

ANNUAL DC GOVERNANCE CHAIR'S STATEMENT ASSOCIATED BRITISH FOODS PENSION SCHEME

PREPARED IN ACCORDANCE WITH REGULATION 23 OF THE OCCUPATIONAL PENSION SCHEMES (SCHEME ADMINISTRATION) REGULATIONS 1996 (THE "REGULATIONS")

As the Chair of the Associated British Foods Pension Trustees Limited, I, together with my fellow Trustee Directors, must continually review and assess the Associated British Foods Pension Scheme's ("the Scheme") systems, processes, and controls across a number of areas to ensure they are consistent with those set out by legislation and The Pensions Regulator (TPR). Governance requirements apply to defined contribution ("DC") pension arrangements, to help members achieve a good outcome from their pension savings. The Trustee of the Scheme is required to produce a yearly statement (which is signed by the Chair of the Trustee) to describe how these governance requirements have been met in relation to:

- The investment options in which members' funds are invested (this means the "default arrangement" and other funds members can select or have assets in, such as self-select).
- The requirements for processing financial transactions.
- The charges and transaction costs borne by members, including:
 - Reporting net investment returns.
 - An illustration of the cumulative effect of these costs and charges.
 - Assessment of value for members.
 - Target date fund asset allocations.
- Trustee knowledge and understanding; and
- Scheme operations statement.

This Statement provides an insight to the steps taken during the Scheme year ending 5 April 2026 to ensure our compliance with these requirements for the DC Section.

1. DEFAULT INVESTMENT ARRANGEMENT-TARGET DATE FUNDS (TDFs)

All members are either contractually or automatically enrolled into the Scheme. Their contributions are invested by default into the Target Date Fund (TDF) applicable to their Normal Retirement Age of 65 (although members can choose an alternative target retirement age if they wish). As at 31 March 2026 about 98% of the DC section's assets were invested within the TDFs. The option to select different investment funds is included in the Scheme welcome letter which members receive from the ABF Pensions Department. The Trustee has set out the following aims and objectives for the Target Date Funds:

- It is likely to be appropriate for most members;
- The Glidepath is designed to manage risk dynamically and to seek significant long-term above inflation growth while members are further from their target retirement date;
- It has a risk and reward profile that addresses the various risks that members face as identified by the Trustee in the SIP, in particular that these reflect the period remaining until members reach retirement age and their ability to recover any market losses. As members move towards their retirement "target date," the Fund gradually reduces risk by changing the investments within the Fund to ensure it has an asset allocation at the target retirement date that is appropriate and consistent with how most members are expected to take their retirement savings; and
- It includes the Trustee's consideration of environmental, social and governance (ESG) factors including climate change and stewardship risks.

The Trustee regularly reminds members to review their investment options via annual communications and the Scheme website www.abfpensions.com/dc/investments to ensure they remain appropriate.

1.1 A copy of the latest Statement of Investment Principles (SIP) prepared in accordance with Regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 is attached as Appendix 1 to the Financial Statements.

1.2 The Trustee is responsible for the Scheme's investment governance. This includes setting and monitoring the investment strategy for the Scheme's default arrangements. The Trustee reviewed the default strategy and performance of the default funds four times during the Scheme year against the aims and objectives as set out in the SIP. The reviews included the following key areas:

- Value of assets in the TDFs
- Market background detailing asset class performance
- Deep dive into TDF range performance, including attribution data and comparison with the Scheme's investment advisor Mercer's universe of funds and other providers' default investment arrangements.
- Alliance Bernstein's commentary including performance relative to targets and asset allocation decisions

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- Consideration of whether all TDF vintages had under- or outperformed their objectives and if they remain on track to deliver the objectives over the long term
- Membership analysis (demographic analysis undertaken to stress test risk parameters)
- Manager monitoring and updates including a deep dive analysis on any specific funds which require closer monitoring

The Trustee carries out a full formal review of the Scheme's DC investment strategy every 3 years. The last formal review was completed on 7 March 2024.

As a result of this the Trustee decided to:

- Postpone derisking of TDFs and to increase the level of risk in TDFs at and beyond target date to reflect that pension savings will increasingly be accessed through drawdown.
- Introduce allocations to private credit in the TDFs to improve the glidepath's balance of risk and reward.
- Change the TDF's objectives so that they should now provide an above inflation return over the life of the glidepath, while managing risk as members approach retirement.

These changes have all been implemented.

The Trustee also reviewed the range of alternative self-select funds which were available to members for whom the default strategy did not meet their needs. The Trustee added 4 funds and removed those where either there were only a very small number of members or contributions or where the funds were no longer delivering value for money. After the review and resulting sales, the Scheme now offers 38 different self-select funds.

The next formal review of the Scheme's DC default investment strategy and self-select range is intended to take place by the end of the Scheme year to 5 April 2027.

Over 1 year and 3-year periods to 31 March 2026 all TDFs have outperformed their inflation-based targets (as measured by the Consumer Price Index). Over a 5-year period, the majority of the TDFs have underperformed their targets. Over this 5 year period there have been relatively high levels of inflation leading to above expected inflation targets. All TDFs have outperformed their targets since inception.

2. CORE FINANCIAL TRANSACTIONS

2.1 Regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 requires the Trustee to ensure that core financial transactions have been processed promptly and accurately during the Scheme year. Core financial transactions include investment of contributions, transfers of assets relating to members into and out of the Scheme, transfers of assets relating to members between different investments within the Scheme and payments from the Scheme to, or in respect of, members. The Trustee has received assurances from the Scheme's administrator, ABF Pensions Department, and as such is confident that the requirements of Regulation 24 have been met during the year for the following reasons:

- The Trustee treats all transactions which relate to the handling of contributions and assets as core financial transactions. All receipts have been matched to the corresponding payments to ensure that all transactions are monitored on a daily basis and actioned in a timely manner. This control complements existing member level unit reconciliations and provides an increased level of monitoring at transaction level.
- Contributions for each pay period from all pay-sites were tracked to record the date the monies were received and the date the schedule providing a breakdown of the contributions per member was received. This was checked against a pre-agreed Contribution Calendar. Processes are in place to resolve any issues directly with the senior management teams of the employer within one working day and to rectify any systems failures etc to ensure the issue is not repeated.
- All contributions received by the Scheme were invested within two working days of receipt of the correct funds, file and supporting documents detailing the breakdown of individual member contributions, whichever was the latter.

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- Transfers of members' assets into and out of the Scheme were processed in accordance with the Pensions Act requirements and complied with the Transfer Regulations (which came into effect from June 2022).
- Members' assets being switched between different funds within the Scheme were actioned in a timely manner and in accordance with the members' instructions.
- Payments from the Scheme to, or in respect of, members were completed in a timely manner and in accordance with statutory requirements.
- The Scheme Administrator utilises internal Service Level Agreements to drive and monitor all aspects of the day-to-day administration. These include the accuracy and timeliness of all core financial transactions. These include:
 - All payments are actioned within 5 working days once monies have completed disinvestment from Mobius Life.
 - Contributions including individual transfers into the Scheme are invested within 2 working days of receipt of monies and confirmation of who the payments relate to.
 - Once instructions for switches between funds are confirmed these are mostly actioned within 5 working days.
 - A workflow monitoring tool is in place which is used to monitor Compliance against the Service Levels in respect of all cash movements within the DC Section.
 - All receipts into the Trustee bank account are reconciled against contribution files and member data.
 - At least two individuals are involved with checking investment transactions.

The Head of Group Pensions reviews all logs and monthly reconciliation reports and provides an update of any findings to both the Trustee Board and Audit Sub-Committee. The Trustee also receives quarterly Administration Reports detailing the administrator's performance and compliance. The Scheme administrator adopts an Internal Controls Framework (based on AAF01/20) and has provided confirmation that all receipts for the financial year were matched to the corresponding payments. In addition, confirmation has been received that all transactions were monitored on a daily basis and actioned in a timely manner and well within statutory deadlines. These checks were complementary to both the daily bank reconciliations and monthly member level unit reconciliations.

I am happy to report that during the Scheme year there were no regulatory breaches reported, no issues were found that gave rise to concern by the Trustee and there are no outstanding issues at the date of this statement.

3. CHARGES AND TRANSACTION COSTS

- 3.1 The Trustee is required to set out the on-going charges borne by members in this statement, which are annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs; this is also known as the Total Expense Ratio ("TER"). The TER is paid by the members and is reflected in the unit price of the funds. The Employer meets all administration and risk costs for the DC Section of the Scheme. The Trustee is also required to separately disclose transaction costs figures that are borne by members. In the context of this statement, the transaction costs shown are those incurred when the Scheme's fund managers buy and sell assets within the investment funds.

The Trustee is also required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges and disclose the asset allocation of the default investment strategy. This information is also included within this section, and all calculations have been completed in line with statutory guidance, where applicable.

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3.2 Target Date Fund charges and transaction costs

The levels of charges and transaction costs applicable to the 22 default Target Date Funds at the end of the Scheme year are shown in the table below. The Target Date Funds have been designed to help manage investment risk which means that as members move towards their retirement "target date", the fund gradually reduces risk by changing the investments within the fund. This means that the level of charges and transaction costs will vary depending on how close members are to their target retirement date and which fund they are invested in. The Trustee is required to separately disclose the transaction costs for each Fund (see penultimate column below). The costs and charges shown in the table below have been produced in line with statutory guidance.

Fund Name	Alliance Bernstein Fee (%) (a)	Mobius Life Platform Charge (%) (b)	Additional Fund Expenses (%) (c)	Total Expense Ratio (%) (a+b+c)	Transaction Costs (%)	Fund returns net of fees & costs (%)
AB Retirement Fund 2011-2013	0.191	0.040	0.0220	0.2530	0.10	7.67
AB Retirement Fund 2014-2016	0.191	0.040	0.0220	0.2530	0.10	7.66
AB Retirement Fund 2017-2019	0.191	0.040	0.0220	0.2530	0.10	7.65
AB Retirement Fund 2020-2022	0.191	0.040	0.0220	0.2530	0.11	7.73
AB Retirement Fund 2023-2025	0.191	0.040	0.0230	0.2540	0.12	7.84
AB Retirement Fund 2026-2028	0.191	0.040	0.0240	0.2550	0.14	8.27
AB Retirement Fund 2029-2031	0.191	0.040	0.0260	0.2570	0.16	8.73
AB Retirement Fund 2032-2034	0.191	0.040	0.0280	0.2590	0.21	9.98
AB Retirement Fund 2035-2037	0.191	0.040	0.0290	0.2600	0.24	11.26
AB Retirement Fund 2038-2040	0.191	0.040	0.0290	0.2600	0.28	12.35
AB Retirement Fund 2041-2043	0.191	0.040	0.0290	0.2600	0.32	13.27
AB Retirement Fund 2044-2046	0.191	0.040	0.0280	0.2590	0.36	14.00
AB Retirement Fund 2047-2049	0.191	0.040	0.0280	0.2590	0.39	14.40
AB Retirement Fund 2050-2052	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2053-2055	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2056-2058	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2059-2061	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2062-2064	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2065-2067	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2068-2070	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2071-2073	0.191	0.040	0.0280	0.2590	0.40	14.36
AB Retirement Fund 2074-2076	0.191	0.040	0.0280	0.2590	0.39	14.46

There are no performance-based fees charged by Alliance Bernstein or Mobius Life on The Target Date Funds.

This data has been provided by Alliance Bernstein and Mobius Life as at 31 March 2026 and shows return net of fees and costs for the previous 12 months.

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3.3 Target Date Funds net investment returns

The net returns are shown as an annual geometric average. The annual net return, which compounded over time, delivered the returns shown below as at 31 March 2026 which have been calculated in line with the statutory guidance:

Fund Name	Inception Date	Age of Member in 2026 (Years)	Annualised Returns 1 Year p.a. (2026) Net (%)	Annualised Returns 3 Years p.a. (2023-2026) Net (%)	Annualised Returns 5 Years p.a. (2021-2026) Net (%)	Annualised Returns 10 Years p.a. (2016-2026) Net (%)
AB Retirement Fund 2011-2013	30/09/2012	79	7.7	6.4	3.6	3.8
AB Retirement Fund 2014-2016	30/09/2012	76	7.7	6.3	3.4	3.9
AB Retirement Fund 2017-2019	30/09/2012	73	7.7	6.3	3.4	4.3
AB Retirement Fund 2020-2022	30/09/2012	70	7.7	6.4	3.5	4.8
AB Retirement Fund 2023-2025	30/09/2012	67	7.8	6.5	3.6	5.3
AB Retirement Fund 2026-2028	30/09/2012	64	8.3	6.9	4.0	6.0
AB Retirement Fund 2029-2031	30/09/2012	61	8.7	7.3	4.1	6.5
AB Retirement Fund 2032-2034	30/09/2012	58	10.0	8.2	4.8	7.2
AB Retirement Fund 2035-2037	30/09/2012	55	11.3	9.4	5.8	8.0
AB Retirement Fund 2038-2040	30/09/2012	52	12.3	10.8	7.0	9.0
AB Retirement Fund 2041-2043	30/09/2012	49	13.3	12.1	8.2	9.9
AB Retirement Fund 2044-2046	30/09/2012	46	14.0	13.0	8.8	10.2
AB Retirement Fund 2047-2049	30/09/2012	43	14.4	13.2	8.9	10.2
AB Retirement Fund 2050-2052	30/09/2012	40	14.4	13.2	8.9	10.2
AB Retirement Fund 2053-2055	30/09/2012	37	14.4	13.2	8.9	10.2
AB Retirement Fund 2056-2058	30/09/2012	34	14.4	13.2	8.9	10.2
AB Retirement Fund 2059-2061	30/09/2012	31	14.4	13.2	8.9	10.2
AB Retirement Fund 2062-2064	31/10/2012	28	14.4	13.2	8.9	10.2
AB Retirement Fund 2065-2067	28/02/2013	25	14.4	13.2	8.9	10.2
AB Retirement Fund 2068-2070	28/02/2013	22	14.4	13.2	8.9	10.3
AB Retirement Fund 2071-2073	28/02/2013	19	14.4	13.2	9.1	10.4
AB Retirement Fund 2074-2076	31/12/2024	16	14.5	-	-	-

3.4 Target Date Funds Asset Allocation

Asset Class	Average 25 y/o (%)	Average 45 y/o (%)	Average 55 y/o (%)	Average 65 y/o (%)
Cash	0.00	0.00	0.00	0.00
Bonds	0.00	0.84	11.60	47.52
Government Bonds	0.00	0.32	4.36	30.97
Corporate Bonds	0.00	0.52	7.24	10.56
Short Duration Bonds	0.00	0.00	0.00	5.99
Listed Equities	75.36	74.55	64.58	37.33
Developed Market Equities	68.24	67.51	59.98	36.26
Emerging Market Equities	7.12	7.04	4.60	1.07
Private Equity	5.30	5.18	4.25	0.99
Property	3.99	3.97	3.41	1.31
Infrastructure	1.82	1.82	3.10	1.02
Private Debt	10.36	10.48	10.37	10.45
Other	3.17	3.16	2.69	1.38
Total	100.00	100.00	100.00	100.00

This data has been provided by Alliance Bernstein as at 31 March 2026.

The following describes the types of investments covered by the above asset classes:

- Cash – Cash and assets that behave similarly to cash e.g. treasury bills. It only includes invested cash and not the cash balance held by the Scheme.
- Bonds – Loans made to the bond issuer, usually a government or a company, to be repaid at a later date.
- Listed Equity – Shares in companies that are listed on global stock exchanges. Owning shares makes the Scheme a part owner of the company, entitled to a share of the profits (if any) payable as dividends.
- Private Equity – Unlisted equities that are not publicly traded on stock exchanges. Encompasses a broad range of investment styles, including: Venture Capital – Small, early stage businesses that may have high growth potential, albeit at significant risk, Growth Equity – Relatively mature companies that are going through a transformational event with potential for growth, Buyout funds – Invested in more mature businesses, often taking a controlling interest, Leveraged buyout funds take out loans to raise the funds required to invest.
- Property – Real estate, potentially including offices, retail buildings which are rented out to businesses.
- Infrastructure: physical structures, facilities, systems, or networks that provide or support public services including water, gas and electricity networks, roads, telecommunications facilities, schools, hospitals, and prisons
- Private Debt – Other forms of loan that do not fall within the definition of a ‘Bond.’
- Other – Any assets that do not fall within the above categories.
- Leverage – Certain underlying investments, particularly within private markets, may involve the use of leverage. While this can support returns, it may also increase risk in certain market conditions. The Trustee considers this as part of its regular review of the investment strategy. The level of leverage employed within underlying funds is controlled at the investment manager level and forms part of the Trustee’s broader oversight of risk within the default strategy.

3.5 Self-select options charges and transaction costs

The Trustee also offers DC members access to a wide range of self-select funds on the Mobius Life platform. Together with the Target Date Funds these self-select funds are also available to DB members who wish to pay Additional Voluntary Contributions (AVCs). Over the year members had access to 38 funds. The self-select assets account for less than 2% of members and assets in the DC section. The Total Expense Ratio (TER) for these funds' ranges from 0.069% to 0.925% per year. (The TER can be negative where Mobius is able to buy units at the bid price when it has bought the assets at a lower price than their true value. Similarly, a negative cost would be seen if Mobius sold units at the offer price.) Detailed information about these funds can be found on the Scheme website at www.abfpensions.com/dc/investments. The level of charges and transaction costs applying to the self-select funds currently available to DC and DB AVC members at the end of the Scheme year are shown in the table below.

Mobius Life has provided transaction costs and returns net of fees for the 12 months to 31 March 2026.

The Trustee is required to disclose separately the transaction costs for each fund.

Fund Name	Investment Manager Fee (%) (a)	Mobius Life Platform Charge (%) (b)	Additional Fund Expenses (%) (c)	Total Expense Ratio (%) (a+b+c)	Transaction Costs (%)	Fund returns net of fees & costs (%)
AB Dynamic Diversified Beta	0.19	0.04	0.02	0.25	0.18	10.9
AB Global Plus Fixed Income (ABF)	0.50	0.04	0.09	0.63	0.09	2.3
abrdn Sterling Corporate Bond Fund (ABF)	0.50	0.04	0.09	0.63	0.01	4.4
Aquila Connect Over 15 Year Corporate Bond (ABF)	0.05	0.04	0.01	0.10	(0.03)	2.2
Aquila Life World Equity Index (ABF)	0.05	0.04	0.01	0.10	0.01	15.6
Artemis SmartGARP Global Equity (ABF)	0.75	0.04	0.13	0.92	0.21	38.2
AXA Framlington American Growth (ABF)	0.61	0.04	0.06	0.71	0.12	1.6
AXA Framlington UK Select Opportunities (ABF)	0.61	0.04	0.07	0.72	0.11	6.1
BlackRock Aquila Connect Corporate Bond All Stocks Fund (ABF)	0.04	0.04	0.01	0.09	0.01	4.4
BlackRock Gold & General (ABF)	0.71	0.04	0.15	0.90	0.62	97.1
BlackRock Institutional Sterling Liquidity (ABF)	0.10	0.04	0.00	0.14	(0.03)	4.1
HSBC Islamic Global Equity Index (ABF)	0.11	0.04	0.04	0.19	0.01	17.3
Insight Broad Opportunities Fund (ABF)	0.50	0.04	0.18	0.72	0.00	7.2

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Fund Name	Investment Manager Fee (%) (a)	Mobius Life Platform Charge (%) (b)	Additional Fund Expenses (%) (c)	Total Expense Ratio (%) (a+b+c)	Transaction Costs (%)	Fund returns net of fees & costs (%)
iShares Emerging Markets Index (ABF)	0.06	0.04	0.07	0.17	(0.03)	26.4
JPM Natural Resources (ABF)	0.69	0.04	0.07	0.80	0.56	60.5
LGIM All Stocks Gilt Index (ABF)	0.04	0.04	0.00	0.08	(0.01)	2.5
LGIM All Stocks Index Linked Gilt (ABF)	0.04	0.04	0.00	0.08	0.07	3.5
LGIM Asia Pacific (ex Japan) Developed Equity (ABF)	0.08	0.04	0.00	0.12	0.01	47.2
LGIM Europe (ex UK) Equity Index (ABF)	0.08	0.04	0.00	0.12	0.05	11.8
LGIM FTSE4Good Developed Equity Index Fund (ABF)	0.30	0.04	0.00	0.34	0.01	16.3
LGIM FTSE4Good UK Equity Index Fund (ABF)	0.20	0.04	0.00	0.24	0.03	14.8
LGIM Future World Global Equity Fund (ABF)	0.08	0.04	0.00	0.12	0.02	14.8
LGIM Global Real Estate Equity Index (ABF)	0.08	0.04	0.10	0.22	0.02	6.5
LGIM Japan Equity Index (ABF)	0.08	0.04	0.00	0.12	0.02	21.4
LGIM Managed Property Fund (ABF)	0.60	0.04	0.13	0.77	0.03	4.4
LGIM North American Equity Index (ABF)	0.08	0.04	0.00	0.12	0.00	13.1
LGIM UK Equity Index (ABF)	0.03	0.04	0.00	0.07	0.02	19.5
LGIM World ex UK Equity Index (ABF)	0.08	0.04	0.00	0.12	0.02	16.5
Liontrust European Dynamic Fund (ABF)	0.75	0.04	0.09	0.88	0.35	21.4
MFS Meridian Global Equity Institutional (ABF)	0.55	0.04	0.15	0.74	0.00	(1.7)
Ninety One Emerging Markets Blended Debt Fund	0.69	0.04	0.20	0.93	0.44	10.1

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Fund Name	Investment Manager Fee (%) (a)	Mobius Life Platform Charge (%) (b)	Additional Fund Expenses (%) (c)	Total Expense Ratio (%) (a+b+c)	Transaction Costs (%)	Fund returns net of fees & costs (%)
Nordea 1 - GBP Diversified Return Fund (ABF)	0.41	0.04	0.18	0.63	0.18	(2.5)
Schroder Global Emerging Markets (ABF)	0.37	0.04	0.22	0.63	0.36	36.3
Schroder Institutional UK Smaller Companies (ABF)	0.50	0.04	0.01	0.55	(0.08)	9.2
Schroder Life Intermediated Diversified Growth (ABF)	0.55	0.04	0.05	0.64	0.32	12.1
Stewart Investors Asia Pacific Leaders (ABF)	0.76	0.04	0.04	0.84	0.31	6.4
Storebrand Global Plus Lux (ABF)	0.17	0.04	0.06	0.27	0.12	11.6
Vanguard FTSE Developed World ex UK (ABF)	0.08	0.04	0.00	0.12	0.07	15.0

3.6 Self-select net investment return

Mobius Life has provided returns net of fees for the 12 months to 31 March 2026.

Fund Name	Inception Date	1 Year p.a. (%) Net	3 Years p.a. (%) Net	5 Years p.a. (%) Net	10 Years p.a. (%) Net
AB Dynamic Diversified Beta	30/09/2012	10.9	10.2	6.2	8.0
AB Global Plus Fixed Income (ABF)	14/03/2019	2.3	3.1	(0.2)	1.0
Aberdeen Corporate Bond Fund (ABF)	14/03/2019	4.4	5.3	(0.5)	2.2
Aquila Connect >15 Year Corporate Bond (ABF)	14/03/2019	2.2	0.9	(6.5)	0.2
Aquila Life World Equity Index (ABF)	14/03/2019	15.6	14.5	10.9	12.9
Artemis SmartGARP Global Equity (ABF)	14/03/2019	38.2	20.4	12.9	12.7
AXA Framlington American Growth (ABF)	14/03/2019	1.6	10.0	8.3	14.7
AXA Framlington UK Select Opportunities (ABF)	14/03/2019	6.1	3.3	1.5	3.3
BlackRock Gold & General (ABF)	14/03/2019	97.1	40.3	24.3	17.5
BlackRock Institutional Sterling Liquidity (ABF)	14/03/2019	4.1	4.8	3.3	1.8
HSBC Islamic Global Equity Index (ABF)	14/03/2019	17.3	17.1	12.9	15.4
iShares Emerging Markets Index (ABF)	14/03/2019	26.4	12.8	4.5	8.7
JPM Natural Resources (ABF)	14/03/2019	60.5	18.4	18.7	16.2
LGIM All Stocks Gilt Index (ABF)	14/03/2019	2.5	0.3	(4.4)	(0.8)
LGIM All Stocks Index Linked Gilt (ABF)	14/03/2019	3.5	(3.5)	(7.0)	(0.8)
LGIM Asia Pacific (ex Japan) Dev Equity (ABF)	14/03/2019	47.2	14.3	7.6	10.2
LGIM Europe (ex UK) Equity Index (ABF)	14/03/2019	11.8	9.1	8.0	9.5

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Fund Name	Inception Date	1 Year p.a. (%) Net	3 Years p.a. (%) Net	5 Years p.a. (%) Net	10 Years p.a. (%) Net
LGIM FTSE4Good Developed Equity Index (ABF)	14/03/2019	16.3	14.1	11.4	13.1
LGIM FTSE4Good UK Equity Index (ABF)	14/03/2019	14.8	11.7	10.2	0.0
LGIM Global Real Estate Equity Index (ABF)	14/03/2019	6.5	5.3	2.9	4.4
LGIM Japan Equity Index (ABF)	14/03/2019	21.4	14.2	7.5	9.8
LGIM North American Equity Index (ABF)	14/03/2019	13.1	15.3	12.0	14.6
LGIM Property Fund (ABF)	14/03/2019	4.4	3.8	2.0	-
LGIM UK Equity Index (ABF)	14/03/2019	19.5	12.9	10.8	8.5
LGIM World ex UK Equity Index (ABF)	14/03/2019	16.5	14.7	10.9	13.1
Liontrust European Dynamic (ABF)	14/03/2019	21.4	12.5	12.3	12.7
MFS Meridian Global Equity Institutional (ABF)	14/03/2019	(1.7)	3.0	3.5	8.4
Ninety One Emerging Markets Local Currency Debt (ABF)	14/03/2019	10.1	5.8	4.1	4.1
Schroder Institutional UK Smaller Companies (ABF)	14/03/2019	9.2	6.9	(0.9)	6.3
Schroder Life Intermediated Div Growth (ABF)	14/03/2019	12.1	7.8	3.4	4.5
Schroders Global Emerging Markets (ABF)	14/03/2019	36.3	14.3	4.9	10.3
Stewart Investors Asia Pacific Leaders (ABF)	14/03/2019	6.4	3.5	2.5	7.3
Storebrand Global ESG Plus Lux (ABF)	31/12/2019	11.6	11.5	8.4	-
Vanguard FTSE Developed World ex UK (ABF)	14/03/2019	15.0	14.3	10.7	-
LGIM Future World Global Equity Fund (ABF)	14/08/2024	14.8	-	-	-
BlackRock Aquila Connect Corporate Bond All Stocks Fund (ABF)	13/08/2024	4.4	-	-	-
Insight Broad Opportunities Fund (ABF)	13/08/2024	7.2	-	-	-
Nordea 1 – GBP Diversified Return Fund (ABF)	14/08/2024	(2.5)	-	-	-

Net fund performance for self-select funds is calculated on the percentage change of the net unit prices from the start to the end of the period and includes any income the Fund receives. The net fund performance figures are shown after deductions for annual management charge and additional fund expenses. Fund expenses will vary depending on the costs incurred.

The following fund names changed during the Scheme year until the date of this statement sign off:

Old Fund Name	Date Changed	New Fund Name
Storebrand Global ESG Plus Lux Fund	21 May 2025	Storebrand Global Plus Lux Fund

All charges are collected through a daily adjustment in unit prices and are payable to the following parties:

Alliance Bernstein (AB) for investment management and asset allocation advice in relation to the Retirement Strategies Funds. This includes management fees charged by third-party fund managers in relation to any other underlying funds by which the value of the AB Retirement Strategies Funds is determined.

Mobius Life for the administration, establishment and maintenance of the Retirement Strategies Funds.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

Additional fund expenses payable to third-party fund managers in relation to expenses incurred by those underlying funds such as custodian fees, audit fees, depository/trust fees and legal fees. These expenses are dependent upon the underlying asset allocation of the Retirement Strategies Funds at any given time.

The total expense ratio of the Retirement Strategies Fund is the total annual cost associated with managing and operating the Retirement Strategies Fund.

During the Scheme year the following fund closed and it was merged into another fund which is available for members to invest in:

Fund Name	Date Suspended	Comments
Ninety One Emerging Markets Local Currency Debt Fund	10 October 2025	Ninety One Emerging Markets Blended Debt Fund

If a fund is suspended or closed, the steps taken are as follows:

1. The fund manager will notify the investment platform provider, Mobius Life, who in turn will notify the Trustee.
2. On behalf of the Trustee, the administration team identify which members are affected and notify them in writing, seeking confirmation of their instructions for existing and/or future contributions (as applicable). If members do not provide an investment instruction, their existing and/or future contributions (as applicable) will be invested in their default Target Date Fund.
3. In certain circumstances the Trustee may not be notified of the fund suspension or closure in advance. In this situation, the Trustee will invest any future contributions in the member's default Target Date Fund until the member is able to provide an alternative investment instruction.
4. The member website is updated to show the fund is suspended or closed.

3.7 Legacy Additional Voluntary Contributions (AVC) (Defined Benefit AVCs that commenced prior to 2012)

Since April 2023, all contributions to AVC arrangements have been invested in the funds available through the Mobius Life investment platform. During the year to April 2025 all AVCs invested within the legacy arrangements with Clerical Medical, Phoenix Life, Prudential, Reassure and Standard Life were disinvested and either transferred to the DC investment funds on the Mobius Life platform or paid out to members as retirement benefits. The Scheme no longer holds any DC or AVC monies outside of the Mobius Life platform.

3.8 The impact of charges on a member's fund

All pension arrangements will apply charges to a member's account which cover items such as the cost of administering their account and the cost associated with the investments. As a member of the Scheme, the employer covers all the costs of running the Scheme, so the only charges are those related to the running of the investment funds. Most members in the Scheme are invested in the default option, the maximum charge for these funds is 0.260%. This is significantly lower than the maximum permitted charge for default funds of 0.75%. As member's fund growth can be significantly affected by the charges deducted over time, it's important that they understand how their fund at retirement can be impacted.

Additionally, in all DC pension schemes, a further layer of costs is incurred when contributions are invested. This is because investments involve transactions such as buying, selling, lending, and borrowing of investments - and all these transactions incur costs. Transaction costs are payable by members in addition to the AMC and the additional fund expenses described above.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

3.9 Default investment arrangement costs

The following tables show the estimated costs for the target date fund cohorts. This is based on the estimated cost of regular contributions and rebalancing events and the spread of the underlying portfolios, rolled up into the TDF. Please note that the figures and costs shown represent the worst-case level of costs (i.e., a full mid-offer spread) and the actual spreads experienced are typically lower. As most members of the Scheme are invested in the default arrangement an illustration is shown as follows.

Example:	
Annual salary	£33,000
Total contribution (from member and employer)	8%
Total investable contribution (per year)	£2,640
Average pot size	£35,820
Future Investment charges (based on rate applicable as at 31 March 2026)	0.253%-0.260% depending on age
Transaction costs associated with contributions	
Based on average Mid to Offer Spread of Target Date Funds as at 31 March 2026 including those that are incurred for single swinging priced funds prudently assuming that the swing is unfavourable for all such transactions	0.0610%
Transaction costs associated with ongoing investment management	
Based on average total transaction costs associated with investment management for the period 31.3.2023-31.3.2026 including rebalancing costs associated with trading between single swinging priced funds. In years where costs were negative (i.e. beneficial to members) these have been counted as zero for the purposes of these calculations.	0.0925%

The table below shows the potential impact over time of costs and charges borne by the Scheme's DC members on projected values over a range of ages.

Projected pension pot in today's money (as at 1 st April 2026)			
Years	Standard default arrangement		
	Accumulated contributions before investment returns, costs, and charges	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	2,640	39,413	39,290
3	7,999	46,959	46,545
5	13,467	55,007	54,238
10	27,620	77,512	75,533
15	42,496	103,818	100,078
20	58,130	134,476	128,290
25	74,562	170,115	160,637
30	91,832	211,369	197,565
35	109,983	256,398	237,204
40	129,060	304,399	278,744
43	140,970	328,811	299,277

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

Assumptions used

- Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.
- The starting pot size is assumed to be £35,820 at age 22 for a member retiring at age 65.
- Inflation is assumed to be 2.5% each year.
- Contributions are assumed to be paid at the beginning of each month from age 22 to 65 and increase in line with assumed earnings inflation of CPI plus 1.0% each year on the anniversary of the first contribution. Initial contribution level is assumed to be £220.00 per month.
- Values shown are estimates and are not guaranteed.
- Charges are based on a prudent historical average of charges (as a percentage of the fund invested) including all member borne charges and underlying transaction costs. This is likely to overestimate the impact of these costs and charges as it is likely they will fall through time as the size of the plan grows and provision of administration and investment services to the plan becomes more efficient. Furthermore, we note that the transaction costs incurred when buying and selling the TDF strategies has been included in this analysis, which is noted as an option for trustees and investment managers within the guidance provided by the DWP.
- The projected future growth rate, after all costs and charges have been deducted, for the default strategy is initially CPI + 3% up until 15 years before retirement reducing gradually to CPI + 1% at 5 years before retirement – based on the latest assumptions used to produce member SMPI illustrations as at 31 March 2026. These are in line with the targets set for the default strategies by the Trustee. For purposes of these illustrations these rates, gross of charges, has been capped at 2.5% plus estimated transaction costs in line with DWP guidance and for the period to 5 April 2020.
- The provision of these outcomes on behalf of members assumes the provision of investment services, as such the numbers shown for the accumulated fund allowing for investment returns but before the deduction of costs and charges is purely hypothetical and does not represent an achievable member outcome.
- In addition, the trustee is required to provide value for money to members and as such it would be inappropriate to assume that lower costs and charges would necessarily equate to better member outcomes i.e. that the assumed level of overall service to members, including the investment returns achieved, could be maintained at a lower cost.

3.9.1 Self-select Funds Illustration on impact of charges

The table below shows the potential impact over time of costs and charges borne by the Scheme's DC members on the lowest and highest charging funds, using the member assumptions shown below.

Example:	
Starting age	23
Annual salary	£33,000
Total contribution (from member and employer)	8%
Total investable contribution (per year)	£2,640
Average pot size	£35,820

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

Projected pension pot in today's money (as at 5th April 2026)				
Years	Most expensive fund: JPM Natural Resources		Least expensive fund: L&G UK Equity Index	
	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges	Projected fund value before the deduction of costs and charges	Projected fund value after the deduction of costs and charges
1	£40,357	£39,798	£39,763	£39,728
3	£50,223	£48,280	£48,151	£48,032
5	£61,240	£57,505	£57,252	£57,027
10	£94,653	£84,217	£83,477	£82,874
15	£138,369	£116,986	£115,440	£114,251
20	£195,354	£157,048	£154,264	£152,213
25	£269,418	£205,885	£201,285	£198,011
30	£365,455	£265,273	£258,095	£253,127
35	£489,752	£337,342	£326,589	£319,320
40	£650,382	£424,644	£409,022	£398,672
42	£727,038	£464,495	£446,483	£434,635

- Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.
- The starting pot size is assumed to be £35,820 at age 23 for a member retiring at age 65.
- Inflation is assumed to be 2.5% each year.
- Contributions are assumed to be paid at the end of each month from age 23 to 65 and increase in line with assumed earnings inflation of CPI plus 1.0% each year on the anniversary of the first contribution. Initial contribution level is assumed to be £220 per month.
- Values shown are estimates and are not guaranteed.
- Charges are based on a prudent historical average of charges (as a percentage of the fund invested) including all member borne charges and underlying transaction costs. This is likely to overestimate the impact of these costs and charges as it is likely they will fall through time as the size of the plan grows and provision of administration and investment services to the plan becomes more efficient. Transaction costs incurred when buying and selling the self-select funds have not been included in this analysis.
- The projected future growth rate is assumed to be 7% p.a. for the JPM Natural Resources Fund. The TER applicable for the JPM Natural Resources Fund is 0.795% p.a. and the transaction costs are assumed to be 0.594% p.a. which is the average transaction cost over the 5 years to 5 April 2026.
- The projected future growth rate is assumed to be 6% p.a. for the L&G UK Equity Index Fund. The TER applicable for the L&G UK Equity Index Fund is 0.069% p.a. and the transaction costs are assumed to be 0.018% p.a. which is the average transaction cost over the 5 years to 5 April 2026.
- Transaction costs for the self-select funds have been averaged over a 5 year period from 6 April 2021 to 5 April 2026. Funds inception within that 5 year period have been assessed from the point of inception up until 5 April 2026. Where annual transaction costs are negative, they have been assumed to be zero.
- The provision of these outcomes on behalf of members assumes the provision of investment services, as such the numbers shown for the accumulated fund allowing for investment returns but before the deduction of costs and charges is purely hypothetical and does not represent an achievable member outcome.
- In addition, the Trustee is required to provide value for money to members and as such it would be inappropriate to assume that lower costs and charges would necessarily equate to better member outcomes i.e. that the assumed level of overall service to members, including the investment returns achieved, could be maintained at a lower cost.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

3.10 Transaction costs

Over a period of time, the charges and transaction costs that are taken out of a member's pensions savings can reduce the amount available to the member at retirement. Transaction costs have been obtained from the investment managers who invest money for the Trustee. For the Target Date Funds these are shown on the fourth page of this document and on the seventh to ninth pages for the self-select funds. Transaction costs can be positive or negative depending on how the market moves between arrival and execution and depends on the time period used.

Historical Fund performance information can be found on the fund factsheets for each of the available funds, the factsheets are available on the website at www.abfpensions.com/dc/investments. We also provide members under two years to normal retirement age with a personalised projection on their benefit statements each year.

3.11 Net Investment Returns

The DWP recommends that figures for net investment returns should be shown dating back at least 5 years and the Trustee has selected standard reporting periods of 1 year, 3 years, 5 years and added 10 years for clarity even though there is no data currently available for some of the funds reporting, as the inception date for these funds is less than 10 years ago.

The self-select fund is distinct from the underlying fund, with its own price and other fund specific details. However, the fund is fully invested in the underlying fund. The performance of the fund will not exactly match that of the underlying fund due to price swings, valuation timing or charges. Fund performance shown on pages 9 and 10 is based on the unit prices calculated each day for the fund. Each fund has a single unit price, which means that on any given date, an investor will purchase units at the same price as an investor selling units.

3.12 Value for Member Assessment

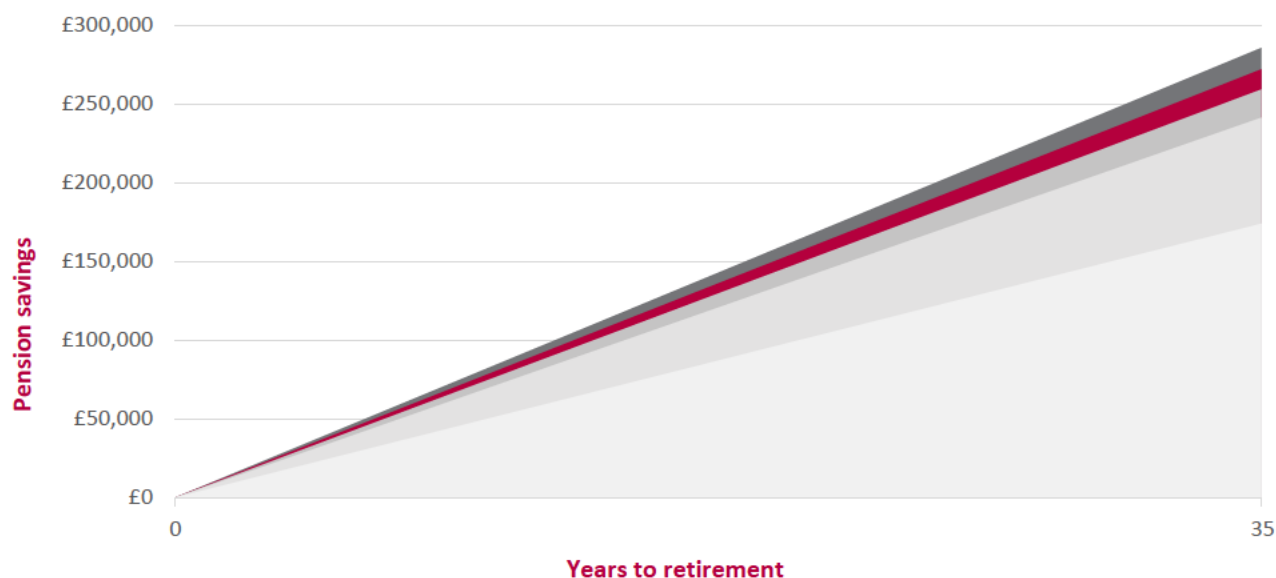
The Trustee's assessment of the extent to which the charges and transaction costs set out above represent good value for members relative to what members receive and to other comparable schemes is that members of the ABF Scheme continue to receive excellent value.

This is demonstrated by the following:

- According to the Department for Work & Pensions 2024/25 Pension Provider Survey, which was published on 21 July 2025, the median average member charge for the providers' largest default fund by assets under management was 0.28% per year. The total expense ratio for the ABF Scheme's largest TDF by assets under management was 0.27% per year. The lowest average decile charge among other providers for their largest default fund was 0.21% and the highest average decile charge was 0.35%. For the ABF Scheme the TER for all default TDFs was either 0.26% or 0.27% per year.
- The maximum TER for the Scheme's default fund is 0.27% per year which is much lower than the total charges for a member in the National Employment Savings Trust (NEST) who we understand currently incurs total charges on contributions equivalent to 2.1% according to NEST's March 2026 quarterly investment report.
- The TDFs are run on actively managed glidepaths. Their investment performance since inception has ranged from 3.8% to 10.4% per year. All funds achieved their target of beating inflation as measured by the Consumer Price Index. Over the past year investment performance for TDFs ranged from 7.7% to 14.5%. Again, all beat their CPI target.
- There are strict controls in place to ensure timely investment and accuracy of contributions as described in section 2.1.
- The Employer meets all other costs of running the DC section such as administration and communications.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

The chart below illustrates the impact of charges for a 30-year-old member who is paying £200 a month into the Scheme and is invested in the default fund option. In preparing the chart below, the Trustee had regard to how the level of charges incurred by the Scheme members in the default fund compare to those levied by National Employment Savings Trust (NEST).



Band 1 - no charge – the fund could be £285,890

Band 1 shows the potential fund at age 65 if no charges were deducted from the fund or contributions. Unfortunately, as all investment managers will make a charge for running the fund, this result is only provided for comparison purposes.

Band 2 - 0.3% charge – the fund could be £265,861

Band 2 shows the potential fund at age 65 for a member of the Scheme who is invested in the default TDF option. The Scheme does not deduct any charges from your contributions, so if you pay £100, then the full £100 is used to purchase units in your chosen investment fund.

Band 3 - 0.4% charge – the fund could be £259,534

Band 3 shows the potential fund at age 65 for the average charge for DC members.

Band 4 - 0.7% charge – the fund could be £241,539

Band 4 shows the potential fund at age 65 if a charge a little below the maximum charge of 0.75% that is permitted for a default fund is levied.

Band 5 - 2.1% charge – the fund could be £174,181

Band 5 shows the fund if a 2.1% charge was taken from total contributions. This is similar to the charge that we understand is currently levied by National Employment Savings Trust (NEST). According to NEST's March 2026 quarterly investment report, NEST will deduct 1.8% from each contribution paid, meaning that from £100, only £98.20 is used to purchase units. They then deduct a further investment charge of 0.3% on the fund.

The Trustee assessment of the extent to which the charges and transaction costs set out above represent good value for members relative to what members receive and to other comparable schemes and have concluded that members continue to receive excellent value.

This is demonstrated by the following:

- According to the DWP Pension Provider Survey 2024/25, the average member charge for Qualifying Workplace unbundled DC trust-based schemes (i.e., comparable to the Scheme) was 0.48% pa, whereas the maximum total expense ratio for the Scheme's default fund at the year-end was 0.261% pa.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

- The maximum total expense ratio for the Scheme default fund is 0.261% per annum which we understand is much lower than the total charges for a member in the National Employment Savings Trust (NEST) who we understand currently incurs 2.1% in total charges according to NEST's March 2025 quarterly investment report.
- The TDFs are actively managed glidepaths using passive sleeves of assets and their investment performance since inception has ranged between 3.8% and 9.8% per annum which was above the relevant benchmark in all cases and ranged from 3.0% and 6.3% per annum in the current year.
- There are strict controls in place to ensure timely investment and accuracy of contributions as per our monitoring procedures in 2.1.
- The Employer meets all other costs of running the DC section e.g., administration and communications.

4. TRUSTEE KNOWLEDGE AND UNDERSTANDING

- 4.1 In order to run the Scheme effectively, the Trustee Directors are required to maintain appropriate levels of knowledge and understanding. Sections 247 and 248 of the Pensions Act 2004 require that each Trustee Director:
- is conversant with the trust deed and rules of the Scheme, the Scheme's Statement of Investment Principles and any other document recording policy for the time being adopted by the Trustee relating to the administration of the Scheme,
 - has, to the degree that is appropriate for the purposes of enabling the individual to properly exercise his or her functions as a Trustee Director, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment of the assets of occupational pension schemes.
- 4.2 The Trustee has measures in place to comply with the requirement under Sections 247 & 248 of the Pensions Act 2004 regarding conversance and knowledge and understanding for the Scheme year ending 5 April 2026. Details of how the conversance and knowledge and understanding requirements have been met during the year covered by this statement are set out below.
- 4.3 The Trustee has a rolling program of training requirements to cover legislative changes, Scheme specific events, conversance with Scheme documentation and general pensions and trust law. During the Scheme year, each of the Trustee Directors attended training, examples of which included:
- Pension Dashboard
 - Effective System of Governance (TPR General Code)
 - Own Risk Assessment (ORA)
 - DC Investment Monitoring framework
 - Task Force on Climate Related Disclosures (TCFD)
 - Cyber Security
 - Actuarial Factor review and SMPI Assumptions
 - Surplus distribution
- 4.4 Trustee knowledge and understanding and training requirements are assessed through Trustee training by the Scheme Actuary and other Advisors, as appropriate, and self-assessment questionnaires (produced and analysed by the Scheme's Investment and Actuarial adviser). The questionnaires were completed by Trustee Directors in October 2025 with the results discussed at the Trustee meeting held on 27 November 2025. The questionnaires covered (amongst other areas):
- Governance and Administration covering the following:
 - Policy on the appointment of the Chair
 - Memorandum and Articles of Association for corporate trustee
 - Terms of Reference for the Chair of the Trustees
 - Scheme Trust Deed & Rules
 - Company's Business Continuity Plan (BCP)
 - Pension Regulators guidance on equality, diversity, and inclusion for pension schemes
 - Compliance with the Pensions Regulator's General Code
 - Funding and Actuarial covering the following:
 - Impact of member transfers into the Scheme on defined benefit funding
 - How a scheme surplus may be utilised.
 - The role and purpose of surplus framework.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

- Investment covering the following key areas:
 - Investment Advisor Objectives requirements
 - General financial markets including overseas investment
 - Principles of fund management and how performance can be measured
 - Reporting required in line with the Taskforce for Climate related Financial Disclosures (TCFD) recommendations

- 4.5 The Scheme Secretary used the output from the questionnaires to recommend appropriate additional individual and full board training requirements to supplement the rolling program of training sessions. Any additional training for the Trustee has already been included as part of the Trustee training program for the Scheme year. The Trustee is also encouraged to request training if required and the cost is met by the Scheme.
- 4.6 Trustee training was provided via regular training and update sessions provided by the Scheme Secretary and the Scheme's advisers. The sessions covered compliance with legal requirements, general pensions, and Scheme specific topics, developing a working knowledge of the Trust Deed and Rules and other key Scheme documents and specifically incorporated good practice in the DC Code and DC regulatory guidance.
- 4.7 To understand the specifics of the Scheme, Trustee Directors have access to all key Scheme documents, Trustee policies and key Scheme information. This includes the Trust Deed and Rules of the Scheme and the Statement of Investment Principles. The Trustee is legally required to have a working knowledge of these documents. All Trustee Directors are aware of the importance of these documents, and the documents are regularly covered in the context of Trustee training and the receipt of professional advice from the Trustee's appointed advisers legal, investment, actuarial and other advisers. In addition, the Trustee produces an annual Implementation Statement which sets out how the policies within the Statement of Investment Principles have been followed during the Scheme year.

The Scheme has a detailed induction / training process for new Trustee Directors run by the Scheme Secretary and Group Pensions Technical & Compliance Manager which strongly suggests completion of the Pension Regulator's Trustee Toolkit within 6 months of appointment. The Trustee Toolkit is an online learning programme from The Pensions Regulator aimed at helping new trustees of occupational pension schemes meet the minimum level of knowledge and understanding. The Trustee Directors have completed the toolkit in line with TPR requirements. Colin Hately was appointed as the new Executive Chair of the Trustee Board on 27 November 2025 replacing the outgoing Chair who retired from the Board. In addition, a new Scheme Secretary (Peter Morris) was also appointed at the same date replacing Colin. Due to further changes to the Trustee Board, three new Trustee Directors were appointed to the Trustee Board namely, Darren Clark on 27 November 2025, Miles McCarthy on 26 February 2026 and an Independent Trustee Director, Keith Burns on 26 February 2026

- 4.8 The Trustee believes that the combined knowledge and understanding of the Trustee, together with the advice which is available to it from its range of appointed professional advisers enables it to properly exercise its functions as Trustee. This is achieved by evaluating and identifying the risks critical to the Scheme and obtaining a clear understanding of the Scheme's operational procedures, applicable legal and regulatory requirements, investments, and communications. The Head of Group Pensions is delegated to monitor the performance and effectiveness of the Board against the objectives of the Scheme's business plan and to raise any concerns with the Board as they arise. Additionally, the Scheme Investment Advisers report to the Board any concerns they may have with regard to either the investment strategy or underlying fund managers. These reviews are proactive and would include concerns not immediately obvious by way of performance, for instance change in staffing, structure, or culture at respective investment managers. The regular reviews also include consideration of potential future enhancements or changes to our strategies.
- 4.9 The Scheme Secretary and Group Pensions maintain all Trustee training records Technical and Compliance Manager and are updated quarterly following each Trustee Board meeting. The standards of practice adopted by the Trustee are in line with the General Code and regulatory guidance.
- 4.10 Taking into account the knowledge and experience of the Trustee Directors with the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisers (e.g., actuary, investment consultants, legal advisers), the Trustee Directors believe they are well placed to exercise their functions as Directors of the Scheme properly and effectively.

ANNUAL DC GOVERNANCE CHAIR STATEMENT (CONTINUED)

5. Chairman's Closing Remarks

I am pleased to confirm that all aspects of the Scheme have continued to be delivered to members and participating employers throughout the Scheme Year complying with disclosure requirements.

The Scheme has produced its very first own risk assessment report in accordance with the requirements of the Pensions Regulator's General Code which shows that its effective system of governance is operating effectively.

Following successful implementation of changes to the self-select fund range and introduction of private debt allocation into the Target Date Fund range (default investment strategy), example illustrations from both types of funds highlighting the impact of transaction costs on the fund value for members is included in this Statement.

Trustee meetings have been held in accordance with the annual calendar defined in the Trustee Business Plan & Risk Register and DC quarterly fund value monitoring, own cyber risk management, Business Continuity plans and investment of received contributions/switches/ transfers have remained top of the Trustee agenda.

Finally, I am happy to confirm that the Scheme remains compliant and there are no concerns to raise with members.

Signed for and on behalf of Associated British Foods Pension Trustees Limited

Chair

10-9-26

Date