William HILL

SUMMARY FUNDING STATEMENT

William Hill Pension Scheme (Retirement Plan Section)

INTRODUCTION

The primary purpose of this document is to provide an update on the financial position of the Retirement Plan Section of the William Hill Pension Scheme (the "Scheme").

This document should be considered in the broader context of the position of the Scheme, which we set out in our letter to you sent in early August 2021. In particular, we note that, in June 2021, the Trustee purchased a bulk annuity policy from Rothesay Life PLC, a leading and fully regulated UK life insurance company. This is a type of insurance policy (also known as a "buy-in" policy) and broadly covered all of the remaining non-insured benefits under the Retirement Plan Section of the Scheme; this sits alongside a similar insurance policy purchased in 2019, which covers the majority of pensioner members, from Just Retirement Limited.

The Trustee is in regular dialogue with the William Hill Limited (the "Company") in relation to the Scheme. This, together with the fact that the Scheme is now fully insured with two leading life insurance companies, should be of comfort to members from a pension perspective. However, the Trustee will continue to consider the strength of the corporate entity that supports the Scheme and monitor the position carefully.

Providing an update on the Scheme's financial position

HOW IS THE SCHEME'S FINANCIAL SECURITY MEASURED?

The estimated cost of providing the benefits that you and all other members have earned to date is known as the Scheme's "liabilities".

Contributions paid into the Retirement Plan over the years by you, other members and the Company are invested to help provide your benefits. The money is held under trust in a communal fund and not in segregated accounts for each individual. The amount of money invested is known as the Scheme's "assets".

To check the Scheme's financial position and security we compare the estimated value of its liabilities to its assets. If the value of the Scheme's assets is lower than the value of its liabilities, it is said to have a "shortfall". If the value of its assets is higher than the value of its liabilities, there is said to be a "surplus".

We are required by law to carry out a formal valuation of the Scheme's finances at least every three years. This is called an "actuarial valuation" and is undertaken by a qualified actuary, as an independent professional. We are responsible for appointing the independent actuary. We also monitor and review the financial security of the Scheme on an informal basis every year; this is summarised in a document called an "actuarial report".

WHAT IS THE SCHEME'S FINANCIAL POSITION?

The latest full actuarial valuation of the Scheme was carried out as at 30 September 2022. The results of this valuation, as well as the results of the subsequent actuarial reports as at 30 September 2023 and 30 September 2024, are set out in the table below:

	Actuarial Valuation as at 30 September 2022	Actuarial Report as at 30 September 2023	Actuarial Report as at 30 September 2024
The value of the Scheme's liabilities was:	£328m	£271m	£268m
The value of the Scheme's assets was:	£323m	£268m	£265m
This means that there was a shortfall of:	£5m	£3m	£3m

HOW HAS THE SCHEME'S FINANCIAL POSITION CHANGED SINCE YOU LAST SENT ME A SUMMARY FUNDING STATEMENT?

The Summary Funding Statement you received last year confirmed that the Scheme had a funding shortfall of £5m as at 30 September 2022, which had reduced to an estimated funding shortfall of £3m as at 30 September 2023. As at 30 September 2024, the estimated funding shortfall remained at £3m.

The vast majority of the benefits promised by the Scheme have now been insured via buy-in policies, which are seen by many as the "gold standard" approach in ensuring the security of members' pension benefits. The shortfall figures shown above should therefore not be of concern to you as a member.

The shortfall represents the expected cost of finalising the buy-ins (in excess of the non-insured assets already held by the Scheme) and, thereafter, converting these buy-in policies into individual annuity policies, which will be assigned to each Scheme member. The Company is committed to meeting this additional cost. Further detail was provided in our letter sent to you in August 2021.

The next actuarial valuation falls as at 30 September 2025. Once this has been completed, we will send you another Summary Funding Statement to confirm the results of this assessment.

HOW IS THE SHORTFALL GOING TO BE PAID OFF?

The 30 September 2022 actuarial valuation revealed a shortfall of £5m, which is an estimate of the additional cost of finalising the buy-in policies (as mentioned above). The Company is committed to provide funding to the Scheme as and when required (likely over the next year or so) in order to meet this cost. In order to meet statutory requirements, the Trustee and Company agreed a document known as a "Recovery Plan", which requires the Company to make shortfall funding contributions of £6.0m on or before 31 December 2026; in practice, the Company will make funding contributions before this, as and when they are actually required.

IN WHICH TYPES OF ASSETS DOES THE SCHEME INVEST?

The Scheme's assets are primarily invested in the buy-in policies held with Rothesay and Just. The Scheme's other "surplus" assets are invested in cash.

Further details on the Scheme's asset allocation are set out in a document called the Statement of Investment Principles. A copy of this can be found in the Scheme's document library at: **www.williamhillpensions.co.uk/library**

CAN I TRANSFER MY BENEFITS OUT OF THE SCHEME BEFORE I AM DUE TO RETIRE?

Yes, this is generally possible. However, if you are thinking of transferring your benefits out of the Scheme for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking any action. If the value of your benefits is more than £30,000, you are required by law to speak with a financial adviser before you can transfer them. The law prevents us from providing you with financial advice.

AVOID PENSION SCAMS!

The ScamSmart website operated by the Financial Conduct Authority (FCA) suggests four ways to protect yourself from fraud:

1. Reject unexpected pension offers whether made online, on social media or over the phone.
2. Check who you are dealing with before changing your pension arrangements – check the FCA Register at **www.fca.org.uk/firms/financial-services-register** or call the FCA helpline on 0800 111 6768 to see if the company you are dealing with is authorised by the FCA.
3. Do not be rushed or pressured into making any decision about your pension.
4. Consider getting impartial information and advice.

The website (**www.fca.org.uk/scamsmart**) has quizzes and resources to help you spot a scam and a warning list of companies to watch out for. If you suspect you have been targeted by a scammer, you can report it on the ScamSmart website as well.

Please also visit The Pensions Regulator's website **www.thepensionsregulator.gov.uk/pension-scams** for more information.

For further information on the impact of transferring your benefits out of the Scheme, you can visit the FCA's website on consumer information on 'DB transfers'. Please visit: **www.fca.org.uk/consumers/pension-transfer-defined-benefit**

THE MONEY AND PENSIONS SERVICE

The Money and Pensions Service (MaPS) combines Pension Wise, the Money Advice Service and the Pensions Advisory Service to form a single financial guidance service. The website is **www.maps.org.uk**

WHERE CAN I GET MORE INFORMATION?

If you have any other questions, or would like any more information, please contact the Group Pensions Department at Bedford Avenue or via email at **pensions@williamhill.co.uk**

More information, as well as a list of documents that provide further details, is shown in the appendix. If you want us to send you a copy of any of these documents, please let us know.

We will be sending you a Summary Funding Statement each year, so if you change address please let us know at **www.williamhillpensions.co.uk/forms/change-of-personal-details**

APPENDIX: ADDITIONAL INFORMATION AND EXPLANATIONS

HOW DOES THE TRUSTEE KNOW WHAT CONTRIBUTIONS SHOULD BE PAID INTO THE SCHEME?

Following each actuarial valuation, the actuary advises us on what contributions should be paid into the Scheme so that we can expect to be able to continue to pay members' pensions. We then agree a level of contributions with the Company and record this in a document called the Schedule of Contributions. We review and update the Schedule of Contributions at least each time the Scheme has an actuarial valuation, i.e. every three years.

The actuarial valuation and Schedule of Contributions follow standards we have set out in a Statement of Funding Principles. This document describes how we will manage the Scheme with the aim of being able to continue to pay members' benefits.

As mentioned above, the Scheme had a shortfall at the 30 September 2022 actuarial valuation date and so the Trustee and Company formally agreed a Recovery Plan (the details of which were set out in an earlier section). In addition, the Company continues to pay contributions to cover the expenses of running the Scheme.

We are required to tell you whether The Pensions Regulator has used its legal powers to make directions as to any of the:

- method or assumptions used to calculate the liabilities; or
- contributions that should be paid under the Schedule of Contributions.

The Regulator has not used its powers in relation to the Scheme and therefore the Scheme is not subject to any directions.

We are also required to inform you whether a payment has been made from the Scheme to the Company, as permitted under the Pensions Act 1995, since we last sent you a Summary Funding Statement. We can confirm that no such payment has been made.

IS MY PENSION GUARANTEED?

Our aim is for there to be enough money in the Scheme to pay pensions now and in the future, but this depends on the Company carrying on in business and continuing to support the Scheme.

If the Company goes out of business or decides to stop paying for the Scheme, it is expected to pay the Scheme enough money to buy all the benefits built up by members from an insurance company. This is known as the Scheme being "wound-up". The comparison of the Scheme's assets to the cost of buying the benefits from an insurance company is known as the "solvency position".

IS THERE ENOUGH MONEY IN THE SCHEME TO PROVIDE MY FULL BENEFITS IF THE SCHEME WAS WOUND-UP?

It is a requirement for us to show you the estimated solvency position of the Scheme as at the date of the last actuarial valuation. This assessment revealed an estimated shortfall of £5m as at 30 September 2022 (that is, the same position as shown in an earlier section).

WHAT HAPPENS IF THE SCHEME IS WOUND UP AND THERE IS NOT ENOUGH MONEY TO PAY FOR ALL OF MY BENEFITS?

The Pension Protection Fund (PPF) exists to pay benefits to members if the Scheme is wound up when the Scheme and the Company do not have enough money to cover the cost of buying all members' benefits with an insurance company. The pension you would receive from the PPF may be less than the full benefits you have earned in the Scheme, depending on your age and when your benefits were earned. However, given the buy-in policies held with Rothesay and Just and the continued support of the Company, we consider it would be highly unlikely that members' benefits will need to be paid from the PPF.

Further information and guidance is available on the PPF website at:
www.ppf.co.uk

ADDITIONAL DOCUMENTS AVAILABLE ON REQUEST:

The Statement of Funding Principles
This explains how we (the Trustee) plan to manage the Scheme with the aim of being able to continue to provide the benefits that members have built up.

The Statement of Investment Principles
This explains how we (the Trustee) invest the money paid into the Scheme.

The Schedule of Contributions
This shows how much money is being paid into the Scheme by the Company, and includes a certificate from the actuary that it is sufficient to meet the requirements set out by law.

The Annual Trustee Report and Accounts
This shows the Scheme's income and expenditure for the relevant year.

The Formal Actuarial Valuation Report as at 30 September 2022
This contains the details of the actuary's detailed review of the Scheme's financial situation as at 30 September 2022.

The Actuarial Reports as at 30 September 2023 and 30 September 2024
These contains the details of the actuary's approximate review of the Scheme's financial situation as at 30 September 2023 and 30 September 2024.

Key Scheme documents available on request