
How many meetings were you eligible to vote at?	536	27	70	70	56	30	32	42
How many resolutions were you eligible to vote on?	6829	338	751	696	584	501	535	426
What % of resolutions did you vote on for which you were eligible?	99.76%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Of the resolutions on which you voted, what % did you vote with management?	78.84%	91.00%	93.87%	91.24%	84.76%	94.41%	96.64%	97.42%
Of the resolutions on which you voted, what % did you vote against management?	20.74%	9.00%	6.13%	8.76%	15.24%	5.59%	3.20%	2.58%
Of the resolutions on which you voted, what % did you vote to abstain?	0.04%	1.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.00%
In what % of meetings, for which you did vote, did you vote at least once against management?	76.68%	70.00%	32.86%	32.86%	58.93%	33.30%	31.30%	19.05%
Which proxy advisory services does your firm use?	Glass Lewis	ISS	ISS, Glass Lewis	ISS, Glass Lewis	ISS, Glass Lewis	ISS	ISS	ISS, Glass Lewis, and SES
Do you use their standard voting policy or created your own bespoke policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Bespoke Policy	Standard Policy

which they then implemented on your behalf?								
What % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	12.68%	9.00%	1.86%	2.01%	0.00%	3.20%	3.00%	12.44%

Significant Votes

Investment Manager	**Ruffer LLP**
Company name	Prosus NV
Date of vote	21 August 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.3%
Summary of the resolution	Approve Remuneration Report
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	Ruffer voted against due to concerns over misalignment between executive pay and share price performance, as well as excessive payments to the former CEO upon departure.
Outcome of the vote	Passed
Implications of the outcome	Ruffer will continue to monitor the company and may engage if no progress is observed.
On which criteria have you assessed this vote to be "most significant"?	Any vote against management or ISS recommendation, any vote in breach of Ruffer's internal voting guidelines, shareholder resolutions, climate-related resolutions, or dissident shareholder slates (US only).

Significant Votes *(Continued)*

Investment Manager	**Man Group**
Company name	Constellation Brands Inc
Date of vote	17 July 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	N/A
Summary of the resolution	Shareholder Proposal Regarding Report on Circular Economy for Packaging
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	Man Group supports increased climate commitments.
Outcome of the vote	Failed
Implications of the outcome	Man Group prioritises shareholder proposals aligned with responsible investment principles and believes that active voting plays a key role in promoting sustainable corporate behaviour.
On which criteria have you assessed this vote to be "most significant"?	Shareholder proposal.

Significant Votes *(Continued)*

Investment manager	**Legal and General Investment Management**
Company name	National Grid Plc
Date of vote	10 July 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	2.3%
Summary of the resolution	Approve Climate Transition Plan
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to the AGM.
Rationale for the voting decision	The plan met LGIM's minimum expectations, including the disclosure of scope 1, 2 and material scope 3 GHG emissions and short, medium and long-term GHG emissions reduction targets consistent with a 1.5C goal.
Outcome of the vote	Passed
Implications of the outcome	LGIM will continue to engage with investee companies and monitor progress on climate-related targets.
On which criteria have you assessed this vote to be "most significant"?	Thematic – Climate. LGIM considers "Say on Climate" votes highly significant.

Significant Votes *(Continued)*

Investment manager	**Legal and General Investment Management**
Company name	DS Smith Plc
Date of vote	3 September 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.3%
Summary of the resolution	Re-elect Geoff Drabble as Director
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to the AGM.
Rationale for the voting decision	Board gender diversity dropped below 40%, and LGIM considers the company's succession planning and gender diversity targets insufficient.
Outcome of the vote	Passed
Implications of the outcome	LGIM will continue engagement on diversity and advocate for stronger commitments.
On which criteria have you assessed this vote to be "most significant"?	Thematic - Diversity: LGIM views diversity as a financially material issue.

Significant Votes *(Continued)*

Investment manager	**Legal and General Investment Management**
Company name	Tate & Lyle Plc
Date of vote	25 July 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.1%
Summary of the resolution	Re-elect Nick Hampton as Director
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to the AGM.
Rationale for the voting decision	The company was deemed to not meet minimum standards with regard to LGIM's deforestation policy.
Outcome of the vote	Passed
Implications of the outcome	LGIM will continue to advocate for stronger deforestation policies.
On which criteria have you assessed this vote to be "most significant"?	Thematic - Nature: LGIM applied this vote under its engagement programme on deforestation.

Significant Votes*(Continued)*

Investment manager	**Ownership Capital**
Company name	Dexcom
Date of vote	22 May 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	3.3%
Summary of the resolution	Report on Median Gender/Racial Pay Gap
How you voted	Against
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	Shareholder proposal promotes better management of SEE opportunities and risks
Outcome of the vote	Failed
Implications of the outcome	Before the vote, Ownership actively engaged with the company on the issue. In response, the company published an equity pay gap report, which revealed that: 1) Globally, non-executive female employees earned 99.9% of the pay received by men in comparable roles; and 2) In the U.S., racially and ethnically diverse non-executive employees earned 99.9% of the pay received by white employees in similar roles. While Ownership acknowledges the company's prompt response, the level of detail provided in the report is not fully satisfactory. Ownership continues to engage with the company to seek further disclosure. However, the outcomes reported by Dexcom were deemed sufficient.
On which criteria have you assessed this vote to be "most significant"?	Gender/racial pay gap is an important part of Ownership's social engagement.

Significant Votes *(Continued)*

Investment manager	**Ruffer LLP**
Company name	Citigroup
Date of vote	30 April 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.4%
Summary of the resolution	Social: Report on Respecting Indigenous Peoples' Rights
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
Rationale for the voting decision	The company has received scrutiny over its financing of companies active in the Amazon oil and gas industry, such as Frontera Energy, that are linked to drilling on and near Indigenous territories. Moreover, clients who operate projects with Indigenous Peoples' FPIC concerns potentially violate Citi's ESRM Policy Prohibitions. Shareholders would likely benefit from increased disclosure that evaluates the effectiveness of Citi's due diligence process around Indigenous Peoples' rights for project related financing and client portfolios.
Outcome of the vote	Failed
Implications of the outcome	Ruffer will continue to monitor the company and vote on shareholder resolutions where appropriate.
On which criteria have you assessed this vote to be "most significant"?	Any vote against management or ISS recommendation, any vote in breach of Ruffer’s internal voting guidelines, shareholder resolutions, climate-related resolutions, or dissident shareholder slates (US only).

Significant Votes *(Continued)*

Investment manager	**Ruffer LLP**
Company name	Amazon
Date of vote	22 May 2024
Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.6%
Summary of the resolution	Human labour rights
How you voted	For
Where you voted against management, did you communicate your intent to the company ahead of the vote?	*No*
Rationale for the voting decision	The report would evaluate whether the use of Amazon's products and services—including surveillance, computer vision, and cloud storage—contributes to human rights violations. Ruffer believes such an assessment could identify potential concerns and help protect Amazon from future reputational risks.
Outcome of the vote	Failed
Implications of the outcome	Ruffer will continue to monitor the company's actions in this area and may engage further if no meaningful progress is observed.
On which criteria have you assessed this vote to be "most significant"?	Any vote against management or ISS recommendation, any vote in breach of Ruffer's internal voting guidelines, shareholder resolutions, climate-related resolutions, or dissident shareholder slates (US only).

Voting Policy Analysis

Investment Manager	**Legal and General Investment Management**
What is your policy on consulting with clients before voting?	Legal and General Investment Management (LGIM) voting and engagement activities are led by ESG professionals to achieve the best outcomes for clients. Voting policies are reviewed annually, incorporating client feedback. Each year, LGIM hosts a stakeholder roundtable where clients and other stakeholders (civil society, academia, the private sector, and investors) provide input that informs voting and engagement priorities. Additional feedback is gathered through regular meetings and ad-hoc enquiries.
Please provide an overview of your process for deciding how to vote.	LGIM's Investment Stewardship team makes all voting decisions in line with its Corporate Governance & Responsible Investment and Conflicts of Interest policies, which are reviewed annually. Each team member is assigned a specific sector globally, ensuring that voting aligns with their engagement activities. This integrated approach reinforces consistent messaging to companies.
How, if at all, have you made use of proxy voting services?	LGIM uses ISS's 'ProxyExchange' platform to electronically vote clients' shares. All decisions remain with LGIM, and no strategic voting is outsourced. ISS recommendations complement LGIM's proprietary research, and for UK companies, Institutional Voting Information Services (IVIS) reports provide additional insights. LGIM has a global custom voting policy with minimum best practice standards, but it retains the ability to override votes based on direct company engagement. Votes are monitored through manual checks and an electronic alert system to ensure execution aligns with LGIM's policies.
What process did you follow for determining the "most significant" votes?	Significant votes are identified using criteria from PLSA guidance, including: • High-profile or controversial votes attracting client/public scrutiny; • Votes with strong client interest, expressed directly or at LGIM's stakeholder roundtable; • Sanction votes following direct or collaborative engagement; • Votes linked to LGIM's 5-year ESG priority engagement themes.
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened	N/A

and the rationale for the action taken.	
Are you currently affected by any conflicts across any of your holdings?	For information on conflicts of interest, refer to LGIM's Investment Stewardship Conflict of Interest document here.
Voting Policy	Available here

Voting Policy Analysis *(Continued)*

Investment Manager	**Man Group**
What is your policy on consulting with clients before voting?	Man Group follows a custom voting policy that promotes good corporate governance and ESG standards while considering company-specific and market differences. They recognise that governance best practices vary globally and adopt a balanced, research-driven approach to voting. Man aims to vote at all meetings where legally permitted, adhering to their custom voting policy unless a client provides specific voting instructions, in which case they will follow those.
Please provide an overview of your process for deciding how to vote.	Man Group primarily follows its custom voting policy but considers input from portfolio management teams and clients. Given the firm's diverse investment teams, differing views may arise. In such cases, a structured process evaluates all perspectives, incorporating: • Management recommendations • Proxy provider advice • Stewardship Team input • Stewardship Committee guidance (if required) The Stewardship Team documents all votes that deviate from the custom voting policy, which are reviewed quarterly by the Stewardship Committee.
How, if at all, have you made use of proxy voting services?	Man Group uses Glass Lewis as its proxy service provider, leveraging the 'Viewpoint' platform for electronic voting, research reports, and custom voting recommendations. To ensure alignment with their policy, Man applies monitoring controls, including: • Screening high-value positions, with manual reviews of pre-populated votes; • Electronic alerts for votes against policy, requiring manual input or further action.
What process did you follow for determining the "most significant" votes?	Man Group's proxy voting framework identifies 'high-value meetings' using: • ESG ratings from third-party providers; • Internal metrics on meeting importance (% of shares held, fund AUM); • Shareholder proposals, which are automatically flagged for review.
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened	N/A

and the rationale for the action taken.	
Are you currently affected by any conflicts across any of your holdings?	Man Group maintains a Proxy Watch List of issuers where material conflicts of interest may arise. Votes for these issuers follow the custom voting policy unless the Stewardship Committee decides otherwise. A majority vote from committee members is required for final decisions on proxy issues. No other conflicts reported.
Voting Policy	Available here

Voting Policy Analysis *(Continued)*

Investment Manager	Ownership Capital
What is your policy on consulting with clients before voting?	Ownership Capital views voting as a key engagement tool and votes its shares in line with its own guidelines to ensure consistency and minimise errors. However, they are open to discussing voting decisions with clients upon request.
Please provide an overview of your process for deciding how to vote.	The investment team determines votes based on corporate governance best practices and their understanding of each company's business. This is informed by ongoing dialogue with management. A designated team member collects recommendations, screens them against the internal voting policy for consistency, and verifies alignment with previous voting activity. Once approved, voting instructions are submitted via the proxy voting platform.
How, if at all, have you made use of proxy voting services?	Ownership uses the ISS platform for voting and reporting.
What process did you follow for determining the "most significant" votes?	Significant votes are assessed on a case-by-case basis by the investment team, considering internal voting policies and the potential impact of each decision.
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened and the rationale for the action taken.	N/A
Are you currently affected by any conflicts across any of your holdings?	No
Voting Policy	Available here

Voting Policy Analysis *(Continued)*

Investment Manager	**RBC Global Asset Management**
What is your policy on consulting with clients before voting?	RBC Global Asset Management (RBC GAM) makes independent voting decisions, with full responsibility resting solely with RBC GAM. To ensure voting aligns with clients' best interests, the Responsible Investment (RI) team reviews each proposal to confirm that the proxy advisory firm's recommendation aligns with their Guidelines.
Please provide an overview of your process for deciding how to vote.	RBC GAM's Proxy Voting Guidelines govern their voting decisions, incorporating internal expertise and independent research. These Guidelines are continuously updated to reflect evolving corporate governance best practices and are publicly available to inform clients and issuers. While they generally vote in line with these Guidelines, there may be cases where they determine that an alternative vote or abstention is in their clients' best interests. In cases of actual or perceived conflicts of interest, RBC GAM follows specific procedures to ensure votes remain aligned with their Guidelines and portfolio objectives.
How, if at all, have you made use of proxy voting services?	RBC GAM engages ISS for proxy research and to issue custom voting recommendations based on their Guidelines. However, all voting decisions are made independently. RBC GAM also retains Glass Lewis & Co. for additional proxy research.
What process did you follow for determining the "most significant" votes?	Significant votes are identified based on various factors, including: • Votes against management recommendations; • Longstanding or ongoing engagements with issuers; • Votes on RBC GAM's largest holdings; • Votes aligned with core engagement priorities; • Non-routine matters affecting shareholder rights or corporate governance.
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened and the rationale for the action taken.	N/A
Are you currently affected by any conflicts across any of your holdings?	No
Voting Policy	Available here

Voting Policy Analysis *(Continued)*

Investment Manager	**Ruffer LLP**
What is your policy on consulting with clients before voting?	As a discretionary investment manager, Ruffer does not have a formal policy on consulting clients before voting. However, they can accommodate client voting instructions for specific areas of concern or particular companies where feasible.
Please provide an overview of your process for deciding how to vote.	Please refer to Ruffer's Responsible Investment Policy.
How, if at all, have you made use of proxy voting services?	Ruffer engages Institutional Shareholder Services (ISS) as their proxy voting advisor. They have developed their own internal voting guidelines but also consider ISS's insights to assess resolutions and identify contentious issues. Although they acknowledge ISS's recommendations, Ruffer does not delegate or outsource its stewardship responsibilities. Each research analyst, supported by the responsible investment team, reviews resolutions on a case-by-case basis, leveraging their in-depth knowledge of the company. For controversial resolutions, discussions are held with senior investment staff. If consensus is not reached, the decision may be escalated to the Head of Research or the Chief Investment Officer.
What process did you follow for determining the "most significant" votes?	Ruffer defines significant votes as: • Any vote against management or against an ISS recommendation; • Any vote in breach of Ruffer's internal voting guidelines; • Any shareholder resolution; • Any climate-related resolution; • Any management-proposed climate-related resolution; • Dissident shareholder slates (US only).
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened and the rationale for the action taken.	N/A
Are you currently affected by any conflicts across any of your holdings?	No
Voting Policy	Available here

Voting Policy Analysis *(Continued)*

Investment Manager	Sands Capital Management
What is your policy on consulting with clients before voting?	Sands Capital does not have a formal policy for consulting with clients before voting. However, they conduct thorough research and engagement to ensure voting decisions align with their investment philosophy and fiduciary duty.
Please provide an overview of your process for deciding how to vote.	Sands Capital's investment research team, particularly the lead analyst covering the business, is responsible for voting decisions. They consider: • Company proxy materials • Internal research and analysis • Prior engagements with company management • Third-party recommendations from ISS and Glass Lewis They do not delegate voting authority to proxy advisors but review their insights before making independent decisions.
How, if at all, have you made use of proxy voting services?	Sands Capital votes proxies directly, while considering the recommendations of ISS and Glass Lewis to supplement their own research.
What process did you follow for determining the "most significant" votes?	Sands Capital assesses vote significance based on: • Dissent level from shareholders; • Shareholder proposals they supported; • Votes against management or ISS recommendations; • Historical voting on similar proposals; • Strategic relevance to their investment approach.
Did any of your "most significant" votes breach the client's voting policy (where relevant)?	No breaches reported.
If 'Y' to the above. Please explain where this happened and the rationale for the action taken.	N/A
Are you currently affected by any conflicts across any of your holdings?	No
Voting Policy	Available here

Final Remarks

The reporting period for this Statement covers 1st October 2023 to 30th September 2024. Any actions undertaken by the Trustee after this date will be covered in the next Statement.