WILLIAM HILL PENSION SCHEME
THE CHAIR'S ANNUAL GOVERNANCE STATEMENT

Introduction

I am pleased to present the Trustee's annual statement of governance ('this Statement') for the Defined Contribution ('DC') Section of the William Hill Pension Scheme ('the Scheme'), covering the period 1 October 2023 to 30 September 2024.

Regulations effective from 6th April 2015 require the Trustee of the Scheme to prepare a statement showing how it has met certain minimum governance standards in relation to defined contribution benefits. The Scheme is a hybrid arrangement and as such there are members of the Defined Benefit ('DB') Section who have Additional Voluntary Contributions ('AVCs') with Standard Life and Utmost Life and Pensions ('Utmost') as well as members of the DC Section.

The Scheme's mission is to help members attain a good financial outcome for life after work. This Statement describes the activities that the Trustee has undertaken to achieve that, and how it seeks to ensure that the Scheme is well-managed and delivers valuable services to members.

This Statement covers five key areas:

1. The investment strategy relating to the Scheme's default investment options;
2. Asset Allocation of the default investment options;
3. The processing of core financial transactions;
4. Charges and transaction costs within the Scheme, including their impact on investment performance and the value of pension savings at retirement;
5. Value for Members considerations; and
6. The Trustee's compliance with the statutory knowledge and understanding ('TKU') requirements.

Chair of William Hill Trustee Limited
April 2025

1. The Scheme's default investment options

The assets of the DC Section are invested with Legal & General Investment Management ('LGIM'). Some members also have DB AVC assets in funds managed by Standard Life and Utmost. The DC Section of the Scheme consists of four pools: The Pension Savings Plan 2001 ('PSP'), the Employee Pension Plan ('EPP'), the Transfers In and the AVCs.

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives. The Trustee also recognises that members have different attitudes to risk. The Trustee believes that members should make their own investment decisions based on their individual circumstances. The Trustee regards its duty as making available a range of investment funds and lifestyle strategies sufficient to enable members to tailor their investment strategy to their individual needs.

The Trustee also recognises that members may not feel confident to make investment decisions. As such the Trustee makes available two default investment options – one for PSP members and one for EPP members. The default investment options aim to deliver a good level of real return over members' working lifetimes (whilst mitigating risk through diversification) and also include switching, closer to target retirement age, into asset classes designed to be appropriate for how a member is expected to take their benefits in retirement.

In accordance with the Administration Regulations, the Trustee has appended the latest copy of the Statement of Investment Principles (the 'SIP'), dated June 2024. The SIP has been prepared for the Scheme in compliance with Section 35 of the Pensions Act 1995 and regulation 2 / regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005.

The SIP covers the aims and objectives of the default investment options as well as policies in relation to matters such as risk and diversification. It also states why the Trustee believes the default investment options are designed in members' best interests.

These objectives translate to the following principles:

a. Offering members a 'Lifestyle' approach to the default investment options and ensuring that the other investment options including additional lifestyle strategies allow members to plan for retirement;

b. Making available a range of pooled investment funds (asset classes to include equities, bonds and alternatives) and lifestyle strategies which serve to meet the varying investment needs and risk tolerances of Scheme members;

c. Actively managed funds will only be included to the extent that the Trustee has a high level of confidence in the respective investment managers achieving their performance objectives, net of active investment management fees;

d. The range of pooled investment funds will have strategies including additional lifestyle strategies that are highly rated by the Trustee's investment adviser unless the Trustee decides there is good reason not to;

e. Providing general guidance as to the purpose of each investment option;

f. Encouraging members to seek financial advice from an appropriate party in determining the most suitable option for their individual circumstances;

g. In determining an appropriate balance between providing flexibility and choice, as well as simplicity and cost control, the Trustee aims to make available a range of options which satisfy the needs of the majority of members; and

h. The Trustee regularly reviews the suitability of the options including additional lifestyle strategies provided and from time to time will change or introduce additional fund choices as appropriate.

The Trustee reviewed and updated the SIP in June 2024 to reflect the changes set out in the Investment Strategy Review section set out below and to include the Trustee's policy on illiquid assets. The latest SIP dated June 2024 can be found in the Appendix of this Statement. The SIP is also available at https://www.williamhillpensions.co.uk/library. Furthermore, this Statement will be published on the William Hill Pension Scheme website. Both documents will be discoverable by search engines and signposted in the annual benefit statements.

Investment Strategy Review

The Trustee monitors how the funds within the Scheme's default investment options (and the wider self-select fund options) have performed against their targets at each quarterly meeting, taking input from its professional investment advisors. The Trustee also maintains a programme of ongoing reviews of the suitability of the default options, considering member demographics including contribution rates, how members withdraw benefits at retirement, the ages at which they do so and the value of their savings.

The Trustee last reviewed the Scheme's investment strategy on 13 September 2021. This review considered performance in line with the aims and objectives of the Trustee outlined in the default SIP, recent industry retirement trends and member demographics including age and pension savings value.

A follow-up review was undertaken on 27 September 2023 and completed with effect from 30 April 2024 which resulted in the PSP default members who remained invested in the Annuity Lifestyle Strategy being switched to the Drawdown Lifestyle Strategy. This was prompted by the observed shift away from members taking benefits via annuity purchase at retirement and the related investment risks associated with investing in longer-dated fixed interest securities. The changes were implemented with effect from 30 April 2024.

Some DB members have chosen to contribute into AVCs which are also managed under the DC Section of the Scheme. Members make their own investment decisions on these AVCs assets. The Trustee regularly monitors the suitability and performance of these options.

The Scheme's investment strategy and SIP will be reviewed a minimum of every three years or as soon as any significant developments in investment policy or member demographics take place.

The latest investment strategy review commenced in September 2024. Members will be notified of any agreed changes before implementation and this will also be set out in next year's accounts.

The Trustee currently offers three lifestyle strategies in the DC Section of the Scheme:

- **Drawdown Lifestyle Strategy** - for members planning to leave their DC savings invested and withdraw income flexibly over time. Members who wish to drawdown their savings in retirement would have to transfer their DC savings out of the Scheme at retirement to a drawdown provider. This is the default investment strategy for **PSP** members.

Years to Retirement	LGIM Diversified Fund (%)	LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged (%)	LGIM Future World Annuity Aware Fund (%)	LGIM Sterling Liquidity Fund (%)
10	50.00	50.00	0.00	0.00
9	50.00	50.00	0.00	0.00
8	50.00	50.00	0.00	0.00
7	50.00	43.75	6.25	0.00
6	50.00	37.50	12.50	0.00
5	50.00	31.25	18.75	0.00
4	50.00	25.00	25.00	0.00
3	50.00	18.75	25.00	6.25
2	50.00	12.50	25.00	12.50
1	50.00	6.25	25.00	18.75
0	50.00	0.00	25.00	25.00

- **Annuity Lifestyle Strategy** – for members planning to buy an annuity (a fixed pension income for life) at their target retirement date. With effect from 30 April 2024, PSP default members who remained invested in the Annuity Lifestyle Strategy were switched to the Drawdown Lifestyle Strategy. This was prompted by the observed shift away from members taking benefits via annuity purchase at retirement and the related investment risks associated with investing in longer-dated fixed interest securities. The changes were implemented with effect from 30 April 2024 so that only those who have made an active choice to target annuity purchase at retirement remain invested in this default.

Years to Retirement	LGIM Diversified Fund (%)	LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged (%)	LGIM Future World Annuity Aware Fund (%)	LGIM Sterling Liquidity Fund (%)
10	50.00	50.00	0.00	0.00
9	50.00	50.00	0.00	0.00
8	50.00	50.00	0.00	0.00
7	50.00	37.50	12.50	0.00
6	50.00	25.00	25.00	0.00
5	50.00	12.50	37.50	0.00
4	50.00	0.00	50.00	0.00
3	37.50	0.00	56.25	6.25
2	25.00	0.00	62.50	12.50
1	12.50	0.00	68.75	18.75
0	0.00	0.00	75.00	25.00

- **Cash Lifestyle Strategy** - for members planning to take their DC savings as a cash lump sum. This is the default investment strategy for **EPP** members.

Years to Retirement	LGIM Diversified Fund (%)	LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged (%)	LGIM Future World Annuity Aware Fund (%)	LGIM Sterling Liquidity Fund (%)
10	50.0	50.0	0.0	0.0
9	50.0	50.0	0.0	0.0
8	50.0	50.0	0.0	0.0
7	50.0	37.5	12.5	0.0
6	50.0	25.0	25.0	0.0
5	50.0	12.5	37.5	0.0
4	50.0	0.0	50.0	0.0
3	37.5	0.0	37.5	25.0

2	25.0	0.0	25.0	50.0
1	12.5	0.0	12.5	75.0
0	0.0	0.0	0.0	100.0

Asset Allocation of the Default Investment options

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 introduced new requirements for trustees and managers of certain occupational pension schemes.

For the first scheme year that ends after 1 October 2023, trustees or managers of relevant occupational pension schemes, are required to disclose their full asset allocations of investments from their default arrangements.

Information on the asset allocation for the default options as at 30 September 2024 is set out below:

PSP Default Investment Strategy – Drawdown Lifestyle Strategy				
	Percentage allocation – 40 years to TRD*	**Percentage allocation – 20 years to TRD**	**Percentage allocation – 10 years to TRD**	**Percentage allocation – 65 years (NRD)**
Cash	2.6%	2.6%	2.6%	23.6%
Corporate Bonds	19.8%	19.8%	19.8%	37.3%
Government Bonds	0.9%	0.9%	0.9%	10.7%
Listed Equity	73.2%	73.2%	73.2%	24.9%
Private Equity	0.4%	0.4%	0.4%	0.4%
Property/Real Estate	2.1%	2.1%	2.1%	2.1%
Private Debt/Credit	1.0%	1.0%	1.0%	1.0%
Total	100.0%	100.0%	100.0%	100.0%

*Source: LGIM, Mercer calculations. *Target Retirement Date ("TRD"). Totals may not sum due to rounding.*

EPP Default Investment Strategy – Cash Lifestyle Strategy				
	Percentage allocation – 40 years to TRD*	**Percentage allocation – 20 years to TRD**	**Percentage allocation – 10 years to TRD**	**Percentage allocation – 65 years (NRD)**
Cash	2.6%	2.6%	2.6%	90.5%
Corporate Bonds	19.8%	19.8%	19.8%	9.5%
Government Bonds	0.9%	0.9%	0.9%	0.0%
Listed Equity	73.2%	73.2%	73.2%	0.0%
Private Equity	0.4%	0.4%	0.4%	0.0%
Property/Real Estate	2.1%	2.1%	2.1%	0.0%
Private Debt/Credit	1.0%	1.0%	1.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

*Source: LGIM, Mercer calculations. *Target Retirement Date ("TRD"). Totals may not sum due to rounding.*

Information on the asset allocation for the PSP Legacy Default Lifestyle – Annuity Lifestyle Strategy as at 30 September 2024 is set out below:

Annuity Lifestyle Strategy				
	Percentage allocation – 40 years to TRD*	**Percentage allocation – 20 years to TRD**	**Percentage allocation – 10 years to TRD**	**Percentage allocation – 65 years (NRD)**
Cash	2.6%	2.6%	2.6%	22.6%
Corporate Bonds	19.8%	19.8%	19.8%	47.8%
Government Bonds	0.9%	0.9%	0.9%	29.6%
Listed Equity	73.2%	73.2%	73.2%	0.0%
Private Equity	0.4%	0.4%	0.4%	0.0%
Property/Real Estate	2.1%	2.1%	2.1%	0.0%
Private Debt/Credit	1.0%	1.0%	1.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

*Source: LGIM, Mercer calculations. *Target Retirement Date ("TRD"). Totals may not sum due to rounding.*
Normal Retirement Date for the Scheme is age 65, members have the opportunity of selecting their own retirement date.
The following describes the types of investments covered by the above asset classes:

***Cash** – Cash and assets that behave similarly to cash e.g. treasury bills. It only includes invested cash and not the cash balance held by the Plan.*

***Corporate Bonds** – Loans made to the bond issuer, issued by corporations to raise capital, to be repaid at a later date.*

***Government Bonds** – Loans made to the bond issuer, issued by a national government to finance expenditures, to be repaid at a later date.*

***Listed Equity** – Shares in companies that are listed on global stock exchanges. Owning shares makes the Scheme a part owner of the company, entitled to a share of the profits (if any) payable as dividends.*

***Private Equity** – Unlisted equities that are not publicly traded on stock exchanges. Encompasses a broad range of investment styles, including:*

Venture Capital – Small, early stage businesses that may have high growth potential, albeit at significant risk.

Growth Equity – Relatively mature companies that are going through a transformational event with potential for growth.

Property/Real Estate *– Real estate, potentially including offices, retail buildings which are rented out to businesses.*
Private Debt/Credit *– Other forms of loan that do not fall within the definition of a 'Bond'.*

2. The processing of Scheme financial transactions

As required by the Administration Regulations, the Trustee must ensure that "core financial transactions" are processed promptly and accurately. Core financial transactions are (broadly):

- Investment of contributions made to the Scheme by members and their employer(s);
- Transfers into and out of the Scheme of assets relating to members;
- Switches of members' investments between different funds within the Scheme; and
- Payments from the Scheme to or in respect of members (e.g. payment of death benefits).

The Trustee recognises that delay and error in processing transactions can cause significant losses for members. Delays in processing can also cause members to lose faith in the Scheme which may in turn reduce their propensity to save and impair future outcomes. The Trustee therefore operates measures and controls aimed at ensuring that all financial transactions (such as benefit payments and switches between funds) are processed promptly and accurately.

The Scheme's administration is outsourced to Capita Pension Solutions ('Capita'). As part of that model, the Trustee has agreed timescales with Capita for the processing of all member-related services, including core financial functions such as benefit quotations, investment switches and benefit payments. These timescales are well within any applicable statutory timescales and are summarised in table 1 below. This records the main measures and controls that the Trustee operates to satisfy themselves that the Scheme's financial transactions are both prompt and accurate, including regular evaluation of Scheme data and reporting of all member complaints to the Trustee. Over the year to 30 September 2024, the average Service Level Agreement (SLA) achievement rate for core financial transactions was 91.5%.

During the Scheme Year, 44 complaints were received. These related to delays in transfer value payments and documentation being returned by the member, as well as delays in data required or admin processes. Overall, the complaints were not material causes for concern in respect of Capita's service. These were raised with the Trustee and at the 18 March 2024 Trustee meeting as Capita were looking to streamline their transfer process to reduce the time transfers were taking to meet member expectations. The Trustee worked with Capita and have seen an improvement in the timescales to deal with transfer values.

As noted in last year's Chair's Statement, Capita experienced a cyber security breach on 31 March 2023 and as a result, Capita administration teams have been dealing with a higher volume of work which has impacted overall SLAs for the Scheme Year. Capita worked with a third party to carry out an independent review of the cyber incident and this highlighted additional members that were impacted by the breach. The Trustee worked with Capita to ensure the actions taken were completed and any impacted members were informed.

There has been no evidence of the stolen data turning up on the dark web, and Capita are working with third parties to monitor this. In light of the above, the Trustee is continuing to work with Capita to ensure the actions taken are completed and any impacted members are informed.

Table 1: Timescales for benefit processing

Task	Service Level Agreement	Comment
Transfer out	18 working days	Subject to receipt of monies and the Fund Manager's own dealing dates
Transfer in	24 working days	Subject to receipt of monies and the Fund Manager's own dealing dates
Retirement	20 working days	Subject to receipt of monies and the Fund Manager's own dealing dates
Death claim	5 working days	
Investment switch – post or email	8 working days	Subject to receipt of monies and the Fund Manager's own dealing dates

Table 2: Internal Controls

Core financial transaction	Key internal control
Investment switches requested by members	**Promptness** • Administrator's SLA for member initiated switching investments is 1 working day from date of request. • Lifestyle switching is subject to an agreed matrix and is carried out on the first day of each quarter (1 January, 1 April, 1 July, 1 October).
	Accuracy • All switches are reconciled by administrator with manager transaction statements. • All members are notified when a member-initiated investment switch is completed. Members are notified when their switch has been completed and provided with a revised unit holding.
Payment of benefits to members, including retirements, transfers and death benefits	**Promptness** • Cash flow preparation includes identification of forthcoming benefit payments. • SLAs for core benefit transactions (retirements, deaths and transfers) help ensure that member wishes are known well in advance of benefit payment date. • Annual appraisal of common data helps ensure that member data is accurate, reducing the likelihood of delay from data gaps. • All member complaints must be reported to the Trustee, even where no breach of agreed timescales has occurred. All member complaints are reported to the Trustee via the quarterly administration report regardless of their origin or outcome.
	Accuracy • Administrator operates peer review system for all benefit calculations. • Data accuracy is subject to regular evaluation and updating.

Other controls that address the promptness and accuracy of core financial controls include:

- The Administrator records all member transactions and benefit processing activities in a work management system which assigns the relevant timescale to the task. They must report quarterly to the Trustee their performance against these agreed timescales. These disclosures are considered by the Trustee at its quarterly meetings.

- The Trustee requires additional disclosures in respect of any transactions and benefit processing activity that have not been completed within the agreed timescales including the cause of the delay, the extent to which agreed timescales were breached and the proposed remedial measures. None of the breaches of agreed timescale during the period covered by this statement are regarded as a matter for significant concern.

Furthermore, in producing the Scheme's Annual Report and Accounts, the Trustee and the Auditor (Grant Thornton LLP) also review a sample of core financial transactions. The Auditor also carries out holistic reviews for reasonableness and consistency and undertakes checks to ensure that the Schedule of Contributions has been adhered to.

As part of a wider review of the Scheme's general administration, the Trustee receives the Scheme administrator's assurance report on internal controls, reviewed by Capita's auditor (KPMG). For the Scheme Year, the report received covered the period 1 January to 31 December 2023. It was a qualified report but none of the exceptions affected the Scheme. The report included the Independent Service Auditor's opinion that, in all material aspects, the controls were suitably designed and those tested operated effectively.

We note that the cyber security incident that occurred in 2023 affected a small number of network controls. However, the actions to contain the incident and quickly recover Capita's infrastructure and systems, has enabled them to service their clients and process key financial transactions. Additional steps were taken immediately following the cyber incident to enhance Capita's security posture, and its continuing multi-year investment programme which is focused on reinforcing the integrity and strength of its cyber-security environment.

Following their monitoring activities, the Trustee is satisfied that there were no significant issues with the core administration functions delivered by Capita for the DC Section over the reporting period of this Statement and that core financial transactions were processed promptly and accurately in the Scheme Year.

3. Charges and transaction costs within the Scheme

As required by the Administration Regulations, the Trustee is required to report on the charges and transaction costs for the investments used in the default investment options as well as the wider fund range available and assess the extent to which the charges and costs represent good value for members. The Trustee has followed statutory guidance in the preparation of this section.

The table below shows the Total Expense Ratio ('TER') and the transaction costs for each of the funds underlying the Scheme's default investment options as well as the wider self-select fund range and AVC arrangements.

The TER for each fund invested in by members is the same regardless of whether they are in the PSP, the EPP, the Transfers In or the AVC membership pool.

The TER comprises the investment manager's annual charge for managing and operating a fund, but also includes the costs of other services paid for by the fund, such as the legal costs, registration fees and custodian fees. However, it excludes other costs that are also borne by members and can impact investment performance such as transaction costs and interest on borrowings.

Transaction costs are the expenses associated with a member trading in and out of a fund as well as the investment manager trading a fund's underlying securities, including commissions' taxes and other fees.

DC Section

LGIM Funds	Scheme TER (% p.a.)	Transaction Cost (% p.a.)
Funds used in the lifestyle strategies (including default options) and available as select-select funds		
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	0.130	0.040
Diversified	0.208	0.002
Future World Annuity Aware	0.151	-0.066
Sterling Liquidity	0.135	-0.083
Self-select funds (PSP, EPP, AVCs and Transfers In)		
UK Equity (5% capped) Passive	0.210	0.054
Overseas Equity Consensus Index	0.153	0.019
World Emerging Markets Equity Index	0.466	0.037
AAA-AA-A Corporate Bond All Stocks Index	0.151	-0.074
Future World Inflation Linked Annuity Aware	0.126	-0.068
Property	0.942	-0.433

Source: Legal & General, as at 30 September 2024
Due to the way in which transaction costs are calculated, they can be negative or positive in nature; a negative figure is effectively a gain from trading activity, whilst a positive figure is effectively a cost from trading activity.

The Trustee benchmarks LGIM's charges against comparable alternatives and has negotiated with LGIM accordingly. It regards this process as fundamental to its mission of helping members achieve good outcomes, given the potential for investment-related charges to erode members' fund values. At the same time, the Trustee does not regard value as solely about achieving the lowest costs - rather, it is a measure of the extent to which economic outlays (or 'price') are converted to deliver the performance targets (or 'performance') for members that the Trustee seeks to achieve.

Standard Life Unit Linked AVC funds

Standard Life Funds	Scheme TER (% p.a.)	Transaction Cost (% p.a.)
Managed Fund	1.03*	0.095

Source: Standard Life, as at 30 September 2024.
**Includes annual management charge and additional expenses.*
***Transaction costs have been requested but were not available at the time of writing. The Trustees will work with their advisors to ensure that this information is included in next year's Chair's Statement.*

Members also received further discounts from Standard Life based on the following fund value structure for the managed fund:

Fund Value Threshold (£)	Rate (% p.a.)
0	0.00
10,000	0.10
20,000	0.20

Some members also have investments in With Profits funds with Standard Life via the AVC section. The actual performance received by members, net of charges, is only ever known upon maturity/surrender, after any augmentation for guaranteed terms and after the effect of 'smoothing'. Payouts on surrender and maturity will reflect all charges incurred, though they are not separately identified.

Standard Life With-Profits Funds

There is no explicit charge or additional expenses for the Standard Life Millennium (With-Profits) and Standard Life With-Profits funds as the manager allows for these when calculating the final bonus rates. These charges will be consistent with that for an equivalent investment-linked investment. Standard Life also make deductions for the cost of with profits guarantees and these vary depending on the fund guarantee and when the fund was launched, for example the With-Profits Fund has a 0.75% p.a. deduction. Currently, deductions are made at a rate of 1% per annum in new and existing business illustrations for unitised with profits funds before any discounts. The below table illustrates what this looks like for the With-Profits funds.

Standard Life Funds	Guarantee (%) p.a.	Total Charge (%) p.a.*	Transaction Cost (% p.a.)
With-Profits Fund	4.00	0.75	0.048
Millennium With-Profits Fund	2.25	1.00	0.033

Source: Standard Life, guarantees as at 30 June 2024 and charges as at 30 September 2024.
**Includes annual management charge and cost of guarantee.*

Utmost AVC Fund

Utmost confirmed that as at 30 September 2024, there were no members left with Utmost AVCs.

Utmost Funds	Scheme TER (% p.a.)	Transaction Cost (% p.a.)
Money Market Fund	0.50	0.0210

Source: Utmost Life & Pensions, TER and Transaction Costs as at 30 September 2024.

Reporting of Costs and Charges

Using the charges and transaction cost data provided by LGIM, and in accordance with regulation 23(1)(ca) of the Administration Regulations, as inserted by the 2018 Regulations, the Trustee has prepared illustrations detailing the impact of the costs and charges typically paid by members of the Scheme on their retirement savings values. The statutory guidance provided has been considered when providing these examples.

The below illustration has taken into account the following elements:
- Pension savings value;
- Contribution amounts;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time.

Due to the diverse Scheme demographics, the Trustee has presented two sets of illustrations to represent the members in the PSP and EPP. Other than the illustration of the most popular fund/arrangement (in this case the default investment options for the respective sections), the illustrations should also show a representative range of assumed investment returns and charges (in respect of both DC and AVC investments), for the highest charge and lowest charge funds.

PSP Young Member:

Age	Default investment option: Drawdown Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Future World Inflation Linked Annuity Aware	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
23	£27,204	£27,151	£26,969	£26,715	£27,427	£27,392
25	£42,577	£42,370	£41,631	£40,657	£43,491	£43,353
30	£84,541	£83,625	£80,253	£76,182	£88,835	£88,207
35	£132,080	£129,909	£121,861	£112,684	£142,691	£141,145
40	£185,935	£181,832	£166,684	£150,188	£206,654	£203,625
45	£246,945	£240,084	£214,971	£188,724	£282,623	£277,367
50	£316,061	£305,435	£266,991	£228,318	£372,850	£364,401
55	£394,359	£378,751	£323,030	£269,001	£480,011	£467,123
60	£482,969	£460,966	£383,400	£310,803	£607,284	£588,359
61	£502,010	£478,557	£396,023	£319,300	£635,473	£615,112
62	£520,250	£495,352	£408,835	£327,843	£664,648	£642,767
63	£537,577	£511,250	£421,840	£336,433	£694,845	£671,353
64	£553,882	£526,153	£435,039	£345,069	£726,098	£700,903
65	£569,062	£539,967	£448,437	£353,753	£758,446	£731,448

PSP Typical Member:

Age	Default investment option: Drawdown Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Future World Inflation Linked Annuity Aware	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
47	£71,122	£70,984	£70,447	£69,783	£71,762	£71,672
50	£97,655	£96,977	£94,361	£91,235	£100,866	£100,413
55	£146,537	£144,491	£136,670	£127,772	£156,570	£155,144
60	£201,877	£197,781	£182,249	£165,313	£222,730	£219,740
61	£213,777	£209,187	£191,779	£172,944	£237,383	£233,995
62	£225,428	£220,327	£201,452	£180,617	£252,549	£248,729
63	£236,763	£231,140	£211,270	£188,331	£268,246	£263,960
64	£247,718	£241,564	£221,235	£196,088	£284,492	£279,705
65	£258,231	£251,542	£231,350	£203,886	£301,307	£295,980

PSP Legacy Typical Member:

Age	Legacy Default investment option: Annuity Lifestyle Strategy	
	No Charges	Charges deducted
47	£69,756	£69,621
50	£91,982	£91,332
55	£132,929	£131,019
60	£179,250	£175,517
61	£189,193	£185,034
62	£199,387	£194,790
63	£209,834	£204,786
64	£220,545	£215,038
65	£231,520	£225,544

EPP Youngest Member:

Age	Default investment option: Cash Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Future World Inflation Linked Annuity Aware	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
19	£3,345	£3,339	£3,320	£3,288	£3,370	£3,365
20	£4,878	£4,862	£4,811	£4,734	£4,942	£4,932
25	£13,144	£13,027	£12,612	£12,084	£13,671	£13,592
30	£22,508	£22,188	£21,015	£19,635	£24,039	£23,814
35	£33,117	£32,464	£30,068	£27,394	£36,352	£35,877
40	£45,134	£43,994	£39,820	£35,366	£50,976	£50,116
45	£58,749	£56,928	£50,326	£43,558	£68,345	£66,920
50	£74,172	£71,438	£61,644	£51,974	£88,974	£86,754
55	£91,644	£87,717	£73,837	£60,622	£113,475	£110,162
60	£111,395	£105,964	£86,972	£69,508	£142,574	£137,790
61	£115,628	£109,863	£89,718	£71,314	£149,019	£143,887
62	£119,095	£113,039	£92,506	£73,130	£155,690	£150,189
63	£121,725	£115,426	£95,335	£74,956	£162,594	£156,703
64	£123,463	£116,977	£98,207	£76,791	£169,739	£163,437
65	£124,274	£117,663	£101,122	£78,637	£177,135	£170,398

EPP Typical Member:

Age	Default investment option: Cash Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Future World Inflation Linked Annuity Aware	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
40	£9,420	£9,420	£9,420	£9,420	£9,420	£9,420
45	£19,243	£19,088	£18,506	£17,802	£19,966	£19,862
50	£30,370	£29,935	£28,295	£26,414	£32,491	£32,186
55	£42,976	£42,104	£38,840	£35,262	£47,367	£46,731
60	£57,236	£55,747	£50,200	£44,354	£65,034	£63,898
61	£68,273	£66,212	£62,438	£53,696	£86,018	£84,160
62	£9,420	£9,420	£9,420	£9,420	£9,420	£9,420
63	£19,243	£19,088	£18,506	£17,802	£19,966	£19,862
64	£30,370	£29,935	£28,295	£26,414	£32,491	£32,186
65	£42,976	£42,104	£38,840	£35,262	£47,367	£46,731

Notes:

1. Projected pension values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
2. The transaction costs are an average of the years for which data is available (up to five years).
3. Values are estimates and are not guaranteed.
1. The projected growth rates use the SMPI assumptions relevant to the Scheme year plus any transaction costs. More details of these can be found at https://www.williamhillpensions.co.uk/~/media/document-libraries/williamhill/2024/wh2409st11997benstatassumptiondocv004.pdf?la=en&hash=0C0709F8DDD080987F3850B3331B2A066F7CE16B
4. The Transaction Costs relate to the actual transaction costs incurred in the Scheme Year. Negative transaction costs are assumed 0% as a prudent measure.

Assumptions

The above illustrations have been produced for a "young" member and a "typical" member of the PSP and EPP sections based on the Scheme's membership data. This also includes those PSP members who are invested in the PSP Legacy Default Investment Option, the Annuity Lifestyle Strategy. The illustration for the Default Investment Options of both sections assumes the member's asset allocation remains fully invested in the current Default Investment Option. The individual fund illustrations assume 100% of the member's assets are invested in that strategy up to the Scheme retirement age. The results are presented in real terms, i.e. in today's money, to help members have a better understanding of what their pension pot could buy in today's terms, should they invest in the funds above as shown. The values shown are estimated projections and are not guaranteed.

	PSP Section	EPP Section
Age • "Youngest" member	22 *(the youngest age of the Scheme members)*	18 *(the youngest age of the Scheme members)*

• "Typical" member	46 *(the average age of the Scheme members)*	40 *(the average age of the Scheme members)*
Scheme Retirement Age	65	
Starting Pot Size • "Youngest" member • "Typical" member	£19,800 *(the average pot size for the youngest 10% of members)* £62,710 *(the average pot size of the Scheme's members)*	£1,850 *(the average pot size for the youngest 10% of members)* £9,420 *(the average pot size of the Scheme's members)*
Starting Salary • "Youngest" member • "Typical" member	£45,500 *(the median salary for the youngest 10% of members)* £45,000 *(the median salary of the Scheme's members)*	£17,900 *(the median salary for the youngest 10% of members)* £20,140 *(the median salary of the Scheme's members)*
Inflation	2.5% p.a.	
Rate of Salary Growth	2.5% p.a.(in line with inflation)	
	PSP Section	**EPP Section**
Total annual contributions • "Youngest" member • "Typical" member	15.0% p.a. *(the median rate for the youngest 10% of members)* 15.0% p.a. *(the median rate of the Scheme's members)*	8.0% p.a. *(the median rate for the youngest 10% of members)* 8.0% p.a. *(the median rate of the Scheme's members)*

The projected growth rate (SMPI only) for each fund are as follows:	
Drawdown Lifestyle Strategy (PSP default):	2.53% p.a. before de-risking to 1.50% p.a. at the end of the de-risking phase, gross expected real return above inflation.
Cash Lifestyle Strategy (EPP default):	2.53% p.a. before de-risking to -0.50% p.a. at the end of the de-risking phase, gross expected real return relative to inflation.
Annuity Lifestyle Strategy (PSP legacy default):	2.53% p.a. before de-risking to 2.50% p.a. at the end of the de-risking phase, gross expected real return above inflation.
Most expensive – LGIM Property Fund:	1.50% p.a. gross expected real return above to inflation.
Least expensive fund: LGIM Future World Inflation Linked Annuity Aware:	3.50% p.a. gross expected real return above inflation.

Return on Investments

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021 ('the 2021 Regulations') introduce new requirements for trustees of "relevant" occupational pension schemes.

Trustees of all relevant pension schemes are required to calculate and state the return on investments from their default investment options and self-select funds, net of transaction costs and charges. This information must be recorded in the annual chair's statement and published on a publicly accessible website. This Statement confirms that the statutory guidance has been followed for the Scheme.

The tables below show performance, net of all charges and transaction costs, for members invested in PSP and EPP default investment options:

PSP Default Investment Option: Drawdown Lifestyle

PSP' Default Investment Option – Drawdown Lifestyle	Annualised returns to 30 September 2024 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	17.7	6.9
45	17.7	6.9
55	17.7	6.2

Source: LGIM

Performance shown net of all charges and transaction costs. Performance has been calculated based on a fixed weighted average of underlying fund performance in the lifestyle, with the weightings as at the ages shown. This strategy englobes every PSP new member and all the members that had more than 8 years until the selected retirement age. Therefore, the return is expected to be consistent over the ages shown.

PSP Legacy Default Investment Option: Annuity Lifestyle

PSP Legacy Default Investment Option – Annuity Lifestyle	Annualised returns to 30 September 2024 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	17.7	6.9
45	17.7	6.9
55	17.7	5.4

Source: LGIM

Performance shown net of all charges and transaction costs. Performance has been calculated based on a fixed weighted average of underlying fund performance in the lifestyle, with the weightings as at the ages shown. This strategy englobes every PSP members that had less than 8 year to retirement at 1/1/2022 remain in the Annuity lifestyle. Therefore, the return is expected to be consistent over the ages shown.

EPP Default Investment Option: Cash Lifestyle

EPP's Default Investment Option – Cash Lifestyle	Annualised returns to 30 September 2024 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	17.7	6.9
45	17.7	6.9
55	17.7	5.4

Source: LGIM
Performance shown net of all charges and transaction costs. Performance has been calculated based on a fixed weighted average of underlying fund performance in the lifestyle, with the weightings as at the ages shown. This strategy englobes all EPP members. Therefore, the return is expected to be consistent over the ages shown.

Self-Select Funds

The following tables show performance, net of all charges and transaction costs, for members that decided to select their own investment funds:

LGIM Self-Select Fund	Annualised returns to 30 September 2024 (%)	
	1 year	**5 years**
UK Equity (5% Capped) Passive	14.2	6.0
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	22.7	10.0
Overseas Equity Consensus Index	19.8	10.7
World Emerging Markets Equity	15.3	4.5
AAA-AA-A Corporate Bond All stocks Index	8.6	-1.7
Diversified	12.9	3.8
Future World Annuity Aware	10.7	-4.9
Future World Inflation Linked Annuity Aware	8.9	-6.6
Property	2.3	1.3
Sterling Liquidity	5.4	2.1

Source: LGIM
Performance shown net of all charges and transaction costs.

There are some members of the DB section that started to contribute into AVCs under the DC section of the Scheme. They are subject to the same net performance returns as EPP and PSP members.

In addition there are legacy AVCs and the following section notes the annualised return of the AVCs funds available:

Fund	Annualised returns to 30 September 2024 (%)	
	1 year	5 years
Standard Life Managed Pension Fund	13.9	4.0
Standard Life Millennium (With Profits) Fund	9.4	5.0
Standard Life With Profits Fund	6.9	1.5

Source: Standard Life
Performance shown net of all charges and transaction costs for the Managed Pension Fund.
Performance for the With-Profits funds are shown gross of all charges. Note these are unsmoothed returns meaning they do not allow for tax, charges or expenses.

As at 30 September 2024, the one member invested in the Utmost funds transferred their savings therefore, no more members were invested in the Utmost funds.

Fund	Annualised returns to 30 September 2024 (%)	
	1 year	5 years
Utmost Money Market Fund	5.0	1.7

Source: Utmost
Performance shown net of all charges and transaction costs.

4. Value for Members considerations

The Trustee is committed to ensuring that members receive good value in respect of the DC and AVC arrangements in place within the Scheme. In conjunction with their professional advisors, they undertook a value for members assessment, in accordance with regulation 25(1)(b). The assessment was presented to the Trustee at the Q1 2025 meeting, covering the Scheme year to 30 September 2024.

There is no legal definition of “good value”, so the process of determining good value is a subjective one. Therefore, the Trustee assessment examines the current investment management charges relative to fees charged on DC investment platforms, Mercer Manager Research Ratings and historical performance. The review concluded that the Scheme’s overall DC benefits and options represent **good value** in comparison to the costs payable by members. The reasons underpinning this conclusion are:

Price – reasonable value

- The Scheme benefits from at or below median fees in respect of five of the 10 funds offered to members. This includes the four constituent funds that make up the default investment options, which are all well below the default fund charge cap of 0.75% p.a.
- Two funds are above the peer group median whilst three more specialist funds are in the upper quartile although they have achieved returns in line with their objectives.

Performance – good value

- Performance has been in line with expectations over the 3 and 5 year periods to 30 September 2024, given the generally passive investment profile of the Scheme.
- The LGIM Diversified Fund underperformed its benchmark over the 3 and 5 year periods, although the fund has performed in line with the peer group median and remains well placed for future performance. Poor returns can be attributed to challenging performance during 2022 and 2023, when the fund's exposure to fixed income assets detracted from performance. The Trustee will continue to closely monitor performance of this fund.
- The funds used by the Scheme are all highly rated by its investment advisors as having good prospects of achieving their return objectives.

Productivity – good value

- The Scheme has a strong governance structure, including working closely with the Company.
- The Trustee will ensure compliance with the General Code and has received training on the new requirements and are putting steps in place to formally document its Effective System of Governance.
- The Company pays for all administration, member communication and advisory costs associated with operating the DC Section of the Scheme.
- The Trustee regularly issues communications to members, e.g. in April 2024 in relation to the lifestyle switch from the Annuity Lifestyle Strategy to the Drawdown Lifestyle Strategy for PSP members who were within 8 years to their selected retirement date as at 1 July 2022.
- Online tools and education materials are available at no additional cost to members.

As mentioned previously some members also have AVC assets in funds managed by Standard Life and LGIM. Utmost confirmed that as at 30 September 2024, there were no members with Utmost AVCs.

Assessing the value for money of a With-Profits fund is directly related to an individual's attitude towards, and capacity for, investment risk. An individual may find comfort in the fact that a with-profits fund provides guarantees; whether that is a guaranteed pension, investment return or "just" capital security. Therefore, we consider it inappropriate to reach a general conclusion on value for money from the With-Profits Funds, as this will vary by member.

The Trustee last undertook a review of the AVCs held within the Scheme in June 2024 which covered the performance and charges of the funds available as well as membership demographics. As a result of this review, the Trustee remained comfortable with the fund options available to members.

The Pensions Regulator expects Trustees to have an understanding of the types and levels of transaction costs that are incurred by different investments and include them in a Value for Members' assessment. However, it is difficult to assess the value of transaction costs due to the absence of wider market data to support a comparative assessment. The Trustee intends to build transaction costs into future Value for Member assessments when this data becomes available.

5. Trustee's Knowledge and Understanding (TKU)

In accordance with sections 247 and 248 of the Pensions Act 2004, the Trustee Directors are required to maintain an appropriate level of knowledge and understanding which, together with professional advice that is available to them, enables them to properly exercise their functions and duties in relation to the Scheme.

From 26 July 2024, William Hill Trustee Limited was replaced by Dalriada Trustees Limited as sole trustee for the Scheme. Prior to 26 July 2024, the Trustee board comprised three Trustee Directors, with two member-nominated and one Independent Trustee.

The Independent Trustee has 30 years of experience in the pensions industry. In addition to their Scheme conversance (as detailed below), they are also a qualified actuary and have held roles at several pension consultancies. The board benefits from the range of her experience in the pensions arena, which enables them to challenge the Trustee's advisors.

Employees of Dalriada Trustees Limited are members of the Association of Professional Pension Trustees (APPT) and are required to undertake 25 hours of continuing professional development each year. They are also required to complete the Trustee Toolkit as well as achieve accreditation as members of the APPT.

The Trustee Directors must also be conversant with the Scheme's own documentation. These are described in legislation as the Trustee Memorandum and Articles of Association, Trust Deed and Rules, Statement of Investment Principles. The Trustee Directors must also be conversant with any other document recording current policy relating to the Scheme generally. The Pensions Regulator interprets 'conversant' as having a working knowledge of those documents such that the Trustee is able to use them effectively when they are required to do so in the course of carrying out their duties on behalf of the Trustee.

Trustees are also required to have sufficient knowledge and understanding of the law relating to pensions and trusts as well as the relevant principles relating to the funding and investment of occupational schemes.

These requirements have been met during the course of the Scheme Year as the Trustee Directors have undertaken ongoing training, both as a group and individually to keep abreast of relevant developments. During the year, the Trustee completed the following:

Requirement	How met
Trustees must have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational pension schemes	The Trustee Directors consider their annual training plan on a quarterly basis at each meeting, which includes specific consideration of whether any further training is required in respect of these statutory areas. In addition, the Trustee Directors receive updates from their advisors at regular Trustee meetings and throughout the year to keep abreast of recent developments in these areas. They are also required to complete the Pension Regulator's Trustee Tool Kit and any new/revised relevant modules released. At each of their meetings, the Trustee Directors consider a report that summarises forthcoming

Requirement	How met
	changes to regulations, their potential impact on the Scheme and the actions that are required to ensure compliance. The Trustee view these regular and ongoing training opportunities as an essential part of expanding their combined knowledge to exercise their functions as Trustee of the Scheme. During the Scheme Year the Trustee Directors undertook ongoing training both as a group within the regular meetings and individually including: At the 24 June 2024 Trustee meeting: • Reviewed the AVC arrangements in the Scheme including membership demographics and performance and charges of the funds available to members. • Considered changes to Pensions law and their possible impact on the Scheme, for example, the review of the SIP, Pensions Dashboard, the abolition of the Lifetime Allowance and the new requirements under the General Code such as Own Risk Assessment and Effective System of Governance. • Publication of Scheme documents on a publicly accessible website and illustration of costs and charges.
Trustees must have a working knowledge of the Scheme's own documentation including the Trust Deed and Rules, the current Statement of Investment Principles and of all documents setting out the trustees' current policies	The Trustee Directors undertake an annual evaluation of training requirements, which includes specific consideration of whether any further training is required in respect of these documents, further details are outlined in the last section of the table. The Trustee Directors have access to all key Scheme documentation and as part of their gap analysis a number of the Trustee Directors will be reviewing the Scheme documentation. During the Scheme Year the Trustee Directors: - Reviewed the member's annual benefit statements and SMPI assumptions at the 18 March 2024 Trustee meeting. - Reviewed member communications for the Annuity Lifestyle switch at the 18 March 2024 Trustee meeting. - Reviewed the Implementation Statement and Chair's Statement layout and considered publication of corresponding Scheme documents at the 18 March 2024 Trustee meeting. - Exercised their discretion regarding member cases, liaising with their lawyers and referring to Scheme Trust Deed and Rules as appropriate. This happened throughout the Scheme Year at each Trustee meeting. - Reviewed cyber security processes with the internal Risk & Audit team at the 4 December 2023 Trustee meeting.

Requirement	How met
	- The risk register is included in each Trustee Meeting pack, which sets out the potential risks and steps the Trustee has taken to mitigate those risks. The Trustee will review and update where necessary on a regular basis, the most recent review conducted at the 24 June 2024 Trustee meeting.
Knowledge and resources generally	The Trustee Board comprises individuals with diverse professional skills and experiences, reflecting the varied nature of the challenges that its governance must address. The Trustee's pension advisors attend each of their quarterly meetings and input into the agenda. They also help the Trustee prepare its annual business plan. The Trustee's investment advisor reports quarterly on the performance of the Scheme's investments and on their views regarding the Scheme's funds and their managers. The Trustee regularly receive email bulletins and quarterly updates from its advisors including the latest developments affecting money purchase benefits and industry trends, as a means to upkeep the Trustee's regulatory knowledge and understanding. The Trustee believes that their combined knowledge and understanding, together with the available advice, enables them to properly exercise their function.

The table above shows how these duties have been fulfilled and how the combined knowledge and understanding, together with the advice which is available to the Trustee Directors, enables them to properly exercise their duties and responsibilities.

As part of the evaluation of the performance and effectiveness of the board as a whole, all of the Trustee Directors in office during the period have completed the Pension Regulator's Trustee Toolkit. New Trustee Directors are required to complete the toolkit within six months of their appointment.

Taking into account the various reviews and actions carried out by the trustee body, and the professional advice available to them, the Trustee Board consider they are properly enabled to exercise their function as Trustee of the Scheme.

The Trustee will also, on an ongoing basis, review and assess whether the systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator's General Code.

Chair's declaration

I confirm that the above statement has been produced by the Trustee of the William Hill Pension Scheme.

Signature: _____

Name: _____Judith Fish_____

Chair of the William Hill Pension Scheme

April 2025

Appendix - Statement of Investment Principles – June 2024