

ANNUAL VALUE FOR MEMBERS ASSESSMENT

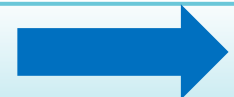
The Trustee commissioned Mercer, the Plan's investment consultants, to conduct its annual Value for Members assessment.

Mercer uses their 'three P's framework' to assess 'value for members'.

Price – Was the price paid by members competitive against comparable alternatives? Comparing investment fees paid against a peer group.

Performance – Did each component achieve its desired aim and outcome? Evaluating each investment funds' performance and prospects relative to expectations.

Productivity – Does the overall investment strategy and each investment fund deliver value for the Plan? Reviewing the investment structure and wider features of the Plan.



Mercer's overall assessment concludes that the Plan provides 'Good Value' for members which is their highest rating.

KEY ASSESSMENT CONTRIBUTORS

Price

- The funds available to members are competitively priced and generally positioned at the lower end of fees when compared against other pension schemes of a similar size.
- The Company meets the cost of administration and governance resulting in lower member charges and higher pension savings.
- Charges for the default investment strategies range between 0.09% to 0.16% p.a. which is significantly below the charge cap of 0.75% p.a. (£7.50 per £1000 invested).

Performance

- The majority of the Plan's funds have shown good performance over the last 1 year, 3 years and since inception.
- The funds are highly rated by Mercer's Manager Research team. This means Mercer believes the managers have an above average prospect of achieving the performance objectives of the funds.
- For the funds where an Environmental, Social and Governance (ESG) rating was provided, this indicated the funds were leaders across ESG topics through the initiatives & activities undertaken by L&G.
- The Trustee has a dedicated Investment Committee which provides ongoing monitoring and oversight of the investment strategies.

Productivity

- The Post Retirement Master Trust offers a seamless journey post-retirement as members have access to the same range of funds with the same investment charges.
- The plan offers features and services that strengthen its value proposition including efficient administration services, regular members communications and a pensions website which provides useful pension scheme documents.
- The Trustee has improved the ESG integration within the fund range, for example five funds from the LGIM Future World fund range were recently introduced into the investment range, as well as a Shariah fund.
- There is a wide range of investment options which give members access to traditional and alternative asset classes.