2022

Retirement Solutions

The Pensions Trust 2016

Annual Report and Financial Statements **2022**

Pension Scheme Registration Number 12013479

Contents

Appendices

Trustee and Advisors

Trustee	Verity Trustees Limited
Chair of the Trustee Board	Joanna Matthews
Co-opted Directors	Joanna Matthews – Independent Chair Michael Ramsey (resigned 1 June 2022) David Robertson
Employer-Nominated Directors	Jonathan Wheeler Paul Oldroyd Jonathan Cawthra Dean Waddingham (appointed 1 October 2022)
Member-Nominated Directors	Thomas Hague Andrew Newberry (resigned 30 September 2022) Linda Henry Helen Astle (appointed 1 October 2022) Chris Roles (appointed 1 October 2022)
Scheme Actuary	Michael Kelly FIA Mercer Limited
Independent Auditors	PricewaterhouseCoopers LLP
Legal Advisors	Linklaters LLP CMS Cameron McKenna Nabarro LLP
Investment Managers	abrdn Alternative Funds Limited (formerly abrdn Investment Management Limited) Alcentra Limited Apollo Global Management, LLC (formerly Apollo Group) Ares Management LLC (formerly Ares Management Corporation) Ashmore Investment Management Limited BlackRock Investment Management (UK) Limited Chorus Capital Limited (formerly Chorus Capital Management Limited) Christofferson, Robb & Company LLC Foresight Group Holdings PLC (formerly Foresight Energy Infrastructure) Hayfin PT LP (formerly Hayfin Capital Management LLP) IFM Investors Pty, Limited King Street Capital Management L.P.

KKR & Co. Inc.
Legal & General Assurance (Pensions Management) Limited (formerly Legal & General Investment Management Limited)
Man Group PLC
Nephila Capital Limited
Ownership Capital B.V.
Pacific Investment Management Company LLC
Partners Group
RBC Global Asset Management (UK) Limited
Royal London Asset Management Limited
Ruffer LLP
Sands Capital Management, LLC
Siguler Guff & Company, LP
Standard Life Assurance Limited (formerly abrdn PLC)
Stonepeak Holdings LLC (formerly Stonepeak Infrastructure Partners)
Vontobel Asset Management SA (formerly TwentyFour Asset Management LLP)
Wellington Management International Limited

External AVC Policy Providers
See listing in Note 16

Insurance Policy Providers
See listing in Note 15

Investment Consultants
Mercer Investment Consulting
Redington Investments Limited

Custodian
The Northern Trust Company

Custody Consultants
Thomas Murray Data Services

Address for enquiries
TPT Retirement Solutions
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 2022

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 2022.

Trust Constitution and Management

The Trust is governed by Verity Trustees Limited, the sole corporate Trustee. As at 30 September 2022, the Trustee Board consisted of eight Directors, three of whom are nominated by the members, three by the employers and two Directors co-opted onto the Trustee Board by the member and employer-nominated Directors. From 1 October 2022 the number of Directors increased to ten, four nominated by the members, four nominated by the employers and two Directors co-opted onto the Trustee Board by the member and employer-nominated Directors. Verity Trustees Limited is also the corporate Trustee of The Pensions Trust. The Pensions Trust 2016 and The Pensions Trust operate under the name TPT Retirement Solutions ("TPT"). 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 2022.

TPT operates a two-tier governance structure. The supervisory Trustee Board appoints and holds to account a Management Oversight Board which holds delegated authority to make decisions about the operation of TPT and to oversee its day-to-day running. There are four members of the Management Oversight Board, all independent non-executives. For the Trust year ended 30 September 2022, David Robertson was the Chair of the Management Oversight Board. He is also a co-opted Director of Verity Trustees Limited. The other members of the Management Oversight Board at 30 September 2022 were Mike Balfour, Richard Coates and Colin Richardson who are also the respective Chairs of the Investment, Audit, Risk & Compliance and Funding Committees. On 1 June 2022 Michael Ramsey resigned as Chief Executive of TPT Retirement Solutions, as a member of the Management Oversight Board and also as a co-opted Director of Verity Trustees Limited. The Trustee Board agreed to appoint David Lane as Interim Chief Executive with immediate effect and not to fill the arising vacancy on either the Management Oversight Board or Verity Trustees Limited. On 1 January 2023 the Trustee Board confirmed David Lane as permanent Chief Executive.

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 and 2. 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 10 (2021: 9) segregated schemes ("schemes") within the Trust as at 30 September 2022.

Current Economic Environment

Conflict in Ukraine

The Trustee has monitored the consequences of the Ukraine conflict for the Trust and has considered in particular the payment of pensions, the effect on the employer covenant and the effect on the Trustee's investment strategy. The Trust has no pensioners who are based in Russia or Ukraine and therefore no special measures regarding the payment of pensions have been necessary.

The Trust had minimal exposure to Russian, Belarusian and Ukrainian assets prior to the invasion. The exposure to Russia was below 0.1% in September 2022. Where possible, assets were sold down following the invasion and managers instructed not to purchase further Russian assets. Given this minimal exposure the Trustee is satisfied that the risks posed to the management of the Trust and its investments have been adequately managed and no additional mitigating actions are currently required.

Post Fiscal Event Volatility

Following the government's 'mini-budget' on 23 September 2022, a significant sell-off took place in the Gilt market, resulting in a c.120 basis points (bp) increase in the 30-year nominal yield from 23 September 2022 to 27 September 2022. The Bank of England intervened on 28 September 2022, with the 30-year nominal yield falling c.100bp on the same day. Additional measures were put in place on 10 October 2022 and 11 October 2022 by the Bank of England, and on 19 October 2022 the majority of measures from the 'mini-budget' were reversed, resulting in further falls in the 30-year nominal Gilt yield.

As part of normal collateral-monitoring processes, the Trustee compares the availability of collateral against potential requirements on a daily basis. Yields had been rising throughout 2022 with an increase in the 30-year nominal Gilt yield from c.1.0% to c.3.5% prior to the 'mini-budget'. This daily monitoring continued post 'mini-budget' and allowed the Trustee to react quickly to collateral and recapitalisation requirements on Liability Driven Investment (LDI) funds. Communication was maintained with non-LDI fund managers in relation to the selling of assets to meet the calls, ensuring there were no excessive transaction costs and sales were executed at market value (avoiding significant discounts).

During the first quarter of 2023, volatility has greatly reduced in the gilt market (compared to September and October 2022). Increased collateral buffers have been requested by regulators and have been implemented by our LDI managers. As a result, the Trust has a greater resilience to future periods of high volatility in the gilt market.

The Trustee will complete a review of the Strategic Asset Allocation during the first quarter of 2023 to consider the potential changes to be made to the broader portfolio in light of these events.

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 18 to 43 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 2022 £'000	30 Sept 2021 £'000
Contributions Receivable	8,976.7	3,740.3
Transfers In and Other Income	22,964.4	16,179.0
Benefits Paid or Payable	(12,296.5)	(11,193.1)
Transfers Out to Other Schemes	(1,927.4)	(778.6)
Administrative Expenses (incl. PPF levy)	(1,183.7)	(1,172.6)
Net Additions from dealings with Members	16,533.5	6,775.0
Investment Income	7,426.6	8,071.8
Change in Market Value of Investments	(154,668.8)	(509.0)
Investment management expenses	(1,842.0)	(1,878.9)
Net Return on Investments	(149,084.2)	5,683.9
Net (Decrease) / Increase in the Trust during year	(132,550.7)	12,458.9
Net Assets at beginning of year	449,572.9	437,114.0
Net Assets at end of year	**317,022.2**	**449,572.9**

Significant developments affecting the financial performance of the Trust during the year include:

- Contributions receivable have increased by 140.0% when compared to the prior year, from £3,740.3k to £8,976.7k, largely due to a lump sum contribution of £3,500k for National Counties Building Society Pension Scheme.
- Transfers In and Other Income relates to the group transfer in of the Cambridge Building Society Retirement Plan.
- Within Benefits Paid or Payable, the pensions payable have increased by 7.6% from £9,182.5k to £9,882.4k. This reflects benefit payments made for the Cambridge Building Society Retirement Plan which transferred to the Trust within the year and also full year pension payments being made for the Together Working for Wellbeing Pension Scheme which transferred to the Trust in the prior year.
- Transfers Out to Other Schemes shows a significant increase in the current year, due to a small number of large individual member transfers from the Coventry Building Society Staff Superannuation Scheme during the year.
- There was a negative return on investments during the year to 30 September 2022 of 30.6% (2021: positive return of 1.7%). Further details on investment performance can be found on page 10.

Membership and Benefits

As at the year end, there were 10 (2021: 9) 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	89	1,743	1,289	115	3,236
New members*	-	182	91	1	274
Members retiring	(4)	(70)	74	-	-
Members leaving prior to pension age	(7)	7	-	-	-
Members leaving with refunds	-	-	-	-	-
Transfers out	-	(15)	-	-	(15)
Full commutations	-	(4)	(2)	-	(6)
Deaths	-	(1)	(26)	(5)	(32)
New beneficiaries**	-	-	-	16	16
Reclassifications	1	-	(7)	3	(3)
At the end of the year	**79**	**1,842**	**1,419**	**130**	**3,470**

**New members and new beneficiaries include transfers in or new schemes to the Trust.*

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

Included in the above are 73 (2021: 94) pensioners and beneficiaries whose benefits are secured by annuities. Included within the number of active members are 34 (2021: 41) 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.

Pension Increases

The Rules make provision for increases to pensions in payment and deferred pensions. The increases applied depend on when the benefits were 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.

The table below summarises the most recent increases applied:

Effective date	Minimum	Maximum	Average
Pensions in payment			
6 April 2022	0.0%	5.0%	**3.2%**
6 April 2021	0.0%	3.0%	**1.3%**

There have been no discretionary increases awarded during the reporting period (2021: 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 2.

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 48 and 49. 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 2021 (the latest aggregate valuation available) is the sum total of either the full actuarial valuations at that date or the latest actuarial update.

Valuation date 30 September	2021 £'000	2020 £'000
Value of Technical Provisions	497,676.0	471,652.0
Value of Assets Available to meet Technical Provisions[1]	440,146.0	433,472.0
as a percentage of Technical Provisions	88.4%	91.9%

Due to the rise in government bond yields over the year, subsequent falls in the Liability Driven Investments (LDIs) have significantly contributed to the reduction in the Trust assets in the year to 30 September 2022. Conversely, because of the use of the LDIs to manage current and future liabilities of the Trust, an approximate update to the technical provisions as at 30 September 2022 shows an increase in the funding position when compared with 30 September 2021. The information shown below is based on a rolled-forward position from the 30 September 2021 valuations.

	2022
Valuation date 30 September	**£'000**
Value of Technical Provisions	336,143.1
Value of Assets Available to meet Technical Provisions[1]	312,392.0
as a percentage of Technical Provisions	92.9%

[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 the 2021 valuations are as follows:

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.

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 S2PxA 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 0.50% for females.

Recovery Plan

The arrangements for each scheme 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 49. A copy of the example certificate can be can be found on page 48.

Cambridge Building Society Retirement Plan has an interim Schedule of Contributions until the Scheme Actuary certifies a full Schedule of Contributions.

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 of this can be found in note 24.

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 Trust's investment strategy.

In accordance with section 35 of the Pensions Act 1995, the Trustee has agreed a Statement of Investment Principles ("SIP"). The version in place at 30 September 2022 was approved in October 2021. A copy of the SIP may be obtained from the address for enquiries on page 2 or can be found on TPT's website.

Trustees of most schemes with 100 or more members, such as Verity Trustees Limited, must include an Implementation Statement for all Annual Report and Accounts produced on or after 1 October 2020. The Implementation Statement requirements differ between DC/hybrid schemes and pure DB 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 50 to 76.

Management and Custody of Investments

The Trustee has delegated the management of its investments to professional Investment Managers which are listed on pages 1 and 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 ethical 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 Taskforce's Recommendations on Climate-Related Financial Disclosure, we have disclosed the Trust's approach to climate-risk management on TPT's website.

The Trustee has appointed The Northern Trust Company to keep custody of the Trust's DB 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 table below. The Trust manages and monitors its DB investments in one main portfolio.

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

There was a negative return on investments of 30.61% in the 12 months to 30 September 2022 (2021: positive return of 1.67%).

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

Annualised return over:	Portfolio allocation	1 Year	3 Years	5 Years
Growth Assets	**18%**	**4.94%**	**7.88%**	**7.23%**
Benchmark[1]		*4.99%*	*4.75%*	*4.84%*
Matching-Plus[2]	**48%**	**(9.36)%**	**(0.92)%**	-
Benchmark[3]		*(13.98)%*	*(4.65)%*	-
Liability Driven Investments[4]	**34%**	**(66.25)%**	**(32.82)%**	**(14.15)%**
Benchmark[5]		*(78.10)%*	*(41.57)%*	*(21.43)%*
Main Portfolio	**100%**	**(30.61)%**	**(10.56)%**	**(5.20)%**

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

[2]The Matching-Plus Portfolio was separated out from Growth Assets Portfolio on 31 December 2018, hence it lacks a five year track record.

[3]The aim of the Matching-Plus Portfolio is to outperform the ICE BoA UK gilts 1-15 year benchmark + 1.4%. The benchmark in the table above represents this objective.

[4]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.

[5]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.

The reduction in Trust assets over the year to 30 September 2022 is attributable to the rise in government bond yields over the period, which has had a materially negative impact on the LDI assets. The absolute decline in the value of the LDI assets approximately matched the fall in the value of the liabilities of the schemes. Despite it being a challenging 12 months for global equities and fixed interest (credit) investments, the Growth Assets Portfolio produced a positive return because the positive impact of the market neutral and illiquid components more than offset declines elsewhere.

Employer-Related Investments

Details of Employer Related Investments are included in note 23 of the Financial Statements. This includes contributions outstanding at the year end which were not received by their due date. Further details are provided in the Summary of Contributions on pages 46 to 47.

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 pension scheme 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.

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.

Further Information

Requests for additional information about the Trust generally, or queries relating to members' own benefits, should be made to the address for enquiries on page 2.

Approval

The Trustee's Report on pages 3 to 11 was approved and signed for and on behalf of the Trustee on 22 March 2023.

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 2022, 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 in the Annual Report and Financial Statements, which comprise: the Statement of Net Assets (available for benefits) as at 30 September 2022; 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.

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 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.

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.

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

22 March 2023

Financial Statements

Fund Account

For the year ended 30 September 2022

	Note	2022 £'000	2021 £'000
Employer Contributions		8,854.6	3,612.5
Employee Contributions		122.1	127.8
Total Contributions	5	8,976.7	3,740.3
Transfers in	6	22,964.4	16,179.0
		31,941.1	**19,919.3**
Benefits Paid or Payable	7	(12,296.5)	(11,193.1)
Transfers Out to Other Schemes	8	(1,927.4)	(778.6)
Administrative Expenses	9	(1,183.7)	(1,172.6)
		(15,407.6)	**(13,144.3)**
Net additions from dealings with Members		**16,533.5**	**6,775.0**
Net Returns on Investments			
Investment Income	10	7,426.6	8,071.8
Change in Market Value of Investments	11	(154,668.8)	(509.0)
Investment Management Expenses	12	(1,842.0)	(1,878.9)
		(149,084.2)	**5,683.9**
Net (Decrease) / Increase in the Trust		**(132,550.7)**	**12,458.9**
Opening Net Assets		**449,572.9**	**437,114.0**
Closing Net Assets available for benefits		**317,022.2**	**449,572.9**

The notes on pages 21 to 43 form part of these Financial Statements.

Statement of Net Assets (available for benefits)

As at 30 September 2022

	Note	Total 2022 £'000	Total 2021 £'000
Investment Assets			
Equities	11	704.0	7,136.2
Bonds	11	6,489.2	11,324.3
Pooled Investment Vehicles	13	302,656.3	414,496.2
Derivatives	14	192.7	129.9
Insurance Policies	15	5,700.9	9,059.4
AVC Investments	16	332.0	367.3
Cash and Cash Equivalents	17	905.5	4,636.6
Other Investment Balances	17	1,498.9	3,473.9
		318,479.5	**450,623.8**
Investment Liabilities			
Derivatives	14	(2,195.8)	(725.0)
Cash and Cash Equivalents	17	(16.3)	-
Other Investment Balances	17	(1.7)	(432.5)
		(2,213.8)	**(1,157.5)**
Total Net Investments		**316,265.7**	**449,466.3**
Current Assets	21	1,732.0	945.4
Current Liabilities	22	(975.5)	(838.8)
Total Net Assets (available for benefits)		**317,022.2**	**449,572.9**

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 7 to 9 of the Annual Report. These Financial Statements should be read in conjunction with this Report.

The notes on pages 21 to 43 form part of these Financial Statements.

The Financial Statements on pages 18 to 43 have been approved and signed for and on behalf of the Trustee on 22 March 2023.

Joanna Matthews
Independent Chair
Verity Trustees Limited

Notes to the Financial Statements

For the year ended 30 September 2022

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 ("DB") 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.

ii. Employer 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. Contributions by employers towards administrative expenses of the Trust are included within normal contributions.

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

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

vi. 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.

vii. 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.

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 incurs all administrative and investment management expenses relating to The Pensions Trust 2016 and recharges these on a monthly basis.

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.

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'.

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 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 15, 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 the 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 are included within (g) above and within notes 15, 19 and 20. The Trustee does not consider there to be any critical judgements.

4. Analysis of Fund Account

	2022	**2021**
	£'000	**£'000**
Total Income	31,941.1	19,919.3
Total Payments	(15,407.6)	(13,144.3)
Net additions from dealing with Members	16,533.5	6,775.0
Net Return on Investments	(149,084.2)	5,683.9
Net Increase in the Trust	(132,550.7)	12,458.9
Opening Net Assets	449,572.9	437,114.0
Closing Net Assets (available for benefits)	**317,022.2**	**449,572.9**

5. Contributions

	2022 £'000	2021 £'000
Employer Contributions		
Normal	291.5	403.0
Administrative expenses	1,223.5	1,098.5
Deficit funding	3,839.6	2,111.0
Special contributions	3,500.0	-
	8,854.6	**3,612.5**
Employee Contributions		
Normal	122.1	127.8
	122.1	**127.8**
	8,976.7	**3,740.3**

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.

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

Total future commitments as at 30 September 2022 to pay deficit contributions for the Frank Roberts & Sons Pension Scheme, the National Counties Building Society Pension Scheme, the Together Working for Wellbeing Pension Scheme and the Waterloo Housing Pension Scheme are shown in the following table.

	£'000
Due in 1 year	4,111.3
Due in 1 - 2 years	4,260.1
Due in 2 - 5 years	13,942.9
Due in > 5 years	18,796.5
TOTAL	**41,110.8**

Deficit recovery periods differ between schedules of Contributions. The shortest deficit recovery period is three years, with the longest being 13 years.

Cambridge Building Society Retirement Plan has not been included in the above as a full actuarial valuation has not yet been completed for this scheme.

During the year there were eight (2021: four) instances of late payments relating to one (2021: two) employer. Further details can be found in the Summary of Contributions on page 46.

6. Transfers In

	2022 £'000	2021 £'000
Group Transfers in:		
AVCs – Frank Roberts & Sons Pension Scheme	-	9.5
AVCs - Together Working for Wellbeing Pension Scheme	-	51.7
Cash - Hinckley and Rugby Building Society Defined Benefit Pension Scheme	-	0.4
Cash - Cambridge Building Society Retirement Plan	20,841.4	-
Cash - Coventry Building Society Staff Superannuation Scheme	2,000.0	-
Cash - National Counties Building Society Pension Scheme	-	85.9
Cash - Together Working for Wellbeing Pension Scheme	-	16,031.5
Insurance policies - Cambridge Building Society Retirement Plan	123.0	-
	22,964.4	**16,179.0**

7. Benefits Paid or Payable

	2022 £'000	2021 £'000
Pensions	9,882.4	9,182.5
Commutations and Lump Sum Retirement Benefits	2,414.1	1,981.7
Lump Sum Death Benefits	-	28.9
	12,296.5	**11,193.1**

8. Transfers Out to Other Schemes

	2022 £'000	2021 £'000
Individual Transfers Out to Other Schemes	1,927.4	778.6
	1,927.4	**778.6**

9. Administrative Expenses

	2022	2021
	£'000	**£'000**
Monthly Management Charge	970.5	883.0
Pension Protection Fund Levy	183.1	251.9
Scheme Specific Expenses	30.1	37.7
	1,183.7	**1,172.6**

The monthly management charge represents the amounts paid to The Pensions Trust in respect of the administration and management of the Trust.

10. Investment Income

	2022	2021
	£'000	**£'000**
Income from Equities	5.6	17.0
Income from Bonds	470.8	354.7
Income from PIVs	6,511.4	7,152.3
Income from Insurance Policies	438.8	547.8
	7,426.6	**8,071.8**

11. Reconciliation of Net Investments

	Value at 1 Oct 2021 £'000	Transfers in £'000	Purchases at cost and derivative payments £'000	Sale Proceeds and derivative receipts £'000	Change in market value £'000	Value at 30 Sept 2022 £'000
Equities	7,136.2	-	5,629.4	(10,830.8)	(1,230.8)	704.0
Bonds	11,324.3	-	3,827.1	(5,920.5)	(2,741.7)	6,489.2
Pooled Investment Vehicles	414,496.2	-	303,744.9	(275,707.8)	(139,877.0)	302,656.3
Derivatives - Net	(595.1)	-	5,116.9	(1,894.2)	(4,630.7)	(2,003.1)
Insurance Policies	9,059.4	123.0	-	-	(3,481.5)	5,700.9
AVC Investments	367.3		-	(97.4)	62.1	332.0
	441,788.3	**123.0**	**318,318.3**	**(294,450.7)**	**(151,899.6)**	**313,879.3**
Cash	4,636.6					889.2
Other Investment Balances (net)	3,041.4					1,497.2
Total Investments	**449,466.3**					**316,265.7**

The change in market value in the table above excludes movements in respect of Cash and Cash Equivalents, largely due to foreign exchange fluctuations. The total change in market value of investments reported in the Fund Account for the year is £(154,668.8)k.

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:

	2022			
	Fees £'000	Commission £'000	Taxes £'000	Total £'000
Equities	4.4	3.8	-	8.2
Commodities	0.6	0.1	-	0.7
	5.0	3.9	-	8.9

	2021			
	Fees £'000	Commission £'000	Taxes £'000	Total £'000
Equities	4.1	4.7	-	8.8
Commodities	0.1	0.2	-	0.3
	4.2	4.9	-	9.1

12. Investment Management Expenses

	2022 £'000	2021 £'000
Management, Administration and Custody	1,842.0	1,878.9
	1,842.0	**1,878.9**

The Trust paid £362.7k (2021: £349.8k) in the year to The Pensions Trust in respect of the administration, management and custody of the Trust's investments.

13. Pooled Investment Vehicles

By type:	2022 £'000	2021 £'000
Equities	10,085.2	13,571.5
Bonds	133,517.8	241,948.1
Property	38,534.3	34,171.1
Hedge Funds	12,126.9	16,531.5
Venture Capital and Partnerships	99,644.3	96,691.1
Cash	8,747.8	11,297.7
Commodities	-	285.2
	302,656.3	**414,496.2**

14. Derivatives

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

Forward Foreign Currency

Type:	Expires within	Notional Value £'000	2022 Fair Value Asset £'000	2022 Fair Value Liability £'000
Buy EUR for GBP (7 contracts)	1 Year	658.1	-	(1.0)
Buy GBP for EUR (15 contracts)	1 Year	1,662.2	-	(30.8)
Buy GBP for JPY (12 contracts)	1 Year	496.5	-	(7.3)
Buy GBP for USD (13 contracts)	1 Year	32,831.5	-	(2,150.8)
Buy JPY for GBP (9 contracts)	1 Year	376.0	-	(5.9)
Buy USD for GBP (13 contracts)	1 Year	11,423.3	188.1	-
Buy GBP for AUD (5 contracts)	1 Year	114.2	4.0	-
Buy GBP for NOK (1 contract)	1 Year	16.2	0.6	-
Total 2022		**47,578.0**	**192.7**	**(2,195.8)**
Total 2021		**55,928.6**	**129.9**	**(725.0)**

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

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.

15. 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's in-house Actuary.

	2022	2021
	£'000	£'000
Insurance policies with Rothesay Life	2,837.3	3,953.8
Insurance policies with Canada Life	1,907.7	2,640.0
Insurance policies with Aviva Life	596.7	996.7
Insurance policies with Prudential	299.1	269.9
Insurance policies with Phoenix Life	33.2	2.6
Insurance policies with Scottish Widows	26.9	36.7
Insurance policies with ReAssure	-	1,149.5
Insurance policies with Legal & General Assurance Society	-	10.2
	5,700.9	**9,059.4**

16. AVC Investments

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

	2022	2021
	£'000	£'000
AVC Investments with Coventry Building Society	186.0	184.0
AVC Investments with Scottish Widows Limited	81.1	101.5
AVC Investments with Legal & General Assurance (Pensions Management) Limited	38.5	42.4
AVC Investments with Utmost Life and Pensions Limited	11.5	20.5
AVC Investments with Phoenix Life Limited	9.5	9.5
AVC Investments with Aviva Life & Pensions UK Limited	5.4	9.4
	332.0	**367.3**

17. Cash and Other Investment Balances

	2022	2021
	£'000	£'000
Cash – Sterling	890.1	1,588.5
Cash – Foreign Currency	15.4	3,048.1
	905.5	**4,636.6**
Cash - Overdrawn Balance*	(16.3)	-
	(16.3)	**-**
Accrued Investment Income	104.7	2,400.2
Pending transactions	1,394.2	1,073.7
	1,498.9	**3,473.9**
Amounts due to Brokers	(1.7)	(432.5)
	(1.7)	**(432.5)**
	2,386.4	**7,678.0**

**As a result of significant market volatility, short-term overdraft facilities were in place as at 30 September 2022 to ensure increased collateral calls on the Trust's LDI funds were met at short notice.*

18. Concentration of Investments

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

	2022		2021	
	Value £'000	%	Value £'000	%
Ares Secured Income Fund	40,348.5	12.7	41,733.2	9.3
Standard Life Investment Limited - Long lease Property Series 5	39,754.7	12.5	34,171.1	7.6
Royal London Asset Management Limited - UK Corporate Bond	36,883.9	11.6	98,647.1	22.0
Blackrock Investment Management (UK) Limited - LMF Short Real Profile Fund	31,595.5	9.9	55,065.4	12.2
Blackrock Investment Management (UK) Limited - LMF Long Real Profile Fund	26,918.9	8.5	40,757.7	9.1
Blackrock Investment Management (UK) Limited - LMF Long Nominal Profile Fund	25,134.0	7.9	23,363.1	5.2

19. 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:

Category:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2022 Total £'000
Investment Assets				
Equities	700.1	3.9	-	704.0
Bonds	127.5	6,361.7	-	6,489.2
Pooled Investment Vehicles	-	192,405.2	110,251.1	302,656.3
Derivatives	-	-	192.7	192.7
Insurance Policies	-	-	5,700.9	5,700.9
AVCs	-	332.0	-	332.0
Cash and Cash Equivalents	905.5	-	-	905.5
Other Investment Balances	1,498.9	-	-	1,498.9
	3,232.0	**199,102.8**	**116,144.7**	**318,479.5**
Investment Liabilities				
Derivatives	-	-	(2,195.8)	(2,195.8)
Cash and Cash Equivalents	(16.3)	-	-	(16.3)
Other Investment Balances	(1.7)	-	-	(1.7)
	(18.0)	**-**	**(2,195.8)**	**(2,213.8)**
Total Investments	**3,214.0**	**199,102.8**	**113,948.9**	**316,265.7**

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 2022 (2021: none).

Analysis for the prior year end is as follows:

Category:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2021 Total £'000
Investment Assets				
Equities	7,097.2	39.0	-	7,136.2
Bonds	2,396.5	8,927.8	-	11,324.3
Pooled Investment Vehicles	-	301,527.7	112,968.5	414,496.2
Derivatives	-	-	129.9	129.9
Insurance Policies	-	-	9,059.4	9,059.4
AVCs	-	367.3	-	367.3
Cash and Cash Equivalents	4,636.6	-	-	4,636.6
Other Investment Balances	3,473.9	-	-	3,473.9
	17,604.2	**310,861.8**	**122,157.8**	**450,623.8**
Investment Liabilities				
Derivatives	-	-	(725.0)	(725.0)
Cash and Cash Equivalents	-	-	-	-
Other Investment Balances	(432.5)	-	-	(432.5)
	(432.5)	**-**	**(725.0)**	**(1,157.5)**
Total Investments	**17,171.7**	**310,861.8**	**121,432.8**	**449,466.3**

20. 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			2022	2021
	Credit Risk	Currency Risk	Interest Rate Risk	Other Price Risk	£'000	£'000
Equities	○	◐	○	●	704.0	7,136.2
Bonds	●	◐	●	◐	6,489.2	11,324.3
Pooled Investment Vehicles					302,656.3	414,496.2
Direct exposure	●	○	○	○		
Indirect exposure	◐	◐	◐	◐		
Derivatives	◐	◐	●	◐	(2,003.1)	(595.1)
Insurance Policies	◐	○	●	○	5,700.9	9,059.4
AVC Investments	◐	◐	◐	◐	332.0	367.3
Cash and Other Investment Balances	●	◐	●	○	2,386.4	7,678.0
					316,265.7	**449,466.3**

Investment Strategy

The Trustee's objective is to maintain a portfolio of suitable assets of appropriate liquidity which will 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 for a number of underlying DB sections. 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 2021, 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 in full on the Trust's website.

In October 2021, the Trustee also reviewed a set of 9 Responsible Investment Principles which are used in conjunction with the Investment Beliefs to inform the investment strategy. The Responsible Investment Principles can be found in full 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.

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.

Investments exposed to Credit Risk	**2022 £'000**	**2021 £'000**
Bonds	6,489.2	11,324.3
Pooled Investment Vehicles:		
Bond Funds (Direct and Indirect)	133,517.8	241,948.1
Other Funds (Direct Risk only)	169,138.5	172,548.1
Derivatives:		
Assets	192.7	129.9
Liabilities	(2,195.8)	(725.0)
Insurance Policies	5,700.9	9,059.4
AVC Investments	332.0	367.3
Cash and Other Investment Balances	2,386.4	7,678.0
	315,561.7	**442,330.1**

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.

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.

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:	**2022 £'000**	**2021 £'000**
Partnerships	97,194.0	92,236.4
Authorised Unit Trust	87,319.1	121,873.6
Open ended investment company	54,358.8	120,635.6
Unit linked insurance contracts	51,223.3	52,122.3
Cash	8,747.8	11,297.7
Closed ended funds	2,450.3	3,502.0
Société d'investissement à capital variable (SICAV)	1,363.0	12,828.6
	302,656.3	**414,496.2**

Currency Risk

The Trust is subject to currency risk because some of the investments are held in overseas markets, either as segregated investments (direct exposure) or via pooled investment vehicles (indirect exposure). The exposure to USD, EUR and JPY is hedged as follows:

- 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.

	Direct Exposure £'000	**Indirect Exposure £'000**	**Hedging £'000**	**2022 Net Exposure after Hedging £'000**	**2021 Net Exposure after Hedging £'000**
Euros (EUR)	56.0	894.4	(951.1)	(0.7)	79.6
US Dollars (USD)	630.0	22,372.9	(22,186.1)	816.8	17,706.6
Japanese Yen (JPY)	78.3	59.2	(78.9)	58.6	1,220.0
Other Currencies	17.9	-	-	17.9	319.7
	782.2	**23,326.5**	**(23,216.1)**	**892.6**	**19,325.9**

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	**2022** **£'000**	**2021** **£'000**
Bonds	6,489.2	11,324.3
Pooled Investment Vehicles:		
Bond Funds (Direct and Indirect)	133,517.8	241,948.1
Derivatives:		
Assets	192.7	129.9
Liabilities	(2,195.8)	(725.0)
Insurance Policies	5,700.9	9,059.4
AVC Investments	332.0	367.3
Cash and Other Investment Balances	2,386.4	7,678.0
	146,423.2	**269,782.0**

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.

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

Investments exposed to Other Price Risk	**2022** **£'000**	**2021** **£'000**
Equities	704.0	7,136.2
Bonds	6,489.2	11,324.3
Pooled Investment Vehicles:		
Other Funds (Indirect)	169,138.5	172,548.1
Derivatives:		
Assets	192.7	129.9
Liabilities	(2,195.8)	(725.0)
AVC Investments	332.0	367.3
	174,660.6	**190,780.8**

21. Current Assets

	2022	2021
	£'000	£'000
Contributions due in respect of:		
Employers	198.3	113.3
Employees	10.6	10.1
Prepayments	66.3	-
Other debtors	1,456.8	822.0
	1,732.0	**945.4**

At 30 September 2022, the Trust had a debtor of £1,351.4k (2021: £810.2k) owing from The Pensions Trust. This represents cash balances held within the joint bank account.

Details of Employer-Related Investments relating to contributions due at the year end are included in note 23.

22. Current Liabilities

	2022	2021
	£'000	£'000
Unpaid Benefits	206.6	155.5
Tax Deducted from Pensions	145.0	114.3
Accrued Expenses	623.9	569.0
	975.5	**838.8**

23. 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.

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. However, the Trust's holdings in bonds relating to Waterloo Housing Association as at 30 September 2022 was £nil (2021: £nil).

Employer-Related Investments include contributions that were received later than the due date set out on the Schedule of Contributions. As at 30 September 2022, £240.2k (2021: nil) of late contributions were outstanding. This represents 0.1% of net assets (2021: nil).

The Pensions Trust

At 30 September 2022, the Trust had a debtor of £1,351.4k (2021: £810.2k) owing from The Pensions Trust. This represents cash balances held within the joint bank account.

The Trust paid £886.3k (2021: £807.2k) to The Pensions Trust in the year in respect of the administration and management of the Trust over the period 1 October 2021 to 31 August 2022. A further £84.2k is due in respect of September 2022 and is included as a creditor.

The Trust paid £326.0k (2021: £319.8k) in the year to The Pensions Trust in respect of the administration, management and custody of the Trust's investments over the period 1 October 2021 to 31 August 2022. A further £36.7k is due in respect of September 2022 and is included as a creditor (2021: £30.0k).

24. Contingencies and Commitments

As at 30 September 2022 the Trust had the following contingent liability:

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 recalculated to reflect 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 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.

The Trustee is aware that this issue will affect each of the previously contracted out defined benefit schemes in the Trust and will be considering this matter at future meetings during which decisions will be made as to the next steps. An approximate allowance has been made in each affected scheme's actuarial valuation, with the typical impact being a less than 2% increase in liabilities.

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:

	2022 Committed (Local CCY)*	Outstanding at 30 Sept 22 (Local CCY)	2021 Committed (Local CCY)	Outstanding at 30 Sept 21 (Local CCY)
Direct Lending	£22,956.8k	£424.2k	£22,956.8k	£9,750.2k
Distressed Opportunities	$27,000.0k	$1,704.3k	$27,000.0k	$2,530.3k
Infrastructure	$8,600.0k	-	$8,600.0k	$4,600.0k
Opportunistic Illiquid Credit	-	-	$7,550.0k	-
Risk Sharing	$3,500.0k	$3.2k	$7,000.0k	$1,462.2k
Secure Income	-	-	£47,503.2k	-
Tactical Credit Opportunities	-	-	$8,319.0k	-
Partners Group	-	-	£4,000.0k	-
Renewable Infrastructure	€2,100.0k	€1,254.4k	€2,100.0k	€1,778.1k
Renewable Infrastructure	$2,500.0k	$2,213.4k	$2,500.0k	$2,348.4k

*£ (GBP), $ (USD), € (EUR)

25. Subsequent Events

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

26. Scheme Balances

	2022 £'000	2021 £'000
Coventry Building Society Staff Superannuation Scheme[1,2]	170,231.3	248,679.4
Cambridge Building Society Retirement Plan[1,2]	13,130.5	-
Darlington Building Society Pension Plan[1,2]	21,928.8	33,275.4
Frank Roberts & Sons Pension Scheme[1,2]	18,561.9	29,759.2
Hinckley and Rugby Building Society Defined Benefit Pension Scheme[1,2]	21,712.0	32,219.1
Medicash Pension Fund[1,2]	15,104.1	22,577.6
National Counties Building Society Pension Scheme[1]	21,672.6	30,295.7
Seabourne Pension Scheme[1,2]	6,253.4	9,566.3
Together Working for Wellbeing Pension Scheme[1,2]	10,809.1	15,969.4
Waterloo Housing Association Benefit Plan[1,2]	17,618.5	27,230.8
	317,022.2	**449,572.9**

[1] *Closed to new entrants*

[2] *Closed to future defined benefit accrual*

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

Statement about contributions

Qualified opinion

In our opinion, except for the matters described in the basis for qualified opinion paragraph below, the contributions required in accordance with the schedules of contributions certified by the Scheme actuary for the Trust year ended 30 September 2022 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 2022 which is set out on page 46.

Basis for qualified opinion

The summary of contributions discloses details of the late and unpaid contributions which have led us to qualify our 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.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Edinburgh

22 March 2023

Summary of Contributions

During the year ended 30 September 2022, 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	3,430.5
Scheme expenses	1,025.6
Employer normal contributions	243.4
Member normal contributions	102.2
As reported on by the Trust's Auditors	**4,801.7**
Other contributions	
Deficit funding	409.1
Scheme expenses	197.9
Special contributions	3,500.0
Employer normal contributions	48.1
Member normal contributions	19.9
Total contributions paid in addition to the Schedules of Contributions	**4,175.0**
Total contributions as reported per the Fund Account	**8,976.7**

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

Scheme	Date of Actuarial Certification of Schedule of Contributions
Frank Roberts & Sons Pension Scheme	05/09/2018
Darlington Building Society Pension Plan	12/08/2019
Medicash Pension Fund	23/10/2020
Coventry Building Society Staff Superannuation Scheme.	26/11/2020
Hinckley & Rugby Building Society Defined Benefit Pension Scheme	09/12/2020
Seabourne Pension Scheme	30/09/2021
National Counties Building Society Pension Scheme	17/12/2021
Waterloo Housing Association Benefit Plan	17/12/2021

The Schedule of Contributions for Together Working for Wellbeing has been certified by the Scheme Actuary after 30 September 2022. 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	18/10/2022
Darlington Building Society Pension Scheme	09/12/2022
Together Working for Wellbeing Pension Scheme	30/11/2022

During the year one employer (2021: two) remitted contributions later than the date set out in the Schedules of Contributions. In respect of the year ended 30 September 2022, there were eight late payments (2021: four), representing total contributions of £245.8k (2021: £62.7k).

Approved by and signed for and on behalf of the Trustee on 22 March 2023.

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.

Scheme	Year of Triennial Valuation as at 30 September	Date of Certification of Schedule of Contributions	Date of Actuarial Report
Cambridge Building Society Retirement Plan	2022[1]	N/A[1]	N/A
Coventry Building Society Staff Superannuation Scheme	2019[2]	26/11/2020	30/09/2021
Darlington Building Society Pension Plan	2021	09/12/2022	N/A
Frank Roberts & Sons Pension Scheme	2020	18/10/2022	30/09/2019
Hinckley and Rugby Building Society Defined Benefit Pension Scheme	2019[2]	09/12/2020	30/09/2021
Medicash Pension Fund	2019[2]	23/10/2020	30/09/2021
National Counties Building Society Pension Scheme	2020	17/12/2021	30/09/2021
Seabourne Holdings Limited Retirement Benefits Scheme	2020	30/09/2021	30/09/2021
Together Working for Wellbeing Pension Scheme	2021	30/11/2022	N/A
Waterloo Housing Association Benefit Plan	2020	17/12/2021	30/09/2021

[1] *Interim Schedule of Contributions in place until the completion of the 30 September 2021 actuarial valuation due to the schemes transferring into the Trust during the year.*

[2] *Valuation to be performed as at 30 September 2022.*

Copies of the above certificates are available on request from the address for enquiries on page 2.

Appendix 1 - SIP Implementation Statement

The Pensions Trust 2016 (TPT2016) - SIP Implementation Statement

Introduction

This Statement of Investment Principles ("SIP") Implementation Statement ("the Statement") has been prepared by Verity Trustees Limited as the Trustee of The Pensions Trust 2016 ("the Trustee") and relates to The Pensions Trust 2016 ("TPT2016").

This Statement is produced by the Trustee as required by the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (as amended). The regulations state that the implementation statements must (amongst other matters):

- set out how, and the extent to which, in the opinion of the Trustee, the SIP has been followed during the year;
- describe any review of, and explain any changes made to, the SIP during the year; and
- describe the voting behaviour by, or on behalf of, the Trustee (including the most significant votes cast by the Trustee or on their behalf) during the year and state any use of the services of a proxy voter during that year.

Based on regulatory requirements, the Statement covers the period from 1 October 2021 to the end of TPT2016's financial year on 30 September 2022.

The Statement is split into three sections:

1. an overview of the Trustee's actions and highlights during the period covered;
2. the policies set out in TPT2016's SIP and the extent to which they have been followed in the reporting period; and
3. the voting behaviour and significant votes undertaken by the fund managers on behalf of TPT2016.

The Trustee reviews the SIP annually. For the period under review, the Trustee reviewed the SIP on 14 October 2021 (the SIP was subsequently reviewed and approved on 13 October 2022). The review takes into account new regulations as well as best practices inherent in the Trustee's investments and wider stakeholder remit.

SIP Updates

The SIP that is most relevant for this reporting period is the document updated on 27 September 2020 to comply with regulatory changes. This regulatory change incorporated the Shareholder Rights II Directive ("SRD II") into UK law and required pension scheme SIPs to be updated to include further details on:

- the arrangements with investment managers, including how they are incentivised to behave and invest in line with the Trustee's policies and how the Trustee will monitor each manager's performance, fees and portfolio costs; and

- the Engagement Policy, including the exercise of the rights (including voting rights) attached to the investments.

SRD II applies more widely than just to pension schemes. The directive aims to encourage appropriate long-term investment decision making and engagement.

Updates to the SIP

In 2020 the FRC updated the requirements for complying with the Stewardship Code and the Trustee is not a signatory to the latest requirements (i.e. the FRC 2020 Stewardship). For this reason reference to the Trust being a signatory to the FRC Stewardship Code was removed.

Overview of Trustee's Actions

Investment objectives and strategy

TPT2016's agreed strategic asset allocation reflects the Trustee's view of the most appropriate investments, balancing risk/reward characteristics of the funds TPT2016 is invested in, to support participating schemes' full-funding objectives.

During the reporting period there was no change to TPT2016's overall investment objectives. However, due to the Master-Trust nature of TPT2016, the investment strategy of each participating scheme reflects the integrated approach towards assessing risk (for its defined benefit schemes), considering areas such as investment risk, and covenant support.

In order 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 a number of underlying sub-portfolios that allocate to the major asset classes, such as equities and credit, as well as a range of diversifiers such as insurance-linked securities.

During the reporting period the following strategy changes were made:

- The Trustee amended the Emerging Market Debt mandate to include Hard Currency and Corporate alongside the existing Local Currency exposure.
- The Trustee invested into and withdrew funds from the Wellington Global High Yield Bonds mandate in line with pre-agreed spread triggers. The allocation was transferred from/to Market Neutral.
- The Trustee has negotiated new terms for LGIM LDI, CRC Fund V and Chorus Fund V; these are three new mandates that the Trustee has invested in over the reporting period.

Trustee's policies for investment managers

The Trustee relies on investment managers for the day-to-day management of TPT2016's assets but retains control over TPT2016's investment strategy.

The Trustee makes use of pooled investment vehicles as well as segregated mandates with its asset managers.

TPT2016's assets that are invested in a segregated manner have the Trustee's specified terms within the investment management agreements, for example TPT2016's Voting and Engagement Policy and specific restricted investments (e.g. controversial weapons). TPT2016's assets that are invested in pooled investment vehicles, have standardised fund terms. Further to this, TPT2016 has negotiated side letters which set out further restrictions including excluded investments. The Trustee has not received notifications from its relevant investment managers of any material changes to the pooled fund terms over the scheme year.

Final remarks

As demonstrated in the following sections of this Statement, the actions the Trustee has undertaken during the relevant reporting period reflect the policies within TPT2016's SIP. Any changes to the investment strategy agreed during the period but implemented after the period had ended, and an assessment of their impact, will be reported in the next implementation statement.

The responsibility for managing TPT2016's holdings is delegated to its fund managers. The Trustee believes that TPT2016's fund managers are well placed to engage with invested companies on environmental, social and governance ("ESG") matters, given their knowledge of the companies and the level of access they have to companies' management. This is also a pragmatic approach because of the number of stocks owned by TPT2016, and the amount of time corporate entities have available for single investors. However, TPT2016 sets out its expectations of its asset managers in terms of corporate governance in its Voting and Engagement Policy document and adherence to the Pensions & Lifetime Savings Association ("PLSA") Stewardship & Voting Guidelines 2022, as well as its Statement of Investment Principles ("SIP").

The Trustee believes that it should act as a responsible steward of the assets in which TPT2016 invests as this can improve the longer-term returns on its investments. The Trustee notes that sustainable financial outcomes are better leveraged when supported by good governance practices, such as board accountability.

Review of SIP Policies

Policy	Has the policy been followed?	Evidence
Appointments and Delegation		
The Trustee's Investment Committee ("IC") has delegated day-to-day investment management to authorised managers and has taken steps to satisfy itself that the managers have the appropriate knowledge and experience to manage the Trustee's investments. These appointments are reviewed regularly. The details of individual managers are published each year in the investment report within the Trustee's Annual Report.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee continues to monitor the manager ratings in an annual agenda-led meeting. Following this, a manager factsheet, meeting notes, updated research notes and a manager profile (covering performance) are produced. These ratings are approved by the Chief Investment Officer ("CIO"), the IC and the Portfolio Construction Group.
Investment Beliefs		
The Trustee has agreed a set of Investment Beliefs that the IC and CIO use as a framework when making decisions and agreeing investment strategy. The Investment Beliefs are reviewed annually and published each year and are made available on TPT2016's website. The Trustee regularly reviews the asset allocation of its DB investments in line with its Responsible Investment Framework ("RI Framework"), available on TPT2016's website, to ensure the security, liquidity, quality and profitability of the DB portfolio as a whole and to ensure DB investments are appropriately diversified.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee Board approved a set of RI Principles during Q1 2021, which supplements the Investment Beliefs. The Investment Beliefs were reviewed on 14 October 2021 and again on 13 October 2022).

Policy	Has the policy been followed?	Evidence
Investment Strategies		
The Growth Asset and Matching-Plus Portfolios aim to be well diversified between asset classes and return drivers. The strategy for each scheme is reviewed at least every three years to ensure it remains appropriate. The Trustee reviews the risk and return objectives for the Growth Asset and Matching-Plus Portfolios on a periodic basis to ensure they are consistent with scheme objectives.	Yes, the Trustee is satisfied that this policy has been followed.	The strategy for each participating scheme is subject to at least one strategy review after the triennial valuations.
Management and Risk (1/2)		
Investments are held by custodians (or property deeds are held directly). Only designated persons can authorise the transfer of assets between managers. Each investment manager executes its own stock selection policy within asset allocation control targets agreed with the IC. The discretionary managers determine the investments held, subject to objectives agreed and reviewed from time to time. Some assets are readily marketable and investments may be realised from time to time as required to provide funds in order to make payment of benefits. Formal meetings are held regularly with the investment managers and custodians. By using a number of investment managers, the risk attached to adverse performance by any one manager is reduced. Derivative contracts can be used only with the prior agreement of the IC.	Yes, the Trustee is satisfied that this policy has been followed.	Formal meetings are held with the investment managers according to a predetermined schedule. The meeting dates with the Custodian within the reporting period were as follows: • 10 December 2021 • 4 April 2022 • 29 June 2022 • 29 September 2022

Policy	Has the policy been followed?	Evidence
Management and Risk (2/2)		
Management risks, in the SIP are assessed and monitored regularly.	Yes, the Trustee is satisfied that this policy has been followed.	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. It seeks guidance and written advice from its Investment Consultant as appropriate.
Responsible Investment (including ESG Factors) and Non-financial Matters (1/2)		
The Trustee is committed to being a responsible investor in line with its legal duties under the Investment Regulations. RI is an approach which seeks to integrate ESG considerations into investment management and ownership practices.	Yes, the Trustee is satisfied that this policy has been followed.	The RI Framework outlines the policies that relate to the Trustee's duties under the Investment Regulation e.g. Voting, Engagement and Climate Risk. The Trustee publishes the following in the RI section of TPT2016's website, further highlighting its commitment: • the latest Task Force on Climate-related Financial Disclosures ("TCFD") report • a list of membership/signatories to relevant bodies

Policy	Has the policy been followed?	Evidence
Responsible Investment (including ESG Factors) and Non-financial Matters (2/2)		
The Trustee delegates responsibility for implementation of the RI Framework to the IC. In order to ensure the ongoing suitability of the Trustee's approach to Responsible Investment the RI Framework is reviewed annually by both the IC and the Trustee.	Yes, the Trustee is satisfied that this policy has been followed.	For the period under review, the RI Framework was last reviewed on 14 October 2021 and again on 8 December 2022. No material changes were made.

Policy	Has the policy been followed?	Evidence
Fund Manager Selection and Monitoring (1/2)		
The Trustee incorporates its expectations on ESG and climate change into the manager selection process to ensure that it understands the extent to which ESG is integrated into the investment philosophy and process. It also incorporates specific requirements for ESG capabilities and reporting into its operational due diligence and into the Investment Management Agreements ("IMAs") put in place which are tailored according to the particular mandate.	Yes, the Trustee is satisfied that this policy has been followed.	IMAs for several mandates incorporate specific requirements for ESG capabilities and reporting. The requirements include: • consideration of climate risk in decision making; • exclusion of controversial weapons; • commitment to provide ESG reporting; • commitment to incorporate relevant ESG factors into decision making and provide ESG reporting. In the period under review, we have not terminated any manager appointments.

Policy	Has the policy been followed?	Evidence
Fund Manager Selection and Monitoring (2/2)		
The Investment Management Team ("IMT") discusses the approach of the Trustee's incumbent managers to stewardship, climate change and ESG risks as part of the manager monitoring process and requires the managers to report back on their Responsible Investment activities on a regular basis.	Yes, the Trustee is satisfied that this policy has been followed.	The managers' reports on their RI activities, including their approach to stewardship, climate change and ESG risks are reviewed annually.
The RI manager ratings are reported on a quarterly basis to the IC as an integrated part of its manager monitoring dashboard.	Yes, the Trustee is satisfied that this policy has been followed.	The IMT acts on behalf of the Trustee and reporting is done on a quarterly basis via a manager dashboard system.
Environmental, Social and Governance Factors (1/2)		
The Trustee will review the carbon risk at both the overarching portfolio and underlying fund level on a regular basis to understand where risks might arise. This review may include carbon footprinting, scenario analysis and the use of other metrics. Where appropriate, this analysis will be used to inform our long-term investment strategy and also to meet the disclosure requirements that the Trustee has committed to by signing the Montreal Pledge. The Trustee is also committed to working towards compliance with the recommendations made by the Financial Stability Board ("FSB") TCFD and will use the guidance it sets out for asset owners as the framework for reporting on climate change.	Yes, the Trustee is satisfied that this policy has been followed.	Over the reporting period, the Trustee has not undertaken a review of the carbon risk. However, the Trustee did: • commit to net zero in June 2021; • adopt interim targets and a scenario analysis framework in September 2022; • set up an active ownership strategy on climate in September 2022; • publish a report summarising the TPT strategy to achieve net zero In addition, the IMT held a workshop on climate in April 2022.

Policy	Has the policy been followed?	Evidence
Environmental, Social and Governance Factors (2/2)		
The Trustee incorporates climate change expectations and reporting requirements into new mandates where appropriate and makes sure this is part of ongoing manager monitoring and reporting. The Trustee will actively encourage its managers to consider reporting in line with the FSB TCFD recommendations.	Yes, the Trustee is satisfied that this policy has been followed.	Specific ESG and climate change expectations were considered when appointing new mandates and reviewing existing mandates
Social Factors		
The Trustee carries out regular reviews of its portfolio to ensure adherence to its approach to restricting investments in controversial weapons.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee ensures that adherence to the approach to restricting investments in controversial weapons is written into the relevant IMAs. The RI Framework includes the criteria for identifying companies in which investment should be avoided. For the period under review, the Framework was reviewed on 14 October 2021 and again on 8 December 2022.

Policy	Has the policy been followed?	Evidence
Governance Factors		
The Trustee will assess companies in its portfolio of assets for breaches of generally recognised responsibilities and norms under the United Nations Global Compact and UN treaties and for other behaviours which are deemed unsustainable, considering the risks specific to the relevant sector(s) in which the company operates. The Trustee may use one or more external screening agents to assist in this review.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee is aware that the assessment of companies in its portfolio of assets for breaches of generally recognised responsibilities and norms under the UN treaties is an evolving area. The Trustee has actively engaged in training sessions on wider RI practices, which will inform TPT2016's implementation of this policy in the future.
Engagement (1/2)		
There may be occasions when the engagement topics identified by the Trustee overlap with the engagement efforts of its investment managers. In these situations, the Trustee will seek to undertake joint engagement activities with investment managers.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee had a training session at the Q1 2021 Trustee Board meeting covering engagement activities with investment managers. There were three decision training sessions for smaller groups of the Trustee Board and a paper with a focus on RI was taken to the March 2021 meeting. In 2022, two additional staff members specialising in RI were recruited. One of their tasks is delivering the engagement strategy.

The Trustee recognises that as a responsible asset owner it should, wherever practicable given time and resources, support initiatives which aim to improve the regulatory and operational environment for all investors. As part of this, the Trustee will participate in collaborative engagements with other asset owners which it sees as furthering the aims and objectives of its investment beliefs and its RI Framework. As part of its effort in this area the Trustee is committed to joining collaborative engagements through its association with organisations such as Principles of Responsible Investment ("PRI") and the Pensions & Lifetime Savings Association ("PLSA"). This list is not considered to exhaustive.	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee is a signatory of the PRI. These reports are compiled by the PRI on an annual basis to assess the sustainability credentials of firms in the investment industry, to promote its key objectives. When assessed in 2020, TPT2016 scored highly across a majority of the modules, including its RI goals and objective. This report is published on the TPT2016 website.

Policy	Has the policy been followed?	Evidence
Codes and Industry Initiatives		
The Trustee also aims to engage on relevant policy issues alongside other like-minded, responsible investors. To support the Trustee's work in this regard it is a member of the Institutional Investors Group on Climate Change ("IIGCC") and the UK Sustainable Investment and Finance Association ("UKSIF").	Yes, the Trustee is satisfied that this policy has been followed.	The Trustee remains a member of the IIGCC and UKSIF.
Non-financial Matters		
The Trustee will review its policy on non-financial matters on an annual basis.	Yes, the Trustee is satisfied that this policy has been followed.	TPT2016 has an Ethical Investment Framework that was adopted following consultation with key member organisations. The framework is aimed at applying a standard set of ethical criteria to TPT2016's Ethical Funds to address ethical preferences that have been highlighted to TPT2016 as being important to some member organisations, and likely shared by a sub-set of members. For the period under review, the Framework was reviewed on 14 October 2021 and again on 8 December 2022. No material changes were made.

Policy	Has the policy been followed?	Evidence
Compliance		
The IC requires all investment managers to confirm through their reporting, that the investments are diversified and suitable, and that they have complied with the principles set out in the DB SIP. The Trustee will review the DB SIP annually and without delay after any significant change in investment policy.	Yes, the Trustee is satisfied that this policy has been followed.	The SIP was updated before 1 October 2019 to reflect the Trustee's view on stewardship and financially material risks such as ESG, including climate change. Subsequent revisions to the SIP were published on an annual basis to comply with further regulatory changes.

Overview of the Trustee's Voting and Engagement Policies

Summary of TPT2016's policies

The Trustee has delegated all aspects of monitoring the behaviour of the investee companies to the individual investment managers who are, in the Trustee's opinion, best placed to make judgements and to engage in dialogue with the underlying issuers.

Stewardship refers to the responsible allocation and management of capital to create long-term value and sustainable benefits for the economy, the environment and society.

The Trustee's stewardship policy is to:

- delegate responsibility to investment managers for the exercising of rights (including voting rights) attaching to TPT2016's investments; and
- encourage its investment managers to engage with investee companies and vote whenever it is practical to do so on financially material matters including those deemed to include a material ESG and/or climate change risk in relation to those investments.

The Trustee's ability to influence investment managers' voting and stewardship activities will depend on the nature of the investments held. In the instances where TPT2016's assets are invested in pooled funds, where the Trustee holds units in a fund rather than having any direct ownership rights over the underlying assets, the Trustee has limited scope to influence managers' voting and stewardship activities. However, the Trustee does take stewardship into account in selecting, monitoring, and retaining its investment managers.

The Trustee has adopted the PLSA Stewardship and Voting Guidelines as voting policy. The policy references G20/OECD Corporate Governance Principles and the ICGN Global Governance Principles. The Trustee is also part of the PLSA Stewardship Advisory Group and contributes annually to the updates of the PLSA Stewardship and Voting Guidelines.

How have the policies been followed for TPT2016?

A majority of the Scheme's investment managers are signatories to the Principles of Responsible Investment ("PRI").

The use of voting rights is most likely to be financially material in the sections of the portfolios where physical equities are held. The investment manager is responsible for voting and engagement on the underlying assets rather than the Trustee; the Trustee's ability to influence voting activities undertaken is limited. However, where possible the Trustee has looked to include its Voting and Engagement Policy into the Investment Management Agreements of segregated mandates.

Voting behaviour

Legal and General Investment Management ("LGIM")

Voting

The Trustee invests in pooled fund arrangements and, as such, it is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests information to demonstrate that each manager is exercising good stewardship (see table below).

	Ethical UK Equity Index	Ethical Global	UK Equity Index	North America Equity Index	Europe (ex UK) Equity Index	Asia Pacific (ex Japan) Developed Equity Index	Japan Equity Index
How many meetings were you eligible to vote at over the year to 30/09/2022?	279	1150	120	608	512	182	348
How many resolutions were you eligible to vote on over the year to 30/09/2022?	4,534	16,567	2,182	7,696	8,339	1,341	4,421
What % of resolutions for which you were eligible did you vote on?	100.0%	99.7%	100.0%	99.4%	99.7%	100.0%	100.0%
Of the resolutions on which you voted, on what % did you vote with management?	94.1%	82.1%	95.3%	64.8%	82.5%	72.1%	89.1%
Of the resolutions on which you voted, on what % did you vote against management?	5.9%	17.7%	4.7%	35.1%	17.0%	27.9%	10.9%
Of the resolutions on which you voted, on what % did you abstain?	0.0%	0.2%	0.0%	0.1%	0.5%	0.0%	0.0%
In what % of meetings, at which you did vote, did you vote at least once against management?	43.0%	76.6%	44.2%	97.9%	78.7%	68.1%	71.3%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	LGIM's Investment Stewardship Team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to electronically vote clients' shares. Voting decisions are made by LGIM and voting on strategic decisions is not outsourced to third parties. LGIM has put in place a custom voting policy with specific voting instructions.						
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	4.7%	12.7%	4.2%	26.2%	9.6%	16.2%	8.9%

Most significant votes

In determining significant votes, LGIM's Investment Stewardship Team considers the criteria provided by the PLSA. This includes but is not limited to:

- high profile vote which has such a degree of controversy that there is high client and/ or public scrutiny;
- significant client interest for a vote: directly communicated by clients to the Investment Stewardship Team at LGIM's annual Stakeholder roundtable event, or where they note a significant increase in requests from clients on a particular vote;
- sanction vote as a result of a direct or collaborative engagement;
- vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's five-year ESG priority engagement themes.

Company:	**NVIDIA Corporation**
Date:	2 June 2022
Resolution:	Elect Director Harvey C. Jones
LGIM Vote:	Voted against the resolution.
Rationale:	Diversity: A vote against is applied as LGIM expects a company to have at least 25% women on the board with the expectation of reaching a minimum of 30% of women on the board by 2023. LGIM are targeting the largest companies as they believe that these should demonstrate leadership on this critical issue. Independence: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure and background.

Man Group

Voting

The Trustee invests in pooled fund arrangements and, as such, it is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests the managers to produce information that demonstrates the manager is exercising good stewardship (see table below).

How many meetings were you eligible to vote at over the year to 30/09/2022?	871
How many resolutions were you eligible to vote on over the year to 30/09/2022?	10,296
What % of resolutions for which you were eligible did you vote on?	97.3%
Of the resolutions on which you voted, on what % did you vote with management?	86.6%
Of the resolutions on which you voted, on what % did you vote against management?	12.9%
Of the resolutions on which you voted, on what % did you abstain?	0.5%
In what % of meetings, at which you did vote, did you vote at least once against management?	6.9%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	Man Group appointed Glass Lewis as its proxy service provider. Man use Glass Lewis's voting platform 'Viewpoint' to vote their shares electronically and to receive research reports and custom voting recommendations. They have monitoring controls in place to ensure that the recommendations provided are in accordance with their ESG Voting Policy and that their votes are instructed in a timely and effective way. Specifically, Man's voting framework employs screening to identify high-value positions and the Stewardship Team manually reviews the pre-populated votes for such positions. In addition to this manual check, they also have in place electronic alerts to inform them of votes against their policy, votes that need manual input and rejected votes that require further action.
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	6.6%

Most significant votes

Man's proxy voting framework comprises a bespoke screening system that identifies high-value meetings. This screening combines the ESG rating from a third-party provider with an internal metric on deemed importance of the meeting. If a company falls below a certain threshold score in any area (ESG rating) and/or is considered materially important based on the percentage of shares outstanding held by Man Group or the fund's assets under management ("AUM"), the meeting will be flagged to the Stewardship Team and be considered 'high-value'. In addition to this, all shareholder proposals are also flagged to the Stewardship Team and reviewed.

Company:	**Booking Holdings Inc**
Date:	9 June 2022
Resolution:	Shareholder Proposal Regarding Linking Executive Pay to Climate Change Performance
Man Vote:	Voted for the resolution.
Rationale:	Favour linking executive compensation to social criteria.

Ownership Capital

Voting

The Trustee invests in this segregated arrangement. It is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests the managers to produce information that demonstrates that the manager is exercising good stewardship (see table below).

How many meetings were you eligible to vote at over the year to 30/09/2022?	15
How many resolutions were you eligible to vote on over the year to 30/09/2022?	189
What % of resolutions for which you were eligible did you vote on?	100.0%
Of the resolutions on which you voted, on what % did you vote with management?	81.0%
Of the resolutions on which you voted, on what % did you vote against management?	16.0%
Of the resolutions on which you voted, on what % did you abstain?	3.0%
In what % of meetings, at which you did vote, did you vote at least once against management?	80.0%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	In Q4 2021 (and historically), Ownership casted their proxy votes via a dedicated voting provider, Broadridge. In January 2022 they on boarded the ISS platform for voting and reporting. They have their own voting policy. Please refer to their Shareholder Engagement and Voting Policy.
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	15.0%.

Most significant votes

Votes are determined to be significant by the Ownership Capital investment team on a case-by-case basis in accordance with their voting policies and the impact of each vote in question.

Company:	**Bio-Techne**
Date:	28 October 2021
Resolution:	Advisory vote to ratify named Executive Officers' compensation
Ownership Capital Vote:	Voted against the resolution.
Rationale:	The company still does not have a clawback provision and metrics for LTIPs and short awards are Organic Revenue, Adjusted Operating Income. Ownership noted that there should be another metric (ideally ROIC and ROE) to judge acquisition performance. They would also like a relative metric to better judge individual performance rather than sector performance.

RBC Global Asset Management

Voting

The Trustee invests in this segregated arrangement. It is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests the managers to produce information that demonstrates that the manager is exercising good stewardship (see table below).

	Emerging Markets Equity SRI	Emerging Markets Equity ex-China	China Equity
How many meetings were you eligible to vote at over the year to 30/09/2022?	69	63	54
How many resolutions were you eligible to vote on over the year to 30/09/2022?	638	568	555
What % of resolutions for which you were eligible did you vote on?	100.0%	100.0%	100.0%
Of the resolutions on which you voted, on what % did you vote with management?	85.3%	89.8%	82.5%
Of the resolutions on which you voted, on what % did you vote against management?	14.7%	10.2%	17.5%
Of the resolutions on which you voted, on what % did you abstain?	2.4%	2.1%	0.0%
In what % of meetings, at which you did vote, did you vote at least once against management?	40.6%	38.1%	55.6%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	RBC GAM retains the services of ISS to manage and execute proxy votes. In addition, ISS provides custom voting recommendations for all proxies based on the RBC GAM Proxy Voting Guidelines. RBC GAM subscribes to the research of both ISS and Glass, Lewis & Co. The research and benchmark policy voting recommendations from both proxy advisors are considered as part of the proxy voting decision. However, the final voting decision is independent and voting authority rests solely with RBC GAM.		
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	0.2%	0.5%	0.5%

Most significant votes

Proxy voting plays a key role in RBC's active stewardship activities. As such, there are several particularly significant votes each year. For the purposes of this report, RBC included a mix of proposals covering votes against the recommendations of management, instances of long-standing or ongoing engagements with issuers, and votes on non-routine voting matters, especially where the proposals could impact shareholder rights or corporate governance practices at the investee company.

Company:	**China Resources Land Limited**
Date:	15 June 2022
Resolution:	Approve Issuance of Equity or Equity-Linked Securities without Pre-emptive Rights
RBC Vote:	Voted against the resolution.
Rationale:	RBC GAM opposes the resolution due to: • The aggregate share issuance limit is greater than 10% of the relevant class of shares. • The company has not specified the discount limit.

Ruffer LLP

Voting

TPT2016 invests in this segregated arrangement. It is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests the managers to produce information that demonstrates that the manager is exercising good stewardship (see table below).

How many meetings were you eligible to vote at over the year to 30/09/2022?	41
How many resolutions were you eligible to vote on over the year to 30/09/2022?	653
What % of resolutions for which you were eligible did you vote on?	100.0%
Of the resolutions on which you voted, on what % did you vote with management?	96.2%
Of the resolutions on which you voted, on what % did you vote against management?	3.5%
Of the resolutions on which you voted, on what % did you abstain?	0.3%
In what % of meetings, at which you did vote, did you vote at least once against management?	36.6%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	Ruffer's proxy voting advisor is ISS. Ruffer have developed their own internal voting guidelines. However, they take into account issues raised by ISS, to assist in the assessment of resolutions and the identification of contentious issues. Although they are cognisant of proxy advisers' voting recommendations, they do not delegate or outsource their stewardship activities when deciding how to vote on their clients' shares. Each research analyst, supported by the Ruffer responsible investment team, reviews the relevant issues on a case-by-case basis and exercises their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to the Head of Research or the Chief Investment Officer.
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	4.4%

Most significant votes

Ruffer have defined 'significant votes' as those that they think will be of particular interest to their clients. In most cases, these are when they form part of continuing engagement with the company and/or Ruffer have held a discussion between members of the research, portfolio management and responsible investment teams to make a voting decision following differences between the recommendations of the company, ISS and their internal voting guidelines.

Company:	**Meta Platforms, Inc**
Date:	26 May 2022
Resolution:	To publish Third-Party Human Rights Impact Assessment
Ruffer Vote:	Voted for the resolution.
Rationale:	Facebook has received substantial media backlash over the use of its targeted advertising to discriminate against marginalised groups. Although the company has recently tightened its restrictions for targeting options, it still appears to be facing scrutiny on the topic. It has faced a number of legal risks due to lawsuits from the ACLU, HUD, FTC and others. Given the large amount of company revenue that comes from advertisements, a third-party human rights impact assessment on the company's policies and practices related to targeted advertising could help shareholders assess Meta's management of human rights related risks.

Sands Capital Management

Voting

TPT2016 invests in this segregated arrangement. It is not necessary for managers to consult with the Trustee before voting. However, they are to vote in line with TPT2016's Voting and Engagement Policy. As part of its wider due diligence of the implementation of investment strategies, the Trustee requests the managers to produce information that demonstrates that the manager is exercising good stewardship (see table below).

How many meetings were you eligible to vote at over the year to 30/09/2022?	40
How many resolutions were you eligible to vote on over the year to 30/09/2022?	384
What % of resolutions for which you were eligible did you vote on?	100.0%
Of the resolutions on which you voted, on what % did you vote with management?	95.6%
Of the resolutions on which you voted, on what % did you vote against management?	4.4%
Of the resolutions on which you voted, on what % did you abstain?	0.0%
In what % of meetings, at which you did vote, did you vote at least once against management?	27.5%
Which proxy advisory services does your firm use, and do you use their standard voting policy or have you created your own bespoke policy which they then implement on your behalf?	ISS, Glass Lewis, and SES (for India Holdings) standard voting policy.
On what % of resolutions, on which you did vote, did you vote contrary to the recommendation of your proxy adviser? (if applicable)	13.6%

Most significant votes

The criteria Sands Capital selected to assess the “significance” of the vote were the dissent level, shareholder proposals they voted FOR, times they voted AGAINST management or ISS, historical votes on similar proposals, and overall relevance to the strategy.

Company:	**CP All Public Company Limited**
Date:	24 April 2022
Resolution:	Elect Padoong Techasarintr, Pridi Boonyoung, and Phatcharavat Wongsuwan as Directors
Sands Capital Vote:	Voted Against the resolution.
Rationale:	Following several attempts at engagement with the Company, Sands continues to have concerns about a non-independent Board as these directors have been on the board since 1999 and therefore are no longer independent in their view.

Final Remarks

The reporting period for this Statement covers 1 October 2021 to 30 September 2022. Any actions undertaken by the Trustee after this date will be covered in the next Statement. From a stewardship and engagement perspective, the Trustee is limited in its scope to influence directly how asset managers invest and engage with underlying companies due to the range of investments they use. However, where applicable the Trustee does seek to incorporate its voting and engagement policies into its appointment terms with managers.