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William Hill Pension Scheme

Scheme Registration Number: 10142428

Trustee's Annual Report and Financial Statements

For the Year Ended 30 September 2024

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Trustee and Advisers

Trustee

The Trustee of the Scheme is Dalriada Trustees Limited, who were appointed as the sole trustee to replace William Hill Trustee Limited with effect from 26 July 2024.

The Directors of William Hill Trustee Limited who served during the year up to 26 July 2024 were:

Dalriada Trustees Limited (Chair) *(represented by J Fish)*
P Searle *(Member-Nominated) (resigned 31 December 2023)*
R A King *(Member-Nominated)*

Secretary to The Trustee

Dalriada Trustees Limited from 26 July 2024
E A Bisby (on behalf of William Hill Trustee Limited) up to 26 July 2024

Advisers

The Trustee has retained or appointed the following professional advisers and organisations during the year:

Investment Consultants:	Mercer Limited
Administrators:	Capita Pension Solutions Limited
Scheme Actuary:	Gary Peterson FIA of Mercer Limited
Investment Managers:	Legal & General Investment Management Limited Aberdeen Standard Investment Management Limited
AVC Provider:	Legal & General Investment Management Limited Standard Life Assurance Limited Utmost Life and Pensions Limited
Annuity Policy Providers:	Just Retirement Limited Rothesay Life PLC
Auditor:	Grant Thornton UK LLP
Solicitors:	Eversheds LLP
Bankers:	National Westminster Bank PLC
Life Assurance Provider:	Legal & General Assurance Society Limited
The Retirement Plan (Defined Benefit) also uses the following AVC providers:	Legal & General Investment Management Limited Aberdeen Standard Investment Management Limited Utmost Life and Pensions Limited

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Trustee and Advisers (continued)

Address for Enquiries

If you are a current employee, please contact your Local HR Manager, who will refer you to the Group Pensions Department if appropriate. The Group Pensions Manager can be contacted at:

William Hill Limited,
1 Bedford Avenue,
London,
WC1B 3AU

pensions@williamhill.co.uk

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Chair's Report

I am pleased to present the William Hill Pension Scheme (the Scheme) Report and Accounts for the year ended 30 September 2024.

Throughout the year, inflation has shown a downward trend from its peak of 11.1% in October 2022. However, it remains above the Bank of England's 2% target, with the October 2024 CPI measure of 3.2% showing that inflation continues to impact all our members. The Bank of England is confident that inflation will continue to fall but doesn't expect it to move down to its 2% target until the end of 2025. To combat high inflation the Bank of England increased base rates reaching a high of 5.25% in August 2023. Since then Bank of England base rates have been held constant at 5% with the initial easing of this being introduced from August 2024. This is against the backdrop of economic uncertainty ahead and further cuts are expected during 2025.

Over the year to September 2024, we have seen positive returns in most markets in both local currency and sterling terms. The main investment markets to buck this trend have been property and both fixed interest and index linked gilts. Although this it has been a year of negative performance in fixed interest and index linked gilts, which is also reflected in the cost of purchasing a pension becoming cheaper. So for those members in the defined contribution section of the Scheme who are targeting annuity purchase at retirement, i.e. purchasing a pension, the buying power of a member's pot would have held up well.

Throughout the year, we have worked with our advisers in order to progress the data cleansing activities for the buy-out with Rothesay Life and Just, as well as looking at GMP Equalisation and preparing for the Pensions Dashboard programme. In terms of the DC sections of the Plan, an investment strategy review is in progress and will be completed in 2025.

I would also like to extend my thanks to Phil Searle and Rob King for their valuable input as Trustee Directors over the years. Phil was a member-nominated trustee of the Scheme for over 14 years and resigned from the Trustee Board on 31 December 2023. With the move to appoint Dalriada Trustees Limited as sole trustee, Rob King's involvement as a Trustee Director ended on 26 July 2024. Rob was involved in the Scheme for over 9 years but will still remain involved as part of the Member Representative Committee (MRC) that has been established to help provide valuable membership insights into the ongoing operation of the Scheme. We wish Phil and Rob all the best for the future. Rob joins the MRC alongside Ivor Leith and Ross Elliott.

The Retirement Plan ("the Plan") – the Defined Benefit Section

The Defined Benefit section of the Scheme has been closed to new members since 2002. As noted in previous years, all benefits under the Plan are covered by one of two insurance policies with Rothesay Life PLC ("Rothesay") and JUST Retirement Limited ("JUST"). By securing benefits with insurance policies, this provides additional security to members' benefits and reduces the Plan's exposure to inflation, interest rate, longevity, or investment risks. It also reduces the exposure the Plan has on the employer covenant which we felt was important with the historic corporate transactions. However, we are still relying on the Employer to continue paying for the expenses of running the Plan and for any final costs associated with securing the benefits with the insurers. The Employer continues to pay for the running costs of the Scheme and remains committed to meeting any cost of fully securing the benefits with Rothesay and JUST.

Our plan continues to be to completely transfer the Plan benefits to Rothesay and JUST, so that your benefits are fully secured, and managed by one of these reputable insurers. This means your benefits would no longer be linked to the Employer or the Scheme and its Trustee, and instead your benefits would be secured with an individual policy held with Rothesay or JUST.

The Trustee continues to work on this with Rothesay, JUST and our advisers and this project is progressing. As noted last year, this work is taking longer than originally anticipated, but I would like to reassure you that work is progressing and that your benefits continue to remain secure. Further updates and communications will be provided as the project nears completion.

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Chair's Report (continued)

Defined Contribution Section (Pensions Savings Plan 2001 and the Employee Savings Plan)

In addition to the Defined Benefit section, the Scheme also has two Defined Contribution (DC) sections – the Pension Savings Plan 2001 (PSP) and the Employee Pension Plan (EPP). These are money purchase arrangements where contributions paid in by members and the Employer are invested to build up a pot of money to be used to fund the member's retirement.

Under the DC sections the Scheme offers a choice of investment funds provided by Legal and General into which members can invest their and the Employer's pension contributions. The investment performance of these funds can be found in the Investment Section of this Report.

We continue to monitor the investment choices offered by the Scheme and the default arrangements. As noted last year we have moved the default investment strategy for PSP members from a lifestyle strategy that targets members buying a pension at retirement, to one that assumes that members will target drawdown at retirement. This exercise was completed in July 2024. However, it is currently not possible to access your pension via drawdown directly from the Scheme. Instead you will need to transfer your pension to a new provider that does offer a drawdown facility.

Although 2024 saw most markets perform positively, I would urge members of the DC section to monitor their investments and consider how and when you expect to draw your benefits to ensure your investments remain appropriate. You can update your target retirement age by contacting Capita via wmhillpensions@capita.co.uk. Money Helper https://www.moneyhelper.org.uk is a free website sponsored by the Government that provides lots of information and impartial guidance about how you can take your benefits. If you are over 50 you can also take advantage of a free guidance service called Pension Wise. Details can be found on the Money Helper website.

As ever, I would also like to thank the Group Pensions Department and our advisers for their ongoing support and help in the management and running of the Scheme.

Judith Fish
for Dalriada Trustees Limited
Chair of the William Hill Pension Scheme

Date: 28/4/2025

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Trustee's Report

The Trustee confirms that the financial statements for the year ended 30 September 2024 have been prepared and audited in accordance with regulations made under sections 41 (1) and (6) of the Pensions Act 1995.

Scheme Management

The Principal Employer under the Scheme has the power to appoint and remove the Trustee of the Scheme. The Principal Employer is William Hill Organization Limited. William Hill Limited, WHG (International) Limited, WHG Services Limited and Willstan Racing Limited are additional participating employers. The Trustee can be appointed and/or removed by the existing Directors or the Principal Employer in accordance with the arrangements approved by the Scheme membership pursuant to section 19 of the Pensions Act 2004.

The Trustee is responsible for the management of the Scheme and has duties and obligations, which are set out in the Definitive Trust Deed and Rules, including maintaining an up-to-date Schedule of Contributions. In order to discharge their various duties and liabilities, the Trustee met on 4 occasions during the year to 30 September 2024 and, in addition, have appointed professional advisers and administrators to assist them and to undertake many of the day-to-day duties involved in the running of the Scheme.

Financial Development

The financial statements on pages 91 to 114 have been prepared and audited in accordance with the Regulations made under Section 41 (1) and (6) of the Pensions Act 1995. They show that the value of the Scheme increased from £511,996,000 at 30 September 2023 to £548,636,000 at 30 September 2024.

Cash Equivalents

The cash equivalents paid during the year were calculated and verified in the manner prescribed by regulations under section 97 of the Pension Schemes Act 1993 and none was less than the amount for which section 94 (1) of that Act provides. Transfer values do not take into account any future discretionary increases to pensions in payment. Following advice from the Scheme Actuary, the Trustee, after careful consideration, agreed that cash equivalent transfer values should continue to be paid in full. This will be kept under review.

Tax Status

The Scheme is registered for tax purposes with HMRC in accordance with the Finance Act 2004. Accordingly, no provision for taxation has been included.

Investment Principles

The Trustee has produced a Statement of Investment Principles as required by the relevant section of the Pensions Act 1995 as amended by the Pensions Act 2004, and this is revised and updated as necessary. A copy of this statement may be obtained on request from the Group Pensions Manager, William Hill Limited, 1 Bedford Avenue, London, WC1B 3AU or can be found at: **https://www.williamhillpensions.co.uk/library**

See Appendix III on page 120 for the Statement of Investment Principles - DC Section.

Trustee and Officers

The Trustee who served during the year and their connections with the William Hill Pension Scheme were as follows:

Appointed by the Principal Employer

Dalriada Trustee Limited (company number NI038344) – appointed from 26 July 2024

William Hill Trustee Limited (company number 02453213) – removed from 26 July 2024

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Scheme Management (continued)

The directors of Dalriada Trustees Limited are:

S Ahmad

SL Ballantyne

AK Banister

L Coomber

GM Farmer

J Fish

RD Fogarty

B Galvin

J Jones

AB Kennett

T Lukic

T Perella

C Sidebottom

KS Stafford

V Vassou

C Ward

The directors of Dalriada Trustees Limited were appointed in accordance with the company's Memorandum and Articles of Association. The Scheme is exempt from the requirement to appoint Member-Nominated Trustees under the Occupational Pension Scheme (Member-nominated Trustees and Directors) Regulations 2006 as the sole Trustee is an independent corporate trustee.

Further Information

The following documents are also available on request from the Group Pensions Department at Bedford Avenue.

1. The Schedules of Contributions
2. The Statement of Funding Principles
3. Recovery Plan
4. The Formal Actuarial Valuation Report as at 30 September 2022

The following documents are also available from the website: **https://www.williamhillpensions.co.uk/library**

5. The member guides for the Pension Savings Plan and the Employee Pension Plan.
6. Implementation Statement
7. DC Chair's statement
8. The Trustee Report and Accounts

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Membership

A summary of the Membership of the Scheme is shown below:

Retirement Plan (Defined Benefit)	
Deferred Pensioners as at 30 September 2024	**623**
Pensioners as at 30 September 2024	**1,532**
Dependants as at 30 September 2024	**225**
Total membership as at 30 September 2024	**2,380**
Pension Savings Plan 2001 (Defined Contribution)	
Employed members as at 30 September 2024	**951**
Deferred members as at 30 September 2024	**2,244**
Leavers (refund/transfer option)	**29**
Total membership as at 30 September 2024	**3,224**
Employee Pension Plan (Defined Contribution)	
Employed members as at 30 September 2024	**4,230**
Deferred members as at 30 September 2024	**14,769**
Leavers (refund/transfer option)	**721**
Total membership as at 30 September 2024	**19,720**

Details of the membership movements for the Scheme during the year to 30 September 2024 can be found in Appendix II on pages 116 to 119.

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Trustee's Report

Scheme Management (continued)

Scheme Background

Retirement Plan (Defined Benefit)

Until 5 April 1997, the Plan was "contracted out" of the State Earnings Related Pension Scheme (SERPS) on a Guaranteed Minimum Pension basis. This meant that members had the benefit of having a lower rate of National Insurance contribution deducted from their pay, and the Employer also paid a lower rate of National Insurance. In return for this concession, the Plan had to promise to provide benefits at least as good as those a member would have received from SERPS – a "Guaranteed Minimum Pension" (GMP).

From 6 April 1997, the Plan contracted out of SERPS on a "Protected Rights" basis. Both the Employer and the members continued to pay reduced rate National Insurance contributions. These savings plus an age-related addition paid into the Plan by the Department of Work and Pensions, form a notional Fund, and must be used to secure benefits subject to special conditions. The Protected Rights Fund forms part of the members' Plan benefits. From 6 April 2002, the State Second Pension (S2P) replaced SERPS.

Following a review of pension provision, the Employer decided that the Retirement Plan section would be closed to new entrants after the 1 January 2002 entries (existing employees who qualified by promotion were allowed in up to 1 April 2002). This did not affect any existing members of the Retirement Plan.

Following consultation with affected employees, the Employer made the decision to close the Retirement Plan section of the Scheme and restrict future benefits accrual with effect from 31 March 2011. As a result of negotiations with the Trustee, the Employer granted a number of concessions including maintaining the link for benefits accrued up to 31 March 2011 with future salary increases (up to a maximum of 5% per annum). It was also agreed that the Employer would make additional payments to affected employees of £10,000 (reduced pro rata for part time employees) over a five-year period from April 2011 to March 2016.

Following further consultation with affected employees, the Employer made the decision to break the link between benefits in the Retirement Plan section of the Scheme and a member's future salary progression with effect from 31 October 2021. In addition, the ability to use part of a member's AVCs or DC funds to fund the pension commencement lump sum in relation to the pension accrued under the Retirement Plan section of the Scheme was also removed. In compensation for both of these changes, members received top up payments which in most instances was paid into their DC pots.

All members in active employment as at 1 April 2011 were automatically enrolled in the Pension Savings Plan 2001.

Pension Savings Plan 2001 (Defined Contribution)

The Pension Savings Plan was set up in April 1997. Members are not contracted-out of the State scheme. It was redesigned to comply with Stakeholder legislation with effect from 1 July 2001 and re-named the Pension Savings Plan 2001. It was further amended with effect from 1 January 2007 to comply with age discrimination legislation.

From 1 January 2013, the Pension Savings Plan was closed to new entrants other than for discretionary entrants permitted by the Employer. Contributions are a flat rate of 5% of employee pensionable earnings and 5% by the Employer, with higher employer contributions for senior members.

Employee Pension Plan (Defined Contribution)

The Employee Pension Plan was set up from 1 March 2013 specifically in response to the Government's automatic enrolment pension legislation. Contributions are a flat rate of 4% of pensionable earnings by the employee and 4% by the Employer.

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Scheme Management (continued)

Pensioners - Retirement Plan (Defined Benefit)

The Rules of the Plan include a provision for pensions in payment to be increased on 1 April each year. The increase is 5% (or, if lower, the increase in the Retail Price Index (RPI) over the year to the preceding December) subject to a floor of 0% on that part of the pension which exceeds the GMP (Guaranteed Minimum Pension) in payment. This provision meets the requirements for pension increases under the terms of the Pension Schemes Act 1995.

The percentage increase awarded on 1 April 2024 was 5% (2023: 5%) which was in line with the change in the RPI to December of the previous year capped at 5%.

In addition, a proportion of the GMP payable after GMP Age (or immediately for some widows/widowers) is to be increased in line with the change in the Consumer Price Index (CPI) to September of the previous year capped at 3%. CPI to September 2023 was 6.7% (2023: 10.1%). How this is done depends on when the member built up GMP entitlements:

- for GMPs earned up to 5 April 1988, no increase is made by the Plan;
- for GMPs earned after 5 April 1988, an increase is made in line with the annual increase in the CPI, subject to an annual limit of 3% and a minimum of 0%.

No discretionary increases were awarded during the year.

Pensioners - Employee Pension Plan and Pensions Savings Plan 2001 (Defined Contribution)

At retirement the member may choose what benefits to buy with their Pension Account (and AVC Account). Normally an annuity is chosen that provides an income for life either at a flat rate or one that will increase in line with price inflation, to a maximum of 5% in any year. Following changes to pension legislation, members now have greater freedom to choose what to do with their pension savings at retirement from taking it all as cash, buying an annuity or leaving it invested and drawing an income from their investment during retirement, known as Income Drawdown. If members want to benefit from Income Drawdown they have to transfer out of the Scheme as the Scheme does not offer Income Drawdown.

Deferred Pensioners - Retirement Plan (Defined Benefit)

Deferred pensions are increased on 1 April each year.

In deferment, the amount by which a deferred pension exceeds the GMP, and the whole deferred pension built up from 6 April 1997, is increased in line with Statutory Revaluation which is the increase in the Consumer Prices Index over the period to retirement where CPI is measured over the year to the preceding September subject to a cumulative cap. Statutory revaluation is subject to a cumulative cap of 5% p.a. for pensions accrued before 6 April 2009 and 2.5% p.a. for pensions accrued on or after this date. However, for post-2009 pension, under the rules of the Scheme the cumulative cap is 5% p.a. rather than 2.5% p.a. The increase on the GMP portion is at the prescribed percentage for each complete tax year between ceasing to be in pensionable service and reaching State Pension Age.

The prescribed percentage is specified in statutory regulations:

- for leavers after 5 April 1988 but before 6 April 1993, it is 7.5% per annum;
- for leavers after 5 April 1993 but before 6 April 1997, it is 7.0% per annum;
- for leavers after 5 April 1997 but before 6 April 2002, it is 6.25% per annum;
- for leavers after 5 April 2002 but before 6 April 2007 it is 4.5% per annum;
- for leavers after 5 April 2007 it is 4.0% per annum.

Once in payment, the pension is increased in the same way as for any other pensioner. No discretionary increases were awarded during the year.

Deferred Pensioners - Employee Pension Plan and Pension Savings Plan 2001 (Defined Contribution)

The amount standing to the account of a deferred pensioner will continue to reflect investment returns (net of any charges).

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Scheme Management (continued)

Transfers Out of the Scheme

Members who have retained a deferred pension within the Scheme may apply to the Trustee for a transfer of their pension rights to be paid to another approved pension arrangement.

Transfers Out - Retirement Plan (Defined Benefit)

The transfer value is calculated and paid in accordance with recommendations of the Actuary using methods consistent with the Pension Schemes Act 1993. No allowance for discretionary benefits are included in the transfer value.

Transfers Out - Employee Pension Plan and the Pension Savings Plan 2001 (Defined Contribution)

The transfer value is the value standing to their Pension Account (and AVC Account) at the time such a transfer is made.

Employer-Related Investments

Employer-related investments in respect of invested assets are disclosed in the Investment Matters report on page 12.

GMP Equalisation

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension scheme. The judgment concluded that schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension (GMP) benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustee is aware that the issue will have an effect on the Scheme and is working with its advisers on steps required to adjust benefits to allow this. This project is still ongoing and expected to take a number of years to complete. Under the ruling, schemes are required to backdate benefit adjustments for a number of years, depending on the scheme rules, in relation to GMP equalisation and provide interest on the backdated amounts. The High Court has since determined that trustees owed a duty to a transferring member to make a transfer payment which reflected the member's right to equalised benefits. Where the initial transfer payment was inadequate on this basis the Trustee is under an obligation to make a top-up payment to the receiving scheme on behalf of the transferred member. Based on an initial assessment of the likely backdated amounts and related interest, the Trustee does not expect these to be material to the financial statements and therefore has not included a liability in respect of these matters in these financial statements. They will be accounted for in the year they are determined.

The General Code

The Pensions Regulator (tPR) released a consultation document on 17 March 2021 on the new Single Code of Practice (including a full draft of the Code). The new Code aims to bring together 10 of the 15 existing Codes of Practice, plus various pieces of existing guidance and new material required as a result of the 2018 Occupational Pension Schemes (Governance) regulations. The consultation closed in May 2021 and tPR have carried out a full review of the responses.

TPR's consolidated single code of practice is called ***the General Code*** which was published on 10 January 2024 and came into force from 28 March 2024.

The Trustee has started a review of the Code and will assess whether current governance practices meet TPR's expectations.

Virgin Media Ltd v NTL Pension Trustees II Section 37 Legal Ruling

The Scheme was contracted out on a money purchase basis from 6 April 1997 and, as a result, the court case is not relevant for the Scheme.

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Trustee's Report

Investment Matters

1. Introduction and Governance

Summary of Scheme Investment structure for DB, DC, AVC and Transfers In section

The Scheme is divided into four sections: the Defined Benefit Section, Defined Contribution Section, Additional Voluntary Contribution Section and Transfers In.

The overall investment policy of the Scheme is determined by the Trustee having taken advice from their advisers, Mercer Limited. The Trustee is responsible for determining the investment strategy and manager appointments after taking appropriate advice. The Trustee has delegated the day-to-day management of investment to professional investment managers. These managers undertake, within restrictions in the contractual documentation, the day-to-day management of the un-insured asset portfolio, including full discretion for stock selection.

The Trustee has produced a Statement of Investment Principles ("SIP") in accordance with Section 35 of the Pensions Act 1995, the Occupational Pension Schemes (Investment) Regulations 2005 and subsequent legislation. The SIP is available online for public viewing and can be found here - www.williamhillpensions.co.uk/library.

2. Employer-Related Investments

The Trustee is satisfied that the proportion of the Scheme's assets in employer-related investments does not exceed 5% of the market value of the Scheme's assets as at 30 September 2024.

3. Market Background

Investment Markets[1]

The fourth quarter of 2023 started with low expectations due to high long-term interest rates and renewed geopolitical tensions in the Middle East. Markets reached their lows near the end of October due to risk-off sentiment. However, in November, slowing inflation in the US and other regions raised hopes that interest rates may have peaked, boosting investor confidence. Over the quarter, the US Federal Reserve kept rates unchanged and shifted towards a dovish tone. Inflation expectations also continued to decline.

The first quarter of 2024 saw a repricing of interest rate expectations, especially for developed market (DM) central banks. The timing of potential rate cuts by the US Federal Reserve (Fed), European Central Bank (ECB), and Bank of England (BoE) was pushed back to the second half of 2024 as growth and inflation data surprised to the upside. Despite rising bond yields, equity markets continued to rally driven by AI enthusiasm and strong corporate earnings. Japanese equities outperformed their peers due to solid earnings growth and a weaker yen. Emerging market equities were held back by weakness in China, although Chinese equities did rally in the second half of the quarter.

[1] Statistics sourced from Refinitiv unless otherwise specified.

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Investment Matters (continued)

3. Market Background (continued)

The second quarter of 2024 saw inflation largely soften towards central banks' targets for most developed market (DM) economies. This set the stage for a shift towards monetary policy easing. The ECB cut interest rates in June. Cooling inflation and a gradual loosening of the labour markets in the US prompted markets to price in two cuts by the Fed by the end of 2024. The timing of potential rate cuts by the BoE was pushed to August despite waning price pressures, as service inflation remains elevated. Despite this, bond yields rose over the quarter as inflation data initially surprised higher, especially in the US. Equity markets, except for Japanese equities, continued to rally, with emerging market equities outperforming developed markets. Political volatility remained high with a snap election called in the UK & France, while the first TV debate of the US election campaign took place in June.

In the third quarter of 2024, DM central banks including the Fed cut interest rates. DM central banks were prompted to loosen monetary policy amidst the macroeconomic backdrop of cooling inflation, labour markets and slowing wage growth. Notably, the Bank of Japan (BoJ) diverged from other DM central banks and hiked rates by 0.15% in July given the impact of robust wage negotiations on inflation. Market sentiment over the quarter tilted back towards a soft-landing as fears of a US recession—which gripped markets in early August—quickly subsided. Overall, bond yields declined across DM economies, while equities outperformed in response to rate cuts. That said, uncertainty around the US election and tensions in the Middle East sparked temporary volatility in financial markets.

Equity Markets

At a global level, developed markets as measured by the FTSE World index returned 20.6%. Meanwhile, a return of 17.0% was recorded by the FTSE All World Emerging Markets index.

At a regional level, European markets returned 15.3% as indicated by the FTSE World Europe ex UK index. At a country level, UK stocks as measured by the FTSE All Share index returned 13.4%. The FTSE USA index returned 24.0% while the FTSE Japan index returned 10.7%. Equity market total return figures are in Sterling terms over the 12-month period to 30 September 2024.

Bonds

UK Government Bonds as measured by the FTSE Gilts All Stocks Index registered positive returns of 7.9%, while long-dated issues as measured by the corresponding Over 15 Year Index had a return of 10.1% over the year to 30 September 2024. The yield for the FTSE Gilts All Stocks index fell over the year from 4.7% to 4.3%, while the Over 15 Year index yield fell from 4.8% to 4.5%.The FTSE All Stocks Index-Linked Gilts index returned 6.0%, with the corresponding over 15-year index exhibiting a return of -7.1%.

Corporate debt as measured by the ICE Bank of America Merrill Lynch Sterling Non-Gilts index returned 9.7%.Bond market total return figures are in Sterling terms over the 12-month period to 30 September 2024.

Property[2]

Over 12-month period to 30 September 2024, the MSCI UK All Property Index returned 2.9% in Sterling terms. Within three main sectors of the UK Property market, retail and the industrial sector recorded positive returns of 4.7% and 5.9% respectively, while office sectors recorded negative returns of -5.3% over the period.

[2] Statistics sourced from MSCI Investment Property Database.

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3. Market Background (continued)

Commodities

The price of Brent Crude Oil fell to -24.6% from $95.41 per barrel to $71.95 over the one-year period. Over the same period, the price of Gold rose 41.9% from $1856.75 per troy ounce to $2633.96

The S&P GSCI Commodity Spot Index returned -20.5% over the one-year period to 30 September 2024 in Sterling terms.

Currencies

Over the 12-month period to 30 September 2024, Sterling appreciated 9.9% against the US Dollar from $1.22 to $1.34. Sterling appreciated by 5.3% against the Yen from ¥182.14 to ¥191.87. Sterling appreciated 4.3% against the Euro, from €1.15 to €1.20 over the year.

4. Defined Benefit Section ("DB Section")

Investment Policies and Objectives

The Trustee's investment policy is guided by the following objective: The purpose of the Scheme is to enable benefits to be paid as and when they fall due, and to do this the Trustee takes steps where appropriate to ensure that:

- dependency on the covenant of the Employer will be significantly reduced;
- other material risks (e.g. longevity) will be reduced.

To this end, the DB section assets were used to fund the purchase of bulk annuity contracts ("buy-ins") with JUST Group Plc ("JUST") and Rothesay Life Plc ("Rothesay"). The Trustee entered into the buy-in with JUST in May 2018 to secure 75% of the Scheme's pensioner liabilities as at November 2017. The Trustee entered into the buy-in with Rothesay in June 2021 to secure the remaining uninsured liabilities. Under the buy-in contracts the insurers are obligated to make payments to the Trustee in order to meet the Scheme's liabilities to those beneficiaries insured under the policies.

The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended). The Trustee selected JUST and Rothesay as the Scheme's annuity providers having obtained and considered the written advice of KPMG and Mercer respectively whom the Trustee considered to be suitably qualified to provide such advice at the time of entering into the contacts.

When designing the investment arrangements, the Trustee considers the requirements of legislation, the funding objectives for the Scheme and their views on the covenant of the Sponsor.

The objective set out above and the risks and other factors referenced in the SIP are those that the Trustee determines to be financially material considerations in relation to the DB section of the Scheme.

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Investment Matters (continued)

4. Defined Benefit Section ("DB Section") (continued)

Investment Strategy and Implementation

The Trustee has adopted the following investment strategy for the DB section assets and has been effective since 28 June 2021:

Portfolio	Benchmark Weight	Description
Bulk Annuities	100.0%	Buy-in contracts under which the insurers are obligated to make payments to the Trustee to meet the Scheme's liabilities.

The Trustee holds buy-in contracts with JUST and Rothesay which were purchased in May 2018 and June 2021 respectively. Together the contracts cover all liabilities in the DB section. The longevity and investment risk associated with the liabilities has therefore been transferred to the insurers.

In addition to the above, there is a residual cash balance held in the Trustee Bank Account in order to meet expenses and other liquidity needs.

Asset Allocation

The assets of the DB Section are held in buy-in contracts written by JUST and Rothesay.

Capita has been appointed by the Trustees as administrator of trustee bank account of the Plan and is responsible for the safekeeping of these holdings.

5. Defined Contribution Section ("DC Section")

Investment Policies and Objectives

The main priority of the Trustee when considering the investment policy for the DC Section is to make available investment funds, which serve to meet the varying investment needs and risk tolerances of the members.

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 options and lifestyle strategies sufficient to enable members to tailor their investment strategy to their own needs.

The Trustee also recognises that members may not believe themselves qualified to take investment decisions. As such the Trustee makes available two Default Investment Strategies – one for Pension Savings Plan 2001 ("PSP") members and one for Employee Pension Plan ("EPP") members. The Default Investment Strategies place the emphasis on aiming to deliver a good level of real return over members' working lifetimes (whilst mitigating risk through diversification) and also encompasses de-risking, in the years approaching a member's selected target retirement age, into asset classes designed to be appropriate for how a member expects to withdraw their benefits in retirement.

These are set out in more detail in section 2.5 of the SIP.

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Investment Matters (continued)

5. Defined Contribution Section ("DC Section") (continued)

Financially and Non-Financially Material Matters in the Selection, Retention and Realisation of Investments, the Exercising of Rights Attached to Investments and Engagement Activities

In establishing the investment arrangements i.e. the selection, retention and realisation of investments, the Trustee considers what they believe to be financially material matters.

Non-financially material considerations (for example, member views on ethical considerations), are not currently taken into account in the selection, retention and realisation of investments.

The Pension Regulator's General Code

The Pensions Regulator monitors the extent to which trustees adhere to the General Code. The Trustee continues to assess themselves against the General Code to ensure they meet the Regulator's expectations.

As part of the ongoing monitoring and governance activities, the Trustee has also prepared a SIP in respect of the Scheme's investment strategies.

Investment Manager Appointment, Engagement and Monitoring

Aligning manager appointments with investment strategy

Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class or classes they are selected to manage.

The Trustee looks to its investment consultant for their forward-looking assessment of a manager's ability to outperform over a full market cycle. This view will be based on the consultant's assessment of the manager's idea generation, portfolio construction, implementation and business management, in relation to the particular investment fund that the Scheme invests in. The consultant's manager research ratings assist with due diligence and questioning managers during presentations to the Trustee and are used in decisions around selection, retention and realisation of manager appointments.

If the investment objective for a particular manager's fund changes, the Trustee will review the fund appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives.

When selecting and appointing investment managers, the Trustee will take into account how ESG factors, including climate change and stewardship, are integrated within the managers' investment processes. This will be balanced against other manager selection criteria such as (but not limited to) idea generation, portfolio construction, implementation, business management and fees and charges.

As the Scheme invests in pooled investment vehicles, the Trustee accepts that it has no direct ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy.

The Trustee believes the annual fee paid to the investment manager incentivises them to follow the fund's objective, which is aligned to the Trustee's policies.

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Investment Matters (continued)

5. Defined Contribution Section ("DC Section") (continued)

Monitoring manager appointments

The Trustee receives investment manager performance reports on a quarterly basis, which present performance information over a variety of periods. The Trustee reviews the absolute performance, relative performance against a suitable index used as the benchmark, and/or against the manager's stated target performance (over the relevant time period).

The Trustee will also consider the investment consultant's assessment of how each manager embeds ESG into its investment process and how the manager's responsible investment philosophy aligns with the Trustee's views. This includes the investment manager's policy on voting and engagement. The Trustee meets with each investment manager on a regular basis and challenges their decisions in these areas.

The Trustee's focus is on long term performance but, as noted above, it may review a manager's appointment if:

- There are sustained periods of underperformance;
- There is a change in the portfolio manager or portfolio management team;
- There is a change in the underlying objectives of the investment manager;
- There is a significant change to the investment consultant's rating of the manager.

The Trustee believes that ESG and stewardship policies can improve fund performance over the longer term. The investment managers are remunerated by way of a fee calculated as a percentage of assets under management. The Trustee believes that the remuneration policy of the investment manager is aligned to the Trustee's policy. The investment manager's remuneration is considered as part of the manager selection process and is also monitored regularly by the Trustee with the help of its investment consultant to ensure it is in line with the Trustee's policies.

The Trustee considers that the method of remunerating the investment manager is consistent with incentivising them to make decisions based on assessments of medium to long-term financial and non-financial performance of an issuer of debt or equity securities held within their fund. By encouraging a long-term view, they will in turn encourage the investment manager to engage with the issuers of debt or equity in order to improve their performance in the medium to long term.

If a manager is not meeting performance objectives, or investment objectives for mandates have changed, the Trustee may ask managers to review the Annual Management Charge.

The Trustee undertakes an annual review of the DC investment options, including Legal & General Investment Management ("LGIM") and Standard Life as investment managers, and the default investment strategies to assess their performance and ensure they continue to meet the Trustee's objectives. As part of the annual Value for Members ("VfM") assessment, the Trustee also reviews the investment manager fees.

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Investment Matters (continued)

5. Defined Contribution Section ("DC Section") (continued)

Portfolio turnover costs

The Trustee does not analyse portfolio turnover costs in detail. However, in future the Trustee may ask managers to report on portfolio turnover costs. The Trustee may assess this by comparing portfolio turnover across the same asset class, on a year-on-year basis for the same manager fund, or relative to the manager's specific portfolio turnover range in the investment guidelines or prospectus.

The Trustee considers portfolio turnover costs indirectly through consideration of transaction cost data as part of the annual VfM assessment. Though the Trustee does not currently define target portfolio turnover ranges for funds, they will engage with managers if the portfolio turnover is higher than expected as a result of the monitoring undertaken.

Manager turnover

The Trustee is a long term investor and is not looking to change the investment arrangements on a frequent basis. The Scheme is invested in open-ended funds, for which there is no set duration for the manager appointments. The Trustee will therefore retain an investment manager unless:

- There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager;
- The manager appointed has been reviewed and the Trustee has decided to terminate the mandate.

Within the Defined Contribution section, all the funds are open-ended with no set end date for the arrangement. The self-select fund range and default investment strategies are reviewed on at least a triennial basis. A manager's appointment may be terminated if it is no longer considered to be optimal.

Employee Pension Plan ("EPP") and Pensions Savings Plan 2001 ("PSP")

Typically, a proportion of DC section members will actively choose the default investment strategy because they feel it is most appropriate for them. However, the vast majority of Scheme members do not make an active investment decision and are invested in the default investment strategy appropriate to the specific section in which they are invested.

Based on member analysis and the Trustee's understanding of the Scheme's membership, the Trustee believes a default investment strategy that targets drawdown at retirement is appropriate for PSP members. Separately, the Trustee believes a default investment strategy that targets lump sum cash withdrawal at retirement is appropriate for EPP members. The Trustee will review the appropriateness of the Drawdown Lifestyle Strategy and the Cash Lifestyle Strategy as the default investment strategies for PSP and EPP members, respectively, on a periodic basis.

Some DB members have chosen to contribute into AVCs which are also managed under the DC Section of the Scheme. Members made their own investment decisions on these AVCs assets. Whilst the Trustee monitors the suitability and the performance of these assets regularly, members are responsible for the selection of the investment options from the range available.

The current investment options include three lifestyle options (targeting cash, annuity and drawdown at retirement respectively) and a range of self-select funds, as set out in member communications.

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5. Defined Contribution Section ("DC Section") (continued)

Employee Pension Plan ("EPP") and Pensions Savings Plan 2001 ("PSP") (continued)

The assets of the DC Section are held in a series of insurance policies with Legal & General Assurance (Pensions Management) Limited ("Legal & General"). Some members also have AVC assets in funds managed by Legal & General, Standard Life and Utmost Life and Pensions. There are four pools of DC assets: PSP, EPP, Transfers In and AVCs. These are described in further detail below.

The two main pools of the DC Section are the EPP and the PSP sections. The PSP section was originally set up in April 1997 but with effect from 1 July 2001, the terms of the PSP section were amended to comply with Stakeholder regulations. With effect from 31 March 2013 the EPP section was made available for auto enrolment.

The two other pools of invested assets are Transfers In where members have transferred funds from other pension provider arrangements and Additional Voluntary Contributions paid by members.

LGIM

Review of investment performance

The following table shows the performance of the LGIM funds to 30 September 2024:

Manager/Fund	Last Year		Last 3 years		Last 5 years	
	Fund (%)	B'mark (%)	Fund (% p.a.)	B'mark (% p.a.)	Fund (% p.a.)	B'mark (% p.a.)
LGIM Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	22.7	23.1	8.3	8.5	10.0	10.2
LGIM Diversified Fund	12.9	25.4	2.3	9.6	3.8	12.2
LGIM UK Equity (5% capped) Passive Fund	14.2	14.4	7.3	7.7	6.0	6.3
LGIM Overseas Equity Consensus Index Fund	19.8	20.5	8.3	8.7	10.7	10.9
LGIM World Emerging Markets Equity Index Fund	15.3	16.7	1.9	2.6	4.5	5.1
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	8.6	8.6	-3.2	-3.0	-1.7	-1.5
LGIM Future World Inflation Linked Annuity Aware Fund**	8.9	6.2	-11.0	-9.6	-6.6	-5.7
LGIM Future World Annuity Aware Fund	10.7	10.5	-8.1	-9.7	-4.9	-5.8
LGIM Managed Property Fund	2.3	1.7	-0.4	-0.4	1.3	1.7
LGIM Sterling Liquidity Fund	5.4	5.3	3.3	3.3	2.1	2.0

Source: LGIM, Mercer estimates and Refinitiv. Performance is shown net of fees.

*** Benchmark is a composite of index-linked gilts, we have therefore shown gross of fees performance of a comparator.*

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5. Defined Contribution Section ("DC Section") (continued)

Valuation of investments - PSP 2001 and EPP

The distribution of the Plan's assets at the beginning and at the end of the year is set out below:

Manager/Fund	Actual Asset Allocation			
	Start of Year (£m)	End of Year (£m)	Start of Year (%)	End of Year (%)
LGIM Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	101.8	121.0	42.4	43.3
LGIM Diversified Fund	101.6	123.7	42.3	44.2
LGIM UK Equity (5% capped) Passive Fund	9.5	9.5	4.0	3.4
LGIM Overseas Equity Consensus Index Fund(a)	7.5	8.5	3.1	3.0
LGIM World Emerging Markets Equity Index Fund	1.6	1.6	0.7	0.6
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	0.1	0.1	0.0	0.0
LGIM Future World Inflation Linked Annuity Aware Fund	0.7	0.7	0.3	0.2
LGIM Future World Annuity Aware Fund	12.6	9.6	5.3	3.4
LGIM Managed Property Fund	0.9	0.9	0.4	0.3
LGIM Sterling Liquidity Fund	3.8	4.0	1.6	1.4
Total	**240.2**	**279.7**	**100.0**	**100.0**

Source: LGIM and Mercer. Figures may not sum to total due to rounding.

Valuation of investments – Retirement Plan AVCs

The distribution of the AVC assets at the beginning and at the end of the Plan year is set out below:

Manager/ Fund	Actual Asset Allocation			
	Start of Year (£m)	End of Year (£m)	Start of Year (%)	End of Year (%)
LGIM UK Equity (5% capped) Passive Fund	0.1	0.1	48.8	47.5
LGIM Overseas Equity Consensus Index Fund	0.1	0.1	34.0	34.9
LGIM Future World Inflation Linked Annuity Aware Fund	0.0	0.0	13.5	13.9
LGIM Future World Annuity Aware Fund	0.0	0.0	1.3	1.3
LGIM Sterling Liquidity Fund	0.0	0.0	2.4	2.4
Total	**0.3**	**0.3**	**100.0**	**100.0**

Source: LGIM and Mercer.
Figures may not sum to total due to rounding.

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5. Defined Contribution Section ("DC Section") (continued)

Valuation of investments – Transfers In

The distribution of the Transfers In assets at the beginning and at the end of the Plan year is set out below:

Manager/Fund	Actual Asset Allocation			
	Start of Year (£m)	End of Year (£m)	Start of Year (%)	End of Year (%)
LGIM UK Equity (5% capped) Passive Fund	0.3	0.2	52.8	50.0
LGIM Overseas Equity Consensus Index Fund	0.2	0.2	39.2	40.4
LGIM World Emerging Markets Equity Index Fund	0.0	0.0	3.1	4.0
LGIM Sterling Liquidity Fund	0.0	0.0	4.9	5.7
Total	**0.5**	**0.5**	**100.0**	**100.0**

Source: LGIM and Mercer.
Figures are based on mid prices and may not sum to total due to rounding.

Standard Life

Review of investment performance

The following table shows performance of the unit-linked AVC assets held with Standard Life to 30 September 2024:

Manager/Fund	Last Year		Last 3 years		Last 5 years	
	Fund (%)	B'mark (%)	Fund (% p.a.)	B'mark (% p.a.)	Fund (% p.a.)	B'mark (% p.a.)
Standard Life Managed Fund	13.9	13.0	2.6	2.6	4.0	4.2

Source: Standard Life and Mercer estimates

Valuation of investments – Standard Life

The distribution of Standard Life assets (both unit-linked and with profits), at the beginning and at the end of the Plan year, is set out below:

Manager/Fund	Actual Asset Allocation			
	Start of Year (£'000)	End of Year (£'000)	Start of Year (%)	End of Year (%)
Standard Life Managed Fund	53.4	61.1	34.7	42.3
Pension Millennium (with profits) Fund	34.7	31.8	22.6	22.0
Pension (with profits) Fund	65.6	51.5	42.7	35.7
Total	**153.7**	**144.4**	**100.0**	**100.0**

Source: Standard Life and Mercer. Figures may not sum to total due to rounding.

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5. Defined Contribution Section ("DC Section") (continued)

Utmost Life and Pensions

Review of investment performance

The following table shows performance of AVC assets held with Utmost Life and Pensions to 30 September 2024:

Manager/Fund	Last Year		Last 3 years		Last 5 years	
	Fund (%)	B'mark (%)	Fund (% p.a.)	B'mark (% p.a.)	Fund (% p.a.)	B'mark (% p.a.)
Utmost Money Market	5.0	4.5	2.9	2.7	1.7	1.7

Source: Utmost Life and Pensions.

Valuation of investments – Utmost Life and Pensions

The distribution of Utmost Life and Pensions assets at the beginning and at the end of the Plan year is set out below:

Manager/Fund	Actual Asset Allocation			
	Start of Year (£'000)	End of Year (£'000)	Start of Year (%)	End of Year (%)
Utmost Money Market	2.7	2.9	100.0	100.0
Total	**2.7**	**2.9**	**100.0**	**100.0**

Source: Utmost Life and Pensions.

Liquidity

The Trustee regards all the investments of the DC Section as readily marketable, further noting that all funds offered in the DC Section are pooled investment vehicles which are traded daily.

Custodial Arrangements

The custodian is responsible for the safekeeping, monitoring and reconciliation of documentation relating to the ownership of listed investments. Investments are held in the name of the custodian's nominee company, in line with common practice for pension scheme investments.

For the Scheme's DC Section investments, the Trustee has no direct ownership of the underlying pooled funds or the underlying assets of the pooled funds. The safekeeping of the assets within the pooled funds is performed by custodian banks specifically appointed to undertake this function and whose appointment is reviewed at regular intervals by the manager. The current custodians are shown in the table below.

Manager	Custodian
LGIM	Citibank N.A.
LGIM (Liquidity Fund)	Northern Trust

Source: LGIM.
No direct custody arrangements in place, the custodians shown are appointed by the investments managers.

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Trustee's Report

Annual Implementation Statement

Covering 1 October 2023 to 30 September 2024 (The "Scheme Year")
William Hill Pension Scheme (the "Scheme"): Defined Benefit Section

Introduction

In accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustee of the William Hill Pension Scheme ('the Scheme') is required to produce an annual statement to set out:

- How and the extent to which, in the opinion of the Trustee of the Scheme, the Statement of Investment Principles ("SIP") produced by the Trustee has been followed during the Scheme Year;
- Details of any review of the SIP during the Scheme Year;
- Subsequent changes made with the reasons for the change; and
- The date of the last review of the SIP.

The Implementation Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, trustees (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during that year. As the Defined Benefit liabilities are fully insured no votes were cast by, or on behalf of, the trustees and it follows that the services of a proxy voter were not used.

This Implementation Statement covers the Scheme's defined benefit ("DB") section. A separate statement covers the Scheme's defined contribution section. The statement flows directly from and should be read in conjunction with the SIP for the DB section of the Scheme (in place at the Scheme Year end and dated June 2024) which is available here - www.williamhillpensions.co.uk/library. The table later in this Statement sets out how, and the extent to which, the policies in the DC Section of the SIP have been followed.

Investment Objectives of the Scheme

The purpose of the DB Section is to enable benefits to be paid as and when they fall due, and to do this the Trustee takes steps where appropriate to ensure that:

- dependency on the covenant of the Employer will be significantly reduced;
- other material risks (e.g. longevity) will be reduced.

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Annual Implementation Statement (DB) (continued)

Review of the SIP

The SIP was updated in June 2024 to reflect the current default investment strategies for the defined contribution section as well as the Trustee's policy on illiquid assets in the default investment strategies. There were no changes in respect of the DB Section.

Assessment of how the policies in the SIP have been followed for the Scheme Year

The information provided in this section highlights the work undertaken by the Trustee during the Scheme Year, and longer term where relevant, and sets out how this work followed the Trustee's policies in the SIP (insofar as the SIP relates to the DB section of the Scheme). The Trustee considers that it has generally adhered to all of its policies as set out in the SIP over the course of the Scheme Year.

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Trustee's Report

Annual Implementation Statement (DB) (continued)

	Matter	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
1	Securing compliance with the legal requirement to obtain and consider proper advice on the question of whether an investment is satisfactory.	*The Trustee has consulted a suitably qualified person in obtaining appropriate written advice from its investment adviser, Mercer.* *Mercer has provided advice to the Trustee in relation to the appropriateness of the asset allocation, manager structure and investment products.* SIP Introduction	Mercer provided the Trustee with formal Section 36 advice before the Trustee entered into the buy-in contract with Rothesay Life in June 2021.
2	The kinds of investments to be held.	*The Trustee has adopted investment arrangements to enable benefits to be paid as and when they fall due. The Trustee takes steps to ensure where appropriate that dependency on the Employer covenant will be reduced, and other material risks (e.g. longevity) will be reduced.* SIP section 1.1	Following the buy-in transaction with Rothesay Life in June 2021 the Scheme's investments consist of two buy-in contracts, which together insure all liabilities in the DB section. The longevity and investment risk associated with the liabilities has therefore been transferred to the insurers.
3	The balance between different kinds of investments.	*The Trustee holds buy-in contracts with JUST and Rothesay Life which were purchased in May 2018 and June 2021 respectively.* SIP section 1.2	In June 2021, the Scheme entered into a buy-in contract with Rothesay Life. Together with the JUST buy-in, the contracts cover all DB liabilities in the DB section. The Scheme holds residual cash in the Trustee Bank Account.

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Trustee's Report

Annual Implementation Statement (DB) (continued)

	Matter	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
4	Risks, including the ways in which risks are to be measured and managed.	*The Trustee is aware of, and pays close attention to, a range of risks inherent in investing the assets of the Scheme.* SIP section 1.3	Upon purchase of the buy-in contract with Rothesay Life, the interest rate and inflation risks associated with the remaining uninsured liabilities were transferred to Rothesay Life. The Trustee does not expect to be able to obtain cash from the buy-in contracts, other than to meet promised benefits as agreed with the insurer. Therefore, the Plan is exposed to illiquidity risk and has set aside cash, held in the Trustee Bank Account, in order to meet expenses and other potential liquidity needs. The Scheme is exposed to the risk of the insurers defaulting on their obligations under the buy-in contracts. To mitigate this risk, before entering into the buy-in contracts the Trustee took appropriate advice and paid close attention to the financial strength, security and operational soundness of the chosen insurers at the point of purchase. The insurers are regulated by the PRA and therefore this risk is further mitigated by protection from the Financial Services Compensation Scheme ("FSCS").
5	Expected return on investments.	*n/a*	
6	Realisation of investments.	*The Trustee does not expect to be able to obtain cash from the buy-in policy other than to meet promised benefits as agreed with the provider. The Trustee has considered this and has set aside cash, held in the Trustee Bank Account, in order to meet expenses and other potential liquidity needs.* SIP section 1.3	The Trustee does not expect to be able to realise the buy-in policies. The Trustee set aside cash, held in the Trustee Bank Account, in order to meet expenses and other potential liquidity needs.
7	Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments.	*The SIP sets out the risks the Trustee believes may be financially material over the future lifetime of the DB section (i.e. before completing buy-out and wind-up).* SIP section 1.3	In selecting the buy-in providers the Trustee paid close attention to the financial strength, security and operational soundness of the chosen insurers at the point of purchase in order to mitigate the risk of the insurer defaulting on their obligations under the buy-in contracts.

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Trustee's Report

Annual Implementation Statement (DB) (continued)

	Matter	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
8	The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments.	*The Trustee does not take account of non-financially material considerations.*	Not applicable.
9	The exercise of the rights (including voting rights) attaching to the investments.	*The Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.* SIP section 6	Given the nature of the Scheme's investments in buy-in contracts and cash, no votes were cast by, or on behalf of, the Trustee. It follows that the Trustee did not use the direct services of a proxy voter.
10	Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters).	*The Trustee considers how ESG, climate change and stewardship are integrated within investment processes in appointing new investment managers and monitoring existing investment managers. This includes the investment managers' policy on voting and engagement.* SIP section 6	Not applicable for the DB Section.
11	How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the Trustee's policies required under sub-paragraph (b) of Regulation 2(3) of the Occupational Pension Schemes (Investment) Regulations 2005 [concerning the matters described in rows 2-8 of this Statement]	*Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class or classes they are selected to manage.* SIP section 7.1	Not applicable for the DB Section.

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Trustee's Report

Annual Implementation Statement (DB) (continued)

	Matter	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
12	How the arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.	*The Trustee's focus is on long term performance but, as noted above, may review a manager's appointment if:* • *There are sustained periods of underperformance;* • *There is a change in the portfolio manager or portfolio management team;* • *There is a change in the underlying objectives of the investment manager;* • *There is a significant change to the investment consultant's rating of the manager.* *SIP section 7.2*	Not applicable for the DB Section.
13	How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the Trustee's policies required under sub-paragraph (b) of Regulation 2(3) of the Occupational Pension Schemes (Investment) Regulations 2005 [concerning the matters described in rows 2-8 of this Statement].	*The Trustee is a long-term investor and is not looking to change the investment arrangements on a frequent basis.* *SIP section 7.4* *The Trustee receives investment manager performance reports on a quarterly basis, which present performance over a variety of periods.* *SIP section 7.2*	Not applicable for the DB Section.

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Trustee's Report

Annual Implementation Statement (DB) (continued)

	Matter	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
14	How the Trustee monitors portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.	*The Trustee does not analyse portfolio turnover costs in detail.* SIP section 7.3	Not applicable for the DB Section.
15	The duration of the arrangement with the asset manager.	*The Scheme is invested in open-ended funds, for which there is no set duration for the manager appointments.* SIP section 7.4	Not applicable for the DB Section.

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Trustee's Report (continued)

Annual Implementation Statement

Covering 1 October 2023 to 30 September 2024 (The "Scheme Year")
William Hill Pension Scheme (the "Scheme"): Defined Contribution Section

In accordance with the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustee of the William Hill Pension Scheme('the Scheme') is required to produce an annual statement to set out:

- How, and the extent to which, in the opinion of the Trustee, the Statement of Investment Principles ('SIP') produced by the Trustee has been followed during the Scheme Year.
- Details of any review of the SIP during the Scheme Year.
- Subsequent changes made with the reasons for the change.
- The date of the last review of the SIP.

The Implementation Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, trustees (including the most significant votes cast by trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is set out in the following disclosures.

This Implementation Statement covers the Scheme's defined contribution ('DC') Section. A separate statement covers the Scheme's defined benefit ('DB') Section. The statement flows directly from and should be read in conjunction with the SIP for the DC Section of the Scheme (in place at the Scheme Year end and dated June 2024) which is available here - www.williamhillpensions.co.uk/library. The table later in this Statement sets out how, and the extent to which, the policies in the DC Section of the SIP have been followed.

Investment Objectives of the Scheme

The Trustee believes it is important to consider the policies in place in the context of the investment objectives they have set. The objectives of the DC Section included in the SIP are as follows:

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 options and default investment strategies sufficient to enable members to tailor their investment strategy to their own needs.

The Trustee also recognises that members may not feel confident to take investment decisions, as such, the Trustee makes available default investment strategies for each of the two sections – the Pension Savings Plan ("PSP") and the Employee Pension Plan ("EPP").

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Trustee's Report

Annual Implementation Statement (DC) (continued)

Review of the SIP

The SIP was updated in June 2024 to reflect the changes made to the PSP Section as part of the Investment Strategy Review summarised below, as well as the Trustee's policy on illiquid assets in the default investment strategies.

Investment Strategy Review

As part of the last strategy review that was completed in July 2022, the target retirement benefit for lifestyle investment purposes was changed from annuity to drawdown for PSP members who were more than eight years from their target retirement date. No changes were made to the default investment strategy for EPP members, as the arrangements were deemed to remain appropriate for the membership profile.

A follow-up review was then undertaken in September 2023 and completed in March 2024 which resulted in the remaining PSP default members being switched from the Annuity Lifestyle Strategy to the Drawdown Lifestyle Strategy for both future contributions and accrued savings. 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 mid to long-dated bonds. The changes were implemented with effect from 30 April 2024. The latest investment strategy review is being conducted during the current Scheme Year and members will be notified of any resulting changes.

Assessment of how the policies in the SIP have been followed for the Scheme Year

The information provided in this section highlights the work undertaken by the Trustee during the Scheme Year, and longer term where relevant, and sets out how this work followed the Trustee's policies in the SIP, relating to the Scheme as a whole and to the default investment strategies. The Trustee considers that it has adhered to all of its policies as set out in the SIP over the course of the Scheme Year.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
1	Securing compliance with the legal requirements about choosing investments	In considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of a suitably qualified investment advisor. The advice received and the arrangements implemented are, in the Trustee's opinion consistent with the requirements of Section 36 of the Pensions act 1995 (as amended). ***SIP section 2.2***	In line with the policy, the Trustee obtains and considers advice from the investment advisor whenever new investments are chosen or reviewed. This was the case for the changes highlighted in the "Investment Strategy Review" description on the previous page.
2	Kinds of investments to be held	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 their duty as making available a range of investment options and lifestyle strategies sufficient to enable members to tailor their investment strategy to their own needs. The Trustee has made available a range of pooled investment funds (asset classes to include equities, bond and alternatives) and lifestyle strategies which serve to meet the varying investment needs and risk tolerances of Scheme members. ***SIP section 2.2***	In September 2023, the Trustee reviewed the Scheme's default investment strategy for PSP members who were left invested in the Annuity Lifestyle Strategy after 1 July 2022. The investments (fund type, management style and asset allocation) used in the Annuity Lifestyle Strategy were reviewed as part of this exercise. As noted in the "Investment Strategy Review" description on the previous page, this resulted in the remaining PSP default members being switched from the Annuity Lifestyle Strategy to the Drawdown Lifestyle Strategy. In March 2024 a Suitability Letter was provided by the investment advisor detailing these proposed changes which were made with effect from 30 April 2024. The investment strategy is reviewed on at least a triennial basis, and the latest review commenced in September 2024, after the Scheme year end. Members will be notified of any resulting changes which will also be set out in next year's statement.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
3	The balance between different kinds of investments	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. Members determine the balance between the different kinds of investments they hold. This balance will determine the expected return on member's assets and should be related to the member's own risk appetite and tolerances. Within the default investment strategies, the strategic asset allocation is set to achieve the expected return required to meet the objectives. ***SIP section 2.2***	The changes set out on page 2 of this statement (in relation to the switching of default PSP members left invested in the Annuity Lifestyle Strategy to the Drawdown Lifestyle Strategy), were consistent with the Trustee's policy relating to the balance between different kinds of investments. This policy remained unchanged during the Scheme Year. The strategic asset allocation of the default investment strategies and the self-select fund range is reviewed at least triennially. The last review resulted in changes that were effective from July 2022. The latest review of the default investment strategies and self-select fund range commenced in September 2024. Members will be notified of any resulting changes which will also be set out in next year's statement. The Trustee regards their duty as making available a range of investment options and default investment strategies sufficient to enable members to tailor their investment strategy to their own needs.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
4	Risks, including the ways in which risks are to be measured and managed	The Trustee has considered risk from a number of perspectives in the DC section. The Trustee believes that the appropriate time horizon within which to assess these considerations should be viewed at the member level. This will be dependent on the member's age and when they expect to retire. ***SIP section 2.3***	As part of the review described on page 2, the Trustee considered the risks members are exposed to at different stages of their working lives in both the Annuity and Drawdown Lifestyle Strategies. The Trustee concluded that based on the retirement decisions of the Scheme's members and recent industry trends, default members were exposed to potential benefit mismatch risk associated with investing towards an annuity purchase target, if they were not intending to buy an annuity at retirement. As such, the Trustee agreed to switch these default members to the current PSP default investment strategy. Out of market risk was considered as part of implementing this lifestyle switch. As the switch trades took place on the same day, the out of market risk was mitigated. The Trustee provides a range of investment options which enables members to reflect the level of risk they wish to take in light of their individual circumstances. The Trustee reviewed its risk register at each quarterly meeting over the Scheme Year, which reflects the risk categories set out in the Trustee's policy. The Trustee monitored fund performance, fund ratings and investment manager updates on a quarterly basis over the Scheme Year. No actions were required as a result.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
5	Expected return on investments	Members determine the balance between the different kinds of investments they hold. This balance will determine the expected return on member's assets and should be related to the member's own risk appetite and tolerances. In designing the Default Investment Strategies, the Trustee has explicitly considered the trade-off between risk and expected returns. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. The balance between different kinds of investments is decided accordingly. Any investment in derivative instruments contributes to risk reduction, or efficient portfolio management. ***SIP section 2.2 and 2.5***	The changes agreed by the Trustee to switch default PSP members from the Annuity Lifestyle Strategy to the Drawdown Lifestyle Strategy took into account the risk and return profile of both strategies. The trade-off between expected risk and return was considered as part of this and the Trustee believed that the benefits of a member being better aligned to their retirement choices outweighed the potentially higher risk exposure in the Drawdown Lifestyle Strategy. The agreed changes aim to balance members' appetite and tolerance for taking investment risk, while maximising the potential investment growth members could receive over their working lives in the Scheme. The risk and return characteristics of the default investment strategies and performance information for self-select investment fund choices is reviewed on a quarterly basis.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
6	Realisation of investments	The Trustee's administrators will realise assets following member requests on retirement or earlier where required. The funds are pooled investment funds which are daily-dealt, with assets mainly invested in regulated markets and therefore should be realisable at short notice, based on either Trustee or member demand. ***SIP section 2.2***	All funds, including those in the default investment strategies, are daily-dealt pooled investment vehicles, accessed by an insurance contract. Where pooled investment arrangements do not invest assets in regulated markets these are not expected to account for a material proportion of assets. The assets should be realisable at short notice, based on member and Trustee demand, and there were no known issues relating to the realisation of the funds arising over the Scheme Year to 30 September 2024.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
7	Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments	The SIP sets out the risks the Trustee believe may be financially material to the Scheme. The objectives set out above and the risks and other factors referenced in this Statement are those that the Trustee considers to be financially material considerations in relation to the DC section. ***SIP section 2.3*** The Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. The Trustee will periodically review the investment managers' policies and engagement activities (where applicable). ***SIP section 6***	As part of its advice on the selection and ongoing review of the investment arrangements, the Trustee's investment advisor incorporates its assessment of the quality of managers' approaches to financially material considerations (including climate change and other ESG issues), voting and engagement. A quarterly investment performance report was reviewed by the Trustee on a quarterly basis during the Scheme Year. This included ratings (both general and ESG related) from the investment advisers, and how each manager is delivering against its specific mandate. All funds were rated as the investment adviser's highest rating over the Scheme Year, and either an ESG rating of 1 or 2, denoting a strong or market leading approach across ESG topics. The Trustee acknowledges that the Scheme's fixed income managers do not have the highest ESG rating assigned by the investment consultant due to the nature of the asset class where it is potentially harder to engage with the issuers of debt but will engage with its investment managers should any concerns arise.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
8	The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments	The Trustee believes that environmental, social, and corporate governance (ESG) factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration. The Trustee has taken into account the expected time horizon of the Scheme when considering how to integrate these issues into the investment decision making process.	Over the Scheme Year, non-financial considerations were not considered in the selection, retention and realisation of investments, in line with the SIP policy.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
9	The exercise of the rights (including voting rights) attaching to the investments and undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters)	The Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. The Trustee will periodically review the investment managers' policies and engagement activities (where applicable). The Trustee considers how ESG, climate change and stewardship is integrated within investment processes in appointing new investment managers and monitoring existing investment managers. This includes the investment managers' policy on voting and engagement. Monitoring is undertaken on a regular basis and is documented at least annually. ***SIP section 6***	The Trustee does not use the direct services of a proxy voter. The appointed investment managers may retain the services of a proxy voting service for the physical exercise of voting rights and for supporting voting research. The Trustee has given its appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. Investment managers are expected to provide voting summary reporting on a regular basis, at least annually. The reports are reviewed by the Trustee to ensure they align with the Trustee's policy. Over the last 12 months, the Trustee has not actively challenged the manager on its voting activity, as the Trustee had no concerns over LGIM or Standard Life's voting activities. The Trustee has equity exposure through the following funds: • Legal & General – Global Equity Market Weights (30:70) – 75% GBP hedged • Legal & General – Overseas Equity Consensus Index • Legal & General – UK Equity (5% Capped) Passive • Legal & General – World Emerging Markets Equity Index • Legal & General – Diversified • Abrdn – Managed The Trustee has established the following stewardship priorities; **Environment**: Climate change, pollution and natural resource degradation; **Social**: Human rights, and **Governance**: Diversity, equity and inclusion (DEI). Voting activity information for the above funds, where available, is summarised in the Appendix.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
10	Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, trustees would monitor and engage with relevant persons about relevant matters)	The Trustee considers how ESG, climate change and stewardship is integrated within investment processes in appointing new investment managers and monitoring existing investment managers. This includes the investment managers' policy on voting and engagement ***SIP section 6***	Investment managers are expected to provide reporting on a regular basis (at least annually), including engagement reports which the Trustee reviews. As the Scheme invests solely in pooled funds, the Trustee requires their investment managers to engage with the investee companies on their behalf. Over the Scheme Year, the Trustee did not carry out any direct engagement activities with its investment managers or underlying investee companies. The Trustee has assessed engagements undertaken by the Scheme's investment managers over the year and is comfortable that the engagement activity was consistent with the Trustee's stewardship priorities.
11	How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the trustee's policies mentioned in sub-paragraph (b) of the legislation [2-8 of this Statement]	Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class or classes they are selected to manage. As the Scheme invests in pooled investment vehicles, the Trustee accepts that it has no direct ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy. ***SIP section 7.1***	The manager arrangements were formally assessed as part of the investment strategy review in 2021 and the latest investment strategy review commenced after the end of the Scheme year. These are also assessed on an ongoing basis when concerns are identified. The Trustee believes passive (index-tracking) investment is an effective philosophy to implement in the DC default investment strategies as this allows the Scheme's assets to largely align with the returns available from the broad market. The Trustee believes in the history, scale and expertise of LGIM and Standard Life to effectively implement the Trustee's investment strategy. The Trustee is comfortable that the contractual arrangements in place with the investment managers incentivises them as no performance fees are awarded and the investment managers are aware they can be replaced if performance is consistently below expectations.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
12	How the arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.	The Trustee's focus is on long term performance but, as noted above, may review a manager's appointment if: • There are sustained periods of underperformance; • There is a change in the portfolio manager or portfolio management team; • There is a change in the underlying objectives of the investment manager; • There is a significant change to the investment consultant's rating of the manager. *SIP section 7.2*	Over the Scheme Year, the Trustee received quarterly performance information from the Scheme's investment advisor to assess whether the investments were performing in line with expectations. This included qualitative observations on the funds' performance over the short and long term in the context of market returns over the corresponding timeframes. The Trustee appoints investment managers based on their capabilities and perceived likelihood of achieving the expected return and risk characteristics required for the asset class for which they were selected. Value is also a key consideration and, as part of the annual value for members assessment, the Trustee reviewed investment manager fees and turnover costs. No manager appointments were made, or changed, over the Scheme Year to 30 September 2024.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
13	How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the Trustee's policies mentioned in sub-paragraph (b) of the legislation [2-8 of this Statement]	The Trustee is a long term investor and is not looking to change the investment arrangements on a frequent basis. The Scheme is invested in open-ended funds, for which there is no set duration for the manager appointments. ***SIP section 7.4*** The Trustee receives investment manager performance reports on a quarterly basis, which present performance information over a variety of periods. The Trustee reviews the absolute performance, relative performance against a suitable index used as the benchmark, and/or against the managers' stated target performance (over the relevant time period). ***SIP section 7.2***	The Trustee considers longer term 3 and 5 year performance metrics as part of its review of the quarterly performance reports for each of the Scheme's pooled investment funds. This included its investment adviser's forward-looking assessment of the funds' ongoing ability to achieve their respective return objectives. The Trustee remains comfortable with the investment options it has chosen for the Scheme on this basis. The Trustee is satisfied that the investment managers are not unduly incentivised to achieve short-term performance targets at the expense of long-term performance. In particular, none of the funds have performance fees in place, which could encourage managers to make short term investment decisions to hit their short term profit targets at the expense of longer term performance.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
14	How the Trustee monitors portfolio turnover costs incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.	The Trustee does not analyse portfolio turnover costs in detail. However, in future the Trustee may ask managers to report on portfolio turnover costs. ***SIP section 7.3***	Over the year covered by this Statement, the Trustee considered the levels of transaction costs as part of their annual Chair's Statement and value for members assessment. The Trustee found that the transaction costs reported were not unreasonable, but note the challenges in assessing these costs due to the lack of industry-wide benchmarks: • No industry-wide benchmarks for transaction costs exist • The methodology leads to some curious results, most notably "negative" transaction costs, due to the calculation methodology • Transaction costs are already taken into account when investment returns are reported, so any assessment must also be mindful of the return side of the costs. Given that the Scheme invests in a range of pooled funds, many of which invest across a wide range of asset classes, the Trustee does not have an overall portfolio turnover target for the Scheme. However, the Trustee will engage with managers if the portfolio turnover is higher than expected as a result of the monitoring undertaken. Explicit elements of the overall transaction costs are already taken into account when investment returns are reported, so any assessment must also be mindful of the return side of the costs.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

	Requirement	Summary of Trustee's policy / key extracts from policy	Summary description and evaluation of work undertaken during the Scheme Year
15	The duration of the arrangement with the asset manager	The Scheme is invested in open-ended funds, for which there is no set duration for the manager appointments. The Trustee will therefore retain an investment manager unless: • There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager; • The manager appointed has been reviewed and the Trustee has decided to terminate the mandate. *SIP section 7.4*	No changes were made to the list of the Scheme's appointed asset managers over the Scheme Year to 30 September 2024.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

Appendix

Voting Activity

Voting activity information from each of the underlying investment managers (where provided) over the prior 12 months to 30 September 2024 is summarised in the table below. Where investment managers have not been included, this is due to them not being able to supply voting information at the time of finalising this Statement, e.g. Standard Life With-Profits Fund and Standard Life Millennium With-Profits Fund.

Fund	How many resolutions were you eligible to vote on?	What % of resolutions did you vote on for which you were eligible?	Of the resolutions on which you voted, what % did you vote with management?	Of the resolutions on which you voted, what % did you vote against management?	Of the resolutions on which you voted, what % did you abstain from voting?
LGIM Global Equity Market Weight (30:70) Index – 75% GBP Hedged	72,429	99.8%	80.7%	18.5%	0.7%
LGIM Overseas Equity Consensus Index	62,004	99.8%	78.5%	20.7%	0.9%
LGIM UK Equity (5% Capped) Passive	10,311	99.8%	94.1%	5.9%	0.0%
LGIM World Emerging Markets Equity Index	35,226	99.9%	79.6%	19.2%	1.2%
LGIM Diversified	106,232	99.8%	76.5%	22.9%	0.6%
Abrdn Managed	13,219	97.0%	83.1%	15.7%	1.2%

Source: LGIM, Standard Life as at 30 September 2024
Voting information was requested for the Standard Life with-profits funds but was not available at the time of this Statement.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

Significant Votes

The Trustee expects that voting rights are exercised by the appointed investment managers in accordance with their own corporate governance policies and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code. The undertaking of engagement activities in respect of investments is also delegated to investment managers.

The Trustee agreed the below areas of focus for the Scheme. For reference, the suggestion is to give more focus to fewer topics with appropriate strength, than to too many topics, which may lead to low impact in the end. Further, all topics are closely linked to UN Sustainable Development Goals:

ESG	Priority	Description
Environment	Climate change	Low-carbon transition and physical damages resilience.
Environment	Pollution and natural resource degradation	Air, water and land (forests, soils and biodiversity).
Social	Human rights	Modern slavery, pay and safety in workforce and supply chains, and abuses in conflict zones.
Governance	Diversity, Equity and Inclusion (DEI)	Inclusive and diverse decision making.

The Scheme's investment managers have provided significant vote information across the funds previously noted as containing equities. The significant vote information included in this Statement focuses on the areas described above. As well as this, the Trustee has considered votes to be significant where the holding is larger than 1% within the funds used in the default investment options (where available). Where votes do not have a holding larger than 1%, we have selected the funds with the next largest holding. The final outcome column below represents the result of the resolution: Passed or Failed.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

LGIM Diversified							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
DEI	0.39	Apple Inc.[1]	28/02/2024	Report on risks of omitting viewpoint and ideological diversity from EEO* policy	**AGAINST shareholder resolution (with management):** LGIM believes a vote against is warranted, as the company appears to be providing shareholders with sufficient disclosure around its diversity and inclusion efforts and non-discrimination policies, and including viewpoint and ideology in Equal Employment Opportunity (EEO) policies does not appear to be a standard industry practice.	Fail	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
Climate Change	0.33	Shell Plc[1]	21/05/2024	Approve the Shell Energy Transition Strategy	**AGAINST (against management):** LGIM acknowledges Shell's progress in climate-related disclosure and appreciates their commitments to reduce emissions and tackle methane emissions. However, LGIM expresses concerns about the revisions made to the Net Carbon Intensity targets and the company's plans to grow its gas and Liquid Natural Gas business. They expect the company to provide more clarity on how these plans align with a transition to net-zero emissions by 2050. Specifically, they seek information on the expected lifespan of assets, flexibility in adjusting production levels, actions taken to decarbonize the value chain, transparency on lobbying activities, guidance on low-carbon investments, and responsible divestment principles. These factors are seen as crucial in Shell's decarbonisation strategy.	Pass	LGIM continues to undertake extensive engagement with Shell on its climate transition plans.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

LGIM Diversified							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
DEI and Climate Change	0.31	Toyota Motor Corp.[1]	18/06/2024	Elect Director Toyoda, Akio	AGAINST (against management): A vote against was cast due to insufficient gender diversity at the executive officer level, as LGIM expects there to be at least one female executive officer. Furthermore, a vote against is justified because we perceive a continued disconnect between Toyota's declared climate ambitions and its current multi-pathway strategy. We urge Toyota to enhance its disclosures to more clearly outline how it plans to facilitate a global transition to zero-emission vehicles and achieve net-zero emissions.	Pass	LGIM will continue to engage with the company and monitor progress.
Human Rights	0.21	Amazon.com Inc.[1]	22/05/2024	Report on customer due diligence	FOR shareholder resolution (against management): A vote in favour was applied as enhanced transparency over material risks to human rights is key to understanding the company's functions and organisation. While the company has disclosed that they internally review these for some products and has utilised appropriate third parties to strengthen their policies in related areas, there remains a need for increased, especially publicly available, transparency on this topic.	Fail	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.

[1]This vote also applies to the LGIM Global Equity Market Weight (30:70) Index Fund.

*Equal Employment Opportunity.

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Trustee's Report
Annual Implementation Statement (DC) (continued)

LGIM Global Equity Market Weight (30:70) Index – 75% GBP Hedged							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
Climate Change	1.28	Unilever Plc[1]	01/05/2024	Approve Climate Transition Action Plan	**FOR (with management):** A vote in favour of the CTAP was cast as it meets LGIM's minimum expectations, which include disclosing scope 1, 2, and material scope 3 GHG emissions, along with short, medium, and long-term GHG emissions reduction targets aligned with a 1.5°C Paris goal. Although the SBTi has recently withdrawn its approval of the company's long-term scope 3 target, the company has submitted near-term, 1.5°C aligned scope 3 targets for validation. Consequently, we believe the company's ambition level is currently adequate, and we continue to support its net zero trajectory.	Pass	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
DEI	1.07	Meta Platforms, Inc.[1]	29/05/2024	Elect Director Peggy Alford	**AGAINST (against management):** A vote against was applied as LGIM expects a company to have at least one-third women on the board. LGIM takes a consistent stance on the structural issue of insufficient gender diversity on boards. Ultimately, it is the responsibility of the Chair, regardless of gender, to ensure that they are building a diverse and qualified board. If they are failing in that regard, then LGIM believe it is reasonable that they should deny the Director LGIM's vote at re-election.	Pass	LGIM will continue to engage with the company and monitor progress.
DEI	0.95	Alphabet Inc.[1]	07/06/2024	Elect Director John L. Hennessy	**AGAINST (against management):** A vote against was applied as LGIM expects a company to have at least one-third women on the board.	Pass	LGIM will continue to engage with the company and monitor progress.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

LGIM Global Equity Market Weight (30:70) Index – 75% GBP Hedged							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
Climate Change	0.70	Glencore Plc[1]	29/05/2024	Approve 2024-2026 Climate Action Transition Plan	**AGAINST (against management):** A vote against was cast by LGIM, as they expect companies to implement credible transition plans that align with the Paris goals of limiting the global average temperature increase to 1.5°C. While LGIM acknowledges the progress the company has made in its disclosures, they remain concerned about the company's thermal coal activities, as it is unclear how the planned thermal coal production aligns with global demand under a 1.5°C scenario.	Pass	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.

[1]This vote also applies to the LGIM Diversified Fund.

Where LGIM voted against management, they did not communicate their intent to the company ahead of the vote. LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as LGIM's engagement is not limited to shareholder meeting topics.

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Trustee's Report

Report on Actuarial Liabilities

As required by Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits.

Under Section 224 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits members are entitled to based on pensionable service to the valuation date, assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Scheme members on request.

The most recent full actuarial valuation of the Scheme was carried out as at 30 September 2022.

What is the Scheme's financial position?

The value of the Technical Provisions was:	£544.7 million
The value of the assets at that date was:	£539.6 million

This means that there was a deficit of £5.1 million (31 March 2019: £23.6m surplus).

Method

The actuarial method to be used in the calculation of the technical provisions is the Projected Unit Method.

How has the Scheme's financial position changed since the last actuarial valuation?

The latest interim review of the financial position of the Scheme as at 30 September 2023 showed that there was a deficit of £4m (£5.1m as at 30 September 2022).

How will the deficit be met?

The Employer agreed to pay the following amounts to the Scheme:

- Deficit contributions of £6m to be paid on or before 31 December 2026
- Annual Contributions of £1.9m during the period 1 November 2023 to 31 October 2028, in equal monthly instalments of £158,333 towards the cost of life assurance cover and the expenses of operating the Scheme, including levies to the Pension Protection Fund.

To calculate whether there is a surplus or a deficit, assumptions have to be made about what will happen in the future, for example, the rate at which the Scheme's assets will grow. If the assumptions do not all turn out to be exactly right, it may be necessary to change the level of contributions to the Scheme for a deficit to be paid off.

Please be assured that, despite there being a deficit, all members who have retired will continue to receive the full amount of their pension.

In June 2021 the Company paid an additional contribution of £8.6m in order that the Trustee could secure the remaining defined benefit liabilities with an insurance company, Rothesay.

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Trustee's Report

Report on Actuarial Liabilities (continued)

The main financial assumptions underlying the valuation calculations at 30 September 2022 were:

Discount rate:

- Pre Retirement	3.40% p.a.
- Post Retirement (Pensioners):	4.05% p.a.
- Post Retirement (non-Pensioners):	3.70% p.a
Price inflation (RPI):	4.30% p.a
Price inflation (CPI):	3.70% p.a

Rate of pension increases:

RPI up to 5% p.a.	3.55% p.a. (non-pensioners) 3.80% p.a. (pensioners)
Allowance for GMP Equalisation	1.0% of liabilities

The next full actuarial valuation of the Scheme is due to be carried out as at 30 September 2025.

The Actuarial Report as at 30 September 2023 showed an estimated shortfall of £4 million as at 30 September 2023, equivalent to a funding level of 99%.

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Trustee's Report

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), are the responsibility of the Trustee. Pension scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme year;
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Scheme will not be wound up.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is responsible under pensions legislation for preparing, maintaining and from time to time revising a Schedule of Contributions showing the rates of contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions are made to the Scheme by the employer in accordance with the Schedule of Contributions. Where breaches of the Schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustee is responsible for the maintenance and integrity of the financial information of the Scheme included on the Scheme's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

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Trustee's Report

Summary of Contributions

The contributions payable to the Scheme in respect of the year, in accordance with the Schedules of Contributions dated 30 September 2020 and 18 October 2023, were as follows:

	£'000
Employers' normal contributions	**8,420**
Administration expense contributions	**1,900**
Employees' normal contributions	**5,934**
Total contributions payable under the Schedules of Contributions as reported on by the Scheme auditor	**16,254**
Other contributions:	
Employees' additional voluntary contributions	**993**
Total contributions as per the financial statements	**17,247**

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Trustee's Report

Compliance Matters

A copy of the Definitive Trust Deed and Rules and copies of the Trustee's Annual Report and Financial Statements for each Scheme year are available for inspection at 1 Bedford Avenue.

Active members receive a Benefit Statement each year effective as at 6 April (although they are not issued until later in the year). These give Retirement Plan members an indication of their prospective benefits (based on current earnings) at Normal Retirement Age. Employee Pension Plan and Pension Savings Plan 2001 members receive a statement detailing the current value of their Pension Account (and AVC Account).

Deferred pensioners with protected rights in the Retirement Plan receive a statement each year showing the current value of their protected rights fund.

Members should check their Benefit Statement carefully and let the HR Department or the Group Pensions Department know if they do not understand it, or if any of the data looks incorrect.

We would always hope to be able to resolve questions and complaints informally, but (in accordance with the Pensions Act 1995) the Scheme does have a formal Internal Dispute Resolution Procedure (IDRP). A written copy of this procedure is available from the Group Pensions Department upon request.

Information about the Scheme, including current and previous employers associated with the Scheme and the address at which the Trustee may be contacted, has been registered with the Registrar of Occupational and Personal Pension Schemes, who may be contacted at PO Box 1NN, Newcastle Upon Tyne, NE99 1NN.

The Pensions Regulator is an independent statutory body created under the Pensions Act 2004 to regulate work-based pension schemes. Its objectives are to protect the benefits of Scheme members, to promote good administration and to reduce the risk of schemes defaulting. The address for The Pensions Regulator is Telecom House, 125-135 Preston Road, Brighton, BN1 6AF.

The Pension Protection Fund is an independent statutory body, set up to provide compensation to members of eligible defined benefit schemes which have wound-up following employer insolvency with insufficient assets to meet minimum levels of benefit. It is funded by a levy on defined benefit pension schemes.

MoneyHelper

MoneyHelper (formerly The Money and Pensions Service (MaPs)) was created in 2019 as a single body providing information to the public on matters relating to workplace and personal pensions.

Website: https://maps.org.uk/en

Email: contact@maps.org.uk

Tel: 0800 011 3797

Pensions Ombudsman

The Pensions Ombudsman, appointed by the Government, may investigate, and determine any complaint or dispute of fact or law in relation to the Scheme made or referred to him in accordance with the statutory requirements. The Ombudsman would normally require complaints to have gone through the schemes IDRP process before considering them.

The Pensions Ombudsman may be contacted at 1st Floor, 10 South Colonnade, Canary Wharf, London, E14 4PU.

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Trustee's Report

Compliance Matters (continued)

General Data Protection Regulation

The General Data Protection Regulation ("GDPR") is a regulation by the European Parliament intended to strengthen and unify data protection for all individuals within the EU.

Our obligations under the UK GDPR are fundamentally the same as our obligations under the EU GDPR and we continue to remain subject to UK Data Protection laws.

Contact for Further Information

If any active member has any questions with regard to the Scheme, they should in the first instance contact their local HR Department. HR will refer the member to the Group Pensions Department if the member is not happy with the response to their queries (see page 3 for address). Pensioners should address questions to the Group Pensions Department and Deferred Members should contact the administrators:

Capita Pension Solutions Limited
Hartshead House
2 Cutlers Gate
Sheffield
S4 7TL

Email: **wmhillpensions@capita.co.uk**

Approval of the Trustee's Report

Date: 28/4/2025	For and on behalf of Dalriada Trustees Limited

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The Chair's Annual Governance Statement

William Hill Pension Scheme ('The Scheme')

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 6 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.

Judith Fish

Chair of Trustee

Date: 28/4/2025

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The Chair's Annual Governance Statement (continued)

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;

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment options (continued)

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.

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment options (continued)

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.

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment options (continued)

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

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment options (continued)

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.*

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment options (continued)

Asset Allocation of the Default Investment options (continued)

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'.*

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The Chair's Annual Governance Statement (continued)

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.

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The Chair's Annual Governance Statement (continued)

2. The processing of Scheme financial transactions (continued)

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

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The Chair's Annual Governance Statement (continued)

2. The processing of Scheme financial transactions (continued)

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.

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The Chair's Annual Governance Statement (continued)

2. The processing of Scheme financial transactions (continued)

Table 2: Internal Controls (continued)

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.

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The Chair's Annual Governance Statement (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

PSP Youngest 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

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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 • "Typical" member	22 *(the youngest age of the Scheme members)* 46 *(the average age of the Scheme members)*	18 *(the youngest 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)*

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

3. Charges and transaction costs within the scheme (continued)

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.

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The Chair's Annual Governance Statement (continued)

4. Value for Members considerations (continued)

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.

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The Chair's Annual Governance Statement (continued)

5. Trustee's Knowledge and Understanding (TKU) (continued)

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.

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The Chair's Annual Governance Statement (continued)

5. Trustee's Knowledge and Understanding (TKU) (continued)

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 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.

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The Chair's Annual Governance Statement (continued)

5. Trustee's Knowledge and Understanding (TKU) (continued)

Requirement	How met
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. - 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.

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The Chair's Annual Governance Statement (continued)

5. Trustee's Knowledge and Understanding (TKU) (continued)

Requirement	How met
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.

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The Chair's Annual Governance Statement (continued)

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

28 April 2025

Appendix - Statement of Investment Principles - June 2024

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Actuary's Certification of the Schedule of Contributions

CERTIFICATE OF SCHEDULE OF CONTRIBUTIONS

Name of the Scheme	William Hill Pension Scheme

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 30 September 2022 to be met by the end of the period specified in the recovery plan dated October 2023.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the statement of funding principles dated October 2023.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound up.

Signature	Gary Peterson Gary Peterson (Oct 18, 2023 16:48 GMT+1)
Name	Gary Peterson
Date of signing	18/10/2023
Qualification	Fellow of the Institute and Faculty of Actuaries
Name of employer	Mercer Limited
Address	Tower Place, London, EC3R 5BU

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Independent Auditor's Statement about Contributions to the Trustee of William Hill Pension Scheme

We have examined the Summary of Contributions to the William Hill Pension Scheme (the 'Scheme') for the scheme year ended 30 September 2024 which is set out in the Trustee's Report on page 54.

In our opinion, contributions for the Scheme year ended 30 September 2024 as reported in the Summary of Contributions and payable under the Schedules of Contributions have in all material respects been paid at least in accordance with the Schedules of Contributions certified by the Scheme actuary on 30 September 2020 and 18 October 2023.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the Summary of contributions have in all material respects been paid at least in accordance with the Schedules of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the Schedules of Contributions.

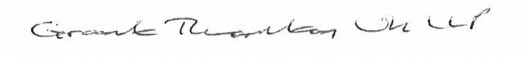
Respective responsibilities of trustee and the auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on page 53, the Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a Schedule of Contributions and for monitoring whether contributions are made to the scheme by the employer in accordance with the Schedule of Contributions.

It is our responsibility to provide a statement about contributions paid under the Schedule of Contributions and to report our opinion to you.

Use of our statement

This statement is made solely to the Trustee, as a body, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our work has been undertaken so that we might state to the Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our work, for this statement, or for the opinions we have formed.



Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

Date: 28/4/2025

Docusign Envelope ID: F4636427-3B7B-4392-B875-14114027F91A

Independent Auditor's Report to the Trustee of William Hill Pension Scheme

Opinion

We have audited the financial statements of the William Hill Pension Scheme (the 'Scheme') for the year ended 30 September 2024, which comprise the fund account, the statement of net assets available for benefits and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 30 September 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

In our evaluation of the Trustee's conclusions, we considered the inherent risks associated with the Scheme including effects arising from macro-economic uncertainties such as uncertain interest and inflation rates and the volatility of global equity markets, we assessed and challenged the reasonableness of estimates made by the Trustee and the related disclosures and analysed how those risks might affect the Scheme's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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Independent Auditor's Report to the Trustee of William Hill Pension Scheme (continued)

Conclusions relating to going concern (continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Scheme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are approved by the Trustee.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Trustee for the financial statements

As explained more fully in the Statement of Trustee's Responsibilities set out on page 53, the Trustee is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Scheme, or has no realistic alternative but to do so.

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Independent Auditor's Report to the Trustee of William Hill Pension Scheme (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Scheme and determined that the most significant are the Pensions Acts 1995 and 2004 and those that relate to the reporting frameworks (Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice "Financial Reports of Pension Schemes" 2018 ("the SORP").
- In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations such as, the Pensions Regulator's Codes of Practice and relevant compliance regulations (including the Annual Pensions Bill and tax legislation) under which the Scheme operates.
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management, the Trustee and from inspection of Trustee board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the Trustee.
- We assessed the susceptibility of the Scheme's financial statements to material misstatement due to irregularities including how fraud might occur. We evaluated management's incentives and opportunities for manipulation of the financial statements and determined that the principal risks were in relation to the risk of management override of controls through posting inappropriate journal entries to manipulate net assets and potential bias in the choice of assumptions used and judgements made in the inputs to the valuation of the insurance policies.
- Our audit procedures included:
  - Journal entry testing, with a focus on large journals and those journals with unusual account combinations or posted to suspense accounts
  - Use of our internal experts to challenge the reasonableness of the insurance policy valuations at the year-end produced by the Trustee's valuation experts
  - Obtaining independent confirmations of material investment valuations and cash balances at the year end

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Independent Auditor's Report to the Trustee of William Hill Pension Scheme (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, we completed audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it; and
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation, and knowledge of the industry in which the Scheme operates.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trustee, as a body, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

Date: 28/4/2025

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Fund Account

For the Year Ended 30 September 2024

	Note	Defined Benefit Section 2024 £'000	Defined Contribution Section 2024 £'000	Total 2024 £'000	Total 2023 £'000
Contributions and Benefits					
Employer contributions		**1,900**	**8,420**	**10,320**	10,513
Employee contributions		**-**	**6,927**	**6,927**	6,906
Total contributions	6	**1,900**	**15,347**	**17,247**	17,419
Transfers in	7	**-**	**58**	**58**	239
Other income	8	**(90)**	**1,097**	**1,007**	417
		1,810	**16,502**	**18,312**	18,075
Benefits paid or payable	9	**(15,007)**	**(5,942)**	**(20,949)**	(18,001)
Payments to and on account of leavers	10	**(2,384)**	**(11,772)**	**(14,156)**	(6,384)
Administrative expenses	11	**(2,057)**	**-**	**(2,057)**	(2,015)
Other payments	12	**(993)**	**-**	**(993)**	(1,000)
		(20,441)	**(17,714)**	**(38,155)**	(27,400)
Net withdrawals from dealings with members		**(18,631)**	**(1,212)**	**(19,843)**	(9,325)
Returns on Investments					
Investment income	13	**17,425**	**31**	**17,456**	15,084
Change in market value of investments	14	**(1,859)**	**41,213**	**39,354**	(33,867)
Investment management expenses	15	**(1)**	**(326)**	**(327)**	(287)
Net returns on investments		**15,565**	**40,918**	**56,483**	(19,070)
Net (decrease)/increase in the fund during the year		**(3,066)**	**39,706**	**36,640**	(28,395)
Transfers between sections	29	**33**	**(33)**	**-**	-
Net assets of the Scheme at start of year		**269,263**	**242,733**	**511,996**	540,391
Net assets of the Scheme at end of year		**266,230**	**282,406**	**548,636**	511,996

The accompanying notes on pages 93 to 114 form an integral part of these financial statements.

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Statement of Net Assets Available for Benefits

As at 30 September 2024

	Note	Defined Benefit Section 2024 £'000	Defined Contribution Section 2024 £'000	Total 2024 £'000	Total 2023 £'000
Investment Assets:					
Pooled investment vehicles	16	**487**	**279,710**	**280,197**	240,714
Insurance policies	17	**262,000**	**-**	**262,000**	264,000
AVC investments	18	**464**	**-**	**464**	454
Cash in transit	14	**-**	**46**	**46**	211
Total net investments		**262,951**	**279,756**	**542,707**	505,379
Current assets	22	**3,696**	**3,525**	**7,221**	8,073
Current liabilities	23	**(417)**	**(875)**	**(1,292)**	(1,456)
Total net assets of the Scheme at 30 September		**266,230**	**282,406**	**548,636**	511,996

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which considers such obligations for the Defined Benefit section, is dealt with in the Report on Actuarial Liabilities on pages 51 and 52 of the Trustee's Report and these financial statements should be read in conjunction with this report.

The notes on pages 93 to 114 form an integral part of these financial statements.

These financial statements were approved by the Trustee:

Date: 28/4/2025	For and on behalf of Dalriada Trustees Limited

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Notes to the Financial Statements

1. Comparative disclosures for the Fund Account and Statement of Net Assets

Fund Account for the Year Ended 30 September 2023

	Note	Defined Benefit Section 2023 £'000	Defined Contribution Section 2023 £'000	Total 2023 £'000
Contributions and Benefits				
Employer contributions		1,900	8,613	10,513
Employee contributions		-	6,906	6,906
Total contributions	6	1,900	15,519	17,419
Transfers in	7	-	239	239
Other income	8	152	265	417
		2,052	16,023	18,075
Benefits paid or payable	9	(14,421)	(3,580)	(18,001)
Payment to and on account of leavers	10	(173)	(6,211)	(6,384)
Administrative expenses	11	(2,015)	-	(2,015)
Other payments	12	(1,000)	-	(1,000)
		(17,609)	(9,791)	(27,400)
Net (withdrawals)/additions from dealings with members		(15,557)	6,232	(9,325)
Returns on Investments				
Investment income	13	15,073	11	15,084
Change in market value of investments		(53,891)	20,024	(33,867)
Investment management expenses	15	-	(287)	(287)
Net returns on investments		(38,818)	19,748	(19,070)
Net (decrease)/increase in the fund during the year		(54,375)	25,980	(28,395)
Transfers between sections	29	(353)	353	-
Net assets of the Scheme at start of year		323,991	216,400	540,391
Net assets of the Scheme at end of year		269,263	242,733	511,996

Docusign Envelope ID: F4636427-3B7B-4392-B875-14114027F91A

Notes to the Financial Statements

1. Comparative disclosures for the Fund Account and Statement of Net Assets (continued)

Statement of Net Assets Available for Benefits as at 30 September 2023

	Note	Defined Benefit Section 2023 £'000	Defined Contribution Section 2023 £'000	Total 2023 £'000
Investment Assets:				
Pooled investment vehicles	16	540	240,174	240,714
Insurance policies	17	264,000	-	264,000
AVC investments	18	454	-	454
Cash in transit	14	-	211	211
Total net investments		264,994	240,385	505,379
Current assets	22	4,832	3,241	8,073
Current liabilities	23	(563)	(893)	(1,456)
Total net assets of the Scheme at 30 September		269,263	242,733	511,996

2. General information

The Scheme commenced on 1 October 1990 and is a Hybrid Scheme.

There is one Defined Benefit (DB) section, the Retirement Plan, and two Defined Contribution (DC) sections, the Pension Savings Plan and Employee Pension Plan.

The Retirement Plan section of the Scheme is closed to future accrual. The Pension Savings Plan is closed to new entrants other than for discretionary entrants permitted by the Employer.

The Employee Pension Plan was set up on 1 March 2013 specifically in response to the Government's automatic enrolment pension legislation.

The Scheme is registered for tax purposes in accordance with the Finance Act 2004.

Docusign Envelope ID: F4636427-3B7B-4392-B875-14114027F91A

Notes to the Financial Statements

3. Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (FRS 102) and the guidance set out in the Statement of Recommended Practice. 'Financial Reports of Pension Schemes (2018) ('the SORP').

The Trustee regularly monitors its investments, day-to-day administration, and employer covenant. The DB liabilities are backed by insurance policies and so there is minimal impact upon the security of these benefits in relation to market shocks. The Trustee receives regular advice and regularly reviews the suitability of the DC investments and life styling strategies. There is no expectation that the Scheme will not remain a going concern for at least the 12 months subsequent to the signing of these financial statements, therefore, the financial statements have been prepared on a going concern basis.

4. Identification of the financial statements

The Scheme is established as a trust under English Law. The registered address of the Scheme is at 1 Bedford Avenue, London, United Kingdom, WC1B 3AU.

5. Accounting policies

The principal accounting policies of the Scheme are set out below. Unless otherwise stated, they have been applied consistently year on year.

i. Employers' normal contributions are accounted for by the Trustee in the period to which they relate and as the amounts receivable in accordance with the Schedule of Contributions in force during the year.

ii. Employees' contributions, including AVCs, are accounted for by the Trustee as amounts receivable on wages and salaries paid in the year, except for the first contribution due where the employee has been auto-enrolled by the Employer in which case it is accounted for when received by the Scheme, or the expiry of the opt out period if earlier.

iii. Employers' deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions and Recovery Plan, or on receipt if earlier.

iv. Employers' other contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions and Recovery Plan, or on receipt if earlier.

v. Employer augmentation contributions are accounted for in accordance with the agreement under which they are payable or, in the absence of an agreement, on a receipts basis.

vi. Income from cash and short term deposits is accounted for on an accruals basis.

vii. Pensions in payment are accounted for in the period to which they relate.

viii. Benefits, and any associated taxation, are accounted for in the period in which the member notifies the Trustee of his or her decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.

xi. Administration expenses are accounted for on an accruals basis.

xii. Investment management expenses are accounted for on an accruals basis.

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Notes to the Financial Statements

5. Accounting policies (continued)

xiii. Tax is accounted for in the period to which it relates.

xiv. Transfer payments relate to those early leavers whose transfers have been agreed by the Trustee, and they are included in the financial statements on the basis of sums received or paid during the year.

xv. Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on the sales of investments during the year.

Investments purchased in Employee Pension Plan and the Pension Savings Plan 2001 are allocated to provide benefits to the individuals in respect of whom the corresponding contributions were paid. Accordingly, the assets identified as designated to members in the net assets statement do not form a common pool of assets available for members generally. Members each receive an annual statement confirming the contributions paid in respect of them and the value of their money purchase rights.

xvi. Additional Voluntary Contributions (AVCs)

Members are allowed to make AVCs under the terms of the Scheme rules to purchase additional benefits over and above normal scheme entitlement.

The Trustee holds assets invested separately from the main fund in the form of unitised investments with Standard Life and Legal & General that are stated at values as advised by the investment manager.

Members participating in this arrangement each receive an annual statement confirming the amounts held to their account and the movements in the year. Investments purchased with AVC monies are included with those of the main fund and disclosed separately.

xvii. Insurance Policies have been valued by the Scheme Actuary by projecting forward the initial Buy In premium, updated for actual payments to the Scheme from the Policy provider and for market conditions at the reporting date.

xviii. Insurance Policy Receipts: Receipts from Insurance policies are reported when received from the provider and are included within investment income.

xix. Presentation Currency: The Scheme's functional and presentation currency is pounds Sterling.

xx. Critical accounting estimates and judgements: The preparation of the financial statements requires the Trustee to make judgements, estimates and assumptions which affect the amounts reported for assets and liabilities as at the date of the statement of net assets and the amounts reported for income and expenditure during the year. However the nature of estimation means that actuals outcomes could differ from those estimates. The Trustee confirms that no judgements have had a significant effect on amounts recognised in the financial statements but note estimation uncertainty in the valuation of insurance policies, as disclosed in note 17.

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Notes to the Financial Statements

6. Contributions

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Employer contributions			
Normal	**-**	**8,420**	**8,420**
Administration expense	**1,900**	**-**	**1,900**
	1,900	**8,420**	**10,320**
Employee contributions			
Normal	**-**	**5,934**	**5,934**
Additional voluntary contributions	**-**	**993**	**993**
	-	**6,927**	**6,927**
Total contributions	**1,900**	**15,347**	**17,247**

	2023 £'000	2023 £'000	2023 £'000
Employer contributions			
Normal	-	8,613	8,613
Administration expense	1,900	-	1,900
	1,900	8,613	10,513
Employee contributions			
Normal	-	6,046	6,046
Additional voluntary contributions	-	860	860
	-	6,906	6,906
Total contributions	1,900	15,519	17,419

Contributions received from members and participating employers were in accordance with the Schedules of Contributions certified by the Scheme Actuary on 30 September 2020 and 18 October 2023 including employers' administration expense contributions which are payable at £158,333 per month until 31 October 2028 to cover administration and other costs (including the levy payable to the Pension Protection Fund).

Under the Schedule of Contributions certified by the Scheme Actuary on 18 October 2023, deficit funding contributions of £6 million are payable on or before 31 December 2026. No deficit funding contributions were paid during the years ended 30 September 2024 or 30 September 2023.

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Notes to the Financial Statements

7. Transfers in

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Individual transfers in	**-**	**58**	**58**

	2023 £'000	2023 £'000	2023 £'000
Individual transfers in	-	239	239

8. Other income

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Group life insurance claims	**(90)**	**1,097**	**1,007**

	2023 £'000	2023 £'000	2023 £'000
Group life insurance claims	152	265	417

Group life insurance claims is negative due to the timing of moving money between the DB section and the DC section in previous years.

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Notes to the Financial Statements

9. Benefits paid or payable

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Pensions paid	**12,857**	**-**	**12,857**
Commuted benefits	**2,001**	**3,162**	**5,163**
Annuities purchased	**24**	**792**	**816**
Death benefits	**125**	**1,988**	**2,113**
	15,007	**5,942**	**20,949**

	2023 £'000	2023 £'000	2023 £'000
Pensions paid	12,092	-	12,092
Commuted benefits	2,134	2,323	4,457
Annuities purchased	-	766	766
Death benefits	195	491	686
	14,421	3,580	18,001

10. Payments to and on account of leavers

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Transfers to other arrangements	**2,384**	**11,769**	**14,153**
Refunds to members	**-**	**3**	**3**
	2,384	**11,772**	**14,156**

	2023 £'000	2023 £'000	2023 £'000
Transfers to other arrangements	173	6,206	6,379
Refunds to members	-	5	5
	173	6,211	6,384

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Notes to the Financial Statements

11. Administrative expenses

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Administration	**1,113**	**-**	**1,113**
Legal and consultancy	**824**	**-**	**824**
Audit fees	**37**	**-**	**37**
Pensions Regulator levy	**77**	**-**	**77**
PPF levy	**6**	**-**	**6**
	2,057	**-**	**2,057**

	2023 £'000	2023 £'000	2023 £'000
Administration	1,036	-	1,036
Legal and consultancy	854	-	854
Audit fees	45	-	45
Pensions Regulator levy	73	-	73
PPF levy	7	-	7
	2,015	-	2,015

Administrative expenses for the Defined Contribution Section are borne by the Employer.

12. Other payments

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Death in service insurance premiums	**993**	**-**	**993**

	2023 £'000	2023 £'000	2023 £'000
Death in service insurance premiums	1,000	-	1,000

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Notes to the Financial Statements

13. Investment income

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Annuity income	**17,382**	**-**	**17,382**
Interest on cash deposits	**43**	**31**	**74**
	17,425	**31**	**17,456**

	2023 £'000	2023 £'000	2023 £'000
Annuity income	15,049	-	15,049
Interest on cash deposits	24	11	35
	15,073	11	15,084

14. Reconciliation of investments held at the beginning and end of the year

	Value at 1 October 2023 £'000	Purchases at cost £'000	Sales proceeds £'000	Change in market value £'000	Value at 30 September 2024 £'000
Defined Benefit Section					
Pooled investment vehicles	540	**-**	**(134)**	**81**	**487**
Insurance policies	264,000	**-**	**-**	**(2,000)**	**262,000**
AVC investments	454	**-**	**(50)**	**60**	**464**
	264,994	**-**	**(184)**	**(1,859)**	**262,951**
Defined Contribution Section					
Pooled investment vehicles	240,174	**30,685**	**(32,362)**	**41,213**	**279,710**
Cash in Transit	211				**46**
	240,385				**279,756**

For the Defined Contribution section, investments purchased by the Scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The investment manager holds the investment units on a pooled basis for the Trustee. The Scheme administrator allocates investment units to members. The Trustee may hold investment units representing the value of employer contributions that have been retained by the Scheme that relate to members leaving the Scheme prior to vesting.

Cash in transit is money disinvested from L&G in the normal processes of the Scheme but not received into the Scheme bank account held at Capita until after the year end date.

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Notes to the Financial Statements

14. Reconciliation of investments held at the beginning and end of the year

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Within the Defined Contribution section, there are unallocated units of £709,078 (2023: £708,515).

All of the Scheme's investments are managed by companies registered in the United Kingdom.

Transaction Costs

Transaction costs comprising fees, commissions, stamp and other duties are included in the cost of purchases and sale proceeds. Direct transaction costs incurred during the year amounted to £Nil (2023: £Nil). Indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles. Indirect transaction costs are not separately provided.

15. Investment management expenses

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Managed fund units policy charges	**1**	**326**	**327**

	2023 £'000	2023 £'000	2023 £'000
Managed fund units policy charges	-	287	287

16. Pooled investment vehicles

The Scheme's investments in pooled investment vehicles at the year end comprised:

	2024 £'000	2023 £'000
Defined Benefit Section		
Equities	**459**	514
Cash	**28**	26
	487	540
Defined Contribution Section		
Equities	**132,159**	120,431
Index linked	**8,667**	13,415
Property	**933**	929
Cash	**4,025**	3,770
Diversified fund	**133,926**	101,629
	279,710	240,174

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Notes to the Financial Statements

17. Insurance policies

The Trustee holds assets invested in Just Retirement and Rothesay Life, as a result of bulk buy ins on 1 May 2018 and 1 July 2021, to secure benefits for Defined Benefit Section members. During the year to 30 September 2024, the Defined Benefit Section received funding each month from the policy provider to cover 100% of Pensioner Payroll. The values of the policies are as follows:

	2024 £'000	2023 £'000
Just Retirement	108,000	109,000
Rothesay Life	154,000	155,000
	262,000	264,000

The values shown above are determined on a solvency (buy-out) basis, intended to be broadly consistent with the buy-in premiums actually paid by the Trustee to the Insurers for the policies purchased (and investment now held). This is the same basis used to determine the Scheme's Technical Provisions, as part of the statutory funding valuation carried out as at 30 September 2022.

Below is a summary of the key assumptions used as at 30 September 2024 and 30 September 2023.

	30 September 2024 (non-pensioners / pensioners)	30 September 2023 (non-pensioners / pensioners)
Pre-Retirement Discount Rate:	4.15% p.a. / N/A	4.50% p.a. / N/A
Post-Retirement Discount Rate:	4.45% p.a. / 4.35% p.a.	4.80% p.a. / 4.75% p.a.
Deferred Revaluation:	2.80% p.a.* / N/A	3.30% p.a.* / N/A
Pension Increases:		
RPI (min 0%, max 5%)	3.05% p.a. / 3.15% p.a.*	3.30% p.a. / 3.45% p.a.*
CPI (min 0%, max 3%)	2.10% p.a. / 2.30% p.a.*	2.30% p.a. / 2.45% p.a.*
Mortality:		
Base table	S3PMA / S3PFA_M (year of birth) tables weighted by: 93% for non-pensioners, 89%/86% for males/female JUST annuitants and 105%/101% for other male/female pensioners	S3PMA / S3PFA_M (year of birth) tables weighted by: 93% for non-pensioners, 89%/86% for males/female JUST annuitants and 105%/101% for other male/female pensioners
Improvements model	CMI_2018 [1.75%] with a period smoothing parameter of 7.5	CMI_2018 [1.5%] with a period smoothing parameter of 7.5
Proportions married:	80%/70% for males/females at retirement	
Age difference:	Males 3 years older than females	

*The single equivalent inflation assumptions shown include an approximate adjustment to allow for inflation realised between each calculation date and the previous inflation reference month.

There will be a true up transaction due on the Rothesay Life buy in policy at some point in the future but at the point of approval of these financial statements, this has not yet been finalised and the payment will recognised in the financial statements when paid.

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Notes to the Financial Statements

18. AVC investments

The Trustee holds assets invested separately from the main Defined Benefit Section investments to secure additional benefits on a money purchase basis for those Defined Benefit Section members electing to pay Additional Voluntary Contributions. Members participating in this arrangement each receive an annual statement made up to 5 April confirming the amounts held in their account and the movements in the year.

The aggregate amounts of AVC investments are as follows:

	2024 £'000	2023 £'000
Standard Life Unitised Insured Investments	**169**	175
Utmost Life and Pensions	**3**	3
Legal and General Managed Fund	**292**	276
	464	454

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Notes to the Financial Statements

19. Fair value determination

The fair value of financial instruments has been determined using the following fair value hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Scheme's investment assets have been fair valued using the above hierarchy levels as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 30 September 2024				
Defined Benefit Section				
Pooled investment vehicles	**-**	**487**	**-**	**487**
Insurance policies	**-**	**-**	**262,000**	**262,000**
AVC investments	**-**	**464**	**-**	**464**
	-	**951**	**262,000**	**262,951**
Defined Contribution Section				
Pooled investment vehicles	**-**	**279,710**	**-**	**279,710**
Other – cash in transit	**46**	**-**	**-**	**46**
	46	**279,710**	**-**	**279,756**

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 30 September 2023				
Defined Benefit Section				
Pooled investment vehicles	-	540	-	540
Insurance policies	-	-	264,000	264,000
AVC investments	-	454	-	454
	-	994	264,000	264,994
Defined Contribution Section				
Pooled investment vehicles	-	240,174	-	240,174
Other – cash in transit	211	-	-	211
	211	240,174	-	240,385

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Notes to the Financial Statements

20. Investment risk disclosures

Investment Risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises the following elements:

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate of currency risk) whether those changes are caused by factors specific to the individual financial instrument of its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustee is responsible for determining the Scheme's investment strategy. The Trustee has set the investment strategy for the Scheme after taking appropriate advice. Subject to complying with the agreed strategy, the day-to-day management of the asset portfolio of the Scheme, including the full discretion for stock selection, is the responsibility of the investment managers.

The Scheme has exposure to the above risks because of the investments it makes to implement its investment strategy. The Trustee manages its investment risks within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. The investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustee through regular reviews of the investment portfolios. The investment and risk objectives of the Scheme are further detailed in the Statement of Investment Principles ("SIP").

Further information on the Trustee's approach to risk management and exposures to credit and market risk is set out below. The Scheme's investments as at 30 September 2023 and 30 September 2024 for the Defined Benefit, Defined Contribution ("DC"), Transfers in, and Additional Voluntary Contributions ("AVCs") Sections are detailed mainly on page 105.

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Notes to the Financial Statements

20. Investment risk disclosures (continued)

Defined Benefit Section

(i) Investment Strategy

The Trustee has adopted the following investment strategy for the DB section assets and has been effective since 28 June 2021:

Portfolio	Benchmark Weight	Description
Bulk Annuities	100.0%	Buy-in contracts under which the insurers are obligated to make payments to the Trustee to meet the Scheme's liabilities.

The Trustee holds buy-in contracts with JUST and Rothesay which were purchased in May 2018 and June 2021 respectively. Together the contracts cover all liabilities in the DB section. The longevity and investment risks associated with the liabilities have therefore been transferred to the insurers.

In addition to the above, there is a residual cash balance held in the Trustee Bank Account in order to meet expenses.

Failure of the bulk-annuity provider (counterparty risk):

There is a risk that, between now and the completion of the buy-out, JUST or Rothesay may default on their obligations under the buy-in contracts. To mitigate this risk, before entering into the buy-in contracts the Trustee took appropriate advice and paid close attention to the financial strength, security and operational soundness of the chosen annuity providers at the point of purchase.

Illiquidity

The Trustee does not expect to be able to obtain cash from the buy-in policies other than to meet promised benefits as agreed with the provider. The Trustee has considered this and has set aside cash, held in the Trustee Bank Account, in order to meet expenses and other potential liquidity needs.

Credit risk

JUST and Rothesay are authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and the Financial Conduct Authority ("FCA"). Under the policies, JUST and Rothesay are obligated to make payments to the Trustee in order to meet the Trustee's liabilities to the Scheme's beneficiaries, in respect of the benefits insured under the respective policies. JUST and Rothesay's liabilities are to the Trustee and not to the underlying beneficiaries at the present time.

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Notes to the Financial Statements

20. Investment risk disclosures (continued)

Defined Contribution and AVC Section

Investment Strategy

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 their duty as making available a range of investment options and lifestyle strategies sufficient to enable members to tailor their investment strategy to their own needs.

The DC and AVC Section accesses the funds by contracting directly with Legal & General Assurance (Pensions Management) Limited ("Legal & General"), Utmost Life and Pensions ("Utmost") and Standard Life, and invests in pooled funds that are structured as unit-linked insurance contracts managed by Legal & General Investment Management ("LGIM"), Utmost and Standard Life. As at 30 September 2024, there were no members invested in Utmost AVCs.

In addition, the Trustee offers three lifestyle strategies for the Pension Savings Plan 2001 ("PSP") and the Employee Pension Plan ("EPP"):

Drawdown Lifestyle Strategy - for members planning to leave their DC savings invested and withdraw income flexibly over time. Members who wish to utilise this option would have to transfer their DC savings out of the Plan at retirement. This is the default investment option for PSP members who have not made their own investment decision.

Annuity Lifestyle Strategy – for those planning to buy a level annuity (a fixed pension income for life) at their target retirement date.

Cash Lifestyle Strategy - for those planning to take their DC savings as a cash lump sum. This is the default investment option for EPP members who have not made their own investment decision.

All three strategies initially invest 50% in the LGIM Global Equity Market Weights 30:70 Index Fund – 75% GBP Currency Hedged Fund and 50% in the LGIM Diversified Fund until members reach eight years before their target retirement date when their contributions are gradually switched into the LGIM Future World Annuity Aware Fund and LGIM Sterling Liquidity Fund. The proportion of a member's fund invested in the LGIM Diversified, LGIM Future World Annuity Aware and LGIM Cash funds at a member's target retirement date will depend on which lifestyle strategy the member is invested in.

Day-to-day management of the assets is ultimately delegated to LGIM, Utmost and Standard Life (via respective long term insurance policies). The Trustee expects LGIM, Utmost and Standard Life to manage the assets delegated to them under the terms of their contracts, including the direct management of credit and market risks. LGIM, Utmost and Standard Life have full discretion to buy and sell investments on behalf of the Scheme, subject to agreed constraints and applicable legislation. They have been selected for their expertise in different asset classes.

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Notes to the Financial Statements

20. Investment risk disclosures (continued)

Defined Contribution and AVC Section (continued)

Investment Strategy (continued)

Direct Credit Risk

The DC Section is subject to direct credit risk in relation to LGIM, Utmost and Standard Life, through its holdings in unit linked insurance funds provided by the investment manager. The funds are structured as Collective Investment Vehicles, accessed through a (long term) insurance contract with the respective investment manager. All three providers are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority.

Indirect Credit Risk

The DC Section is subject to indirect credit risk as a result of investing in bonds and cash balances held in the pooled funds. The Trustee mitigates indirect credit risk by providing funds for which the majority of their holdings are in investment grade credit rated investments (where applicable). Where non-investment grade credit instruments are used, this is with a view to adding value. This is further mitigated at a fund level through diversification of the underlying securities to minimise the impact of default by any one issuer.

Indirect Market Risk

The DC Section is subject to indirect market risk where the underlying investments of the pooled funds are exposed to interest rate or other price risks. These include bond and cash pooled investment vehicles. For the funds managed on an active basis, many of these market risks are the responsibility of the investment manager to the extent that the funds' objectives and constraint allow. Additionally, as there is a range of funds available, members can set their own investment strategy in line with their risk tolerances.

- **Indirect Currency Risk**

  The DC Section is subject to indirect currency risk arising from Sterling-priced pooled investment vehicles, which hold unhedged underlying investments denominated in foreign currency.

- **Indirect Interest Rate Risk**

  The DC Section is subject to indirect interest rate risk in relation to cash pooled investment vehicles and underlying bond investments held in the bond funds.

- **Other Price Risk**

  Indirect other price risk arises principally in relation to the DC Section return-seeking assets, which comprise equities and bonds.

Additionally, indirect other price risk arises in relation to the LGIM Sterling Liquidity Fund, which is made up of a range of money market instruments including, but not limited to, short term loans and certificates of deposits etc. There are therefore risks (albeit small) surrounding the market value of investments.

The risks disclosed here relate to the DC Section investments as a whole. As members are able to choose their own investments from the range of funds offered by the Trustee, member level of risk exposures will be dependent on the funds invested.

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Notes to the Financial Statements

20. Investment risk disclosures (continued)

Defined Contribution and AVC Section (continued)

Investment Strategy (continued)

During the year, the following pooled investment funds were exposed to underlying (indirect) credit, currency, interest rate and other price risks arising from the underlying financial instruments held.

Indirect Market Risk (£m)				2024 (£m)
Credit	Currency	Interest Rate	Other Price	
139	255	139	280	280

Manager/Fund	Indirect Market Risk				2024 (£m)	2023 (£m)	FRED 62 Fair Value Hierarchy Category
	Credit	Currency	Interest Rate	Other Price			
LGIM Global Equity Market Weights 30:70 Index– 75% GBP Currency Hedged Fund		✓		✓	121	102	2
LGIM Diversified Fund	✓	✓	✓	✓	124	102	2
LGIM UK Equity (5% Capped) Passive Fund*				✓	10	10	2
LGIM Overseas Equity Consensus Index Fund*		✓		✓	9	8	2
LGIM World Emerging Markets Equity Index Fund*		✓		✓	2	2	2
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	✓		✓	✓	0	0	2
LGIM Future World Inflation Linked Annuity Aware Fund	✓		✓	✓	1	1	2
LGIM Future World Annuity Aware Fund	✓		✓	✓	10	13	2
LGIM Managed Property Fund	✓		✓	✓	1	1	2
LGIM Sterling Liquidity Fund*	✓		✓	✓	4	4	2

Source: LGIM, *Includes Transfers-in values

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Notes to the Financial Statements

20. Investment risk disclosures (continued)

Defined Contribution and AVC Section (continued)

Investment Strategy (continued)

AVCs

The risks disclosed above also relate to the AVC Section investments. As members are able to choose their own investments from the range of funds offered by the Trustee, member level of risk exposures will be dependent on the funds invested.

Manager/Fund	Indirect Market Risk				2024 (£'000)	2023 (£'000)	FRED 62 Fair Value Hierarchy Category
	Credit	Currency	Interest Rate	Other Price			
LGIM UK Equity (5% Capped) Passive Fund				✓	139	135	2
LGIM Overseas Equity Consensus Index Fund		✓		✓	102	94	2
LGIM Future World Inflation Inflation Linked Annuity Aware Fund	✓		✓	✓	41	37	2
LGIM Future World Annuity Aware Fund	✓		✓	✓	4	3	2
LGIM Sterling Liquidity Fund	✓		✓	✓	7	6	2
Standard Life Managed Fund	✓	✓	✓	✓	61	53	2
Standard Life Pension Millennium (with profits) Fund	✓	✓	✓	✓	32	35	2
Standard Life Pension (with profits) Fund	✓	✓	✓	✓	52	66	2
Utmost Money Market Fund	✓		✓	✓	0	3	2

Source: LGIM, Utmost, Standard Life.

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Notes to the Financial Statements

21. Concentration of investments

The following investments account for more than 5% of the Scheme's net assets as at the year end:

	£'000	2024	£'000	2023
Defined Benefit Section:				
Just Retirement – insured annuity policy	**108,000**	**20%**	109,000	21%
Rothesay - insured annuity policy	**154,000**	**28%**	155,000	30%
Defined Contribution Section:				
Legal & General – Multi Asset Diversified Fund	**123,711**	**23%**	101,629	20%
Legal & General – Global Equity Index	**121,048**	**22%**	101,809	20%

22. Current assets

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Cash at bank	**2,616**	**2,160**	**4,776**
Investment income due	**3**	**2**	**5**
Employers' contributions due	-	**686**	**686**
Employees' contributions due	**-**	**581**	**581**
Death in service income due	**-**	**96**	**96**
Payroll prepayment	**1,036**	**-**	**1,036**
Pension Regulator prepayment	**41**	**-**	**41**
	3,696	**3,525**	**7,221**

	2023 £'000	2023 £'000	2023 £'000
Cash at bank	3,747	1,943	5,690
Investment income due	3	2	5
Employers' contributions due	-	720	720
Employees' contributions due	-	576	576
Payroll prepayment	1,042	-	1,042
Pension Regulator prepayment	40	-	40
	4,832	3,241	8,073

All contributions due to the Scheme relate to the month of September and were paid in full to the Scheme following the year-end within the timescale required by the Schedule of Contributions in force.

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Notes to the Financial Statements

23. Current liabilities

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Benefits payable	**126**	**696**	**822**
Legal and consultancy	**52**	**-**	**52**
Audit fees	**30**	**-**	**30**
Administration fees	**180**	**-**	**180**
Actuarial fees	**29**	**-**	**29**
Investment management fees	**-**	**88**	**88**
Amounts owed to HMRC	**-**	**91**	**91**
	417	**875**	**1,292**

	2023 £'000	2023 £'000	2023 £'000
Benefits payable	267	801	1,068
Legal and consultancy	31	-	31
Audit fees	41	-	41
Administration fees	215	-	215
Actuarial fees	9	-	9
Investment management fees	-	74	74
Amounts owed to HMRC	-	18	18
	563	893	1,456

24. Capital commitments

At 30 September 2024 there were no capital commitments (2023: £Nil).

25. Contingent liabilities

The Scheme has no contingent liabilities as at 30 September 2024 (2023: £Nil).

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Notes to the Financial Statements

26. Self investment

There were no Employer-related investments at 30 September 2024 (2023: Nil).

27. Related party transactions

Key management personnel

Any contributions or pensions are paid in accordance with the rules of the Scheme. The Professional Trustees received no fees during the year (2023: nil) as these fees and expenses have been paid by the Principal Employer from May 2022 onwards. Except as disclosed above, there are no transactions, balances or relationships that require disclosure under FRS 102.

28. Subsequent Events

GMP Equalisation

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension scheme. The judgment concluded that schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension (GMP) benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustee is aware that the issue will have an effect on the Scheme and will be considering this at future meetings and decisions will be made as to next steps. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts. The High Court has since determined that trustees owed a duty to a transferring member to make a transfer payment which reflected the member's right to equalised benefits. Where the initial transfer payment was inadequate on this basis the Trustee is under an obligation to make a top-up payment to the receiving scheme on behalf of the transferred member. Based on an initial assessment of the likely backdated amounts and related interest, the Trustee does not expect these to be material to the financial statements and therefore has not included a liability in respect of these matters in these financial statements. They will be accounted for in the year they are determined.

Virgin Media Ltd v NTL Pension Trustees II Section 37 Legal Ruling

The Scheme was contracted out on a money purchase basis from 6 April 1997 and, as a result, the court case is not relevant for the Scheme.

29. Transfers between sections

	2024 Defined Benefit Section £'000	2024 Defined Contribution Section £'000	2024 Total £'000
Individual transfers	**33**	**(33)**	**-**

	2023 £'000	2023 £'000	2023 £'000
Individual transfers	(353)	353	-

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Appendix I

Actuary's Certification of the Technical Provisions

Name of the Scheme	William Hill Pension Scheme

Calculation of technical provisions

I certify that, in my opinion, the calculation of the Scheme's technical provisions as at 30 September 2022 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustee of the Scheme and set out in the statement of funding principles dated October 2023.

Signature	
Name	Gary Peterson
Date of signing	8 November 2023
Name of employer	Mercer Limited
Address	Tower Place London EC3R 5BU
Qualification	Fellow of the Institute and Faculty of Actuaries

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Membership

Appendix II

- Retirement Plan membership movements
- Pension Savings Plan 2001 membership movements
- Employee Pension Plan membership movements

The membership movements for the Scheme during the year to 30 September 2024 are shown below.

Retirement Plan (Defined Benefit)

This Plan is closed to new members.

Deferred pensioners

Members with a deferred pension as at 1 October 2023		**695**
Less	Members taking a transfer of their deferred pension from the Plan	(1)
	Members retiring and drawing a pension	(62)
	Members retiring with full commutation	(6)
	Member who have died	(3)
Members with a deferred pension as at 30 September 2024		**623**

Pensioners and dependants

Pensioners including dependents as at 1 October 2023		**1,750**
Plus	Members starting to receive their pension	62
	Dependants starting to receive their pension	18
Less	Pensioners who have died	(70)
	Dependants who have died	(3)
Pensioners including dependents as at 30 September 2024		**1,757**
Number of dependants included in total above		*225*

At 30 September 2023 and 2024, all pensioner members of the Scheme were covered by the insurance policies held by the Scheme.

Total membership

Deferred pensioners	623
Pensioners	1,532
Dependants	225
Total membership as at 30 September 2024	**2,380**

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Membership

Pension Savings Plan 2003 (Defined Contribution)

Active members

Active members at 1 October 2023		**1,073**
Plus	New Joiners	95
	Enrolled from Employee Pension Plan	22
	Re-instatement	1
Less	Retirements with purchase of annuity	(5)
	Retirements UFPLS	(6)
	Leavers becoming deferred	(224)
	Leavers taking a transfer of benefits	(1)
	Death	(3)
	Late Adjustment	(1)
Active members at 30 September 2024		**951**

Deferred members

Deferred members at 1 October 2023		**2,199**
Plus	Active members leaving and retaining a deferred pension	224
Less	Retirements with full commutation	(13)
	Retirements UFPLS	(34)
	Members taking a transfer of their deferred pension	(111)
	Members retiring and purchasing an annuity	(15)
	Members who died in deferment	(3)
	Reinstatement	(1)
	Non-joiner	(1)
	Deferred to refunded	(1)
Deferred members at 30 September 2024		**2,244**

Leavers

Leavers - as at 1 October 2023		**30**
Less	Members transferring out their benefits	(1)
Leavers - as at 30 September 2024		**29**

Total membership

Active members	951
Deferred members	2,244
Leavers – refund/transfer option	29
Total membership as at 30 September 2024	**3,224**

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Membership

Employee Pension Plan (Defined Contribution)

Active members

Active members at 1 October 2023		**4,524**
Plus	New Joiners	1,189
	Reinstatements	1
	Late adjustment	3
Less	Enrolled into Pension Savings Plan 2001	(22)
	Retirements with a commutation	(19)
	Leavers becoming deferred	(1,412)
	Deaths	(11)
	Retirements UFPLS	(17)
	Non-Joiners	(2)
	Leavers taking a transfer of benefits	(4)
Active members at 30 September 2024		**4,230**

Deferred members

Deferred members at 1 October 2023		**13,540**
Plus	Active members leaving and retaining a deferred pension	1,412
	Member refunded to deferred	1
	Late adjustment	2
Less	Retirements with full commutation	(66)
	Members taking a transfer of their deferred pension	(60)
	Retirement UFPLS	(34)
	Members who died in deferment	(2)
	Retirements with purchase of annuity	(21)
	Deferred to refunded	(1)
	Member reinstated service	(1)
	Late adjustment	(1)
Deferred members at 30 September 2024		**14,769**

Leavers

Leavers - as at 1 October 2023		**726**
Less	Members taking a refund	(3)
	Members taking a transfer option	(1)
	Death	(1)
Leavers - as at 30 September 2024		**721**

Total membership

Active members	4,230
Deferred members	14,769
Leavers – refund/transfer option	721
Total membership as at 30 September 2024	**19,720**

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Membership

Life assurance members

In addition to the membership of the Retirement Plan, Employee Pension Plan and the Pension Savings Plan 2001 the Scheme also provides lump sum death in service benefits for all employees of William Hill Organization Limited provided they have served at least one year of continuous service with the Employer and are under the age of 75.

All life assurance is currently covered by a policy of assurance underwritten by Legal & General Assurance Society Limited.

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Statement of Investment Principles – June 2024 Appendix III

DC Section

Introduction

This Statement of Investment Principles (the "Statement") sets out the principles governing investment decisions for the William Hill Pension Scheme (the "Scheme"). This Statement is designed to comply with the requirements of the following legislation:

- The Pensions Act 1995, as amended by subsequent legislation; and
- The Occupational Pension Schemes (Investment) Regulations 2005, as amended by subsequent legislation.

Additionally, the Trustee seeks to adopt investment arrangements that are in keeping with best practice.

As required under the Act, the Trustee has consulted a suitably qualified person in obtaining appropriate written advice from its investment adviser, Mercer. As with all significant investment matters the Trustee has consulted William Hill PLC as employer of the Scheme (the "Employer"). Mercer has provided advice to the Trustee in relation to the appropriateness of the asset allocation, manager structure and investment products. Mercer has confirmed to the Trustee that the benchmarks for each of the investment funds are suitable to meet the objectives of the Trustee outlined in this Statement.

The Trustee Board is responsible for all decisions and also for all operational arrangements.

The Trustee's investment responsibilities are governed by the Scheme's trust deed and this Statement takes full regard of its provisions. A copy of the Scheme's trust deed is available for inspection upon request.

The Trustee will review this Statement every Scheme year to ensure that it remains accurate. The Statement will be amended more frequently should any significant changes be made to the Scheme's investment arrangements.

The Trustee's policy on funding the Scheme is set out in a separate document, the Statement of Funding Principles.

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Statement of Investment Principles

1. Defined Benefit (DB) section

1.1 Investment policy

The Trustee's investment policy is guided by the following objective: The purpose of the Scheme is to enable benefits to be paid as and when they fall due, and to do this the Trustee takes steps where appropriate to ensure that:

- dependency on the covenant of the Employer will be significantly reduced;
- other material risks (e.g. longevity) will be reduced.

To this end, all of the DB section assets were used to fund the purchase of bulk annuity contracts ("buy-ins") with JUST Group Plc ("JUST") and Rothesay Life Plc ("Rothesay"). The Trustee entered into the buy-in with JUST in May 2018 to secure 75% of the Scheme's pensioner liabilities as at November 2017. The Trustee entered into the buy-in with Rothesay in June 2021 to secure the remaining uninsured liabilities. Under the buy-in contracts the insurers are obligated to make payments to the Trustee in order to meet the Scheme's liabilities to those beneficiaries insured under the policies.

The advice received and arrangements implemented are, in the Trustee's opinion, consistent with the requirements of Section 36 of the Pensions Act 1995 (as amended). The Trustee selected JUST and Rothesay as the Scheme's annuity providers having obtained and considered the written advice of KPMG and Mercer respectively whom the Trustee considered to be suitably qualified to provide such advice at the time of entering into the contacts.

The objective set out above and the risks and other factors referenced in this Statement are those that the Trustee determines to be financially material considerations in relation to the DB section of the Scheme.

1.2 Investment Strategy

The Trustee has adopted the following investment strategy for the DB section assets and has been effective since 28th June 2021:

Portfolio	Benchmark Weight	Description
Bulk Annuities	100.0	Buy-in contracts under which the insurers are obligated to make payments to the Trustee to meet the Scheme's liabilities.

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The Trustee holds buy-in contracts with JUST and Rothesay which were purchased in May 2018 and June 2021 respectively. Together the contracts cover all liabilities in the DB section. The longevity and investment risk associated with the liabilities has therefore been transferred to the insurers.

In addition to the above, there is a residual cash balance held in the Trustee Bank Account in order to meet expenses.

1.3 Risk Measurement and Management

The Trustee is aware of, and pays close attention to, a range of risks inherent in investing the assets of the Scheme. The Trustee has sought to mitigate key risks by the purchase of the buy-in contracts. The Trustee believes the following risks may be financially material over the future lifetime of the DB section (i.e. before completing buy-out and wind-up).

Failure of the bulk-annuity provider (counterparty risk): the risk that, between now and the completion of the buy-out, JUST or Rothesay may default on their obligations under the buy-in contracts. To mitigate this risk, before entering into the buy-in contracts the Trustee took appropriate advice and paid close attention to the financial strength, security and operational soundness of the chosen annuity providers at the point of purchase.

Illiquidity: The Trustee does not expect to be able to obtain cash from the buy-in policies other than to meet promised benefits as agreed with the provider. The Trustee has considered this and has set aside cash, held in the Trustee Bank Account, in order to meet expenses and other potential liquidity needs.

1.4 Day-to-day management of assets

The Scheme has buy-in contracts with JUST and Rothesay which account for the vast majority of the DB section's assets. The residual assets within the DB section are held in cash in the Trustee Bank Account with National Westminster Bank, which is managed by the Scheme's appointed administrator, Capita.

1.5 Investments/disinvestments

The DB section's liabilities are met by the buy-in contracts with JUST and Rothesay. JUST and Rothesay are responsible for the realisation of assets within the bulk annuity contracts in order to make the payments due under the contracts.

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Any further investments and disinvestments from the Scheme will be at the discretion of the Trustee.

The current disinvestment framework for the Scheme uses the Trustee Bank Account as a reserve to meet the Scheme's cashflow requirements.

1.6 Investment manager terms and conditions

The Scheme holds insurance policies written by JUST and Rothesay, both insurance companies are authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and the Financial Conduct Authority ("FCA"). Under the policies, JUST and Rothesay are obligated to make payments to the Trustee in order to meet the Trustee's liabilities to the Scheme's beneficiaries, in respect of the benefits insured under the respective policies. JUST and Rothesay's liabilities are to the Trustee and not to the underlying beneficiaries at the present time.

2. Defined Contribution (DC) section

2.1 Introduction

The Trustee's main aim is to provide a range of fund options which serve to meet the various investment needs and risk tolerances of the Scheme's members, in a cost effective manner.

The DC section of the Scheme, the Pension Savings Plan, was originally set up in April 1997. With effect from 1 July 2001, the terms of the Pension Savings Plan were amended to comply with Stakeholder regulations and to avoid confusion it was re-named the 'Pension Savings Plan 2001' ("PSP").

With effect from 31 March 2013 the Employee Pension Plan ("EPP") has been made available for auto enrolment.

2.2 Investment Objectives and Policies

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 their duty as making available a range of investment options and lifestyle strategies sufficient to enable members to tailor their investment strategy to their own needs.

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The Trustee also recognises that some members may not feel confident enough to make investment decisions. As such the Trustee makes available the Default Investment Strategies.

Members who do not indicate a preference will be invested in the applicable Default Investment Strategy. For PSP members, the Default Investment Strategy is a lifestyle strategy targeting drawdown. For EPP members the Default Investment Strategy is a lifestyle strategy targeting cash. These are set out in Section 2.4 of this Statement.

Some DB members have chosen to contribute into AVCs which are also managed under the DC Section of the Scheme. Members made their own investment decisions on these AVCs assets. Whilst the Trustee monitors the suitability and the performance of these assets regularly, members are responsible for the selection of investment options from the range available.

The Default Investment Strategies place the emphasis on aiming to deliver a good level of real return over members' working lifetimes (whilst mitigating risk through diversification) and also encompasses de-risking in the years approaching a member's selected target retirement age into asset classes designed to be appropriate for how a member expects to withdraw their benefits in retirement. These are set out in more detail in section 2.5 of this Statement.

These objectives translate to the following principles:

a. Offering members a 'Lifestyle' approach to the Default Investment Strategies and ensuring that the other investment strategy 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, bond and alternatives which serve to meet the varying investment needs and risk tolerances of Scheme members wishing to manage their own investments;

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;

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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.

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.

In considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of a suitability qualified investment advisor. The advice received and the arrangements implemented are, in the Trustee's opinion consistent with the requirements of Section 36 of the Pensions act 1995 (as amended).

The self-select fund range allows members some flexibility in their selection of funds.

Members determine the balance between the different kinds of investments they hold. This balance will determine the expected return on member's assets and should be related to the member's own risk appetite and tolerances.

The funds are pooled investment funds which are daily-dealt, with assets mainly invested in regulated markets and therefore should be realisable at short notice, based on either Trustee or member demand.

The table below shows the list of the non-lifestyle self-select funds offered to members:

Fund Option	Investment Brief
Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged	The Fund invests passively in global equities to target higher capital growth. The Fund aims to capture the total returns of the UK and overseas equity markets as represented by the FTSE All-Share Index in the UK and the FTSE AW - All World (ex UK) Index overseas while maintaining a fixed 30/70 weighting between the UK and the overseas assets. A total of 75% of the overseas assets (excluding emerging markets) will be currency hedged to sterling, exposure to emerging market currencies will be left unhedged.
Diversified Fund	The Fund will hold between 20% and 50% in bonds, and the remaining 50% to 80% will be held in a range of assets which may include equities, property, commodities and the shares of infrastructure companies. Exposure to each asset class will primarily be through investing in passively managed funds, although active management may be used for some asset classes. The asset allocation will be reviewed periodically (at least annually). The expected annual return for this Fund is broadly similar to that of a developed market equity fund but with lower volatility than developed equity markets.

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Fund Option	Investment Brief
UK Equity Fund	The Fund invests passively in UK equities, with a maximum exposure limit of 5% to a single company. The Fund aims to track the performance of the FTSE All Share (5% Capped) Index.
Overseas Consensus Equity Fund	The Fund invests passively in overseas equities, to produce a return broadly comparable with the FTSE All-World (ex UK) Index (gross of fees).
Emerging Markets Equity Fund	The Fund invests passively in emerging market equities. It aims to track the performance of the performance of the FTSE AW – All Emerging Markets Index.
LGIM Future World Annuity Aware Fund	The Fund aims to provide diversified exposure to fixed interest assets, incorporating Environmental, Social and Governance ("ESG") considerations as part of the investment strategy, that reflect the investments underlying a typical traditional level annuity product. The Fund, however, cannot provide full protection against changes in annuity rates for individual members. The asset allocation is reviewed quarterly and the Fund will not take short-term asset allocation positions. Features within the underlying index methodology, including the L&G Future World Protection and LGIM ESG scores, may evolve over time.
AAA-AA-A Corporate Bond All Stocks Fund	The Fund invests passively in sterling denominated non-government bonds. It aims to track the performance of the iBoxx £ Non-Gilts (ex-BBB) Index.
Sterling Liquidity Fund	The Fund invests in high quality short term fixed income and variable rate securities across a range of financial institutions, sovereign and corporate issuers. It aims to provide diversified exposure and a competitive return in relation to SONIA (Sterling Overnight Index Average).
Property Fund	The Fund is 'actively managed' and invests directly in UK commercial property. It may also invest in shares of property companies from time to time. The Fund aims to outperform the AREF/IPD UK Quarterly All Balanced Property Funds Index over three and five year periods.
LGIM Future World Inflation Linked Annuity Aware Fund	The Fund aims to improve potential outcomes for investors likely to purchase inflation-linked annuities, by providing diversified exposure to fixed interest and inflation-linked bonds while incorporating Environmental, Social and Governance ("ESG") considerations as part of the investment strategy. The Fund, however, cannot provide full protection against changes in inflation-linked annuity rates for individual members. The asset allocation is reviewed quarterly and the Fund will not take short-term asset allocation positions. Features within the underlying index methodology, including the L&G Future World Protection and LGIM ESG scores, may evolve over time.

The Scheme's existing lifestyle strategies have been in place since 2014. The Trustee has implemented a total of three lifestyle strategies (targeting cash, annuity and drawdown at retirement). Eight years prior to retirement, members will be asked to choose one of the following three pre-retirement phase strategies that best reflects how they intend to take benefits in retirement.

These lifestyle strategies allocate to the self-select fund range, as described above, the size of these allocations is provided in further detail below. The Trustee took advice from investment consultants when determining the balance of investments within the lifestyle strategies.

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Lifestyle Strategy	Funds
Drawdown (default strategy for PSP members	*Growth phase:* 50% LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged 50% LGIM Diversified Fund *De-risking phase (final allocation):* 50% LGIM Diversified Fund 25% LGIM Sterling Liquidity Fund 25% LGIM Future World Annuity Aware Fund
Cash (default strategy for EPP members)	*Growth phase:* 50% LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged 50% LGIM Diversified Fund *De-risking phase (interim allocation):* Funds are gradually switched to the LGIM Future World Annuity Aware Fund before being gradually switched to the LGIM Sterling Liquidity Fund. *De-risking phase (final allocation):* 100% LGIM Sterling Liquidity Fund
Annuity	*Growth phase:* 50% LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged 50% LGIM Diversified Fund *De-risking phase (final allocation):* 75% LGIM Future World Annuity Aware Fund 25% LGIM Sterling Liquidity Fund

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Statement of Investment Principles

2.3 Risk Measurement and Management

The Trustee has considered risk from a number of perspectives in the DC section. The Trustee believes that the following risks may be financially material to the Scheme:

Type of Risk	Risk	Description	How is the risk monitored and managed?
Market risks	Inflation risk	The risk that returns over the members' working lives does not keep pace with inflation.	The Trustee makes available a range of funds, across various asset classes. The Trustee expects the long-term return on those investment options that invest predominately in equities and other growth-seeking assets (e.g. diversified growth funds) to exceed price inflation and general salary growth. Members are able to set their own investment allocations, in line with their risk tolerances. Within active funds, management of many of these market risks is the responsibility of the investment manager. Lifestyle strategies automatically and gradually reduce the level of investment risk members are exposed to as they approach retirement. The asset allocations for the Default Investment Strategies are set with the intention of diversifying these risk to reach a level of risk deemed appropriate.
	Currency risk	The risk that fluctuations in foreign exchange rates will cause the value of overseas investments to fluctuate.	
	Credit risk	The risk that the issuer of a financial asset, such as a bond, fails to make the contractual payments due.	
	Equity, property and other price risk	The risk that market movements lead to a substantial reduction in the value of a member's savings.	
Liquidity risk		The risk that the pooled funds do not provide the required level of liquidity. Under extreme conditions, investment manager may impose trading suspensions to certain funds.	The Scheme is invested in daily dealt and daily priced pooled funds. Any trading suspension is reported to the Trustee and members as soon as is practical, and asset allocations may be changed temporarily to ensure the liquidity of the funds.

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Type of Risk	Risk	Description	How is the risk monitored and managed?
Investment Manager risk		The risk that the appointed investment managers do not meet their objectives, fail to carry out operational tasks, do not ensure safe-keeping of assets or breach agreed guidelines.	The Trustee regularly reviews the performance of the investment managers.
Pension Conversion risk		The risk that the member is invested in a strategy that does not reflect the way in which they intend to take their benefits at retirement.	The Trustee makes available lifestyle strategies targeting annuities, cash lump sum and drawdown which help members invest more appropriately for how they wish to take their benefits. Lifestyle strategies automatically switch member assets into investments whose value is expected to be less volatile relative to how the member wishes to access their pension savings as they approach retirement age. The Default Investment Strategies are lifestyle strategies. The default retirement destination differs for different sections of members (EPP and PSP members). The appropriateness of the retirement destinations is reviewed as part of the triennial strategy review.
Environmental, Social and Corporate Governance ("ESG") risk		The risk that ESG concerns, including climate change, have a financially material impact on the return of the Scheme's assets.	The management of ESG related risks is delegated to investment managers. See Section 6 of this Statement for the Trustee's responsible investment and corporate governance statement.

The objectives set out above and the risks and other factors referenced in this Statement are those that the Trustee considers to be financially material considerations in relation to the DC section. The financially material considerations in relation to the Default Investment Strategies are provided in more detail in Section 2.5 below. The Trustee believes that the appropriate time horizon within which to assess these considerations should be viewed at the member level. This will be dependent on the member's age and when they expect to retire.

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2.4 Default Investment Strategies

Typically, a proportion of DC section members will actively choose the Default Investment Strategy because they feel it is most appropriate for them. However, the vast majority of Scheme members do not make an active investment decision and are invested in the Investment Strategy appropriate to the specific section in which they are invested.

The aims of the Default Investment Strategies

The Trustee believes that:

- The growth phase structure, that invests in equities and other growth-seeking assets, will provide potential for long-term growth with some downside protection and some protection against inflation erosion.

- As a member's pot grows, investment risk will have a greater impact on member outcomes. Therefore, the Trustee believes that it is appropriate for the Default Investment Strategies to seek to reduce investment risk as the member approaches retirement. This is achieved by automated switches over an eight-year period prior to the member's retirement date. Member's savings are gradually switched into funds that are invested to target the different ways members are expected to take benefits (i.e. cash or income drawdown).

Policies in relation to the Default Investment Strategies

The Default Investment Strategies manage investment and other risks through a diversified strategic asset allocation consisting of traditional and alternative assets.

- In designing the Default Investment Strategies, the Trustee has explicitly considered the trade-off between risk and expected returns. Risk is not considered in isolation, but in conjunction with expected investment returns and outcomes for members. The balance between different kinds of investments is decided accordingly. Any investment in derivative instruments contributes to risk reduction, or efficient portfolio management.

- If members wish to, they can opt to choose their own investment strategy on joining but also at any other future date.

- Assets in the Default Investment Strategies are invested in the best interests of members and beneficiaries, taking into account the profile of members.

- Assets in the Default Investment Strategies are invested in a manner which aims to ensure the security, quality, liquidity and profitability of a member's portfolio as a whole.

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- Assets are invested mainly on regulated markets (those that are not are kept to prudent levels).

- In considering appropriate investments for the Scheme, the Trustee has obtained and considered the written advice of a suitability qualified investment advisor. The advice received and the arrangements implemented are, in the Trustee's opinion consistent with the requirements of Section 36 of the Pensions act 1995 (as amended).

- The funds are pooled investment vehicles which are daily-dealt, with assets mainly invested in regulated markets and therefore should be realisable at short notice, based on either Trustee or member demand.

Based on member analysis and the Trustee's understanding of the Scheme's membership, the Trustee believes a default investment strategy that targets drawdown and a tax-free cash lump sum (up to 25% of a member's pot) is appropriate for PSP members. Separately, the Trustee believes a default investment strategy that targets taking cash at retirement is appropriate for EPP members. The Trustee will review the appropriateness of the Drawdown Lifestyle Strategy and the Cash Lifestyle Strategy as the default investment options for PSP and EPP members, respectively, on a periodic basis.

2.5 Investment manager fees

The investment manager fees for assets within the DC section are set out in an Appendix to this Statement.

3. Transfers in

Further DC monies are invested with Legal & General representing transfers in from the William Hill Investment Plan which operated from 1990 to 1997, and was subsequently wound up; and from the Pension Savings Plan. Any individual transfer which the Trustee agrees to accept may also utilise these funds.

The arrangement with Legal & General utilises the same funds as those offered for main contributions to the Pension Savings Plan 2001.

4. Additional Voluntary Contributions

Certain DB Section members have Additional Voluntary Contributions (AVCs) with Standard Life and Utmost. All Scheme members can invest AVCs with Legal & General. The arrangement with Legal & General utilises the same funds as those offered for main contributions to the Pension Savings Plan 2001. These arrangements are reviewed from time

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to time to ensure that the investment performance achieved is acceptable and the investment profile of the Scheme remains consistent with the objectives of the Trustee and needs of the members.

5. Buying and selling investments

The responsibility for buying and selling the underlying investments has been delegated to the investment managers. However, both the Trustee and Administrator (Capita) are involved in the process behind the buying and selling of investments. The day-to-day activities that the investment managers carry out are reviewed from time to time to ensure that the operating instructions, guidelines and restrictions remain appropriate. The safe custody of the Scheme's assets is delegated via the investment managers to professional custodians (via the use of pooled vehicles).

6. Policies in relation to illiquid assets

The Trustee considers illiquid assets as assets of a type which cannot easily or quickly be sold or exchanged for cash; including where such assets are invested as a component of a daily-dealing multi-asset fund. The Scheme's Default Investment Strategies include no direct allocation to illiquid investments or to investments via a collective investment scheme. The Scheme has indirect exposure to illiquid assets through its investment in the LGIM Diversified Fund, which is a multi-asset fund that includes an allocation of c.7% to illiquid assets as at 30 September 2023. This comprises exposure to the following illiquid asset classes: c.5% in UK Physical Property and c.2% in Private Credit. Members in the Scheme's Default Investment Strategies gain exposure to the LGIM Diversified Fund, which constitutes 50% of the growth phase. Members are wholly invested in the growth phase until 8 years to retirement, when they begin to de-risk into asset classes with lower projected risk adjusted returns. For PSP members, they remain 50% invested in the LGIM Diversified Fund throughout their time to retirement. For EPP members, they are fully divested from the LGIM Diversified Fund by their selected retirement age.

The other funds used in the Default Investment Strategies either do not invest in any underlying illiquid assets, or they have less than 0.1% of their allocation invested in illiquid assets.

The Trustee is comfortable indirectly investing in a small proportion of illiquid assets through a diversified multi-asset fund, to experience the potential for higher returns and benefits of diversification relative to more traditional asset classes (such as bonds or equities) that illiquid assets can offer. While these benefits are recognised by the Trustee, it is also aware of the risks of investment in illiquid assets to members. Given the potential for valuations of illiquid assets to not reflect their true value at a given time as well as

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concerns over liquidity management; the Trustee considers direct investment into an illiquid asset fund, such as a Long Term Asset Fund ("LTAF"), as not currently suitable for members of the Scheme, although this is kept under review.

In selecting investments for the default arrangement the Trustee uses both qualitative and quantitative analysis to consider the expected impact of different strategic allocation mixes. For any future investment, the Trustee carefully considers whether the investment provides value for members, taking account of the return potential and associated risks. It is the Trustee's policy to review the allocation of the default investment strategy on at least a triennial basis. Such reviews will include whether the incorporation of illiquid asset investments is appropriate.

7. Responsible Investment and Corporate Governance

The Trustee believes that environmental, social, and corporate governance (ESG) factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration. The Trustee has taken into account the expected time horizon of the Scheme when considering how to integrate these issues into the investment decision making process.

The Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code. The Trustee will periodically review the investment managers' policies and engagement activities (where applicable).

The Trustee considers how ESG, climate change and stewardship is integrated within investment processes in appointing new investment managers and monitoring existing investment managers. This includes the investment managers' policy on voting and engagement. Monitoring is undertaken on a regular basis and is documented at least annually.

Equity managers who are FCA registered are expected to report on their adherence to the UK Stewardship Code on an annual basis.

The Trustee has determined the following key themes as the basis for the Scheme's "most significant votes" in respect of the investment manager engagement activities:

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- Climate change: low-carbon transition and physical damages resilience.
- Pollution and natural resource degradation: air, water and land (forests, soils and biodiversity).
- Human rights: Modern slavery, pay and safety in workforce and supply chains, and abuses in conflict zones.
- Diversity, Equity and Inclusion: inclusive & diverse decision making.

Member views are not taken into account in the selection, retention and realisation of investments, but members have a variety of methods by which they can make their views known to the Trustee. This position will be reviewed periodically. The Trustee engages with the Scheme's investment managers on issues including, but not limited to, matters concerning an issuer of debt or equity, a manager's performance, strategy, risks, environmental impact and corporate governance. The Trustee also expects the investment managers to engage with investee companies on the capital structure and management of conflicts of interest.

The Trustee have not set any investment restrictions on the appointed investment managers in relation to particular products or activities, but may consider this in future.

8. Investment Manager Appointments

8.1. Aligning manager appointments with investment strategy

Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class or classes they are selected to manage.

The Trustee looks to its investment consultant for their forward looking assessment of a manager's ability to outperform over a full market cycle. This view will be based on the consultant's assessment of the manager's idea generation, portfolio construction, implementation and business management, in relation to the particular investment fund that the Scheme invests in. The consultant's manager research ratings assist with due diligence and questioning managers during presentations to the Trustee and are used in decisions around selection, retention and realisation of manager appointments.

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If the investment objective for a particular manager's fund changes, the Trustee will review the fund appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives.

When selecting and appointing investment managers, the Trustee will take into account how ESG factors, including climate change and stewardship, are integrated within the managers' investment processes. This will be balanced against other manager selection criteria such as (but not limited to) idea generation, portfolio construction, implementation, business management and fees and charges.

As the Scheme invests in pooled investment vehicles, the Trustee accepts that it has no direct ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy.

The Trustee believes the annual fee paid to the investment managers incentivises them to follow the fund's objective, which is aligned to the Trustee's policies.

8.2. Monitoring manager appointments

The Trustee receives investment manager performance reports on a quarterly basis, which present performance information over a variety of periods. The Trustee reviews the absolute performance, relative performance against a suitable index used as the benchmark, and/or against the managers' stated target performance (over the relevant time period).

The Trustee will also consider the investment consultant's assessment of how each manager embeds ESG into its investment process and how the manager's responsible investment philosophy aligns with the Trustee's views. This includes investment managers' policy on voting and engagement. The Trustee meets with each investment manager on a regular basis and challenges their decisions in these areas.

The Trustee's focus is on long term performance but, as noted above, may review a manager's appointment if:

- There are sustained periods of underperformance;
- There is a change in the portfolio manager or portfolio management team;
- There is a change in the underlying objectives of the investment manager;
- There is a significant change to the investment consultant's rating of the manager.

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The Trustee believes that ESG and stewardship policies can improve fund performance over the longer term. The investment managers are remunerated by way of a fee calculated as a percentage of assets under management. The Trustee believes that the remuneration policy of the investment managers is aligned to the Trustee's policy. The fund manager's remuneration is considered as part of the manager selection process and is also monitored regularly by the Trustee with the help of its investment consultant to ensure it is in line with the Trustee's policies.

The Trustee considers that the method of remunerating the investment managers is consistent with incentivising them to make decisions based on assessments of medium to long-term financial and non-financial performance of an issuer of debt or equity securities held within their fund. By encouraging a long-term view, they will in turn encourage the investment managers to engage with the issuers of debt or equity in order to improve their performance in the medium to long term.

If managers are not meeting performance objectives, or investment objectives for mandates have changed, the Trustee may ask managers to review the Annual Management Charge.

The Trustee undertakes an annual review of the DC investment options, including LGIM as investment manager, and the Default Investment Strategies to assess their performance and ensure they continue to meet the Trustee's objectives. As part of the annual Value for Members ("VfM") assessment, the Trustee also reviews the investment manager fees.

8.3. Portfolio turnover costs

The Trustee does not analyse portfolio turnover costs in detail. However, in future the Trustee may ask managers to report on portfolio turnover costs. The Trustee may assess this by comparing portfolio turnover across the same asset class, on a year-on-year basis for the same manager fund, or relative to the manager's specific portfolio turnover range in the investment guidelines or prospectus.

The Trustee considers portfolio turnover costs indirectly through consideration of transaction cost data as part of the annual VfM assessment. Though the Trustee does not currently define target portfolio turnover ranges for funds, they will engage with managers if the portfolio turnover is higher than expected as a result of the monitoring undertaken.

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8.4. Manager turnover

The Trustee is a long-term investor and is not looking to change the investment arrangements on a frequent basis. The Scheme is invested in open-ended funds, for which there is no set duration for the manager appointments. The Trustee will therefore retain an investment manager unless:

- There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager;
- The manager appointed has been reviewed and the Trustee has decided to terminate the mandate.

Within the Defined Contribution section, all the funds are open-ended with no set end date for the arrangement. The self-select fund range and Default Investment Strategies are reviewed on at least a triennial basis. A manager's appointment may be terminated if it is no longer considered to be optimal.

9. Investment consultant fees

Mercer fees are either based on fixed quotes for particular projects or are on a time-cost basis.

10. Compliance with Statement

We, William Hill Trustee Limited, the investment managers and Mercer, our consultant each have duties to perform to ensure compliance with this Statement. These are:

The Trustee will review this Statement every year on the advice of Mercer.

Mercer, our consultants, will provide the advice needed to allow us to review and update this statement annually (or more frequently if required). In addition, they will provide all the investment managers with a copy of the signed Statement.

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Signed

(William Hill Trustee Limited)

_____

Date

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Appendix

Lifestyle Strategies

Drawdown Lifestyle Strategy (Default Investment Strategy for PSP members)

This default investment strategy is designed for those members who intend to make use of drawdown in retirement. Members will be invested in a 50% allocation to the LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged and 50% allocation to the LGIM Diversified Fund, as part of the growth element of the Drawdown Lifestyle Strategy.

Once a member is eight years from retirement the strategy gradually de-risks the member's growth phase assets into a final asset allocation of 50% LGIM Diversified Fund, 25% LGIM Sterling Liquidity Fund and 25% LGIM Future World Annuity Aware Fund. This is illustrated in the table below:

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

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Statement of Investment Principles

Cash Lifestyle Strategy (Default Investment Strategy for EPP members)

The main objective of the at-retirement allocation of the Cash Lifestyle Strategy is capital preservation; as such the best match for taking cash at retirement is to invest in cash/money market instruments in the lead up to retirement. Members will be invested in a 50% allocation to the LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged and 50% allocation to the LGIM Diversified Fund, as part of the growth element of the Cash Lifestyle Strategy.

Once a member is eight years from retirement, the strategy gradually de-risks the member's growth phase assets to the LGIM Future World Annuity Aware Fund and the LGIM Sterling Liquidity Fund before being allocated 100% to the LGIM Sterling Liquidity Fund. This is illustrated in the table below:

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

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Annuity Lifestyle Strategy

This lifestyle strategy is for those planning to buy an annuity (a pension income for life) at their target retirement date. Members will be invested in a 50% allocation to the LGIM Global Equity Market Weights (30:70) Index Fund – 75% GBP Currency Hedged and 50% allocation to the LGIM Diversified Fund, as part of the growth element of the Annuity Lifestyle Strategy.

Once a member is eight years from retirement the strategy gradually de-risks the member's growth phase assets into a final asset allocation of 75% LGIM Future World Annuity Aware Fund and 25% LGIM Sterling Liquidity Fund. This is illustrated in the table below:

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

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DC Section fees

The table below shows the Total Expense Ratio ("TER") of the funds (the annual management charge plus additional expenses). Note that expenses are a function of the size of the fund and will change over time. The TERs shown below are correct as at 31 December 2023.

Fund	TER* (%)
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	0.125
Diversified	0.216
Future World Annuity Aware Fund	0.150
Sterling Liquidity	0.136
UK Equity (5% capped) Passive	0.190
Overseas Equity Consensus Index	0.154
World Emerging Markets Equity Index	0.469
AAA-AA-A Corporate Bond All Stocks Index	0.151
Future World Inflation Linked Annuity Aware Fund	0.126
Property	1.103

Source: LGIM.
*TERs may vary over time due to variable additional expenses.