

The Laporte Group Pension Trust ('the Trust')
Chair's Annual Governance Statement 2023
(1 April 2022 – 31 March 2023)

Executive Summary

Investment strategy and net returns

In September 2022 the Trustee added a new range of LGIM Target Date Funds to the fund range designed for those looking to access their benefits via a drawdown product in retirement. Members can read further details on these options along with details on how target date funds work in the updated scheme investment guides.

The Trust year proved to be a challenging period for investments generally, with most funds slipping into negative territory. Acknowledging this, longer-term three and five year performance of the growth related investment options (in which most members invest) remains strong and as pensions are a long-term investment, this is the Trustee's key area of focus.

Financial transactions

The administrator to the Scheme, XPS Administration, is monitored against a Service Level Agreement. The quarterly performance against service level targets for all DC tasks averages out to be in the region of 90% throughout the year which is a significant improvement over the prior 12 months. The Trustee recognises that while there has been an improvement, it would wish to see all quarters meet this 90% threshold and will be working with XPS to maintain progress in this area.

Charges and transaction costs

An explanation and full breakdown of the investment costs paid by members is included in this section.

Value for members

In conjunction with its independent advisers, WTW, the Trustee undertook a detailed evaluation of the Trust's 'Value for members'. The review illustrated that the member borne charges under the Trust remain competitive when considered against appropriate market benchmarks. Investment performance had been in line with objectives and most key features expected to underpin a quality DC arrangement were present. Overall, the Trustee remains satisfied that the Trust continues to offer its members good value.

Trustee's Knowledge and Understanding (TKU)

The Trustee is deemed to have strong Technical Knowledge and Understanding, enabling it to properly exercise its function and responsibility as Trustee. The Trustee's TKU framework and training activity over the period, together with the support it receives from its professional advisors means that it is suitably enabled to exercise its function as Trustee of the Trust. Details of the training undertaken over the reporting period can be found in the last section of this Statement.

Introduction

This Statement has been prepared by the Trustee of the Laporte Group Pension Trust ('the Trust') to demonstrate how the Trust has complied with the governance standards introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015.

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 a Code of Practice.

These standards are applicable to additional voluntary contributions under the Trust and two sections of the Trust:

- the Laporte Money Purchase Pension Fund (LMPF); and
- the Laporte Retirement Plan (LRP).

The Trust was closed to new DC joiners and contributions well before the launch of auto-enrolment in the UK in 2012. As a result, it is not (and has never been) used as a qualifying auto enrolment scheme and there are no workers in relation to the employer from 6 April 2015 (as defined in legislation). Consequently, the Trust has never operated a default investment arrangement.

After consideration of guidance published by the Department for Work and Pensions, the Trustee is currently in the process of exploring the transfer of standalone DC assets out of the Laporte Group Pension Trust to an authorised Master Trust arrangement as they believe this would provide the best value for members in the long term.

This statement covers the period 1 April 2022 to 31 March 2023 ('the Trust Year') and covers the following key areas:

1. The Trust's investment strategy and net returns;
2. The processing of core financial transactions;
3. Charges and transaction costs;
4. An assessment of the value the Trust provides to members;
5. Maintaining the Trustee's knowledge and understanding.

Investment strategy

General investment principles

The Trustee has in place a Statement of Investment Principles (SIP) which governs the decisions about investments and sets out the aims and objectives of the Trust's investment strategy. The Trustee's general investment objectives are as follows:

- To offer a range of funds that are suitable for meeting members' long and short-term investment objectives.
- To give consideration to members' circumstances, in particular, the potential range of members' attitudes to risk and their term to retirement.
- To offer automated de-risking investment options (through lifestyle arrangements and Target Date Funds) for those members who would prefer to take a more 'hands off' approach to their investments.

A copy of the Trust's SIP is appended to this Statement (in hard copy form) and is also available on the Trust website.

www.psgovernance.com/communications/laporte-group-pension-trust

The Trust does not (and has never) operated a default investment arrangement, however, the Trustee has nevertheless sought to adopt the Regulator's best practice principles in formulating its wider investment strategy. The last formal investment strategy review was undertaken during the 2021 quarterly Trustee meeting cycle. It commenced at the 24 March meeting and completed at the 21 September meeting. The review was undertaken in concert with the Trustee's DC investment advisers, WTW, and included an evaluation of the current DC marketplace and retirement behaviour, detailed analysis of the Plan's member risk profile and retirement objectives. Following the review, the Trustee concluded it was satisfied that the investment options remained broadly appropriate, however, it elected to enhance these by implementing the following changes:

- Installing a drawdown focussed 'hands off' investment strategy option (to complement the existing 'lifestyle options and individual funds)
- Rebalancing the global equity fund to reduce the UK equity bias and move to a global market capitalisation weight
- Explicitly Integrate sustainable/ESG factors into the global equity fund

During the reporting period, in September 2022, the Trustee implemented the drawdown-aligned 'hands off' investment strategy option via the introduction of Legal & General's suite of Target Date Funds. The L&G Target Date Funds are aligned with a member's target retirement year, split into five-year vintages (e.g. the 2055 – 2060 Target Date Fund). The Fund invests to balance and adjust risk as it approaches its targeted retirement date. The Trustee specifically communicated these new options to members in September 2022 and has integrated their availability into the suite of investment and pre-retirement communications.

The next investment strategy review is planned to take place in 2024.

Investment Monitoring

The Trustee delegates the monitoring and review of investments to the Investment Committee, which met three times over the reporting period to consider DC investments. The Investment Committee takes investment advice from professional advisers to ensure that suitable and appropriate decisions are made.

Performance of the Investment Managers is monitored against the agreed performance objectives and quarterly reports on fund performance are received. The reporting period was challenging for all asset classes, with bond funds in particular suffering sharp falls towards the end of 2022. In terms of relative performance, the Trustee was satisfied that the available funds were performing in line with their objectives over quarterly, one, three and five year periods and had tracked their benchmark indices within acceptable tolerances. The Trustee has continued to monitor some deviation of the L&G Diversified Fund from its longer term equity based benchmark but notes it has outperformed its 'cash plus' performance comparator and its volatility management objective over the mid-to-long term. The Trustee accepts that recent market conditions have created a challenging backdrop for multi-asset funds (particularly those with equity based benchmarks) and will keep this fund under close review.

Most of the Trust's investments are held through an insurance policy structure with Legal & General Assurance (a UK authorised and regulated insurer). Legal & General is required to ensure that there is appropriate protection for policyholders via an assessment of solvency and the Trustee notes that the assets are held by independent custodians. In addition, protection is offered by way of a floating charge which will provide the policyholders with priority over the pooled assets for the value of their units. Furthermore, the Trustee understands it would be eligible in certain circumstances to make a claim under the Financial Services compensation Scheme in the highly unlikely event that Legal & General were declared "in default".

This package of overarching safeguards gives the Trustee significant comfort as to the security of the defined contribution assets.

Net investment returns to 31 March 2023

The Trustee has provided the net investment returns for the Trust's investment options. These are shown below and have been prepared taking account of the DWP's Statutory Guidance. Please see the supporting notes at the foot of the table for additional context on the reporting periods.

Fund name	3 months %	1 year%	3 years % p.a.	5 years % p.a.
L&G Blended L&G Future World Global Equity Index Fund*	6.0	-3.74	-	-
L&G Pre-Retirement	2.75	-19.63	-8.42	-3.19
L&G Cash Fund	0.90	2.11	0.68	0.62
L&G Ethical Global Equity Index	5.31	0.55	17.29	11.72
L&G UK Equity Index	3.06	2.91	13.81	5.02
L&G World (ex-UK) Equity Index	4.79	-1.24	16.70	10.82
L&G Diversified Fund	2.10	-5.13	6.62	3.96
L&G Fixed Interest Over 15 Years Targeted Duration	4.38	-27.56	-13.62	-5.82
L&G Over 5 Year Index Linked Gilt Index	4.92	-30.50	-9.30	-4.21

Fund name	3 months %	1 year%	3 years % p.a.	5 years % p.a.
Lifestyle returns**				
Pension/Cash Lifestyle option				
Returns for member ages 25, 45 and 55	6.0	-3.74	-	-
Returns for member aged 60	4.38	-11.69	-	-
Cash Lifestyle option				
Returns for member ages 25, 45, 55 and 60	6.0	-3.74	-	-
Journey Plan Target Date Fund***				
Returns for members aged targeting retirement 2030-2035	2.66		-	-

Notes

lifestyle strategies are constructed using the above funds (highlighted in Pink)

**the L&G Blended L&G Future World Global Equity Index Fund was introduced just before the start of the reporting period. 'Chain-linking' of performance is not available from L&G, hence only one year returns have been included (this also applies for both lifestyle options, which include the L&G Blended L&G Future World Global Equity Index Fund).*

***Returns are shown for both Lifestyle options. The illustrations are based on a member's age at the start of the period. Switching commences from ten years for the Pension/Cash Lifestyle option which is why performance only differs for the member aged 60. Switching commences from five years for the Cash Lifestyle option which is why the returns shown are identical for all member ages.*

**** The 2030-2035 Drawdown Target Date Fund was introduced during the reporting period. Hence, only three-month performance is shown.*

Financial transactions

The Trustee regularly monitors the core financial transactions of the Trust which are carried out by the Trust's administrator, XPS Administration. These include transfers into and out of the Trust, fund switches and payments out of the Trust to and in respect of members. This is achieved through the review of quarterly reporting from the Trust's administrator. The Trustee has a Service Level Agreement (SLA) with the administrator which covers the timeliness and accuracy of all core transactions and requires them to be made at least within statutory timescales. The quarterly administration reports are tabled and considered at each Trustee meeting and contain detailed reporting on activity and performance against SLAs, including a specific section on the accuracy and promptness of processing core financial transactions. A representative from XPS administration attends each quarterly main board meeting to present and discuss the latest report and cover any issues if they arise.

XPS ensure the accuracy of core financial transactions through process-oriented procedures and peer review of any transaction which occurs, ensuring transactions are processed with the greatest accuracy. These procedures include bank accounts being monitored daily and multiple individuals checking all investment and banking transactions.

Fund switching requests for members choosing to invest in the self-select funds are actioned within two working days of the request and the instruction passed to the investment managers. De-risking of member holdings in line with the two lifestyle strategies (Pension / Cash lifestyle and Cash Lifestyle) are undertaken on a quarterly basis at the start of the first month of every quarter (January, April, July, October).

The SLAs in respect of the core financial transactions are 90% - 100% of tasks completed in the following timeframes:

Transaction	Service standard (working days)
Death correspondence/payments	5
Investment change / switch	2
Pay retirement benefits	5
Transfer in	10
Transfer out disinvestment	10

The quarterly reports also contain a section on reporting on errors and provide full transparency of the issue, root cause analysis and any remedial actions that are taken.

Over the reporting period, the Trustee can confirm that:

- The DC quarterly performance against service level targets for all DC tasks have been between 84.7%-93.9% over the reporting period. Two of the four quarters had SLAs above 90%, this represents a significant improvement on last year's performance.

The Trustee is pleased with this improvement but wishes to see every quarter meet the 90% target. The Trustee recognises that this is a challenge given the SLA level scores are easily skewed due to the relatively small number of overall tasks undertaken per quarter. The Trustee will continue to monitor this performance closely via each quarterly report in 2023/24.

- There have been a small number of upheld complaint cases recorded over the period, in the main these related to delays regarding transfers. No systemic issues were identified and no issues are outstanding.

Based on the above, the Trustee is satisfied that most core financial transactions were processed promptly and accurately during the year. The SLA performance, whilst not quite at target for the full year, represented a notable improvement from last year. The Trustee will continue to monitor performance carefully and will work closely with XPS to seek further improvements over the next reporting period.

Charges and transaction costs

For the purpose of this section “charges” are defined as the ongoing annual investment charges, which consist of the Annual Management Charges plus additional fund expenses (e.g. for custody, but excluding transaction costs – see below) that make up the Total Expense Ratio. The Trustee has taken account of statutory guidance when preparing this section of the statement.

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 a fund (i.e. negative transaction cost) It is not expected that transaction costs will always be negative.

These investment expenses are paid by the members and the Trustee regularly monitors the fund charges to ensure they remain reasonable and represent good value for members (considered in more detail in the next section).

The current Total Expense Ratios and aggregate transaction costs for the period from 1 April 2022 to 31 March 2023 for the funds available for selection by members during the Trust Year are set out in the table below, based on information supplied by Legal & General.

Fund name	Total Expense Ratio (% p.a. of account value)	Aggregate transaction costs (% of fund p.a. as at 31 March 2023)
Blended L&G Future World Global Equity Index Fund	0.24%	0.08%
L&G Ethical Global Equity Index	0.30%	0.00%
L&G UK Equity Index	0.10%	0.03%
L&G World (ex-UK) Equity Index	0.22%	0.06%
L&G Diversified Fund	0.19%	0.00%
L&G Fixed Interest Over 15 Years Targeted Duration	0.15%	0.00%
L&G Pre-Retirement	0.15%	0.03%
L&G Over 5 Year Index Linked Gilt Index	0.10%	0.21%
L&G Cash Fund	0.12%	0.04%

L&G Journey Plan TDFs	0.25%	Not yet available as fund(s) not in place for full year. Details will be provided next year
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The Trust offers two lifestyle strategies, a Pension and Cash targeting Lifestyle and a Cash targeting lifestyle. These lifestyle strategies are constructed using the above funds (highlighted in Pink), and, as such, the charges members pay depend on the period of time until their selected retirement date.

The charges applying during this period (1 April 2022 – 31 March 2023) for the small legacy with-profits arrangement with Aviva are wrapped up within the bonus declaration and not explicitly published.

The Trustee continues to monitor Aviva’s annual bonus declaration and communicate this to members. The Trustee will continue to liaise with its legacy with-profit fund provider over the coming year to obtain future details on costs & charges as and when these are available.

The Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 require the Trustee to produce a “£ and pence” illustration showing the cumulative effect of costs and charges over an illustrative period of scheme membership. Illustrations for both sections of the Trust, the Laporte Money Purchase Pension Fund (LMPPF) and the Laporte Retirement Plan (LRP) can be found in Appendix 1 of this statement and have been prepared by the Trustee having taken account of the relevant Statutory Guidance.

Value for members

The Trustee remains committed to ensuring that members receive value for the services provided by the Trust, and so in accordance with regulation 25(1)(b) of the Scheme Admin Regulations, the Trustees, with the assistance of their advisers (WTW), assessed the extent to which the charges and transaction costs above represent good value for members in June 2023.

The assessment considered the services members pay for as part of the fund charges levied by the pension provider, Legal & General Investment Managers (LGIM), and assessed the extent to which these services meet members’ needs. Under the Trust, members only meet the costs associated with the management and delivery of the Trust’s investment options. All other Trust expenses (such as administration, communication and general scheme governance) are met by the Company.

The assessment framework took account of the DWP guidance and was consistent with last year’s review. Specifically considering:

1. The level of the charges and transaction costs members pay against relevant sector benchmarks
2. The net investment returns of the Trust’s fund range and how they performed against their benchmarks
3. Comparing the governance, services and features offered by the Trust against those observed across market leading DC arrangements including:
 - The level of Trustee oversight and quality of governance features
 - The performance of XPS’s administration service, covering the service standards achieved, data quality and interactions with members.
 - The quality of the communication services provided to members with a specific focus on the retirement support provided to members.
 - The quality and suitability of the investment options made available to members.

The conclusions from this assessment were evaluated alongside the reporting information at the end of Q1 2023.

The assessment highlighted:

Charges

The investment charges are the only cost directly met by members. The weighted average investment cost for the Trust was calculated as 0.224% per annum. Analysis against WTW's other unbundled DC arrangements illustrated that this cost is broadly in line with comparable schemes with a similar proportion of passive assets. When considered against a broader market average of WTW clients (which incorporates bundled trust-based arrangements), the weighted average investment cost for the Trust is considerably below the trust-based market average of 0.40%.

The Trusts transaction costs averaged over three years were also benchmarked by WTW against market averages. Most costs were identified to be below (six funds) with some funds (three) slightly above market averages over the same period. Where charges were slightly above market averages, the difference was not felt to be material.

The Trustee was therefore satisfied that the charges under the Trust remain competitive both from an investment services and overall value standpoint.

Net returns

The Trustee is pleased to report that the Trust's appointed fund manager, LGIM, continues to be a highly rated by WTW as a leading investment manager for 'passive' (i.e., index-tracking) investments and that all investments had performed in line with their tracking objective over the period.

The new global equity option (along with all equity related investments) has tracked its benchmark, albeit one year absolute performance has been negative. When considered over a longer three to five year period (which is the Trustee's primary focus) the Trust's main global equity option has delivered absolute returns exceeding price inflation (a key component of the Trustee's stated objective).

As previously noted, the Trustee identified some deviation of the L&G Diversified Fund from its longer-term equity based benchmark over the year but noted it had outperformed its 'cash plus' performance comparator and its volatility management objective.

The Trustee recognises that the economic climate over the year represented a challenging period for investment and that passive index-tracking investment options will reflect this. However, it is satisfied that longer-term performance remains positive and that all options have tracked their target index. The Trustee is therefore satisfied that the net investment returns of the Trust's fund range provided good value.

Governance, services and features

The Trustee's value for members assessment also considered the broader value offered through the Trust. This included an evaluation of the quality of the Trust communication, administration and overarching governance framework. This identified several additional key features offered by the Trust for which members do not meet the cost but were considered to add value in terms of meeting members' needs and enriching their experience. These included:

- A suite of largely bespoke member communications, periodic investment announcements and reminders, together with access to a member website containing the following tools and functions:
 - Dashboard showing years until retirement and projected pension at retirement based on last year's statements
 - Ability to see basic details and make changes to address and expression of wishes
 - Ability to review current fund value and the split of that value by fund
 - Online investment switches
 - Salary, contribution and investment history
 - Online Benefit statements (with hard copies also posted to members)
 - Bespoke retirement and investment guides are available to download and are circulated when there are any strategic changes
 - A pension modeller for retirement planning

- A dedicated member helpline to assist with member queries
- A comprehensive governance plan and strategy which incorporates an annual assessment against the Pensions Regulator's DC Code of Practice No. 13 to ensure all legal requirements are met.
- A satisfactory administration service – acknowledging that SLA performance had been behind target
- A comprehensive approach to investment governance. Bespoke investment strategies set by reference to detailed demographic analysis and consideration of the needs of the membership profile and its retirement objectives and needs. This year complemented by the addition of a new suite of Target Date Funds for those targeting income drawdown at retirement.

Based on the above, the Trustee is satisfied that the costs and charges deducted from members' pots provide good value in relation to the benefits and services provided by the Trust. The Trustee will continue to monitor value for members annually but will also keep value in mind on an ongoing basis.

Trustee's knowledge and understanding (TKU)

The Trustee has a well established TKU process in place which enables it to have enough knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment of the assets of pension schemes. The Trustee Directors' knowledge and experience, together with the advice available to them, enables them to properly exercise their functions as Trustee.

The Trustee Director's approach to meeting the TKU requirements and activities during the reporting period included:

- Topical updates with corresponding training are covered by the Trust's advisers at each Investment Committee and Trustee meeting. Over the reporting period, training by WTW on DC (and related matters) included:
 - Forthcoming changes to SMPI basis and Pension Dashboards (June 2022)
 - Increases to the Normal Minimum Pension Age (June 2022)
 - Climate change and TCFD disclosures (September 2022)
 - Cyber governance for pension schemes (March 2023)
 - PLSA living standards (March 2023)
 - The updated Value for Members framework (March 2023)
 - TPR new general code of practice (March 2023)
 - TPR's guidance on supporting DC savers in the current economic climate (March 2023)
- Periodic assessment of Trustee Director's training needs is undertaken through self-evaluation with input from the Trustee's advisers. As part of every Trustee meeting, the Trustee considers upcoming activities, identifies any knowledge gaps and organises appropriate training from its advisers before entering into decision making. A specific session in this regard was held at the March 2023 meeting. This identified the forthcoming requirements around fiduciary duties as the Trust moved to toward Buy-out. Training on the relevant DC aspects and the Master Trust market is to be scheduled to take place later in 2023 to close this gap.
- The last formal evaluation of Trustee Board effectiveness was undertaken just before the close of the reporting period on March 2023. This followed a broadly consistent framework to last year and considered: the adequacy of risk registers, Scheme documents (access and archiving), budgeting, monitoring of advisers and structure and succession planning of the Trustee Board (including the role of the ISC and Chair). The review concluded that that the Trustee Board was working effectively (as was evidenced by the extensive activities during 2022, which have carried on into and throughout 2023) and no significant changes were required. The Trustee also felt that its knowledge was being kept up to date and there were no significant gaps identified (subject to that noted above).

The next formal review of Trustee effectiveness is scheduled for 2024 and will be incorporated into preparation for the forthcoming revised Pensions Regulator consolidated Code of Practice requirements.

- The Trustee Board has remained stable over the reporting period (and for many years prior to this), however where necessary, new Directors will receive specific training upon joining. This would be facilitated by the Chairman, the Trustee's advisers and with reference to the Regulator's TKU toolkit.
- All training and attendance at appropriate seminars is recorded via the Trust's training log. Several Directors attended various external conferences run by industry experts over the reporting period. These included topics such as Pension Scams, Pensions dashboards, Achieving good member outcomes in inflationary times, Pension decumulation and income options in retirement.
- All Trust documents are easily accessible and referenced in advance of decisions being taken. Any material decisions are taken with reference to the scheme documents which include the trust deed and rules, current SIP and governance policy documents. This ensures the Trustee maintains its working knowledge of these documents. The Trustee reviewed and updated the content of its Statement of investment Principles in September 2022 to reflect changes to the investment fund range following the recent investment strategy review. The Trustee, supported by its legal advisers and by reference the Scheme Rules, also reviewed the potential impact of the increase in the Normal Minimum Pension Age and as a result, has sought to promote the protected minimum pension age to members under the Scheme.
- The Trustee also took the opportunity to review the ISC Terms of Reference (which covers DC governance) Following its March 2023 meeting.
- The Trustee receives general updates from its advisers about matters relevant to the Trust. These 'hot topics' updates also form the basis for training slots at each meeting to keep the Trustee abreast of market/legislative developments.
- The Trustee maintains a business year planner with the support of its advisers which sets out the key activities and objectives for the scheme year. It is tabled and evaluated at each Trustee meeting in conjunction with the Trustee's advisers to ensure the Trustee is meeting its performance and effectiveness objectives for the Scheme year.
- The above framework and associated activity collectively ensure the Trustee's knowledge of the law relating to pensions and trusts, as well as principles relating to funding and investing (including Identification, assessment and management of risks and opportunities relating to climate change) are effectively maintained.

The Trustee also obtains advice from its actuary, lawyer, covenant adviser and investment advisers. All advisers are regularly reviewed and the skills and understanding of those advisers are considered as part of any review/appointment process.

The Trustee chair is Colin Marsh representing Vidett, a company providing professional independent trustee services. Colin holds accreditation from the Pension Management Institute (PMI) as a professional Trustee.

As a result of the processes outlined above, the Trustee Directors are satisfied that their combined TKU, together with the advice available to them, enables them properly to exercise their functions as Trustees of the Trust.

Statement of compliance

I confirm that the Trustee is comfortable that the Trust has met the relevant and applicable minimum governance standards as defined in the Occupational Pension Scheme (Charges and Governance) Regulations during the period from 1 April 2022 to 31 March 2023.

Signed by the Chair on behalf of the Trustee of the Trust:

Date:

Appendix 1 - illustrative example of effect of charges and transaction costs

The following tables provides a summary of the projected fund and the impact of costs and charges up to a normal retirement age of 65. The figures are presented using two member examples for each scheme; youngest member, and median member. Additionally, the table includes the performance of the funds over different time periods, applying SMPI assumptions, depending on the age of the member.

The aim of this Pounds and pence illustration is to show the cumulative effect of the costs and charges incurred by members when investing in a selection of funds provided by the Trust. The costs and charges considered in the 'After charges' column in the table below take into consideration the Annual Management Charge plus additional expenses and the aggregated transaction costs.

The assumptions used are intended to model the behaviour of assets and market conditions over the long term. They are not meant to be reflective of the possible, or even likely, course of those investment markets in the short term. The return forecasts are not intended to imply, nor should be interpreted as conveying, any form of guarantee or assurance of the future performance of the funds in question, either favourable or unfavourable.

Neither the Trustee, nor the Administrator can give you financial advice. You should seek advice from an independent financial adviser if you are unsure about your investment choices. For help with finding a financial adviser in your area, please contact the Money and Pensions Service using www.maps.org.uk.

Laporte Retirement Plan	Projection period (years)	L&G Blended L&G Future World Global Equity Index Fund		L&G Ethical Global Equity Index	
		Before charges	After charges	Before charges	After charges
Youngest member	1	£15,600	£15,600	£15,600	£15,600
	3	£16,900	£16,700	£16,900	£16,700
	5	£18,200	£18,000	£18,200	£18,000
	10	£22,200	£21,500	£22,200	£21,600
	15	£27,000	£25,800	£27,000	£25,900
	20	£32,900	£30,900	£32,900	£31,000
	25	£40,000	£37,000	£40,000	£37,200
	27	£43,300	£39,800	£43,300	£40,000
Median member	1	£48,900	£48,700	£48,900	£48,700
	3	£52,900	£52,400	£52,900	£52,400
	5	£57,200	£56,300	£57,200	£56,400
	10	£69,600	£67,400	£69,600	£67,600
	13	£78,300	£75,200	£78,300	£75,300

Laporte Retirement Plan	Projection period (years)	L&G Cash Fund		L&G Over 5 Year Index Linked Gilt Fund	
		Before charges	After charges	Before charges	After charges
Youngest member	1	£15,000	£15,000	£15,100	£15,000
	3	£15,000	£14,900	£15,200	£15,100
	5	£15,000	£14,900	£15,300	£15,200
	10	£15,000	£14,800	£15,600	£15,300
	15	£15,000	£14,700	£15,900	£15,500
	20	£15,000	£14,600	£16,200	£15,600
	25	£15,000	£14,500	£16,600	£15,800
	27	£15,000	£14,500	£16,700	£15,900
Median member	1	£47,000	£46,900	£47,200	£47,100
	3	£47,000	£46,800	£47,600	£47,300
	5	£47,000	£46,700	£47,900	£47,500
	10	£47,000	£46,400	£48,900	£48,000
	13	£47,000	£46,200	£49,500	£48,300

Projected fund values are rounded to the nearest hundred.

Laporte Money Purchase Pension Fund	Projection period (years)	L&G Blended L&G Future World Global Equity Index Fund		L&G Ethical Global Equity Index	
		Before charges	After charges	Before charges	After charges
Youngest member	1	£6,200	£6,200	£6,200	£6,200
	3	£6,700	£6,700	£6,700	£6,700
	5	£7,300	£7,200	£7,300	£7,200
	10	£8,900	£8,600	£8,900	£8,600
	15	£10,800	£10,300	£10,800	£10,300
	20	£13,100	£12,400	£13,100	£12,400
	23	£14,800	£13,800	£14,800	£13,800
Median member	1	£7,800	£7,800	£7,800	£7,800
	3	£8,400	£8,400	£8,400	£8,400
	5	£9,100	£9,000	£9,100	£9,000
	10	£11,100	£10,800	£11,100	£10,800

Laporte Money Purchase Pension Fund	Projection period (years)	L&G Cash Fund		L&G Over 5 Year Index Linked Gilt Fund	
		Before charges	After charges	Before charges	After charges
Youngest member	1	£6,000	£6,000	£6,000	£6,000
	3	£6,000	£6,000	£6,100	£6,000
	5	£6,000	£6,000	£6,100	£6,100
	10	£6,000	£5,900	£6,200	£6,100
	15	£6,000	£5,900	£6,400	£6,200
	20	£6,000	£5,800	£6,500	£6,300
	23	£6,000	£5,800	£6,600	£6,300
Median member	1	£7,500	£7,500	£7,500	£7,500
	3	£7,500	£7,500	£7,600	£7,500
	5	£7,500	£7,400	£7,700	£7,600
	10	£7,500	£7,400	£7,800	£7,700

Projected fund values are rounded to the nearest hundred.

Assumptions and notes

Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of inflation.

Investment returns and costs/charges as a percentage reduction per annum are assumed to be deducted at the end of the year.

Charges and costs are deducted before applying investment returns.

Inflation is assumed to be 2.5% each year.

No additional contributions are assumed.

Values shown are estimates and are not guaranteed.

The real projected growth rates for each fund are as follows:

Fund	Real projected growth rate (p.a.)
L&G Blended L&G Future World Global Equity Index Fund	4.00%
L&G Ethical Global Equity Index	4.00%
L&G Cash Fund	0.00%
L&G Over 5 Year Index Linked Gilt Index	0.40%

Transactions costs and other charges have been provided by LGIM and covered the period Q2 2019 to Q1 2023, except for the L&G Blended L&G Future World Global Equity Index Fund where the transaction costs covered the period Q2 2022 to Q1 2023. The transaction costs have been averaged by WTW using a time-based approach.

Pension scheme's normal retirement age is 65.

Example members for LRP:

- Youngest: age 38, total contribution: nil, starting fund value: £15,000.
- Median: age 52, total contribution: nil, starting fund value: £47,000.

Example members for LMP:

- Youngest: age 42, total contribution: nil, starting fund value: £6,000
- Median: age 55, total contribution: nil, starting fund value: £7,500.

Transaction cost data

'A zero cost has been used where there are negative transaction costs (i.e. an overall gain was made on the transaction, which can happen as a result of changes in the pricing of the assets being bought or sold). It is not expected that transaction costs will always be negative. It is important to note that using a negative or zero cost during any one scheme year may not accurately represent the actual transaction costs a member may expect to see in any future scheme year.'