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Capita

William Hill Pension Scheme

Scheme Registration Number: 10142428

Trustee's Annual Report and Financial Statements

For the Year Ended 30 September 2023

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Trustee and Advisers

Trustee

The Trustee of the Scheme is William Hill Trustee Limited

The Directors of the Trustee Company who served during the year and up to the date of this report are:

Dalriada Trustees Limited (Chair) *(represented by H D Nolan until January 2023, J Fish from February 2023)*
P Searle *(Member-Nominated) (resigned 31 December 2023)*
R A King *(Member-Nominated)*

Secretary to The Trustee

J A Havita *(resigned 4 November 2022)*
E A Bisby *(appointed 4 November 2022)*

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 2023.

2023 has been a mixed year. We continued to witness high inflation but are beginning to see signs of it falling with the October 2023 CPI measure of 4.6% much reduced from the highs of 11% witnessed in 2022. However, this still means that prices are rising and this is impacting 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 and market sentiment is that base rates will start to fall in the second half of 2024. This is against the backdrop of economic uncertainty ahead.

Over the year to September 2023, 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 is a second year of negative performance in fixed interest and index linked gilts, this is also reflected in the cost of purchasing a pension which has become 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.

2023 also saw a cyber incident that affected Capita, the Scheme's administrator, which will have impacted some of our members. For those members affected, they will have received a communication detailing what data might have been impacted. I understand that Capita have confirmed that they have taken extensive steps to recover and secure the data as well as monitoring the 'dark web'. However, I would like to remind all our members of the importance of being vigilant when giving out any personal data and only give it out when you are sure of who you are dealing with.

I would also like to extend my thanks to Phil Searle who was a member-nominated trustee of the Scheme for over 14 years and wish him all the best for the future. Phil resigned from the Trustee Board on 31 December 2023.

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. 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 2023 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 my fellow Trustee Directors and the Group Pensions Department for their ongoing support and help in the management and running of the Scheme.

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

Date: 18/4/2024

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Trustee's Report

The Trustee confirms that the financial statements for the year ended 30 September 2023 have been prepared and audited in accordance with regulations made under sections 41 (1) and (6) of the Pensions Act 1995.

It should be noted the financial statements for the year ended 30 September 2022 were signed after the deadline of 30 April 2023 due to the Capita cyber incident mentioned in the Chair's Statement on page 4.

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. During the year, the Directors of the Trustee Company 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 Directors are comprised of one Company appointed Director and two Member nominated Directors.

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 Directors of the Trustee Company met on 4 occasions during the year to 30 September 2023 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.

Copies of the Pensions Regulator's booklet on the duties and responsibilities of trustees have been given to all Directors of the Trustee Company.

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 were 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 for the Statement of Investment Principles - DC Section.

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Trustee's Report

Scheme Management (continued)

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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Trustee's Report

Scheme Management (continued)

Membership

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

Retirement Plan (Defined Benefit)	
Deferred Pensioners as at 30 September 2023	**695**
Pensioners as at 30 September 2023	**1,523**
Dependants as at 30 September 2023	**227**
Total membership as at 30 September 2023	**2,445**
Pension Savings Plan 2001 (Defined Contribution)	
Employed members as at 30 September 2023	**1,073**
Deferred members as at 30 September 2023	**2,199**
Leavers (refund/transfer option)	**30**
Total membership as at 30 September 2023	**3,302**
Employee Pension Plan (Defined Contribution)	
Employed members as at 30 September 2023	**4,524**
Deferred members as at 30 September 2023	**13,540**
Leavers (refund/transfer option)	**726**
Total membership as at 30 September 2023	**18,790**

Details of the membership movements for the Scheme during the year to 30 September 2023 can be found in Appendix II on pages 113 to 116.

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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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Trustee's Report

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 (Guaranteed Minimum Pension) GMP 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 2023 was 5% (2022: 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 2022 was 10.1% (2022: 3.1%). 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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Trustee's Report

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 their 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 new expectations.

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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 Scheme's (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 2023.

3. Market Background

Investment Markets[1]

The 12-month period to 30 September 2023, started on a positive note given declining inflation rates, resilient economic growth, and most notably the end to COVID-related restrictions in China. However, the hawkish central banks stance in the developed markets, the collapse of Silicon Valley Bank (SVB) and the bailout of Credit Suisse by UBS dampened investors' sentiment, until calm returned towards the end of Q1 2023. Headline inflation continued to decline, and also, the financial sector, largely ignored the SVB event, believing the risk associated to it would be minimal.

There has been enthusiasm towards Artificial Intelligence (in the second quarter of 2023) which boosted tech stocks but the overall excitement withered away over August and September 2023. The Chinese economy, despite its end to COVID-19 restrictions, continued to underperform given the subdued global demand and prolonged stress in its property sector.

In Q4 2022, UK bond yields fell as the market was calmed by the appointment of incumbent Prime Minister Rishi Sunak and the discontinuation of the unpopular economic policies of his predecessor, Liz Truss. Moving into 2023, as political stability was restored, the focus was shifted to the persistently higher inflation and strong labour market similar to other developed economies. The Bank of England continue to raise rates, ending 2022 at a base rate of 3.5%. Bond yields fell slightly through Q1 2023 despite the BOE continued raising rates, with the base rate increasing 0.75%, finishing March 2023 at 4.25%. Like other DMs central bankers, the BOE continued to hike interest rates in the second and third quarter of 2023 as well, starting with a 25bps in May, then 50bps surprise hike in June followed by 25bps in August. As of 30 September 2023, with bank rate reaching 5.25%, 10yr yields in the UK rose to c.4.45% surpassing the level witnessed during the gilt market crisis in 2022, an increase of c.35bps for the year.

[1] Statistics sourced from Refinitiv unless otherwise specified.

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Trustee's Report

Investment Matters (continued)

3. Market Background (continued)

Investment Markets[1] (continued)

Both investment grade and high yield credit spreads tightened over the 12-month period to September 2023. Non-gilt credit spreads tightened by c.65 basis points over the 12-months to September 2023. Credit outperformed equivalent duration government bonds. This outperformance equated to a c.10% relative return on an all-stock index performance basis.

Since interest rates started rising in early 2022, the UK property market has seen more value correction than any other real estate market globally and by September 2023 is showing signs of stabilisation at the aggregate level. This hides the fact that investor and occupier interest vary widely by sector and asset quality. The industrial and residential sector have already embarked on a renewed phase of recovery, while the office sector in particular remains highly challenged.

Investment Markets[2]

Equity Markets

At a global level, developed markets as measured by the FTSE World index, returned 12.1%. Meanwhile, a return of 1.6% was recorded by the FTSE All World Emerging Markets index.

At a regional level, European markets returned 20.5% 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 13.8%. The FTSE USA index returned 11.4% while the FTSE Japan index returned 15.0%. The outperformance of UK vs World and US equities is partly attributed to the UK index's large exposure to value sectors. Strong performance in the basic materials, financials and energy sectors supported the UK performance relative to global equities.

Equity market total return figures are in Sterling terms over the 12-month period to 30 September 2023.

Bonds

UK Government Bonds as measured by the FTSE Gilts All Stocks Index, returned -2.5%, while long dated issues as measured by the corresponding Over 15 Year Index had a return of -12.8% over the year. Yields at the longer end of the nominal yield curve rose more than the shorter end. The negative performance exacerbated by the duration impact on the longer-dated gilt returns. The yield for the FTSE Gilts All Stocks index rose over the year from 3.91% to 4.66% while the Over 15 Year index yield rose from 3.74% to 4.79%.

The FTSE All Stocks Index-Linked Gilts index returned -12.7% with the corresponding over 15-year index exhibiting a return of -26.6%. The combination of falling inflation expectations and increasing nominal yields led to a sharp rise in real yields and underperformance of index-linked gilts relative to nominal gilts.

Corporate debt as measured by the ICE Bank of America Merrill Lynch Sterling Non-Gilts index returned 7.4%.

Bond market total return figures are in Sterling terms over the 12-month period to 30 September 2023.

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[1] Statistics sourced from Refinitiv unless otherwise specified.

[2] Statistics sourced from MSCI Investment Property Database.

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Trustee's Report

Investment Matters (continued)

3. Market Background (continued)

Investment Markets[2] (continued)

Property

Over 12-month period to 30 September 2023, the MSCI UK All Property Index returned -13.6% in Sterling terms. All three main sectors of the UK Property market recorded negative returns over the period (retail: -8.2%; office: -18.9%; and industrial -15.7%).

Currencies

Over the 12-month period to 30 September 2023, Sterling appreciated by 9.3% against the US Dollar from $1.22 to $1.12. Sterling appreciated by 12.7% against the Yen from ¥161.58 to ¥182.14. Sterling marginally appreciated against the Euro by 1.2% from €1.14 to €1.15 over the same period.

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, 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.

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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Trustee's Report

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 which 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 Trustee 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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Trustee's Report

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 Code of Practice No 13

In 2013, the Pensions Regulator introduced the Code of Practice No 13: Governance and Administration of Occupational Defined Contribution Trust based Pension Schemes ('the DC Code') to give practical guidance to trustees of DC pension schemes on how they can meet best practice standards that the Pensions Regulator considers essential to good member outcomes.

In 2016, the Pensions Regulator revised the DC Code, which became effective from July 2016. The Pensions Regulator has also published six guides to support trustees in meeting the standards set out in the revised DC Code; while the revised DC Code sets out standards of conduct and practice that the Pensions Regulator expects trustees to meet in complying with legislative duties, the guides provide practical information (though non-prescriptive) on how to meet those standards.

The Pensions Regulator monitors the extent to which trustees adhere to the DC Code and has introduced a 'comply or explain' framework for trustees in order to help it supervise activity. The Trustee continues to assess itself against the DC code to ensure it meets the regulator's expectations.

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.

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Trustee's Report

Investment Matters (continued)

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

Investment Manager Appointment, Engagement and Monitoring (continued)

Aligning manager appointments with investment strategy (continued)

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.

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, 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") as investment manager, and the default strategy 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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Trustee's Report

Investment Matters (continued)

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

Investment Manager Appointment, Engagement and Monitoring (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 options 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 and Pensions Savings Plan 2001

The most recent review of the suitability of the default investment arrangements was completed by the Trustee on 13 September 2021. The review took into account recent industry retirement trends and member demographics including age and pot size. The Trustee decided to change the default investment for PSP members from the lifestyle strategy targeting annuity purchase to targeting drawdown at retirement from 1 July 2022. This has impacted members invested in the Annuity Lifestyle Strategy as follows:

- New members and members more than 8 years from their target retirement age on 1 July 2022 will not experience any immediate change to their investments but the investments will differ as they approach retirement as their investments gradually de-risk to target drawdown in retirement.
- Members less than 8 years from their target retirement age on 1 July 2022 will not experience any change to their investments and will continue to target annuity purchase at retirement.

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.

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Trustee's Report

Investment Matters (continued)

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

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.

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: the Pension Savings Plan 2001, the Employee Pension Plan, the Transfers In and the AVCs. These are described in further detail below.

The two main pools of the DC Section are the Employee Pension Plan and the Pension Savings Plan 2001. The Pension Savings Plan 2001 was closed to new entrants other than by Company invitation whilst the Employee Pension Plan was set up to satisfy the Company's obligation under pensions auto-enrolment legislation.

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 2023:

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	15.6	15.8	9.4	9.5	6.2	6.3
LGIM Diversified Fund	4	16.2	2.3	9.8	3	8.2
LGIM UK Equity (5% capped) Passive Fund	13.8	14.1	11.6	11.9	3.9	4.1
LGIM Overseas Equity Consensus Index Fund	10.6	10.9	9.1	9.3	8.4	8.5
LGIM World Emerging Markets Equity Index Fund	1.1	1.3	1.4	1.7	2.9	3.3
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	5.3	5.5	-6.6	-6.3	-1.5	-1.3
LGIM Future World Inflation Linked Annuity Aware Fund	-7.2	-10.9	-13.9	-11.1	-5.2	-4.1
LGIM Future World Annuity Aware Fund	1.1	-1.8	-12.5	-12.6	-4.1	-4.8
LGIM Managed Property Fund	-14.7	-14.3	3	3.2	1.5	1.8
LGIM Sterling Liquidity Fund	4	4	1.5	1.6	1.1	1.1

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

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Investment Matters (continued)

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	88.8	101.8	41.4	42.4
LGIM Diversified Fund	92.5	101.6	43.2	42.3
LGIM UK Equity (5% capped) Passive Fund	8.6	9.5	4	4
LGIM Overseas Equity Consensus Index Fund(a)	7.2	7.5	3.3	3.1
LGIM World Emerging Markets Equity Index Fund	1.6	1.6	0.7	0.7
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	0.2	0.1	0.1	0
LGIM Future World Inflation Linked Annuity Aware Fund	0.7	0.7	0.3	0.3
LGIM Future World Annuity Aware Fund	10.3	12.6	4.8	5.3
LGIM Managed Property Fund	1.1	0.9	0.5	0.4
LGIM Sterling Liquidity Fund	3.4	3.8	1.6	1.6
Total	**214.3**	**240.2**	**100.0**	**100.0**

Source: LGIM, Capita 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	48.1	48.8
LGIM Overseas Equity Consensus Index Fund	0.1	0.1	32.7	34
LGIM Future World Inflation Linked Annuity Aware Fund	0	0	15.5	13.5
LGIM Future World Annuity Aware Fund	0	0	1.3	1.3
LGIM Sterling Liquidity Fund	0	0	2.4	2.4
Total	**0.3**	**0.3**	**100.0**	**100.0**

Source: LGIM, Capita and Mercer.

Figures may not sum to total due to rounding.

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Trustee's Report

Investment Matters (continued)

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	0.3	51.8	52.8
LGIM Overseas Equity Consensus Index Fund	0.2	0.2	39.5	39.2
LGIM World Emerging Markets Equity Index Fund	0	0	3.4	3.1
LGIM Sterling Liquidity Fund	0	0	5.2	4.9
Total	**0.5**	**0.5**	**100.0**	**100.0**

Source: LGIM, Capita 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 2023:

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	3.8	5.9	3.0	3.6	2.1	2.7

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	52.3	53.4	33.9	34.7
Pension Millennium (with profits) Fund	35.0	34.7	22.7	22.6
Pension (with profits) Fund	67.1	65.6	43.4	42.7
Total	**154.4**	**153.7**	**100.0**	**100.0**

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

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Trustee's Report

Investment Matters (continued)

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 2023:

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	3.7	3.1	1.1	1.1	0.8	0.9

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	2.7	100.0	100.0
Total	**2.7**	**2.7**	**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.

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 2022 to 30 September 2023 (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 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; 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 Trustee and it follows that the services of the 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 September 2022) which is available here - **www.williamhillpensions.co.uk/library.**

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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Trustee's Report

Annual Implementation Statement (DB) (continued)

Review of the SIP

The Scheme's latest SIP was reviewed with the Trustee's investment adviser on 13 September 2022 by the Trustee.

The purpose of the review was to reflect the changes made to the DC section as part of the investment strategy review that took place on 13 September 2021 and implemented in July 2022.

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

The information provided in the table below summarises the work undertaken by the Trustee during the Scheme Year (or over a 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 Scheme 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 polices. 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 believe 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 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	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 2022 to 30 September 2023 (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 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 table below.

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 September 2022) 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 believe themselves qualified 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

During the Scheme Year, no changes were made to the SIP. The SIP was updated on 13 September 2022 to reflect the fund charges that were implemented as part of the investment strategy review that took place on 13 September 2021 and implemented in July 2022.

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 SIP is attached as an Appendix and sets out the policies referenced below.

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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 Introduction***	There were no changes made to the investment strategy over the year to 30 September 2023.
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.	In September 2023, the Trustee reviewed the Scheme's default investment strategy for those PSP members who remained invested in the Annuity Lifestyle after 1 July 2022. The Trustee wished to better understand the position of these members with a view to considering whether any further action was necessary. The Trustee considered whether the PSP members who are less than eight years from their target retirement age should continue to be de-risked by default into a portfolio that is designed to purchase an annuity at retirement. The review took into account recent industry retirement trends and member demographics including age and asset size. Following the review, it was agreed that affected members would be transferred to the PSP section's current default, the Drawdown Lifestyle. This change is expected to be implemented during 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
		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***	The Trustee receives quarterly investment performance reports which monitor the return of the funds underlying the default investment strategies and the self-select funds within the Scheme. The Trustee was satisfied with the performance of the majority of funds over the Scheme Year, which had performed in line with their underlying aims and objectives. The Trustee will review the investment approach from time to time and make changes as and when it is considered appropriate. The investment strategy is reviewed on at least a triennial basis, and the next review is due to take place in Q3 2024.
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.	The strategic asset allocation of the default investment strategies and the self-select fund range is reviewed regularly (at least triennially). The date of the last review was 13 September 2021 and the agreed changes were implemented and effective from 1 July 2022. The next review of the default investment strategies and self-select fund range is due to take place in 2024. As noted above, the Trustee reviewed the Scheme's membership in the Annuity Lifestyle Strategy in September 2023 to consider whether the PSP members who are less than eight years from their target retirement age should continue to be de-risked towards a portfolio that is designed to purchase an annuity at retirement. The relevant changes are due to be made in the Scheme Year ending 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
		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 Trustee receives quarterly investment performance reports which monitor the return of the funds underlying the default investment strategies and the self-select funds within the Scheme. The Trustee was satisfied with the performance of the majority of funds over the Scheme Year, which had performed in line with their underlying aims and objectives. 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
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 detailed in the risk table in the SIP, the Trustee considers both quantitative and qualitative measures for these risks when deciding investment policies, strategic asset allocation, the choice of fund managers / funds / asset classes. The risk table details the different risks that members are exposed to, and how this risk is monitored and managed. The Scheme maintains a risk register of the key risks, including the investment risks. This rates the impact and likelihood of the risks and summarises existing mitigations and additional actions. The latest risk register was updated in September 2023 to reflect the action taken by the Trustee in relation to ESG. This is reviewed and updated on a regular basis. Additionally, ESG risk is also considered relevant by the Trustee, and it follows the same monitoring as other investment risks. The risk table is reviewed at least every three years, or as regulatory requirements arise (whichever is sooner), as part of the SIP review. The Trustee also reviews quarterly performance reports that consider some of the investment risks faced by members.

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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 investment performance report is reviewed by the Trustee on a quarterly basis – this includes the risk and return characteristics of the default investment strategies and return information for additional investment fund choices. The investment performance report includes how each investment manager is delivering against their specific mandates. The Trustee conducts an annual VfM assessment. For the year to 30 September 2023, the assessment concluded that the Scheme provides good value for members: • Most funds have met their long-term objectives, with the majority of funds also remaining highly rated. Three funds are underperforming against their benchmarks over the 3 and 5 year periods: LGIM Diversified Fund, LGIM Future World Inflation Linked Annuity Aware Fund, and LGIM Managed Property Fund. No actions were taken by the Trustee over the Scheme year in respect of manager appointments. As part of the quarterly performance reports that the Trustee received, the LGIM Property Fund and LGIM Diversified Fund have been monitored closely due to their underperformance. In respect of the latter fund (which forms part of the Scheme's default investment options), action was taken to incorporate additional performance analysis in the quarterly performance report, against absolute return measures and peer group, to better assess the fund's performance. As part of the quarterly performance reporting, the default investment strategies are monitored against its aims and objectives. The investment performance report includes how each investment manager is delivering against their specific mandates.

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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***	The Trustee receives an administration report from Capita Pension Solutions ("Capita") on a quarterly basis to confirm that core financial transactions are processed within SLAs and regulatory timelines. As confirmed in the Chair's Statement that has been prepared for the year ended 30 September 2023, the Trustee was informed of a cyber security breach at Capita which impacted the overall SLA (89.9%). Action has been taken by Capita to identify any exfiltrated data, including working with clients to agree communications to impacted members. They have used a third party auditor to review the data that has been used in these exercises in order to ensure that all impacted members have been captured. It is anticipated that the results of the third party audit process will be made available once work has been completed for each impacted client. Processes have been put in place to provide support services to members who have had their personal data illegally obtained and used, and Capita is liaising with the Pension's Regulator ("TPR"), the Information Commissioner's Office (ICO) and the wider pensions industry in order to share information and ideas to improve cyber security. In light of this, the Trustee is working with Capita to ensure the actions taken are completed and any impacted members have been informed and offered access to a 12-month complimentary credit monitoring service. 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. Therefore, assets should be realisable at short notice, based on member and Trustee demand. There were no known issues relating to fund liquidity arising over the Scheme Year to 30 September 2023.
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 investment performance report is reviewed by the Trustee on a quarterly basis – this includes ratings (both general and specific ESG) from the investment advisers. The Trustee continues to monitor managers that may not be highly rated from an ESG perspective. When implementing a new manager, the Trustee considers the ESG rating of the manager. The Scheme's SIP includes the Trustee's policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship.

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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
		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***	The Trustee acknowledges that the Scheme's fixed income managers do not have a high ESG rating assigned by the investment consultant due to the nature of the asset class where it is harder to engage with the issuers of debt. The investment performance report includes how each investment manager is delivering against their specific mandates.
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.	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, via this statement, at least annually. 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. 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.

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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. Investment managers retain the services of a proxy voting service for the physical exercise of voting rights and for supporting voting research. The Trustee believes that ESG (including climate change) 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 keeps the topic of corporate governance and responsible investment under periodic review. This policy is regularly assessed to ensure that it is applicable, appropriate and with the aim of keeping it in line with expectations of the majority of the membership. . 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 Aberdeen's voting activities.

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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
			The Trustee has equity exposure through the following funds: • Legal & General – Diversified • 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 • Standard Life – Managed Updated guidance was provided by the DWP in June 2022, which requires trustees to define their key stewardship themes/ priorities and to report on significant votes. The Trustee agreed the following key areas of focus; **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 provided, 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 stewardship monitoring report which the Trustee will review on a regular basis. As the Scheme invests solely in pooled funds, the Trustee requires their investment managers to engage with the investee companies on their behalf.
11	How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the trustees 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. These are also assessed on an ongoing basis when concerns are identified. The Trustee believes passive 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. In the year to 30 September 2023, the Trustee discussed the continued appointment of its appointed managers and agreed that the contractual arrangements in place continue to incentivise the managers to make decisions based on medium to long term financial and non-financial performance. This is reviewed as part of the annual VfM assessment which the Trustee reviewed and discussed the pricing arrangement and the medium to long term performance of the investment funds and the managers. Over the period, the Trustee believed that the appointments with its investment managers were consistent with its long-term objectives and no changes were made.

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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***	The manager arrangements are assessed on an ongoing basis; concerns are identified via the quarterly investment performance reports provided by the investment adviser. Additionally, this is reviewed as part of the annual VfM assessment, part of which the Trustee reviewed and discussed the pricing arrangements and the medium to long term performance of the Scheme's investment funds and managers. Most funds have met their long-term objectives, and any manager performance issues are given due attention by the Trustee. The Trustee's focus is on longer term performance, but shorter-term performance is monitored to ensure any concerns can be identified in a timely manner. The Trustee reviews both absolute and relative performance of the investment managers' products (or funds) on a quarterly basis, including assessments of both shorter and longer time horizons. The Trustee is a long-term investor; all funds are open-ended and therefore there is no set duration for manager appointments. 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 for Member is also a key consideration and, as part of the annual VfM assessment, the Trustee reviews investment manager fees and turnover costs No manager appointments were made, or changed, over the Scheme Year to 30 September 2023.

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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 a 3 and 5 year performance metric as part of its review of the quarterly performance reports for each of the pooled funds in which the Scheme invests. In cases where the pooled funds have not been held for 3 or 5 years, performance since inception is provided. The investment managers are remunerated by way of a fee calculated as a percentage of assets under management, and do not have short term performance targets. During the Scheme Year, the Trustee reviewed both short and longer term investment performance at each Trustee meeting via the quarterly performance reports provided by the investment adviser and the annual VfM assessment. The extent to which the aims and objectives of the default investment strategies were being met was also assessed as part of the ongoing investment review. The Trustee is satisfied with the performances of the majority of the funds offered to members. The Trustee, with the help of their investment adviser, takes a long-term view when assessing whether to replace the underlying investment managers, and such decisions would not be made based solely on short-term performance concerns. Instead, changes would be driven by a significant downgrade of the investment manager rating by Mercer's Manager Research Team. This in turn would be due to a significant reduction in Mercer's confidence that the investment manager will be able to perform in line with their fund's mandate over the long term.

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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 VfM 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 • 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. 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***	As the Trustee is a long-term investor, it aims to minimise change in investment arrangements unless there is a strategic change in the overall strategy or after review, the arrangement is no longer considered optimal. By reviewing the quarterly investment performance reports and the annual VfM assessment with the Scheme's investment adviser, the Trustee believes the current arrangements with the investment managers continue to be appropriate for the Scheme. No changes were made to the list of the Scheme's appointed asset managers over the Scheme Year to 30 September 2023.

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Appendix

Voting Activity

Voting activity information from each of the underlying investment managers (where provided) over the prior 12 months to 30 September 2023 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.

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?
L&G Diversified	93,066	99.80%	76.66%	22.97%	0.38%
L&G Global Equity Market Weight (30:70) Index – 75% GBP Hedged	71,828	99.93%	81.36%	18.08%	0.56%
L&G Overseas Equity Consensus Index	61,663	99.92%	79.22%	20.13%	0.65%
L&G UK Equity (5% Capped) Passive	10,114	99.98%	94.34%	5.66%	0.00%
L&G World Emerging Markets Equity Index	33,613	99.95%	81.25%	17.70%	1.05%
Standard Life Managed	163	25.77%	85.71%	14.29%	0.00%

Source: LGIM, Standard Life as at 30 September 2023
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. Following the DWP's consultation response and outcome regarding Implementation Statements on 17 June 2022, updated guidance was produced which is effective for all scheme year ends on or after 1 October 2022. The updated Guidance requires trustees to include a description of what they believe to be a significant vote within the Implementation Statement. The voting information should also include details explaining why each vote has been categorised as most significant, what the vote was, and why the manager voted in the way it did. The Trustee agreed the below area 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 ("SGDs"):

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 equity. The significant vote information include 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 0.20% within the fund used in the default investment option (where available). 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)

L&G Diversified							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
DEI	0.43	Prologis, Inc	04/05/2023	Elect Director Jeffrey L. Skelton	**AGAINST (against management recommendation):** The company has an all-male Executive Committee and LGIM expects a company to have at least one-third women on the board.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Climate Change	0.30	Shell Plc	23/05/2023	Approve the Shell energy transition progress[1]	**AGAINST (against management recommendation):** A vote against is applied, though not without reservations. LGIM acknowledges the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, LGIM remains concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.	Passed	LGIM continues to undertake extensive engagement with Shell on its climate transition plans.
Climate Change	0.25	Tencent Holdings Limited	17/05/2023	Elect Jacobus Petrus (Koos) Bekker as Director[2]	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to climate risk management.	Passed	LGIM will continue to engage with the company and monitor progress.
DEI	0.22	American Tower Corporation	24/05/2023	Elect Director Robert D. Hormats	**AGAINST (against management recommendation):** A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executive officers to include at least one female.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

[1]This vote also applies to the L&G Global Equity Market Weight (30:70) Index Fund and the L&G UK Equity (5% Capped) Passive Fund.

[2]This vote also applies to the L&G World Emerging Markets Equity Index Fund.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

L&G 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**
DEI	0.32	Flutter Entertainment Plc	27/04/2023	Re-elect Gary McGann as director	**AGAINST (against management recommendation):** A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executive officers to include at least one female.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Human Rights	1.06	Amazon.com, Inc.	24/05/2023	Report on median and adjusted gender/racial pay gaps[1]	**FOR (against management recommendation):** LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as we believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step towards building a better company, economy and society.	Failed	LGIM will continue to engage with the company and monitor progress.
DEI	1.03	NVIDIA Corporation	22/06/2023	Elect Director Stephen C. Neal	**AGAINST (against management recommendation):** LGIM expects a company to have at least one-third women on the board.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

L&G 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	0.75	Glencore Plc	26/05/2023	Shareholder resolution "Resolution in respect of the next climate action transition plan"[2]	**FOR (against management recommendation):** In 2021, Glencore made a public commitment to align its targets and ambition with the goals of the Paris Agreement. However, it remains unclear how the company's planned thermal coal production aligns with global demand for thermal coal under a 1.5ºC scenario. Therefore, LGIM has co-filed this shareholder proposal (alongside Ethos Foundation) at Glencore's 2023 AGM, calling for disclosure on how the company's thermal coal production plans and capital allocation decisions are aligned with the Paris objectives. This proposal was filed as an organic escalation following our multi-year discussions with the company since 2016 on its approach to the energy transition.	Failed	LGIM will continue to engage with the company and monitor progress.

[1]This vote also applies to the L&G Overseas Equity Consensus Index Fund.

[2]This vote also applies to the L&G World Emerging Markets Equity Index Fund.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

L&G Overseas Equity Consensus Index							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
Climate Change	0.44	Boardcom Inc.	03/04/2023	Elect Director Henry Samueli	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to climate risk management.	Passed	LGIM will continue to engage with the company and monitor progress.
DEI	0.71	Tesla, Inc.	16/05/2023	Elect Director Robyn Denholm	**AGAINST (against management recommendation):** A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects a company to have at least one-third women on the board and executive officers to include at least one female.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Climate Change	0.70	JPMorgan Chase & Co.	16/05/2023	Report on climate transition plan describing efforts to align financing activities with GHG targets.	**FOR (against management recommendation):** LGIM generally supports resolutions that seek additional disclosures on how companies aim to manage their financing activities in line with their published targets. LGIM believes detailed information on how a company intends to achieve the 2030 targets they have set and published to the market (the 'how' rather than the 'what', including activities and timelines) can further focus the board's attention on the steps and timeframe involved and provides assurance to stakeholders. The onus remains on the board to determine the activities and policies required to fulfil their own ambitions, rather than investors imposing restrictions on the company.	Failed	LGIM will continue to engage with the company and monitor progress.
Climate Change	0.49	Chevron Corporation	31/05/2023	Elect Director Michael K. (Mike) Wirth	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to climate risk management.	Passed	LGIM will continue to engage with the company and monitor progress.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

L&G UK Equity (5% Capped) Passive							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
DEI	1.12	Ashtead Group Plc	06/09/2023	Re-elect Paul Walker as director	**AGAINST (against management recommendation):** A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executive officers to include at least one female.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
DEI	1.27	Experian Plc	19/07/2023	Re-elect Mike Rogers as director	**AGAINST (against management recommendation):** A vote against is applied due to the lack of gender diversity at executive officer level. LGIM expects executive officers to include at least one female.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
Climate Change	0.92	SSE Plc	20/07/2023	Approve net zero	**FOR (against management recommendation):** LGIM expects companies to introduce credible transition plans consistent with the Paris goals of limiting the global average temperature increase to 1.5ºC. This includes the disclosure of scope 1, 2 and material scope 3 GHG emissions and short-, medium- and long-term GHG emissions reduction targets consistent with the 1.5ºC goal.	Passed	LGIM will continue to engage with the company and monitor progress.
Climate Change	0.42	Inter Continental Hotels Group Plc	05/05/2023	Re-elect Graham Allan as director	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to LGIM's deforestation policy.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

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Trustee's Report

Annual Implementation Statement (DC) (continued)

L&G World Emerging Markets Equity Index							
ESG Priority	**% Holding**	**Company**	**Date of vote**	**Resolution**	**How the manager voted and rationale**	**Final outcome**	**Next steps**
Climate Change	0.73	Ping An Insurance (Group) Co. of China Ltd.	12/05/2023	Approve report of the board of directors	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to climate risk management.	Passed	LGIM will continue to engage with the company and monitor progress.
Climate Change	0.99	China Construction Bank Corporation	29/06/2023	Elect Tian Guoli as director	**AGAINST (against management recommendation):** The company is deemed to not meet minimum standards with regard to climate risk management.	Passed	LGIM will continue to engage with the company and monitor progress.
DEI	0.57	Pinduoduo Inc.	08/02/2023	Elect Director George Yong-Boon Yeo	**AGAINST (against management recommendation):** LGIM expects a company to have at least one-third women on the board.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
DEI	0.32	Xiaomi Corporation	08/06/2023	Elect Wong Shun Tak as director	**AGAINST (against management recommendation):** LGIM expects a company to have a diverse board, including at least one woman. LGIM expects companies to increase female participation both on the board and in leadership positions over time.	Passed	LGIM will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.

Source: LGIM as at 30 September 2023.

Significant voting information for the Standard Life funds was requested, however, no vote was in relation to the Stewardship priorities as agreed by the Trustee so we have therefore not included in this statement.

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 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 £3 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 Regulations 3 and 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 under pensions legislation for securing that a Schedule of Contributions is prepared, maintained and from time to time revised 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 Schedule of Contributions dated 30 September 2020, were as follows:

	£'000
Employers' normal contributions	**8,613**
Administration expense contributions	**1,900**
Employees' normal contributions	**6,046**
Total contributions payable as reported on by the Scheme auditor	**16,559**
Other contributions:	
Employees' additional voluntary contributions	**860**
Total contributions as per the financial statements	**17,419**

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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 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.

The Money and Pensions Service ("MaPS")

MaPS is available to assist members and beneficiaries of the Scheme on pension matters and provides information to the public on matters relating to workplace and personal pensions and may be contacted at Money and Pensions Service, 120 Holborn, London, EC1N 2TD.

Telephone: 0800 011 3797

Website: **https://www.moneyhelper.org.uk**

Email: **pensions.enquiries@moneyhelper.org.uk**

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. It also addresses the export of personal data outside of the EU. GDPR came into force from 25 May 2018 and the Trustee worked with its advisers to formulate its GDPR policy so that it was compliant.

From 1 January 2021, the UK GDPR came into effect which will run alongside the DPA 2018, and the EU GDPR to which all EU nations remain subject and this includes where the scheme operates in the EU. This ensures that we have adequate provision for the safe processing of data in the UK and in the EU/EEA.

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**

 Date: 18/4/2024	For and on behalf of William Hill Trustee Limited
Robert King Date: 19/4/2024	

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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 for the Defined Contribution ('DC') Section of the Scheme, covering the period 1 October 2022 to 30 September 2023.

Regulations effective from 6 April 2015 require the Trustee of the William Hill Pension Scheme (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 being members in the Defined Contribution ('DC') Section of the Scheme.

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

This statement covers five key areas:

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

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment strategies

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 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 PSP members and one for 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.

In accordance with the Administration Regulations, the Trustee has appended the latest copy of the Statement of Investment Principles (the 'SIP'), dated 13 September 2022. 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 strategies as well as its policies in relation to matters such as risk and diversification. It also states why the Trustee believes the default investment strategies to be designed in members' best interests.

These objectives translate to the following principles:

a. Offering members a 'Lifestyle' approach to the default investment strategies 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 strategies (continued)

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

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

c. 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

d. 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 on 13 September 2022 to reflect the changes made as part of the triennial investment strategy review that took place in September 2021. The latest SIP dated 13 September 2022 can be found in the appendix of this Statement. The SIP is also available at https://www.williamhillpensions.co.uk/library. Furthermore, this Chair's 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 strategies (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 strategies, considering member demographics including contribution rates, how members withdraw benefits at retirement, the ages at which they do so and the size of their funds.

The Trustee reviewed the Scheme's investment strategy on 13 September 2021. This review took into account 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 pot size. As a result of this review, the Trustee decided to change the default for PSP members more than 8 years from their target retirement age to the Drawdown Lifestyle Strategy, leaving PSP members less than 8 years from their target retirement age in the Annuity Lifestyle Strategy.

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. Whilst the Trustee monitors the suitability and the performance of these assets regularly, investment decisions are largely the responsibility of the members. No changes were made to the DB Section of the Scheme.

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; as a result the next investment strategy review is due to take place in September 2024.

The Trustee currently offers three lifestyle strategies:

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The Chair's Annual Governance Statement (continued)

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

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 that were more than 8 years from their target retirement age as at 1 July 2022.

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 those planning to buy a level annuity (a fixed pension income for life) at their target retirement date. This is the default investment strategy for PSP members that did not make their own investment decision and were less than 8 years from their target retirement age as at 1 July 2022.

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The Chair's Annual Governance Statement (continued)

1. The Scheme's default investment strategies (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 those planning to take their DC savings as a cash lump sum. This is the default investment strategy for **EPP** members that do not make their own investment decision.

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 processing of Scheme financial transactions (continued)

Review of the Annuity Lifestyle

In September 2023, the Trustee reviewed the Scheme's default investment strategy for those PSP members who remained invested in the Annuity Lifestyle after 1 July 2022. The Trustee wished to better understand the position of these members in order to decide whether they should continue to be de-risked towards a portfolio that is designed to purchase an annuity at retirement. As at 30 September 2023, the outcome and any potential recommendations were still under review, with any changes happening beyond the Scheme year end.

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 schemes 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 timescale 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 2023, the average Service Level Agreement (SLA) achievement rate was 89.9%. During the Scheme Year, 36 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 appropriate action was taken to inform impacted members.

On 31 March 2023, Capita experienced a cyber security breach and as a result, Capita administration teams have been dealing with a higher volume of work which impacted the Q2 2023 service levels. Action has been taken to identify any exfiltrated data, including working with clients to agree communications to impacted members and provide access to a complimentary 12-month Experian credit monitoring service. Capita has used a third party auditor to review the data that has been used in these exercises in order to ensure that all impacted members have been captured. It is anticipated that the results of the third party audit process will be made available once work has been completed for each impacted client.

Further to this, Capita carried out their own detailed independent audit of all aspects of the cyber-attack. This is meant to serve as a deeper review of Capita's overall response to the attack, which currently has no timescale for completion given the scope of the exercise. They have worked with specialist partners, including Microsoft, in order to rebuild their servers and data infrastructure in response to the attack. This has reportedly closed off any vulnerabilities within the Capita infrastructure. Processes have been put in place to provide support services to members who have had their personal data illegally obtained and used, and Capita is liaising with the Pensions Regulator ("TPR"), the Information Commissioner's Office (ICO) and the wider pensions industry in order to share information and ideas to improve cyber security.

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The Chair's Annual Governance Statement (continued)

2. The processing of Scheme financial transactions (continued)

In light of the above, the Trustee is working with Capita to ensure the actions taken are completed and any impacted members are informed.

Table 1: Timescales for benefit processing

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

Table 2: Internal Controls

Core financial transaction	Key internal control
Investment switches requested by members	**Promptness** • Administrator's SLA for member initiated switching investments is 1 working day from date of request. • Lifestyle switching is subject to an agreed matrix and is carried out on the 1st day of each quarter (1st January, 1st April, 1st July, 1st 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.

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The Chair's Annual Governance Statement (continued)

2. The processing of Scheme financial transactions (continued)

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

- The administrators record all member transactions and benefit processing activities in a work management system which assigns the relevant timescale to the task. They must report quarterly to the Trustee their performance against these agreed timescales. These disclosures are considered by the Trustee at its quarterly meetings.
- The Trustee requires additional disclosures in respect of any transactions and benefit processing activity that have not been completed within the agreed timescales including the cause of the delay, the extent to which agreed timescales were breached and the proposed remedial measures. None of the breaches of agreed timescale during the period covered by this statement are regarded as a matter for significant concern.

Furthermore, in producing the Scheme's Annual Report and Accounts, the Trustee and the Auditor (Grant Thornton UK 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. The audit had been impacted by a number of delays by Capita in providing responses and information to assist the audit which was further exacerbated by the Capita cyber incident. Outside of the Scheme Year, the Trustee is liaising with Capita and Grant Thornton to ensure that the statutory timelines for the annual reports are met.

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 (Ernst Young LLP). For the Scheme Year, the report received covered the period 1 January to 31 December 2022. 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, its controls were suitably designed and that those tested operated effectively. We note that the cyber security incident that occurred in 2023 will have affected 2023 controls, but the assurance report for the period had not been published at the time of writing.

Following their monitoring activities, the Trustee was 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 strategies as well as the wider fund choice 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 strategies as well as the wider self-select fund range and AVC arrangements.

The TER for 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 member borne and which can therefore have a negative effect on 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 (and default investment strategies)		
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	0.138	0.051
Diversified	0.254	-0.006
Future World Annuity Aware	0.150	-0.028
Sterling Liquidity	0.136	-0.300
Self-select funds (PSP, EPP, AVCs and Transfers In)		
UK Equity (5% capped) Passive	0.201	0.028
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	0.138	0.051
Overseas Equity Consensus Index	0.167	0.026
World Emerging Markets Equity Index	0.472	0.116
AAA-AA-A Corporate Bond All Stocks Index	0.150	-0.031
Diversified	0.254	-0.006
Future World Annuity Aware	0.150	-0.028
Future World Inflation Linked Annuity Aware	0.125	0.053
Property	1.129	-0.517
Sterling Liquidity	0.136	-0.300

Source: Legal & General, as at 30 September 2023
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.

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The Chair's Annual Governance Statement (continued)

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

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 sizes. 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 provide the performance targets (or 'performance') for members that the Trustee seeks to achieve.

Standard Life Unit Linked AVC funds

Standard Life Funds	Scheme TER (% p.a.)	Transaction Cost (% p.a.)
Managed Fund	1.02*	**

Source: Standard Life, As at 30 September 2023.
**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

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.

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The Chair's Annual Governance Statement (continued)

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

Standard Life Funds	Guarantee (%) p.a.	Total Charge (%) p.a.*
With-Profits Fund	4.00	1.25
Millennium With-Profits Fund	0.00	1.05

Source: Standard Life, as at 30 September 2023
**Includes annual management charge and cost of guarantee.*

Standard Life confirmed they are unable to provide Transaction Costs for the With Profits funds.

Utmost AVC Fund

Utmost Funds	Scheme TER (% p.a.)	Transaction Cost (% p.a.)
Money Market Fund	0.50	0.0085

Source: Utmost Life & Pensions, TER as at November 2023 and Transaction Costs as at 30 June 2023.

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 pots. The statutory guidance provided has been considered when providing these examples.

The below illustration has taken into account the following elements:

- Savings pot size;
- Contributions;
- 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 strategies for the respective sections), the illustration also should show a representative range of assumed investment returns and charges (in respect of both DC and AVC investments), including the funds with the lowest charge and highest charge respectively.

With exception of the Default Investment Strategies, we have used the member assumptions of the EPP section for the "youngest" and "typical" member to prepare the illustrations, as the EPP population represents the majority of the DC Scheme membership.

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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 strategy: Drawdown Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Sterling Liquidity	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
24	£25,801	£25,744	£25,579	£25,291	£25,147	£25,113
25	£33,205	£33,073	£32,684	£32,025	£31,681	£31,604
30	£73,126	£72,325	£69,837	£66,058	£63,864	£63,446
35	£118,351	£116,303	£109,862	£100,699	£95,250	£94,289
40	£169,585	£165,576	£152,979	£135,958	£125,860	£124,165
45	£227,626	£220,780	£199,429	£171,846	£155,712	£153,104
50	£293,378	£282,631	£249,469	£208,375	£184,825	£181,136
55	£367,867	£351,928	£303,376	£245,557	£213,217	£208,288
60	£452,167	£429,548	£361,450	£283,402	£240,907	£234,589
61	£470,282	£446,148	£373,592	£291,052	£246,362	£239,749
62	£487,654	£462,010	£385,917	£298,729	£251,790	£244,877
63	£504,175	£477,036	£398,426	£306,433	£257,191	£249,972
64	£519,744	£491,135	£411,124	£314,165	£262,564	£255,034
65	£534,261	£504,219	£424,011	£321,923	£267,911	£260,065

PSP Typical Member:

Age	Default investment strategy: Drawdown Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Sterling Liquidity	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
47	£64,031	£63,889	£63,416	£62,701	£62,219	£62,134
50	£84,125	£83,450	£81,209	£77,930	£75,758	£75,386
55	£121,146	£119,166	£112,686	£103,675	£97,877	£96,918
60	£163,056	£159,176	£146,597	£129,879	£119,448	£117,775
61	£172,067	£167,734	£153,688	£135,176	£123,698	£121,867
62	£180,864	£176,065	£160,884	£140,491	£127,926	£125,933
63	£189,396	£184,122	£168,189	£145,825	£132,133	£129,974
64	£197,614	£191,859	£175,603	£151,179	£136,320	£133,988
65	£205,469	£199,232	£183,129	£156,551	£140,485	£137,977

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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	Default investment strategy: Annuity Lifestyle Strategy	
	No Charges	Charges deducted
61	£55,980	£55,980
62	£59,708	£59,596
63	£63,529	£63,303
64	£67,446	£67,107
65	£71,461	£71,008

EPP Youngest Member:

Age	Default investment strategy: Cash Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Sterling Liquidity	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
21	£3,615	£3,607	£3,586	£3,546	£3,530	£3,525
25	£9,516	£9,442	£9,219	£8,857	£8,665	£8,623
30	£17,771	£17,521	£16,748	£15,602	£14,940	£14,816
35	£27,122	£26,574	£24,859	£22,467	£21,060	£20,815
40	£37,716	£36,716	£33,596	£29,455	£27,028	£26,626
45	£49,717	£48,080	£43,009	£36,568	£32,849	£32,254
50	£63,313	£60,811	£53,150	£43,808	£38,526	£37,706
55	£78,715	£75,076	£64,074	£51,177	£44,062	£42,986
60	£96,127	£91,049	£75,842	£58,678	£49,461	£48,102
61	£99,859	£94,463	£78,303	£60,194	£50,524	£49,105
62	£102,931	£97,259	£80,800	£61,716	£51,583	£50,102
63	£105,281	£99,384	£83,335	£63,242	£52,636	£51,093
64	£106,859	£100,794	£85,908	£64,775	£53,684	£52,078
65	£107,636	£101,462	£88,520	£66,313	£54,726	£53,056

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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 strategy: Cash Lifestyle Strategy		Most expensive fund: Property Fund		Least expensive fund: LGIM Sterling Liquidity	
	No Charges	Charges deducted	No Charges	Charges deducted	No Charges	Charges deducted
42	£9,708	£9,687	£9,619	£9,510	£9,445	£9,432
45	£15,064	£14,951	£14,592	£14,044	£13,708	£13,646
50	£24,932	£24,565	£23,391	£21,707	£20,672	£20,491
55	£36,111	£35,336	£32,869	£29,507	£27,463	£27,122
60	£48,757	£47,399	£43,081	£37,447	£34,087	£33,545
61	£51,471	£49,978	£45,216	£39,051	£35,392	£34,805
62	£53,863	£52,246	£47,383	£40,662	£36,690	£36,057
63	£55,887	£54,162	£49,582	£42,278	£37,982	£37,302
64	£57,507	£55,693	£51,815	£43,900	£39,267	£38,538
65	£58,695	£56,813	£54,081	£45,528	£40,546	£39,766

Notes:

1. Projected pension pot 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.
4. The projected growth rates use the SMPI assumptions relevant to the Scheme year plus any transaction costs.
5. 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 Strategy, the Annuity Lifestyle Strategy. The illustration for the Default Investment Strategies of both sections assumes the member's asset allocation remains fully invested in the current Default Investment Strategy. 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	**PSP Legacy**	**EPP Section**
Age • "Youngest" member • "Typical" member	23 *(the youngest age of the Scheme members)* 46 *(the average age of the Scheme members)*	*N/A* 61 *(the average age of the Scheme members)*	20 *(the youngest age of the Scheme members)* 41 *(the average age of the Scheme members)*
Scheme Retirement Age	65		
Starting Pot Size • "Youngest" member • "Typical" member	£18,580 *(the average pot size for the youngest 10% of members)* £57,660 *(the average pot size of the Scheme's members)*	N/A £55,980 *(the average pot size of the Scheme's members)*	£2,230 *(the average pot size for the youngest 10% of members)* £8,010 *(the average pot size of the Scheme's members)*
Starting Salary • "Youngest" member	£44,500 *(the median salary for the youngest 10% of members)*	N/A	£13,140 *(the median salary for the youngest 10% of members)*
	PSP Section	**PSP Legacy**	**EPP Section**
Starting Salary (Continued) • "Typical" member	£37,370 *(the median salary of the Scheme's members)*	£20,930 *(the median salary of the Scheme's members)*	£16,430 *(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)		

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The Chair's Annual Governance Statement (continued)

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

	PSP Section	PSP Legacy	EPP Section
Total annual contributions • "Youngest" member • "Typical" member	15.0% p.a. *(the median rate for the youngest 10% of members)* 13.0% p.a. *(the median rate of the Scheme's members)*	N/A 11.0% p.a. *(the median rate of the Scheme's members)*	10.0% p.a. *(the median rate for the youngest 10% of members)* 9.0% p.a. *(the median rate of the Scheme's members)*

The projected growth rate (SMPI only) for each fund are as follows:	
Drawdown Lifestyle Strategy (PSP default):	2.53% p.a. before de-risking to 1.50% p.a. at the end of the de-risking phase, gross expected real return above inflation.
Cash Lifestyle Strategy (EPP default):	2.53% p.a. before de-risking to -0.50% p.a. at the end of the de-risking phase, gross expected real return relative to inflation.
Annuity Lifestyle Strategy (PSP legacy default):	2.50% p.a. gross expected real return above inflation.
Most expensive – LGIM Property Fund:	1.50% p.a. gross expected real return relative to inflation.
Least expensive – LGIM Sterling Liquidity:	0.5% p.a. gross expected real return below 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.

From 1 October 2021 trustees of all relevant pension schemes are required to calculate and state the return on investments from their default investment strategies 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 strategies:

PSP's Default Investment Strategy: Drawdown Lifestyle

PSP's Default Investment Strategy – Drawdown	Annualised returns to 30 September 2023 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	9.7	4.7
45	9.7	4.7
55	9.7	3.7

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 englobe 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's Legacy Default Investment Strategy: Annuity Lifestyle

PSP's Legacy Default Investment Strategy – Annuity	Annualised returns to 30 September 2023 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	9.7	4.7
45	9.7	4.7
55	9.7	2.8

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's Default Investment Strategy: Cash Lifestyle

EPP's Default Investment Strategy – Cash	Annualised returns to 30 September 2023 (%)	
Age of the member at start of period	**1 year**	**5 years**
25	9.7	4.7
45	9.7	4.7
55	9.7	2.8

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 tables below show performance, net of all charges and transaction costs, for members that decided to invest and selected the funds by themselves:

LGIM Self-Select Fund	Annualised returns to 30 September 2023 (%)	
	1 year	5 years
UK Equity (5% Capped) Passive	13.8	3.9
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	15.6	6.2
Overseas Equity Consensus Index	10.6	8.4
World Emerging Markets Equity	1.1	2.9
AAA-AA-A Corporate Bond All stocks Index	5.3	-1.5
Diversified	4.0	3.0
Future World Annuity Aware	1.1	-4.1
Future World Inflation Linked Annuity Aware	-7.2	-5.2
Property	-14.7	1.5
Sterling Liquidity	4.0	1.1

Source: LGIM
Performance shown net of all charges and transaction costs.
Performance of standalone self-select options is independent of age.

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 2023 (%)	
	1 year	5 years
Standard Life Managed Pension Fund	3.8	2.1
Standard Life Millennium (With Profits) Fund	-6.3	2.0
Standard Life With Profits Fund	-11.4	-0.2

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)

Fund	Annualised returns to 30 September 2023 (%)	
	1 year	5 years
Utmost Money Market Fund	3.7	0.7

Source: Utmost
Performance shown net of all charges and transaction costs.
Performance of standalone self-select options is independent of age.

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 2024 meeting, covering the period 1 October 2022 to 30 September 2023.

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 for money** in comparison to the costs payable by members. The reasons underpinning this conclusion include:

Price – reasonable value for money

- The underlying funds that form the default investment strategies are all competitively priced and sit well below the charge cap of 0.75%;
- 3 of the 10 funds sit at or below the median of their respective peer groups. All 3 funds are components of the default lifestyle strategies for the EPP and PSP members;
- 3 of the 10 funds sit within the median to upper quartile range of their respective peer groups;
- The fees have not changed materially since last year's assessment however, index providers have continued to make passive funds available at more competitive prices which has resulted in tighter quartile ranges in this year's assessment.

Performance – good value for money

- The performance of the majority of the Scheme's funds over the 3 and 5 years to 30 September 2023 compare favourably relative to the performance benchmarks set by the Trustee.
- The LGIM Diversified Fund, LGIM Future World Inflations Linked Annuity Aware and LGIM Managed Property Fund have underperformed their benchmarks over the 3 and 5 year periods. From a forward-looking perspective the funds continue to be highly-rated by Mercer. Net of fee performance for these funds will continue to be monitored.
- The funds used by the Scheme are all highly rated by its investment advisors as having good prospects of achieving their risk and return objectives.

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The Chair's Annual Governance Statement (continued)

4. Value for Members considerations (continued)

Productivity – good value for money

- The Scheme has a strong governance structure, including working closely with the Company.
- The Company pays for all administration, member communication and advisory costs associated with operating the Scheme.
- The Trustee has appointed a specialist pensions communication agency to help it develop a communications strategy.
- The Trustee may wish to consider obtaining member feedback on communications to determine areas for improvement.
- Capita has experienced a cyber security breach early this year. As a result, service levels were impacted however actions has been taken to identify any exfiltrated data.

As mentioned previously some members also have AVC assets in funds managed by Standard Life, Utmost and LGIM. The 2023 assessment concluded that the Standard Life Managed Fund and Utmost Money Market Funds provided reasonable value for money when taking into account the charges paid by members for AVCs in the market more generally.

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 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, no assessment of value in relation to transaction costs has been undertaken at this time, due to the absence of wider market data that would enable appropriate comparative assessment. The Trustee intends to build transaction costs into future Value for Member assessments when this data is 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.

As at 30 September 2023, the Trustee board comprised three Trustee Directors, with two member-nominated and one Independent Trustee.

The Independent Trustee, Judith Fish, has 20 years of experience in the pensions industry. In addition to her Scheme conversance (as detailed below), she is also a qualified actuary and has held roles at several pension consultancies. The board benefits from the range of her experience in the pensions arena, which enables her 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)

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

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

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

Requirement	How met
Trustees must have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational pension schemes	The Trustee Directors consider their annual training plan on a quarterly basis at each meeting, which includes specific consideration of whether any further training is required in respect of these statutory areas. In addition, the Trustee Directors receive updates from their advisors at regular Trustee meetings and throughout the year to keep abreast of recent developments in these areas. They are also required to complete the Pension Regulator's Trustee Tool Kit and any new/revised relevant modules released. At each of their meetings, the Trustee Directors consider a report that summarises forthcoming 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: - Considered the Scheme's Annuity Lifestyle for PSP members including the industry trends and potential members' outcomes. - Briefings on forthcoming changes to Pensions law and their possible impact on the Scheme, for example, the General Code to be published, Equality, Diversity and Inclusion (EDI) guidance published by The Pensions Regulator, and Pensions Dashboard. - Publication of Scheme documents on a publicly accessible website and illustration of costs and charges. - Regular training on the financial principles and philosophy from investment managers, for example, buy-out training in order to develop projects with Capita. - Investment market update on recent events, for example, central banks raising interest rates and the impact on the bond market and the continued conflict in Ukraine/Russia.

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The Chair's Annual Governance Statement (continued)

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

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: - Prepared an Implementation Statement in light of the regulatory requirements to include in the latest Annual Trustee Report and Account, which considered the most significant votes undertaken by managers in respect of the Trustee's stewardship priorities. As per the Business Plan the Trustee reviewed the Scheme documents incrementally on a quarterly basis. - Reviewed the members' annual benefit statements and SMPI assumptions. - Reviewed member communications. - Reviewed the Chair's Statement layout and considered publication of corresponding Scheme documents. - Exercised their discretion regarding member cases, liaising with their lawyers and referring to Scheme Trust Deed and Rules as appropriate. - Reviewed Scheme Rules as part of the buy-out project when receiving forfeiture advice. - Reviewed the CMA Objectives which were signed on 30 March 2023. - Reviewed cyber security processes with the internal Risk & Audit team. - Reviewed membership of Annuity Lifestyle Strategy and recent retirement industry trends. - 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 last review was on 28 September 2023.
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.

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The Chair's Annual Governance Statement (continued)

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

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 Code of Practice 13.

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The Chair's Annual Governance Statement (continued)

Chair's declaration

I confirm that the above statement has been produced by William Hill Trustee Limited.

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

Date: 18/4/2024

Appendix

I. Statement of Investment Principles

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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
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 2023 which is set out in the Trustee's Report on page 56.

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

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 Schedule 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 Schedule of Contributions.

Respective responsibilities of trustee and the auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on page 55, 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: 19/4/2024

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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 2023, 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 2023, 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 Regulations 3 and 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 the significant changes to interest and inflation rates, the cost of living crisis and the conflicts in Ukraine and in the Middle East, 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 55, 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; and
    - 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
- All team members are qualified accountants or working towards that qualification and are considered to have sufficient knowledge and experience of schemes of a similar size and complexity, appropriate to their role within the team. The engagement team are required to complete mandatory pensions sector training on an annual basis, thus ensuring they have sufficient knowledge and of the sector the underlying applicable legislation and related guidance.

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
Statutory Auditor, Chartered Accountants
Leeds

Date: 19/4/2024

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Fund Account

For the Year Ended 30 September 2023

	Note	Defined Benefit Section 2023 £'000	Defined Contribution Section 2023 £'000	Total 2023 £'000	Total 2022 £'000
Contributions and Benefits					
Employer contributions		**1,900**	**8,613**	**10,513**	10,591
Employee contributions		**-**	**6,906**	**6,906**	6,870
Total contributions	6	**1,900**	**15,519**	**17,419**	17,461
Transfers in	7	**-**	**239**	**239**	76
Other income	8	**152**	**265**	**417**	1,201
		2,052	**16,023**	**18,075**	18,738
Benefits paid or payable	9	**(14,421)**	**(3,580)**	**(18,001)**	(17,556)
Payments to and on account of leavers	10	**(173)**	**(6,211)**	**(6,384)**	(4,837)
Administrative expenses	11	**(2,015)**	**-**	**(2,015)**	(1,533)
Other payments	12	**(1,000)**	**-**	**(1,000)**	(972)
		(17,609)	**(9,791)**	**(27,400)**	(24,898)
Net (withdrawals)/additions from dealings with members		**(15,557)**	**6,232**	**(9,325)**	(6,160)
Returns on Investments					
Investment income	13	**15,073**	**11**	**15,084**	14,972
Change in market value of investments	14	**(53,891)**	**20,024**	**(33,867)**	(110,056)
Investment management expenses	15	**-**	**(287)**	**(287)**	(288)
Net returns on investments		**(38,818)**	**19,748**	**(19,070)**	(95,372)
Net (decrease)/increase in the fund during the year		**(54,375)**	**25,980**	**(28,395)**	(101,532)
Transfer between sections	29	**(353)**	**353**	**-**	-
Net assets of the Scheme at start of year		**323,991**	**216,400**	**540,391**	641,923
Net assets of the Scheme at end of year		**269,263**	**242,733**	**511,996**	540,391

The accompanying notes on pages 91 to 111 are an integral part of these financial statements.

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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	Total 2022 £'000
Investment Assets:					
Pooled investment vehicles	16	**540**	**240,174**	**240,714**	214,760
Insurance policies	17	**264,000**	**-**	**264,000**	318,000
AVC investments	18	**454**	**-**	**454**	415
Cash in transit	14	**-**	**211**	**211**	-
Total net investments		**264,994**	**240,385**	**505,379**	533,175
Current assets	22	**4,832**	**3,241**	**8,073**	7,943
Current liabilities	23	**(563)**	**(893)**	**(1,456)**	(727)
Total net assets of the Scheme at 30 September		**269,263**	**242,733**	**511,996**	540,391

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 takes into account such obligations for the Defined Benefit section, is dealt with in the Report on Actuarial Liabilities on pages 53 and 54 of the Trustee's Report and these financial statements should be read in conjunction with this report.

The notes on pages 91 to 111 form an integral part of these financial statements.

These financial statements were approved by the Trustee:

Robert King Date: 19/4/2024	For and on behalf of William Hill Trustee Limited
 Date: 18/4/2024	

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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 2022

	Note	Defined Benefit Section 2022 £'000	Defined Contribution Section 2022 £'000	Total 2022 £'000
Contributions and Benefits				
Employer contributions		1,900	8,691	10,591
Employee contributions		-	6,870	6,870
Total contributions	6	1,900	15,561	17,461
Transfers in	7	-	76	76
Other income	8	454	747	1,201
		2,354	16,384	18,738
Benefits paid or payable	9	(12,937)	(4,619)	(17,556)
Payment to and on account of leavers	10	(363)	(4,474)	(4,837)
Administrative expenses	11	(1,533)	-	(1,533)
Other payments	12	(972)	-	(972)
		(15,805)	(9,093)	(24,898)
Net (withdrawals)/additions from dealings with members		(13,451)	7,291	(6,160)
Returns on Investments				
Investment income	13	14,972	-	14,972
Change in market value of investments	14	(85,473)	(24,583)	(110,056)
Investment management expenses	15	(3)	(285)	(288)
Net returns on investments		(70,504)	(24,868)	(95,372)
Net decrease in the fund during the year		(83,955)	(17,577)	(101,532)
Transfer between sections	29	(2,545)	2,545	-
Net assets of the Scheme at start of year		410,491	231,432	641,923
Net assets of the Scheme at end of year		323,991	216,400	540,391

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Notes to the Financial Statements

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

Statement of Net Assets available for Benefits
As at 30 September 2022

	Note	Defined Benefit Section 2022 £'000	Defined Contribution Section 2022 £'000	Total 2022 £'000
Investment Assets:				
Pooled investment vehicles	16	484	214,276	214,760
Insurance policies	17	318,000	-	318,000
AVC investments	18	415	-	415
Total net investments		318,899	214,276	533,175
Current assets	22	5,442	2,501	7,943
Current liabilities	23	(350)	(377)	(727)
Total net assets of the Scheme at 30 September		323,991	216,400	540,391

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.

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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.

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Notes to the Financial Statements

6. Contributions

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'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**

	2022 £'000	2022 £'000	2022 £'000
Employer contributions			
Normal	-	7,789	7,789
Additional	-	902	902
Administration expense	1,900	-	1,900
	1,900	8,691	10,591
Employee contributions			
Normal	-	5,823	5,823
Additional voluntary contributions	-	1,047	1,047
	-	6,870	6,870
Total contributions	1,900	15,561	17,461

Contributions received from members and participating employers were in accordance with the Schedule of Contributions certified by the Scheme Actuary on 30 September 2020.

Employers' administration expense contributions are payable at £158,333 per month until 31 October 2025 to cover administration and other costs (including the levy payable to the Pension Protection Fund).

During the year ended 30 September 2022, the Employer paid additional contributions of £902,000 in respect of DC member compensation payments. No such contributions have been made during the year ended 30 September 2023.

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Notes to the Financial Statements

6. Transfers in

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Individual transfers in	**-**	**239**	**239**

	2022 £'000	2022 £'000	2022 £'000
Individual transfers in	-	76	76

7. Other income

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Group life insurance claims	**152**	**265**	**417**

	2022 £'000	2022 £'000	2022 £'000
Group life insurance claims	443	709	1,152
Compensation	11	38	49
	454	747	1,201

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Notes to the Financial Statements

8. Benefits paid or payable

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'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**

	2022 £'000	2022 £'000	2022 £'000
Pensions paid	11,603	-	11,603
Commuted benefits	1,331	2,193	3,524
Annuities purchased	-	890	890
Death benefits	3	1,536	1,539
	12,937	4,619	17,556

10. Payments to and on account of leavers

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Transfers to other arrangements	**173**	**6,206**	**6,379**
Refunds to members	**-**	**5**	**5**
	173	**6,211**	**6,384**

	2022 £'000	2022 £'000	2022 £'000
Transfers to other arrangements	363	4,464	4,827
Refunds to members	-	10	10
	363	4,474	4,837

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Notes to the Financial Statements

11. Administrative expenses

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'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**

*Audit fees include an additional fee incurred for the 2022 Audit.

	2022 £'000	2022 £'000	2022 £'000
Administration	796	-	796
Legal and consultancy	598	-	598
Audit fees	32	-	32
Trustee fees (note 27)	34	-	34
Sundries	8	-	8
Pensions Regulator levy	57	-	57
PPF levy	8	-	8
	1,533	-	1,533

12. Other payments

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Death in service insurance premiums	**1,000**	**-**	**1,000**

	2022 £'000	2022 £'000	2022 £'000
Death in service insurance premiums	972	-	972

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Notes to the Financial Statements

13. Investment income

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Annuity income	**15,049**	**-**	**15,049**
Interest on cash deposits	**24**	**11**	**35**
	15,073	**11**	**15,084**

	2022 £'000	2022 £'000	2022 £'000
Annuity income	14,971	-	14,971
Interest on cash deposits	1	-	1
	14,972	-	14,972

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

	Value at 01 October 2022 £'000	Purchases at cost £'000	Sales proceeds £'000	Change in market value £'000	Value at 30 September 2023 £'000
Defined Benefit Section					
Pooled investment vehicles	484	**-**	**-**	**56**	**540**
Insurance policies	318,000	**-**	**-**	**(54,000)**	**264,000**
AVC investments	415	**-**	**(14)**	**53**	**454**
	318,899	**-**	**(14)**	**(53,891)**	**264,994**
Defined Contribution Section					
Pooled investment vehicles	214,276	**24,113**	**(18,239)**	**20,024**	**240,174**
Cash in Transit	-				**211**
	214,276				**240,385**

Purchases and sales above include in-specie transfers between funds within policies held with LGIM.

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 value £708,515 (2022: £604,520).

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 (2022: £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

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Managed fund units policy charges	**-**	**287**	**287**

	2022 £'000	2022 £'000	2022 £'000
Managed fund units policy charges	3	285	288

16. Pooled investment vehicles

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

	2023 £'000	2022 £'000
Defined Benefit Section		
Equities	**514**	459
Cash	**26**	25
	540	484
Defined Contribution Section		
Equities	**120,431**	106,090
Index linked	**13,415**	11,246
Property	**929**	1,061
Cash	**3,770**	3,397
Diversified fund	**101,629**	92,482
	240,174	214,276

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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 2023, 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:

	2023 £'000	2022 £'000
Just Retirement	**109,000**	123,000
Rothesay Life	**155,000**	195,000
	264,000	318,000

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:

	2023 £'000	2022 £'000
Standard Life Unitised Insured Investments	**175**	154
Utmost Life and Pensions	**3**	2
Legal and General Managed Fund	**276**	259
	454	415

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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 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**

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 30 September 2022				
Defined Benefit Section				
Pooled investment vehicles	-	484	-	484
Insurance policies	-	-	318,000	318,000
AVC investments	-	415	-	415
	-	899	318,000	318,899
Defined Contribution Section				
Pooled investment vehicles	-	214,276	-	214,276

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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 2022 and 30 September 2023 for the Defined Benefit, Defined Contribution ("DC") and Additional Voluntary Contributions ("AVCs") Sections are detailed mainly on page 101.

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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 which 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.

Inflation risk

The Trustee holds buy-in contracts with JUST and Rothesay, together the contracts cover all liabilities in the DB section. The inflation risk associated with the liabilities has been transferred to the insurers.

Longevity risk

The Trustee holds buy-in contracts with JUST and Rothesay, together the contracts cover all liabilities in the DB section. The longevity risk associated with the liabilities has been transferred to the insurers.

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.

Credit Risk

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.

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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 individual members have differing investment needs and that these may change during the course of their working lives. The Trustee also recognises that members have differing attitudes to risk.

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.

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 new PSP members and PSP members who were more than eight years from their target retirement age on 1 July 2022 and 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. This is the default investment option for PSP members who were fewer than eight years from their target retirement age and who have not made their own investment decision.

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 – 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 Legal & General Investment Management ("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)

Direct Credit Risk

The DC Section is subject to direct credit risk in relation to L&G, 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 Trustees mitigate 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 Trustees, 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)

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)				2023 (£m)
Credit	Currency	Interest Rate	Other Price	
119.7	212.7	119.7	240.6	240.6

Manager/Fund	Indirect Market Risk				2023 (£m)	2022 (£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		✓		✓	101.8	88.8	2
LGIM Diversified Fund	✓	✓	✓	✓	101.6	92.5	2
LGIM UK Equity (5% Capped) Passive Fund*				✓	9.8	8.9	2
LGIM Overseas Equity Consensus Index Fund*		✓		✓	7.7	7.4	2
LGIM World Emerging Markets Equity Index Fund*		✓		✓	1.6	1.6	2
LGIM AAA-AA-A Corporate Bond All Stocks Index Fund	✓		✓	✓	0.1	0.2	2
LGIM Future World Inflation Linked Annuity Aware Fund	✓		✓	✓	0.7	0.7	2
LGIM Future World Annuity Aware Fund	✓		✓	✓	12.6	10.3	2
LGIM Managed Property Fund	✓		✓	✓	0.9	1.1	2
LGIM Sterling Liquidity Fund*	✓		✓	✓	3.8	3.4	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)

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 Trustees, member level of risk exposures will be dependent on the funds invested.

Manager/Fund	Indirect Market Risk				2023 (£000's)	2022 (£000's)	FRED 62 Fair Value Hierarchy Category
	Credit	Currency	Interest Rate	Other Price			
LGIM UK Equity (5% Capped) Passive Fund				✓	135	125	2
LGIM Overseas Equity Consensus Index Fund		✓		✓	94	85	2
LGIM Future World Inflation Inflation Linked Annuity Aware Fund	✓		✓	✓	37	40	2
LGIM Future World Annuity Aware Fund	✓		✓	✓	3	3	2
LGIM Sterling Liquidity Fund	✓		✓	✓	6	6	2
Standard Life Managed Fund	✓	✓	✓	✓	53	52	2
Standard Life Pension Millennium (with profits) Fund	✓	✓	✓	✓	35	35	2
Standard Life Pension (with profits) Fund	✓	✓	✓	✓	66	67	2
Utmost Money Market Fund	✓		✓	✓	3	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	2023	£'000	2022
Defined Benefit Section:				
Just Retirement – insured annuity policy	**109,000**	**21%**	123,000	22%
Rothesay - insured annuity policy	**155,000**	**30%**	195,000	36%
Defined Contribution Section:				
Legal & General – Multi Asset Diversified Fund	**101,629**	**20%**	92,482	15%
Legal & General – Global Equity Index	**101,809**	**20%**	88,726	14%

22. Current assets

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Cash at bank	**3,750**	**1,945**	**5,695**
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**

	2022 £'000	2022 £'000	2022 £'000
Cash at bank	4,504	922	5,426
Employers' contributions due	-	786	786
Employees' contributions due	-	625	625
Payroll prepayment	901	-	901
Pension Regulator prepayment	37	-	37
Amount due between sections	-	88	88
Group life claim income due	-	80	80
	5,442	2,501	7,943

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

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'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**

	2022 £'000	2022 £'000	2022 £'000
Benefits payable	112	265	377
Legal and consultancy	75	-	75
Audit fees	32	-	32
Administration fees	13	-	13
Actuarial fees	25	-	25
Investment management fees	-	71	71
Amounts owed to HMRC	-	41	41
Amounts due between sections	88	-	88
Other creditors	5	-	5
	350	377	727

24. Capital commitments

At 30 September 2023 there were no capital commitments (2022: £Nil).

25. Contingent liabilities

The Scheme has no contingent liabilities as at 30 September 2023 (2022: £Nil).

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Notes to the Financial Statements

26. Self investment

There were no Employer-related investments at 30 September 2023 (2022: Nil).

27. Related party transactions

Key management personnel

Certain Directors of the Trustee Board are either one or more of employed members of the DB section, contributing members of the DC section or pensioner members. Any contributions or pensions are paid in accordance with the rules of the Scheme. The Professional Trustees received no fees and expenses from the Scheme during the year amounting (2022: £33,991) 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. 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.

29. Transfers between sections

	2023 Defined Benefit Section £'000	2023 Defined Contribution Section £'000	2023 Total £'000
Individual transfers	**(353)**	**353**	**-**

	2022 £'000	2022 £'000	2022 £'000
Individual transfers	(2,545)	2,545	-

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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 2023 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 2022		**765**
Plus	Active Members leaving and retaining a deferred pension	-
Less	Members taking a transfer of their deferred pension from the Plan	(3)
	Members retiring and drawing a pension	(53)
	Members retiring with full commutation	(8)
	Member who have died	(6)
Members with a deferred pension as at 30 September 2023		**695**

Pensioners and dependants

Pensioners including dependents as at 1 October 2022		**1,743**
Plus	Members starting to receive their pension	53
	Dependants starting to receive their pension	21
	Reinstated from deceased	1
Less	Pensioners who have died	(60)
	Dependants who have died	(6)
	Pensioners who have become ineligible	(2)
Pensioners including dependents as at 30 September 2023		**1,750**
Number of dependants included in total above		*227*

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

Total membership

Employed members	-
Deferred pensioners	695
Pensioners	1,523
Dependants	227
Total membership as at 30 September 2023	**2,445**

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Membership

Pension Savings Plan 2003 (Defined Contribution)

Active members

Active members at 1 October 2022		**1,171**
	Opening Adjustment	(6)
Plus	New Joiners	263
	Enrolled from Employee Pension Plan	41
	Re-instatement	2
Less	Retirements with a pension	(5)
	Retirements with full commutation	(3)
	Retirements UFPLS	(11)
	Leavers becoming deferred	(373)
	Leavers taking a transfer of benefits	(3)
	Non-Joiner	(1)
	Returned to Employee Pension Plan	(2)
Active members at 30 September 2023		**1,073**

Deferred members

Deferred members at 1 October 2022		**1,925**
	Opening Adjustment	16
Plus	Active members leaving and retaining a deferred pension	373
	Reinstatement	1
Less	Retirements with full commutation	(9)
	Retirements UFPLS	(15)
	Members taking a transfer of their deferred pension	(61)
	Members retiring and drawing a pension	(8)
	Members who died in deferment	(15)
	Reinstatement	(2)
	Non-joiner	(4)
	Late adjustment	(2)
Deferred members at 30 September 2023		**2,199**

Leavers

Leavers - as at 1 October 2022		**31**
Less	Members taking a refund	-
	Members transferring out their benefits	(1)
Leavers - as at 30 September 2023		**30**

Total membership

Active members	1,073
Deferred members	2,199
Leavers – refund/transfer option	30
Total membership as at 30 September 2023	**3,302**

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Membership

Employee Pension Plan (Defined Contribution)

Active members

Active members at 1 October 2022		**4,701**
Plus	New Joiners	1,572
	Reinstatements	96
	Returned to Employee Pension Plan	2
	Late adjustment	1
Less	Enrolled into Pension Savings Plan 2001	(41)
	Retirements with a commutation	(19)
	Leavers becoming deferred	(1,749)
	Deaths	(10)
	Retirements UFPLS	(20)
	Non-Joiners	(8)
	Late adjustment	(1)
Active members at 30 September 2023		**4,524**

Deferred members

Deferred members at 1 October 2022		**12,121**
Plus	Active members leaving and retaining a deferred pension	1,749
	Member refunded to deferred	9
	Member cancelled transfer of benefits	2
	Late adjustment	1
Less	Retirements with full commutation	(67)
	Members taking a transfer of their deferred pension	(47)
	Retirement UFPLS	(29)
	Members who died in deferment	(15)
	Non joiner	(57)
	Deferred to refunded	(3)
	Member reinstated service	(94)
	Late adjustment	(30)
Deferred members at 30 September 2023		**13,540**

Leavers

Leavers - as at 1 October 2022		**732**
Less	Members taking a refund	(5)
	Members taking a transfer option	(1)
Leavers - as at 30 September 2023		**726**

Total membership

Active members	4,524
Deferred members	13,540
Leavers – refund/transfer option	726
Total membership as at 30 September 2023	**18,790**

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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 – September 2022 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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Statement of Investment Principles

The Trustee's most recent default investment strategy review took place on 13 September 2021 and considered performance in line with the Trustee's aims and objectives as outlined in this SIP, recent industry retirement trends and member demographics including age and pot size. Following this review, the Trustee agreed to make the following changes to the PSP from 1 July 2022:

- New PSP members and PSP members in the growth phase of the default investment strategy (more than 8 years from their target retirement age) will be switched to the Drawdown Lifestyle Strategy.

- PSP members less than eight years from their target retirement age will continue to target annuity purchase at retirement, remaining in the Annuity Lifestyle Strategy.

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;

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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.

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.

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Statement of Investment Principles

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 (typically 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.
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 (previously Pre-Retirement 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 returns in line with the 7 Day LIBID over rolling three year periods.
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.

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Statement of Investment Principles

LGIM Future World Inflation Linked Annuity Aware Fund (previously Pre-Retirement Inflation Linked 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.

Members who do not indicate a preference will be invested in the applicable Default Investment Strategy. For new PSP members or PSP members in the growth phase of the default investment option as at 1 July 2022, the default investment option is a lifestyle strategy targeting drawdown. For PSP members in the de-risking phase of the lifestyle strategy as at 1 July 2022, the Default Investment Strategy is a lifestyle strategy targeting the purchase of an annuity. For EPP members the Default Investment Strategy is a lifestyle strategy targeting cash. These are set out in Section 2.5 of this Statement.

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.

Lifestyle Strategy	**Funds**
Drawdown (new PSP members or PSP members in the growth phase as at 1 July 2022)	***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 (previously Pre-Retirement Fund)

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Annuity (default strategy for PSP members in de-risking phase as at 1 July 2022)	***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 (previously Pre-Retirement Fund) 25% LGIM Sterling Liquidity 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 (previously Pre-Retirement Fund) before being gradually switched to the LGIM Sterling Liquidity Fund. ***De-risking phase (final allocation):*** 100% LGIM Sterling Liquidity Fund

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.
	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.	

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	Equity, property and other price risk	The risk that market movements lead to a substantial reduction in the value of a member's savings.	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.
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.
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.

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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.

2.5 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.

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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 a member can take benefits (i.e. cash, annuity 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.

- 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

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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 undertaken in 2021 and the Trustee's understanding of the Scheme's membership, a default investment strategy that targets drawdown and a tax-free cash lump sum (up to 25% of a member's pot) was chosen for new PSP members and PSP members in the growth phase as at 1 July 2022. For PSP members in the de-risking phase as at 1 July 2022, a default investment strategy that targets an annuity purchase and a tax-free cash lump sum (up to 25% of a member's pot) was chosen. Separately, a default investment strategy that targets taking cash at retirement was chosen as the for EPP members. The Trustee will review the appropriateness of the Drawdown Lifestyle Strategy, Annuity Lifestyle Strategy and the Cash Lifestyle Strategy as the default investment options for PSP and EPP members, respectively, on a periodic basis.

2.6 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 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.

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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. 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.

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

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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.

7. Investment Manager Appointments

7.1. 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.

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.

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7.2. 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.

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

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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.

7.3. 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.

7.4. 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.

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8. Investment consultant fees

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

9. 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.

_____

Signed

(William Hill Trustee Limited)

_____

Date

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Appendix

Lifestyle Strategies

Drawdown Lifestyle Strategy (Default Investment Strategy for new PSP members and PSP members in the growth phase as at 1 July 2022)

This default investment strategy is designed for those members who intend to make use of drawdown in retirement and were in the growth phase as at 1 July 2022. 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 (previously Pre-Retirement 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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Annuity Lifestyle Strategy (Default Investment Strategy for PSP members in the de-risking phase as at 1 July 2022)

This default investment strategy is for those planning to buy an annuity (a pension income for life) at their target retirement date and were in the de-risking phase of the default investment strategy as at 1 July 2022. 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 (previously Pre-Retirement 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

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.

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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 (previously Pre-Retirement 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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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 September 2021.

Fund	TER* (%)
Global Equity Market Weights 30:70 Index Fund - 75% GBP Currency Hedged	0.12
Diversified	0.20
Future World Annuity Aware Fund (previously Pre-Retirement Fund)	0.15
Sterling Liquidity	0.13
UK Equity (5% capped) Passive	0.17
Overseas Equity Consensus Index	0.15
World Emerging Markets Equity Index	0.47
AAA-AA-A Corporate Bond All Stocks Index	0.15
Pre-Retirement Inflation Linked	0.13
Property	0.88

Source: LGIM.
*TERs may vary over time.