ING UK Pension Fund ('the Fund')
Governance Statement 2025

The Occupational Pension Schemes (Charges and Governance) Regulations 2015 ('the Regulations') set out the minimum governance standards expected of defined contribution (DC) pension schemes. The Pensions Regulator (TPR) has also published its expectations of DC pension schemes in the General Code.

This statement has been prepared by the Trustees of the ING UK Pension Fund ('the Trustees') to comply with the Regulations for the period covering 1 April 2024 to 31 March 2025 ('the Scheme Year') and reports on the Defined Contribution (DC) Section of the Fund as well as the legacy money purchase additional voluntary contribution (AVC) arrangements that are in place under the Defined Benefit (DB) Section of the Fund.

A copy of the full governance statement can be found within the Trustee Report and Accounts and you are able to request a copy from the Fund's administrators by emailing: ingukpf@capita.co.uk or calling: 0800 389 6709.

1. The Fund's DC investment strategy – including the default investment option and asset allocation

The Fund's Statement of Investment Principles (SIP) sets out the aims and objectives of the Fund's investment strategy and provides further information about the default investment option ('the default'). In particular, in respect of the DC assets, the SIP covers:

- The Trustees' investment policy, including polices on risk, risk measurement and risk management;
- The Trustees' policies on how they take account of "financially material considerations" (including, but not limited to, environmental, social and governance (ESG) factors as well as climate change) as well as the Trustees' policy on stewardship (in respect of voting rights and monitoring and engagement with investments); and
- The design of the default, which is a lifestyle investment strategy.

A copy of the latest SIP, dated September 2024, is attached as an appendix to this statement.

DC Section

The performance of all the DC Section funds, including those underlying the Fund's lifestyle investment strategies (including the default), are reviewed by the Trustees each quarter and the Trustees' professional investment adviser provides an investment performance monitoring report called "FundWatch". The analysis and advice provided supports the Trustees in determining whether they should consider making any investment changes as a result of the performance of funds. During the Scheme Year covered by this statement, no changes were made to the DC Section funds (including the default) due to investment performance.

As well as regularly monitoring the performance of the default arrangement, the Trustees also formally review both this as well as the broader DC investment strategy at least every three years. The default strategy and the performance of the default arrangement were last reviewed during the period covered by this statement, which was an exercise that concluded in February 2025. No change to the default strategy or range of self-select funds was made as a result of the review and the Trustees are comfortable the investment options in the DC Section continue to remain suitable for members.

The next formal triennial review is due to be completed in February 2028.

Members who join the DC Section and who do not choose an investment option are placed into the default. The default, as at 31 March 2025, was the Medium Risk Drawdown Lifestyle. The aims and objectives of the default, as stated in the SIP, are as follows:

- To generate returns in excess of inflation during the growth phase of the strategy whilst managing downside risk;
- To provide a strategy that reduces investment risk for members as they approach retirement, and to provide exposure, at retirement, to assets that are broadly appropriate for an individual planning to take their benefits via income drawdown at retirement.

The default strategy design assumes that a retiring member will draw a tax-free cash lump sum of 25% of their account value and use the remaining 75% to enter a drawdown arrangement. The default is comprised of the following elements:

	Asset Allocation	Timing
Growth Phase	50% LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund 50% LGIM Diversified Fund	Members remain invested in this allocation until 10 years before their selected retirement date.
Consolidation phase	45% LGIM Diversified Fund 30% LGIM Future World Inflation Sensitive Annuity Aware Fund 25% LGIM Cash Fund	For the final 10 years before a member's selected retirement date their portfolio switches gradually towards this final allocation.

The Fund also has two additional default funds ('the additional defaults'). The first additional default is the LGIM Cash Fund, which became a default as a result of member contributions being directed into this fund following the suspension of dealing in the LGIM Hybrid Property (70:30) Fund in March 2020.

The second additional default is the LGIM Diversified Fund which became a default in November 2020 as a result of the assets formerly held in the Schroders Diversified Growth Fund being transferred to the LGIM Diversified Fund on a non-consent basis.

The Trustees also provide alternative lifestyle strategies for members in order to cater for members' differing needs, both in terms of their appetite to take investment risk as well as their likely benefits choice at retirement. Members are able to select the level of risk they would like to take in the growth phase (i.e. low, medium or high) and are also able to target a particular at-retirement outcome (i.e. annuity purchase, lump sum withdrawal or drawdown).

Asset allocation assessment

The Trustees are required to assess and report on the allocation of assets in each default arrangement. The results are shown below:

Medium Risk Drawdown Lifestyle

	Percentage allocation – average 25 years (%)	**Percentage allocation – average 45 years (%)**	**Percentage allocation – average 55 years (%)**	**Percentage allocation – average 65 years (%)**
Bonds[1]	21.56%	21.56%	21.56%	64.21%
UK Listed Equity	5.53%	5.53%	5.53%	2.40%
Overseas Listed Equity	68.99%	68.99%	68.99%	19.80%
Private Equity	0.49%	0.49%	0.49%	0.44%
Property	2.33%	2.33%	2.33%	2.10%
Cash	1.10%	1.10%	1.10%	11.05%
Other	0.00%	0.00%	0.00%	0.00%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

[1] *Bonds allocation include Corporate, Government and Other Bonds.*

Diversified Fund

	Percentage allocation (%)
Bonds[1]	43.09%
UK Listed Equity	5.34%
Overseas Listed Equity	43.99%
Private Equity	0.97%
Property	4.66%
Cash	1.95%
Other	0.00%
Total	**100.00%**

[1] *Bonds allocation include Corporate, Government and Other Bonds*

Cash Fund

	Percentage allocation (%)
Bonds[1]	59.44%
UK Listed Equity	0.00%
Overseas Listed Equity	0.00%
Private Equity	0.00%
Property	0.00%
Cash	40.56%
Other	0.00%
Total	**100.00%**

[1] *Bonds allocation include Corporate, Government and Other Bonds*

Notes: the Diversified Fund and Cash Fund are deemed to be default funds, but are standalone funds i.e. there is no lifestyling, so the asset allocation remains static as a member approaches their target retirement age.

On reporting the results of the asset allocation assessment, the Trustees have considered the relevant guidance issued by the Department for Work and Pensions.

Legacy AVC arrangements

During the Scheme Year, the Trustees completed a project to switch unit-linked assets held within a number of legacy AVC policies to funds in the DC Section of the Fund. These policies had historically allowed members of the Defined Benefit Section to accumulate additional pension savings on a money purchase basis. The legacy AVC policies were held with Aegon, Aviva, ReAssure, Standard Life, and Utmost Life and Pensions. The switch of these legacy AVC policies was successfully concluded in March 2025. However, some of the legacy assets are held in with-profit investments and due to the potential guarantees attached to these investments, these assets remain in a policy with Aviva and were excluded from the switch to the DC Section. This policy will close once the last invested member withdraws their benefits.

2. Charges and transaction costs

For the purposes of this section “charges” are defined as the ongoing annual charges. These charges consist of the Annual Management Charges plus additional fund expenses (e.g. for custody, audit, UK stamp duty but excluding transaction costs – see below) that make up the Total Expense Ratio (TER). The TER is paid by members and is reflected in the unit price of the funds they invest in. No other charges (excluding transaction costs) are borne by members.

In preparing this section, the Trustees have taken account of statutory guidance prepared by the Department for Work and Pensions.

DC Section

The TERs and member-borne transaction costs for the funds which members are able to select within the DC Section of the Fund during the Scheme Year are set out in the tables below.

Cost and charges

Fund Name	Total Expense Ratio (TER) (p.a. of account value)	Aggregate transaction costs (% of fund p.a.)[1]
LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund (only available within the lifecycle strategies, not as a self-select fund)	0.1521%	-0.0021%
LGIM Diversified Fund	0.2158%	0.0276%
LGIM Future World Inflation Sensitive Annuity Aware Fund	0.1499%	0.0001%
LGIM Cash Fund	0.0995%	0.1269%
LGIM World (ex-UK) Equity Index	0.1778%	0.0173%
LGIM UK Equity Index	0.0849%	0.0057%
LGIM North America Equity Index	0.1599%	-0.0014%
LGIM Europe (ex-UK) Equity Index	0.2044%	0.0225%
LGIM Asia Pacific (ex-Japan) Developed Equity Index	0.2220%	-0.0059%
LGIM Japan Equity Index	0.1818%	-0.0039%
LGIM World Emerging Markets Equity Index	0.3703%	-0.0079%
LGIM AAA-AA-A Corporate Bond - All Stocks - Index	0.1193%	-0.0014%
LGIM Composite Bond[2]	0.1350%	0.0731%
LGIM Over 15 Year Gilts Index	0.0797%	0.0604%
LGIM Over 5 Year Index-Linked Gilts Index	0.0796%	0.0675%
LGIM Hybrid Property 70:30 Fund	0.7758%	0.0766%
LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG Equity Index Fund	0.1521%	-0.0021%
LGIM (30:70) Global Equity Index (75% Currency Hedged)	0.1633%	0.0420%
LGIM Active Over 10 year Corporate Bond	0.2180%	0.0867%

Notes:

Transaction costs are those incurred by the investment managers as a result of buying, selling, lending or borrowing investments and are usually taken into account via the unit price for each of the funds. Transaction costs are typically categorised as being explicit costs or implicit costs;

- ***Explicit costs*** *are directly observable and include broker commissions and taxes.*
- ***Implicit costs*** *cannot be observed in the same way but can also result in a reduction in the value of capital invested. Implicit costs include market impact or delay costs as well as inflows to a fund, both of which can also result in a gain for the fund (i.e. negative transaction cost). As a result of this, it is not expected that transaction costs for any fund(s) will always be negative.*

[1] Source for data in tables: LGIM, and the transaction cost data covers the period covering 1 April 2024 to 31 March 2025

[2] This fund consists of 3 component funds (40% Active Corporate Bond, 30% Over 15 Year Gilts Index and 30% Over 5 Year Index-Linked Gilts Index)

Please refer to the 'ING UK Pension Fund (Defined Contribution Section) Investment Guide' for more details of the investment options available within the DC Section. The Investment Guide can be located in the "Hartlink Online Portal" section of the Fund's website under Menu/Scheme Information: www.myingpension.com.

None of the Fund's investment options operate with performance-based fees.

The default and the additional defaults

The default is constructed using a number of the above funds and, as such, the charges members pay depend on the period of time until their selected retirement date. Members invested in the default pay the maximum total charge during the growth phase, when 50% of their pension account is invested in the LGIM MSCI ACWI Adaptive Capped (50% Currency Hedged) Fund and 50% is invested in the L&G Diversified Fund. The charges incurred at some of the different stages of the default are set out below:

	Asset Allocation	Total Expense Ratio		Aggregate transaction costs	
		% p.a.	**£ per £1,000**	**% p.a.**	**£ per £1,000**
Until 10 years before selected retirement date	50% LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund 50% LGIM Diversified Fund	0.1840%	£1.84	0.0128%	£0.13
5 years before selected retirement date	25% LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund 47.5% LGIM Diversified Fund 27.5% LGIM Future World Inflation Sensitive Annuity Aware Fund	0.1818%	£1.82	0.0126%	£0.13
At a member's selected retirement date	45% LGIM Diversified Fund 30% LGIM Future World Inflation Sensitive Annuity Aware Fund 25% LGIM Cash Fund	0.1670%	£1.67	0.0442%	£0.14

The additional defaults, the LGIM Cash Fund and the LGIM Diversified Fund, have TERs of 0.0995% p.a. and 0.2158% p.a. respectively. The Trustees can therefore confirm that the total charge for the default and the additional defaults fall well below the charge cap of 0.75% p.a. set out in the Regulations.

Legacy AVC arrangements

The TERs and, so far as the Trustees have been able to obtain them, the member-borne transaction costs for the funds invested within the legacy AVC arrangements as at 31 December 2024 are as follows:

Legacy AVC provider	Fund Name	TER (p.a. of account value)	Aggregate transaction costs (% of fund p.a.)
Aegon	Aegon BlackRock 70/30 Global Growth	0.750%	0.2831%
	Aegon BlackRock UK Growth	0.750%	0.2777%
	Aegon BlackRock Cash	0.330%	0.1387%
Aviva	Aviva My Future Focus Consolidation	0.600%	0.0318%
	Aviva Global Equity Pension Standard	0.600%	0.0213%
	Aviva Mixed Investment (40-85% Shares) Pension Standard	0.600%	0.0837%
	Aviva UK Equity Pension Standard	0.600%	0.1995%
	Aviva With-Profit 1 (CGNU) Pension Standard[1]	See footnote	0.0240%
	Aviva With-Profit (NU) Pension Standard[1]	See footnote	0.0280%
	Aviva With-Profit Guaranteed (NU) Pension Standard[1]	See footnote	0.0280%
ReAssure[2]	L&G Index Linked Gilt Fund	0.300% – 0.900%	N/A
	L&G Consensus Fund		N/A
Standard Life	Standard Life Managed Pension	0.62%	0.1120%
Utmost	Utmost Life and Pensions US Equity	0.75%	0.0728%
	Utmost Life and Pensions Asia Pacific	0.75%	0.2802%
	Utmost Life and Pensions European Equity	0.75%	0.0697%
	Utmost Life and Pensions UK Government Bond	0.50%	0.2332%
	Utmost Life and Pensions Global Equity	0.75%	0.0934%
	Utmost Life and Pensions Fund of Investment Trusts	0.75%	0.2600%
	Utmost Life and Pensions Managed	0.75%	0.0844%
	Utmost Life and Pensions UK Equity	0.75%	0.1841%
	Utmost Life and Pensions Property	1.00%	0.1499%
	Utmost Life and Pensions UK FTSE All-Share	0.50%	0.0308%
	Utmost Life and Pensions Multi-Asset Moderate	0.75%	0.3220%
	Utmost Life and Pensions Utmost Multi-Asset Cautious	0.75%	0.4035%
	Utmost Life and Pensions Money Market	0.50%	0.0142%

Note: Transaction costs are those incurred by the investment managers as a result of buying, selling, lending or borrowing investments and are usually taken into account via the unit price for each of the funds. Transaction costs are typically categorised as being explicit costs or implicit costs;

- ***Explicit costs** are directly observable and include broker commissions and taxes.*
- ***Implicit costs** cannot be observed in the same way but can also result in a reduction in the value of capital invested. Implicit costs include market impact or delay costs as well as inflows to a fund, both of which can also result in a gain for the fund (i.e. negative transaction cost). As a result of this, it is not expected that transaction costs for any fund(s) will always be negative.*

[1] The charges and transaction costs for the above with profits funds are deducted from the assets backing the overall fund before the annual bonus rates are set. As a result, it is not possible to determine the exact charges and costs borne by members. The implicit charges incurred within the with profits funds cover the cost of any guarantees and reserving as well as investment management and administration.

[2] The charges for the ReAssure AVC funds vary based on asset values – 0.900% p.a. (£0 to £25,000), 0.700% p.a. (£25,000 to £50,000) and 0.300% p.a. (above £50,000). ReAssure are unable to provide transaction costs following the AVC consolidation exercise and transfer out of all members and assets to the DC Section.

Transaction costs and gains

Transaction costs and gains are those incurred by fund managers as a result of buying, selling, lending or borrowing investments. These costs are allowed for within the unit price for each of the Fund's DC Section and unit-linked legacy AVC funds. In 2017, the Financial Conduct Authority (FCA) published its policy on how asset managers must disclose transaction costs and administration charges and, as a result, providers are now reporting on this basis.

Details of the aggregated transaction costs for each of the DC Section, and unit-linked legacy AVC, funds over the course of the Scheme Year are set out, alongside the TERs, in the tables above.

3. An assessment of the value the Fund provides to members

The Trustees are committed to ensuring that the Fund provides value for its members (i.e. that the costs and charges members pay provide good value in relation to the benefits and services received) and consider this issue on an on-going basis.

The Trustees have received an independent value for members assessment (taking into account TPR's guidance), dated August 2025, from WTW and this assessment concluded that the DC Section of the Fund provides good value for members overall. Three core areas were reviewed as part of the assessment:

1. The net investment returns of the DC Section fund range and how they performed against their chosen benchmarks,
2. Comparing the services and features offered by the DC Section of the Fund against those observed across market leading DC arrangements,
3. The level of the charges and transaction costs members pay.

The results of the assessment are set out below:

1. **Net Investment returns:** these were assessed and deemed to provide fair value for members. The net returns for the Fund's default investment strategy were compared against the default returns for 15 Master Trust providers in the market and were assessed as in the mid-range or lower range for a member 35 years, 10 years and 0 years from retirement. The returns for the broader self-select fund range were assessed as delivering good value for members. It should be noted that due to a change in investment strategy in June 2022, 3 and 5 year performance figures are not yet available for the Fund's default.
2. **Governance, administration and communication:** the Fund was assessed against six areas which contain key features typically available within leading DC schemes. This section of the assessment deemed the Fund to provide good value for members. The Trustees are continuing to work with the Company to bolster the level of education and support made available to members and will provide any update on these activities as part of the Governance Statement for the next Scheme Year.
3. **Cost and Charges:** these were assessed and deemed to provide good value for members. Members do not pay for the cost of administration, communication and governance. The Total Expense Ratios (TER) for the DC Section as a whole represent good value. The TER for the growth phase of the default investment strategy, Medium Risk Drawdown, is in the lower range when compared to WTW clients that operate an own trust arrangement (bundled and unbundled). A benchmarking exercise concluded that the transaction costs for most of the DC Section funds are below the market average.

The results of the assessment this year reflect the outcomes of steps that the Trustees have taken during the year and continue to take to improve value for members, including:

- Continue to monitor the performance against service levels in conjunction with the Fund's administrator;
- Working with the Company to consider other opportunities to improve the at-retirement support available to members.

The Trustees have previously received a value for members assessment, dated July 2019, of the legacy AVC arrangements from WTW and this assessment concluded that the legacy AVC arrangements provide below average to sufficient value to members.

The Trustees last reviewed the legacy AVC arrangements in June 2023 including an assessment of the Security of Assets within each of the legacy policy structures and the extent to which they would be covered by the Financial Services Compensation Scheme.

As a consequence of the assessments the Trustees decided to switch all unit-linked assets to the DC Section of the Fund without member consent. This exercise was completed in March 2025 and the only legacy AVC assets that remain are with Aviva, as these are invested in with-profits which potentially have valuable guarantees attached to these investments. The Trustees will continue to monitor these AVCs, but expect this policy to close when the last member withdraws their benefits.

Taking account of all of the factors above, the Trustees have concluded that the Fund as a whole provides good value to members.

4. An illustration of the effect of charges and costs over time

The Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 require the Trustees to produce a "£ and pence" illustration showing the compounded effect of costs and charges. As a result, the Trustees have set out an illustration below which shows the projected value, over different time horizons, of eight of the most commonly used funds within the DC Section of the Fund as at 31 March 2025 (including the four individual investment funds that are used as components with the default investment option and the funds with the highest and lowest annual management charges).

In preparing this illustration, the Trustees have taken account of statutory guidance prepared by the Department for Work and Pensions

Period to retirement	Medium Risk Drawdown Lifestyle		LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund		LGIM Diversified Fund		LGIM Future World Inflation Sensitive Annuity Aware Fund		LGIM Cash Fund		LGIM 30:70 Global Equity Fund (75% Hedged)		LGIM Over 15 Year Gilts Fund		LGIM Hybrid Property 70:30 Fund	
	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted	Before charges	After charges + costs deducted
1	£136,300	£136,000	£138,200	£137,900	£134,400	£134,100	£136,900	£136,700	£131,900	£131,700	£136,900	£136,600	£138,200	£138,000	£136,900	£135,900
3	£159,800	£158,900	£166,200	£165,400	£153,600	£152,700	£161,900	£161,200	£145,500	£144,900	£161,900	£161,000	£166,200	£165,600	£161,900	£158,600
5	£184,700	£183,100	£196,800	£195,200	£173,300	£171,700	£188,700	£187,400	£159,000	£158,000	£188,700	£186,900	£196,800	£195,600	£188,700	£182,400
10	£253,700	£249,600	£285,800	£281,500	£225,300	£221,300	£264,000	£260,700	£192,200	£189,900	£264,000	£259,500	£285,800	£282,500	£264,000	£247,900
15	£347,700	£339,900	£410,900	£402,200	£295,000	£287,900	£367,500	£361,100	£237,900	£234,000	£367,500	£358,700	£410,900	£404,300	£367,500	£336,600
20	£458,200	£445,000	£567,900	£552,500	£371,600	£360,500	£491,900	£480,900	£284,000	£278,300	£491,900	£476,800	£567,900	£556,100	£491,900	£439,500
25	£582,500	£562,300	£762,500	£737,100	£454,100	£437,700	£638,900	£621,400	£329,000	£321,200	£638,900	£615,100	£762,500	£743,100	£638,900	£556,700
30	£699,000	£670,700	£1,003,800	£964,000	£542,800	£519,800	£812,900	£786,500	£372,900	£362,700	£812,900	£776,900	£1,003,800	£973,300	£812,900	£690,200

Notes

a. Projected pension account values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
b. Contributions are assumed to be paid between the ages of 35 and 65 at a rate of 12.5% p.a. (until the age of 45) and 17.5% p.a. (from age 45 onwards).
c. The member's current salary is £60,000 (increasing by 2.5% per year).
d. Investment returns, charges and costs, as a percentage reduction per annum, are assumed to be added or deducted at the end of the year.
e. The starting account size is assumed to be £125,000.
f. Inflation is assumed to be 2.5% each year and the real projected growth rates, below, are set out net of this inflation assumption.
g. The projected growth rates (after costs and charges) already take into account the impact of any transaction costs that may be incurred over the longer term. As a result, gross growth rates (i.e. before all costs/charges including transaction costs) have been used for the purposes of the "Before charges" figures set out in the table above.

h. The real (i.e. after inflation) projected growth rates (before and after costs and charges) for each fund are as follows:

Fund name	Gross of all charges	Net of all charges
LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund	4.50%	4.390%
LGIM Diversified Fund	1.50%	1.463%
LGIM Future World Inflation Sensitive Annuity Aware Fund	3.50%	3.415%
LGIM Cash Fund	-0.50%	-0.488%
LGIM (30:70) Global Equity Index Fund (75% Hedged)	3.50%	3.415%
LGIM Over 15 Year Gilts Fund	4.50%	4.390%
LGIM Hybrid Property 70:30 Fund	3.50%	3.415%

i. Transactions costs and other charges have been provided by LGIM and covered the period 1 April 2020 and 31 March 2025, except for the transaction costs for the LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund which cover the period 1 April 2022 to 31 March 2025. The transaction costs have been averaged by WTW using a time-based approach. The transaction costs for blended funds were estimated by WTW based on the transaction costs for the underlying funds. In some cases, L&G has provided details of negative transaction costs and, where this is the case, it has been assumed that zero transaction costs (i.e. 0.0%) have actually been incurred for the purposes of the "Before charges" figures set out in the table above.

j. The values shown are for illustrative purposes only and are not guaranteed.

5. A summary of the net investment returns for the DC Section and AVC funds

The Trustees are required to report on the net investment returns for the default arrangements and for all self-select funds during the Scheme Year. The net investment return is after taking into account all transaction costs and charges (see above). When preparing this section of the statement, the Trustees have taken account of the DWP's statutory guidance on "Completing the annual Value for Members assessment and Reporting of Net Investment Returns".

DC Section

The net investment returns in the tables below are for the default lifestyle, the Medium Risk Drawdown strategy, as well as the additional defaults the L&G Cash and Diversified Growth Funds.

Default investment strategy	Age of member as at start of the stated period	1 year net investment return to 31 March 2025 (p.a.)	5-year annualised net investment return to 31 March 2025 (p.a.)	10-year annualised net investment return to 31 March 2025 (p.a.)
Medium Risk Drawdown	25	4.85%	See footnote	See footnote
Medium Risk Drawdown	45	4.85%	See footnote	See footnote
Medium Risk Drawdown	55+	4.37%	See footnote	See footnote

Additional defaults	1 year net investment return to 31 March 2025 (p.a.)	5-year annualised net investment return to 31 March 2025 (p.a.)	10-year annualised net investment return to 31 March 2025 (p.a.)
L&G Cash	5.00%	2.40%	See footnote
L&G Diversified Fund	4.70%	See footnote	See footnote

Notes: The default lifestyle strategy was amended, in November 2020 and June 2022. As a result, 5-year and 10-year annualised net investment returns are not yet available for these arrangements. At the date this statement was produced, the Trustees were unable to obtain the 10-year net investment return disclosures from L&G for the Cash Fund.

The net investment return figures in the tables below are for the self-select funds available to members within DC Section:

Fund name	1 year net investment return to 31 March 2025 (p.a.)	5-year annualised net investment return to 31 March 2025 (p.a.)	10-year annualised net investment return to 31 March 2025 (p.a.)
LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund*	5.0%	See footnote	See footnote
LGIM Diversified Fund*	4.7%	See footnote	See footnote
LGIM Future World Inflation Sensitive Annuity Aware Fund*	-3.7%	-4.2%	See footnote
LGIM Cash Fund*	5.0%	2.4%	See footnote
LGIM World (ex-UK) Equity Index	4.0%	15.2%	See footnote
LGIM UK Equity Index	10.4%	12.1%	See footnote
LGIM North America Equity Index	6.1%	17.4%	See footnote
LGIM Europe (ex-UK) Equity Index	0.5%	11.8%	See footnote
LGIM Asia Pacific (ex-Japan) Developed Equity Index	-5.9%	7.6%	See footnote

LGIM Japan Equity Index	-3.0%	8.1%	See footnote
LGIM World Emerging Markets Equity Index	8.2%	8.0%	See footnote
LGIM AAA-AA-A Corporate Bond - All Stocks - Index	2.1%	-1.1%	See footnote
LGIM Composite Bond	-6.5%	-7.7%	See footnote
LGIM Over 15 Year Gilts Index	-8.2%	-12.6%	See footnote
LGIM Over 5 Year Index-Linked Gilts Index	-10.5%	-9.1%	See footnote
LGIM Hybrid Property 70:30 Fund	5.6%	3.9%	See footnote
LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG Equity Index Fund	3.6%	12.8%	See footnote
LGIM (30:70) Global Equity Index (75% Currency Hedged)	7.8%	14.3%	See footnote

** These funds are components of the Fund's default. The LGIM MSCI ACWI Thermal Coal Exclusions Adaptive Capped ESG (50% Currency Hedged) Equity Index Fund is not available as a self-select option.*

Notes: The LGIM Diversified Fund and MSCI ACWI Adaptive Capped ESG Index Fund were introduced in November 2020 and June 2022 respectively and, as a result, 5-year and 10-year annualised net investment returns are not available for these funds.

At the date this statement was produced, the Trustees were unable to obtain the 10-year net investment return disclosures from L&G for the self-select funds.

Legacy AVCs

During the Scheme Year, the Scheme also held DC assets through AVC policies issued by Aegon, Aviva, Standard Life, ReAssure and Utmost Life & Pensions. The Trustees have requested net investment returns for these arrangements and have been provided with the following:

Legacy AVC provider	Fund Name	1 year net investment return to 31 December 2024 (p.a.)	5-year annualised net investment return to 31 December 2024 (p.a.)	10-year annualised net investment return to 31 December 2024 (p.a.)
Aegon	Aegon BlackRock 70/30 Global Growth	8.74%	6.29%	See footnote
	Aegon BlackRock UK Growth	8.64%	4.94%	See footnote
	Aegon BlackRock Cash	5.16%	2.05%	See footnote
	AGN BLK Balanced Growth	6.98%	5.21%	See footnote
	AGN BLK Index Linked Gilt	-10.48%	-8.25%	See footnote
Aviva	Aviva My Future Focus Consolidation[1]	See footnote	See footnote	See footnote
	Aviva Global Equity Pension Standard	15.20%	8.40%	9.00%
	Aviva Mixed Investment (40-85% Shares) Pension Standard	7.30%	3.70%	5.10%
	Aviva UK Equity Pension Standard	5.40%	3.40%	4.80%
	Aviva With-Profit 1 (CGNU) Pension Standard[2]	8.70%	3.40%	4.60%
	Aviva With-Profit (NU) Pension Standard[2]	11.40%	3.80%	6.50%
	Aviva With-Profit Guaranteed (NU) Pension Standard[2]	12.20%	4.20%	6.30%

ReAssure	L&G Index Linked Gilt Fund[1]	See footnote	See footnote	See footnote
	L&G Consensus Fund[1]	See footnote	See footnote	See footnote
Standard Life	Standard Life Managed Pension[1]	See footnote	See footnote	See footnote
Utmost	Utmost Life and Pensions US Equity[3]	26.14%	15.18%	See footnote
	Utmost Life and Pensions Asia Pacific[3]	13.39%	4.85%	See footnote
	Utmost Life and Pensions European Equity[3]	1.66%	5.86%	See footnote
	Utmost Life and Pensions UK Government Bond[3]	-3.26%	-4.85%	See footnote
	Utmost Life and Pensions Global Equity[3]	18.04%	11.38%	See footnote
	Utmost Life and Pensions Managed[3]	9.12%	4.33%	See footnote
	Utmost Life and Pensions UK Equity[3]	9.85%	4.33%	See footnote
	Utmost Life and Pensions Property[3]	-0.74%	-3.06%	See footnote
	Utmost Life and Pensions UK FTSE All-Share[3]	8.84%	4.24%	See footnote
	Utmost Life and Pensions Multi-Asset Moderate[3]	10.21%	N/A	See footnote
	Utmost Life and Pensions Utmost Multi-Asset Cautious[3]	5.89%	N/A	See footnote
	Utmost Life and Pensions Money Market[3]	4.84%	1.86%	See footnote

[1] Aviva, ReAssure and Standard Life were unable to provide some or all of the investment returns at the time the Chair's Statement was signed. Where relevant, the Trustees will continue to liaise with providers to ensure the information required is provided in a timely manner in future.

[2] With-profits funds can provide annual as well as terminal bonuses and, as a result, underlying fund performance is not always reflective of the ultimate returns members receive on their policies.

[3] The funds available with Utmost were launched between 2018 and 2020 and, as a result, some of the 5 and all of the 10 year investment returns are not yet available.

Johnnie Russell

Date: 18 September 2025

Chair of the Trustees - ING UK Pension Fund