

DC Governance Statement

Statement of the Chair of Trustees of the Countrywide Plc Pension Scheme for the year ending 5 April 2021

Introduction and Background

The Countrywide Plc Pension Scheme ('the Scheme') is a 'hybrid' scheme and comprises a Defined Benefit (DB) Section and a Defined Contribution (DC) Section. The level of benefits that members of the DC Section receive when they retire is not guaranteed, but instead depends on factors such as the amount of contributions paid, and the investment returns earned. The way in which members choose to withdraw their benefits will also have a bearing on their financial outcomes during retirement.

Trustees of DC schemes are required to produce an annual DC Governance Statement, signed by the Chair of the Trustees, setting out how they have met with the required governance standards as they relate to their management of the DC scheme. The aim of these requirements is to help members achieve a good outcome from their pension savings.

I hereby confirm that I, Ramona Tipnis, am the appointed Chair of the Scheme's Board of Trustees and I am authorised to sign this statement on behalf the Trustees.

This statement is produced in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the Regulations) and describes how the Trustees have met the statutory governance standards, covering:

1. The default investment strategy, including its governance;
2. Requirements for processing financial transactions;
3. Assessment of charges and transaction costs; and
4. The requirement for trustee knowledge and understanding.

This statement also contains a 'Value for Members Assessment' - an assessment of the Scheme's DC Section in terms of whether and how it represents Value for Members, along with details of charges and transaction costs borne by members and illustrations of the cumulative impact of those charges and costs on member funds.

In addition to assets held within the Scheme's DC Section, some members have made Additional Voluntary Contribution (AVC) payments to individual accounts held with AEGON and Standard Life. The content of this statement therefore encompasses these AVC facilities which are closed to contributions, but which retains existing holdings.

This statement covers the period from 6 April 2020 to 5 April 2021. A copy has been incorporated into the Trustees annual report and accounts, which is available on request to members and beneficiaries of the Scheme and members' appointed representatives.

1. The default investment strategy

Although the Scheme has not been used as a Qualifying Scheme for auto-enrolment it operates a 'default investment strategy' – a strategy that will automatically apply to a member's existing fund, in the absence of a member making active investment decisions. The default investment strategy is designed and monitored by the Trustees, after having taken suitable investment advice.

Statement of Investment Principles

Details of the Scheme's default investment strategy can be found within the most recent Statement of Investment Principles dated 25 September 2020, a copy of which is provided in Appendix D. The statement explains the Trustees approach to investment governance, objectives and strategy and provides detailed information on the default investment strategy and alternative 'self-select' investment options available to members.

The statement also takes account of the Trustees views on Environmental, Social and Governance ('ESG') considerations (including climate change) and the stewardship in the selection, retention, and realisation of their investments (including how any voting rights are exercised). This incorporates details of the arrangements in place with the Scheme's investment managers. This includes monitoring and assessing:

- their philosophy for assessing and engaging with the businesses and institutions they invest in.
- the stewardship of those investments, including exercising of rights (including voting rights) attaching to investments.
- the ongoing costs and frequency of trading.
- their approach to Environmental, Social and Governance (ESG) policies.

Implementation Statement

The Trustees are required to produce a yearly Implementation Statement to set out how, and the extent to which, the Trustees have followed the Scheme's Statement of Investment Principles during the previous Scheme year. The Implementation Statement also includes details of any reviews of the Statement of Investment Principles during the year, any changes that were made and reasons for that change.

A description of the voting behaviour during the year, either by or on behalf of the Trustees, or if a proxy voter was used, is also included within this statement.

This is the Trustees' second Implementation Statement, covering the period from 6 April 2020 to 5 April 2021 has been incorporated into the 5 April 2021 Trustees annual report and accounts.

Investment Options

The primary objective of the default investment strategy is to maximise returns over the long term at an acceptable level of risk, whilst also targeting a particular benefit outcome.

During the growth phase, which spans the time from a member joining the Scheme until five years from their target retirement date (age 65 in the absence of a member selecting an earlier or later age), a member's fund will be evenly invested in the AEGON BlackRock 50/50 Global Growth Fund and the AEGON BlackRock LGIM Global Equity 50:50 Index Fund.

During the Consolidation Phase (the five years leading up to a member's target retirement date), a member's fund will be gradually switched to the AEGON BlackRock Long Gilt Fund and the AEGON BlackRock Cash Fund with the aim of both reducing risk and protecting capital value, whilst also gradually matching the anticipated benefit the members will take at retirement – 25% of a member's fund taken in the form of tax-free cash, with the remaining 75% used to purchase an annuity.

In addition to the default investment strategy, members can also invest in one or more funds which are available on a self-select basis.

Further information on the default investment strategy and individual self-select funds, can be found within the Statement of Investment Principles.

Investment Reviews

The Trustees are required to formally review the default investment strategy at least every three years or immediately following any significant change in investment policy or the Scheme's member profile.

The Trustees last reviewed the strategy in September 2018, the objectives for which were to:

- Assess whether the investment options offered within the Scheme are suitable for the needs and requirements of the membership.
- Monitor the impact of Freedom and Choice in Pensions changes on the investment options.
- Follow regulatory guidance and best practice principles where appropriate, in designing and maintaining the investment options.
- Review the overall performance of the current default investment option and whether the structure and underlying funds remain suitable for members.

Following the review, the Trustees found the structure of the default investment strategy to be broadly appropriate and that no immediate changes were deemed necessary.

The Trustees also reviewed the self-select range of investment funds, and again concluded that no changes were required.

The Trustees are next due to formally review the default investment strategy and alternative investment options, during 2021. If undertaken, the Trustees will provide an update on the scope and outcome of the review, within next year's DC Governance Statement.

Investment Monitoring

In addition to undertaking regular strategy reviews, the Trustees also regularly (six-monthly) review the performance of the default investment strategy, based on performance monitoring reports provided by AEGON. This review includes an analysis of fund performance and member activity to check that the risk and return levels meet expectations.

The Trustee reviews that took place during the Scheme year concluded that the default investment strategy is performing broadly as expected and is consistent with the Trustees aims and objectives as set out within in the Statement of Investment Principles.

Monitoring and review of the Scheme's investment options are covered in the Value for Members Assessment and Statement, which can be found in Appendix A.

2. Requirements for processing financial transactions

Service levels and service monitoring

The core financial transactions, including investment of contributions, transfers in and out of the Scheme to members and / or their beneficiaries, and transfers / switches of assets between different investments in the Scheme, have generally been processed promptly and accurately as evidenced by regular administration reporting, provided by AEGON, the Scheme administrator.

Agreed service levels (SLAs) are in place between the Trustee and AEGON, with each administration report providing a full reconciliation of work undertaken and timescales achieved against agreed service levels for each 'job type'. These typically cover, but are not limited to, ensuring that the following activities are processed promptly and accurately:

- Benefit / retirement quotations and settlements.
- Fund value requests.

- Investment switches.
- Change of payment details.
- Change of target retirement ages.
- General enquiries and data changes.

Average performance against agreed SLAs for the period covered by this year's statement stood at 100%.

Cases are allocated based on case type and age profile. This means, any case where information has returned from a third party will be prioritised and progressed in a timely manner. Further, the prioritisation process ensures key dates are met, sensitive and urgent cases are treated as such, and member experience is protected, particularly where the processing of financial transactions are involved. We are also able to report that no member complaints in relation to the DC Section were received during the year to 5 April 2021.

The Trustees continue to closely monitor AEGON's administration service levels and general performance.

At this stage the Trustees have not sought to benchmark the Scheme's SLAs against other AEGON clients or against other pension schemes which are not administered by AEGON. The Trustees will continue to review this position based on the value of doing so considering best practice and regulatory guidance.

Internal Controls

In accordance with the ongoing administration reporting arrangements, controls are in place at AEGON to monitor and ensure that core financial transactions are and continue to be processed promptly and accurately.

All processes including core financial transactions are conducted in accordance within a strict governance framework that complies with International Standard on Assurance Engagements 3402, "Assurance Reports on Controls at a Service Organisation".

The documentation received in support of all financial transactions requested on a member's account is fully reviewed for completeness before processing may commence. Checklists are in place to help ensure that all necessary information for financial transactions has been received and that all regulatory and service level requirements have been met. Checklists are reviewed by a senior administrator.

A senior administrator will also review the financial transactions that have been keyed into the record keeping system for completeness and accuracy. Financial transactions include contributions, switches, refunds, transfer out payments, deaths and retirements.

All requests for financial transactions are scanned into AEGON's work management system and tracked to ensure that they are actioned on a timely basis and completed in accordance with agreed service standards.

A daily report is run by AEGON to verify that dealing deadlines are met and a daily checklist is run by AEGON's dealing team to verify that all dealing activities are completed accurately and on a timely basis. Daily holdings reconciliations are carried out between AEGON's recordkeeping system and their Dealing system to highlight any differences. Any exceptions are investigated and resolved and reviewed by a senior administrator.

Each year AEGON review the quality of the common and conditional data records that they hold for scheme members and issue a report to the Trustees summarising the quality of member records. Where data gaps are identified, the Trustees have taken appropriate remedial action.

Further scrutiny of transactions and also reporting and controls can be found in the audit report which is included in the Scheme's Annual Report & Accounts.

The Trustees are confident that the processes and controls in place with the administrator are robust and will ensure that the financial transactions which are important to members are dealt with properly. The Trustees continue to focus on the monitoring of this area.

3. Assessment of charges and transaction costs

The Trustees are required to set out the on-going charges borne by members in this statement, which are annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs; this is also known as the 'total expense ratio' (TER) or 'Ongoing Charges Figure' ('OCF'). The OCF is paid by the members and is reflected in the unit price of the funds that members invest in.

The Trustees are also required to separately disclose transaction cost figures that are borne by members. In the context of this statement, the transaction costs shown are those incurred when the Scheme's fund managers buy and sell assets within investment funds.

Aside from investment management charges and investment transaction costs, all other costs associated with running the Scheme, are borne by the sponsoring employer and therefore have no bearing on member charging. However, for completeness we have referred to these as part of our assessment of Value for Members, to be found in Appendix A.

The charges and transaction costs for each fund that comprises the default investment strategy are recorded in Appendix B. The same information is also provided for each individual fund that members can 'self-select', noting that during the period covered by this statement there were no members invested within the range of self-select funds available.

Examples of the cumulative effect of costs and charges on member funds are set out in Appendix C.

Appendices B and C do not currently include details of charges and transaction costs that relate to AVC funds invested with AEGON and Standard Life as relevant details were not available.

In preparing Appendices B and C of this Statement, the Trustees have had regard to statutory guidance published by the Department for Work and Pensions and have not deviated from that guidance.

We are pleased to be able to say, the Annual Management Charges applicable to the funds that comprise the default investment strategy, range from 0.35% for the BlackRock 50/50 Global Growth Fund to 0.15% for the BlackRock Long Gilt Fund. This is significantly below the Charge Control cap of 0.75% required by pension scheme regulations. The Annual Management Charges for the self-select funds range from 0.15% to 1.03% with the majority of funds below the Charge Control cap. Transaction costs are generally minimal or negative.

All charges and transaction cost details have been provided by AEGON and cover the period 6 April 2020 to 5 April 2021. In preparing this statement, we were able to obtain all relevant charge and transaction cost information.

The Trustees are comfortable that the member borne charges are competitive, offer value for money and are kept under a continuous review.

4. The requirement for trustee knowledge and understanding

The Trustee Board spend an appropriate amount of time running the Scheme in relation to the size and complexity of the arrangements and in doing so are also required to maintain an appropriate level of knowledge and understanding, which together with professional advice enables them to properly exercise and discharge their functions and duties in relation to the management of the Scheme. During the period covered by the statement, the Trustee held three regular formal meetings and two additional meetings.

To maintain an appropriate level of knowledge and understanding each Trustee must:

- Be conversant with the Trust Deed and Rules of the Scheme, the Scheme's Statement of Investment Principles and any other document recording policy for the time being adopted by the Trustees relating to the administration and management of the Scheme. The Trustees will refer to the Trust Deed and Rules as part of considering and deciding to make any changes to the Scheme and where relevant, deciding individual member cases.
- Have, to the degree that is appropriate for the purposes of enabling the individual to properly exercise their functions as a Trustee, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment the assets of occupational pension schemes.

To help achieve the above, each Trustee is also expected to ensure that they meet the Pension Regulator's (TPR) Trustee Knowledge and Understanding requirements. This includes completing TPR's 'Trustee Toolkit'. The Trustee Toolkit is an online learning program aimed at trustees of occupational pension schemes. It contains modules and resources on the law relating to pensions and trusts, and the principles relating to the funding and investment of occupational pension schemes. It is designed to help trustees meet the minimum level of knowledge and understanding required under the Pensions Act 2004.

At the time of publication of this statement, each Trustee has completed all relevant Toolkit modules, including the Pension Scams module.

To further bolster knowledge and understanding, Countrywide Plc has appointed PTL Governance (PTL), a firm of independent professional trustees (represented Ramona Tipnis) to sit on and chair the board of Trustees. Ramona brings a wealth of investment, corporate and relevant pensions experience to the board of Trustees.

All of PTL's Client Directors (of which Ramona is one) are accredited members of the Association of Professional Pension Trustees and hold the AMAPPT designation. Accredited members are required to hold the PMI Award in Pension Trusteeship for Defined Benefit and Defined Contribution schemes, demonstrate long-standing pensions experience, to complete and keep up to date with the Pension Regulator's Trustee Toolkit and least 25 hours of continuing professional development (CPD) per annum.

Additional training is provided based on the individual and collective needs of the Trustee Board with the intention of ensuring the Trustee board always has enough understanding overall to operate the Scheme in an effective manner. Overall, the Trustees are satisfied there is sufficient knowledge and understanding of all subject areas within the Board.

The Trustees operate a training log which is and reviewed by the Trustees at each Trustee meeting.

Finally, the Trustees employ professional advisers including, but not limited to Capita Pension Solutions, Aegon and Blake Morgan, to provide advice and to ensure that Scheme governance, controls, skills and knowledge are current and meeting the expectations of the Pension Regulator and Scheme

members. Capita (and where required other advisers) also attend each Trustees meeting and where appropriate, training is provided within Trustee meetings. Current and potential upcoming changes in pension legislation, regulation and industry best practice that affect the Scheme are also covered in detail with support from the Trustees advisers.

Summary

The Trustees have considered the service standards being provided in terms of scheme administration (including processing core financial transactions, scheme records and scheme governance), member communications, investment proposition and investment returns. The Trustees also regularly monitor the investment charges borne by members.

It is our view the Scheme, including member borne charges, represents good Value for Members and our Value for Members assessment and statement is set out in Appendix A.

Signed for and on behalf of the Trustees of the Scheme by Ramona Tipnis in my capacity as Chair of the Trustee Board

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Ramona Tipnis

Chair of the Trustee Board for the Countrywide Plc Pension Scheme

Appendix A: Value for Members Assessment and Statement

Value for Members Assessment

To make an assessment of the Scheme in terms of whether and how it represents Value for Members, the Trustees have considered the following:

- Annual Newsletters
- Statement of Investment Principles dated 25 September 2020
- Regular Investment Performance Monitoring Reports
- Investment Strategy Reviews, including November 2018 advice and recommendations
- Investment options available to members
- Trustee Risk Register
- Regular Administration Reports
- Member access to online account management
- Pre and at retirement support for members

Also, the Trustees have taken into account the following considerations:

1. The costs of the Scheme are predominantly borne by the employer, leaving only investment costs which are borne by Scheme members. Details of these charges are set out in Appendix B.
2. The investment choices offered to Scheme members are subject to regular review. These were last reviewed in 2018.
3. Member communications provide a clear explanation of the available investment strategies and options, along with the benefits and risks of each option, to enable members to assess their own situation and therefore be in a position to make an appropriate and informed investment choice.
4. The Annual Management Charges (AMCs) levied on Scheme members for investment management compare favourably with that of similar schemes and investment strategies. AMCs for the funds within the default strategy range from 0.35% for the BlackRock 50/50 Global Growth Fund to 0.15% for the BlackRock Long Gilt Fund. This is below the Charge Control cap of 0.75%. The Annual Management Charges for the self-select funds range from 0.15% to 1.03% with the majority of funds below the Charge Control cap.
5. The appointed investment managers and fund investment returns are assessed by the Trustees in liaison with their investment advisers on a six-monthly basis using performance monitoring reports.
6. The Trustees have also taken into account the Pensions Regulator's Code of Practice No.13 (Governance and administration of occupational trust-based schemes providing money purchase benefits (DC benefits)).

Costs borne by Scheme members

The Trustees have obtained details from AEGON of ongoing charges and transaction costs that applied (or may have potentially applied) to the investment funds available to members. Actual and potential transaction costs disclosed by AEGON include:

- Transaction taxes
- Broker commission
- Implicit costs
- Entry/exit charges
- Other transaction costs

- Indirect transaction taxes
- Indirect broker commission
- Indirect implicit costs
- Indirect entry/exit charges
- Indirect other transaction costs
- Indirect transaction costs - external funds
- Anti-dilution offset
- Indirect anti-dilution offset

Details of the ongoing charges and transaction costs disclosed by AEGON are set out in Appendix B. Appendix C shows the cumulative effect of costs and charges on member funds.

Costs borne by the employer

As mentioned above, in carrying out this assessment, the Trustees have taken the view that costs borne by the employer on behalf of members has a positive effect on Value for Members. The employer-borne costs which have been taken into consideration are as follows:

- Administration costs
- Cost of running the Trustee Board
- Cost of advice (e.g., consultancy costs, legal costs, auditor costs)

Value for Members Statement

There is no legal definition of “good value” and so the process of determining good value for members is a subjective one. The Trustees believe, in line with the Pension Regulator’s guidance, a value for money scheme is one in which the cost of membership provides good value in relation to the benefit of membership, when compared with other options available in the market and that members should achieve a good outcome from their pension savings.

The Trustees consider this does not necessarily mean low cost providing the cheapest scheme but where costs might be higher than others in the market, the additional cost can be justified by improved benefits and outcomes. Whilst overall fees are of importance to members and will ultimately have an impact on member outcomes, the Trustees believe that the services which underlie those fees will also be important in determining whether the Scheme is providing value for money from a member's perspective.

The Trustees believe the Scheme’s DC Section represents good value for Members. The reasons for this are based on the factors and supporting documentation above and include (but are not limited to), the following.

- The oversight and governance of the Trustees, including ensuring the Scheme is compliant with relevant legislation, such as the charge cap, and holding regular meetings to monitor the Scheme and address any material issues that may impact members.
- The Trustees are comfortable with the quality and efficiency of the administration processes, including processing of financial transactions.
- Members of the Scheme pay only investment charges which are annual fund management charges plus any additional fund expenses, such as custody costs, and any transaction costs; with the employer bearing all other costs of running the Scheme.
- We believe the costs borne by members compare favourably with similar schemes.
- The fund charges are competitive for the types of fund available to members.

- The investment options offered to members (including the default investment strategy) are subject to regular review and where necessary amended to ensure the choices available are appropriate to the membership of the Scheme and that they account for the range of benefit options available to members at retirement.
- Both the investment manager and the funds under management are assessed by the Trustees in liaison with their investment advisers on a six-monthly basis and at each Trustee meeting.
- The returns on the investment funds that comprise the default investment strategy during the period covered by this statement have been consistent with the Trustees stated investment objectives.
- The Trustees meet regularly to ensure the service standards being provided in terms of scheme administration (including processing core financial transaction, scheme records and scheme governance), member communication and investment strategy and investment performance are effectively monitored and managed.

In reaching this opinion, the Trustees have chosen to not apply any weightings to the factors considered and supporting documentation outlined.

Appendix B: Charges and transaction costs for the Countrywide plc Pension Scheme default investment strategy

The default investment strategy is set up as a lifestyle strategy, which means that members' assets are automatically moved between different investment funds as a member approaches their target retirement date, as explained within Section 1. of this Statement. This means that the level of charges and transaction costs will vary depending on how close members are to their target retirement date and in which fund they are invested. For the period covered by this statement, annualised charges and transaction costs are set out in the table below.

Fund	Total Expense Ratio (TER)* (%)	Transaction Costs** (%)
BlackRock 50/50 Global Growth Fund	0.35	0.180
BlackRock LGIM Global Equity 50:50 Index Fund	0.26	0.004
BlackRock Long Gilt Fund	0.15	-0.041
BlackRock Cash Fund	0.23	0.014

Notes (for the above and for Appendix C)

* Includes the annual management charge (AMC), plus various other expenses including index licensing fees, legal fees, administration, marketing, regulation, auditing. Due to the size and purchasing power of Aegon's index funds, the AMC and TERs for many funds are effectively the same.

** Transaction costs that applied (or may have potentially applied) to the investment funds, as summarised within Appendix A. Note that a negative transaction cost can refer to things like anti-dilution measures put in place by the manager to protect existing investors. It is effectively a 'saving' to existing members and reduces the impact of other charges. As it is an implicit, calculated cost, it would ordinarily be reflected within the unit price.

Actual and potential transaction costs have been calculated using the DC Workplace Pension Template (DCPT) for the explicit purpose of providing transactions cost disclosure in accordance with COBS rules.

For any funds which hold an investment managed by a third party, the transaction costs provided by the third-party manager are represented as an indirect external fund transaction cost. Transaction costs have been supplied by Aegon (Workplace Investing).

Appendix C: Charges and transaction costs for the Countrywide plc Pension Scheme self-select funds

In addition to the default investment strategy, members also have the option to invest in a range of funds on a self-select basis. The level of charges for each self-select fund and the transaction costs members can select and in which assets relating to members are invested over the period covered by this statement are set out in the following table.

Fund	Total Expense Ratio (TER)* (%)	Transaction Costs** (%)
LGIM Global Equity (50:50) Index	0.26	0.0041
LGIM Global Equity (60:40) Index	0.27	0.0026
LGIM Multi Asset	0.34	0.0280
LGIM Overseas Equity Consensus Index	0.36	0.0000
LGIM Pre-Retirement	0.25	0.0367
LGIM UK Equity Index	0.28	0.0000
BlackRock 50/50 Global Growth	0.45	0.1799
BlackRock 60/40 Global Growth	0.35	0.1807
BlackRock 70/30 Global Growth	0.35	0.1800
BlackRock Alpha Smaller Companies	0.35	0.4209
BlackRock American Growth	0.35	0.1982
BlackRock Balanced Growth	0.35	0.1615
BlackRock Cash	0.23	0.0144
BlackRock Diversified Growth	0.55	0.5313
BlackRock Emerging Markets	0.41	1.1336
BlackRock European Growth	0.35	0.0509
BlackRock Gold & General	0.37	0.6249
BlackRock Index-Linked Gilt	0.15	-0.0130
BlackRock Japanese Growth	0.35	0.3140
BlackRock Long Gilt	0.15	-0.0406
BlackRock Pacific Growth	0.35	0.1870
BlackRock Pre-Retirement	0.30	0.0358
BlackRock Property	0.90	0.1127
BlackRock Sterling Bond	0.30	0.0302
BlackRock Strategic Accumulation	0.35	0.1739
BlackRock UK Equity	0.37	0.5362
BlackRock UK Equity Optimum	0.55	0.1482
BlackRock UK Growth	0.35	0.1652
BlackRock UK Income	0.37	0.7057
BlackRock UK Special Situations	0.37	0.6899
BNY Mellon Global Equity	0.65	0.0000
BNY Mellon UK Equity	0.65	0.3087
HSBC Islamic Global Equity Index	0.45	0.0196
Invesco Pensions European Equity	0.55	0.1300
Invesco Pensions Global Equity	0.55	0.2600
Invesco Pensions Managed	0.55	0.2500
Kames Ethical Equity	1.03	0.0498
Threadneedle Pensions UK Equity	0.60	0.1876

Please refer to the notes for Appendix B

Appendix D: Projected Pension pot showing effect of charges and transaction costs produced in accordance with DWP guidance

As noted within Section 3. of this statement, during the period covered there were no members invested within the range of self-select funds available. Projected fund values are therefore restricted to those funds which comprise the default investment strategy.

Projected pension fund value in today's terms		
We have assumed a starting pot size of £50,000, and a 40yr old member but other ages can be assessed using the following table		
Default Investment Strategy		
Years	Before costs and charges deducted	After costs and charges deducted
1	£51,750.00	£51,538.39
3	£55,435.89	£54,758.62
5	£59,384.32	£58,180.05
10	£70,529.94	£67,698.37
15	£83,767.44	£78,773.89
20	£99,489.44	£91,661.37
25	£107,700.06	£97,703.69

Notes (for the above and the following tables)

1. Projections are based on a 40-year-old member, but other ages can be assessed using the table.
2. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
3. The starting pot size is assumed to be £50,000 - approximately the average value within the scheme.
4. The salary assumption is £0, as this is a closed scheme.
5. A contribution rate of 0% has been used, given that this is a closed scheme.
6. Inflation is assumed to be 2.5% each year.

Values shown are estimates and are not guaranteed.

The following tables show the projected fund values for the individual funds that make up the default investment strategy

Projected pension fund value in today's terms		
Aegon BlackRock 50/50 Global Growth Fund (Gross Accumulation Rate = 6.00%)		
Years	Before costs and charges deducted	After costs and charges deducted
1	£51,750.00	£51,463.85
3	£55,435.89	£54,521.37
5	£59,384.32	£57,760.54
10	£70,529.94	£66,725.59
15	£83,767.44	£77,082.12
20	£99,489.44	£89,046.09
25	£118,162.25	£102,867.00

Projected pension fund value in today's terms		
Aegon LGIM Global Equity 50:50 Index Fund (Gross Accumulation Rate = 6.00%)		
Years	Before costs and charges deducted	After costs and charges deducted
1	£51,750.00	£51,612.93
3	£55,435.89	£54,996.55
5	£59,384.32	£58,602.00
10	£70,529.94	£68,683.88
15	£83,767.44	£80,500.26
20	£99,489.44	£94,349.52
25	£118,162.25	£110,581.41

Projected pension fund value in today's terms		
Aegon BlackRock Long Gilt Fund (Gross Accumulation Rate = 1.30%)		
Years	Before costs and charges deducted	After costs and charges deducted
1	£49,400.00	£49,330.58
3	£48,221.51	£48,018.51
5	£47,071.14	£46,741.34
10	£44,313.85	£43,695.06
15	£41,718.07	£40,847.31
20	£39,274.34	£38,185.16
25	£36,973.76	£35,696.51

Projected pension fund value in today's terms		
Aegon BlackRock Cash Fund (Gross Accumulation Rate = 1.05%)		
Years	Before costs and charges deducted	After costs and charges deducted
1	£49,275.00	£49,154.28
3	£47,856.39	£47,505.51
5	£46,478.61	£45,912.05
10	£43,205.23	£42,158.33
15	£40,162.38	£38,711.50
20	£37,333.83	£35,546.49
25	£34,704.49	£32,640.24

Appendix D: Statement of Investment Principles

[insert statement dated September 2020]