



**Northern Foods Pension Builder**

**Scheme Registration Number: 10274566**

Trustee’s Annual Report and Financial Statements  
For the Year Ended 31 March 2025



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Northern Foods Pension Builder

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## Trustee, Sponsoring Employer and Advisers

**Trustee:** Northern Foods Trustees Limited, the directors of which are:

C Martin of Independent Trustee Services Limited (Chairman) ♦  
 S Imeson\* ♦ + ^  
 J R Searle ♦ ^  
 S T Irons of Ride:Data Ltd + ^  
 R J Kay\* + ^

\*Indicates Member-Nominated Director  
 ♦Indicates Member of the Investment Committee  
 +Indicates Member of the Operations Committee  
 ^Indicates Member of the AVC/DC Working Group

**Company Secretary:** Paragon Pension Services Limited

**Scheme Secretary:** Paragon Pension Services Limited

**Scheme Administrator:** Capita Pension Solutions Limited (Until 28 February 2025)  
 Lane, Clark & Peacock (From 1 March 2025)

**Scheme Actuary:** C High FIA, Aon Solutions UK Limited

**Investment Adviser /  
 Fiduciary Manager:** Willis Towers Watson

**Solicitor:** Linklaters LLP

**Trustee Executive  
 Governance Services:** XPS Group

**Investment Manager:** State Street (via Willis Towers Watson)

**AVC Investment Manager:** Clerical Medical

**Bankers:** Barclays Bank plc (Until 16 August 2023)  
 National Westminster Bank (Until 23 April 2025)  
 HSBC (From 28 February 2025)

**Auditor:** Cooper Parry Group Limited

**Sponsoring Employer:** Northern Foods Limited  
 Trinity Park House  
 Fox Way, Wakefield, WF2 8EE

**Custodian:** State Street

## Trustee's Report

The Trustee is pleased to present its report and the audited financial statements of Northern Foods Pension Builder ("the Scheme") for the year ended 31 March 2025. The Scheme provides defined benefit pensions and/or lump sum benefits to members and their dependants on retirement and/or death. The Scheme benefits are calculated on a Career Average Revalued Earning (CARE) basis.

The Scheme was closed to new members with effect from 1 September 2009 and closed to future accrual with effect from 31 October 2011.

## Scheme Management

### Legal Status

The Scheme was established on 1 May 2005. The Scheme is governed by a Deed and Rules dated 30 March 2009 which amended the previous rules to document the Scheme changes made with effect from 1 April 2009. Exempt approval was granted by HMRC for the purpose of Part XIV of Chapter 1 of the Income and Corporation Taxes Act 1988 and the Scheme is registered under the Finance Act 2004. Members of the Scheme are not contracted out of the State Second pension.

### Sponsoring Employer

The Sponsoring Employer of the Scheme is Northern Foods Limited.

### Trustee and Trustee Directors

The powers of appointment of a new Trustee or Trustees and of removal of one or more Trustees or directors of a Corporate Trustee are vested in Northern Foods Limited.

The Member-Nominated Directors of the Trustee are elected under the Procedures notified to members and serve for six years.

The Trustee of the Scheme and its directors are as detailed on page 2.

### Management and Advisers

The management and advisers to the Scheme during the year are shown on page 2 of this report.

### Summary of contributions payable in the year

The Scheme closed to future accrual with effect from 31 October 2011 and there were no contributions payable during the year ended 31 March 2025 in accordance with the Schedules of Contributions dated 28 June 2022 and 5 March 2025.



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## Trustee's Report

### Membership Analysis

The Scheme was closed to future accrual with effect from 31 October 2011 and there have been no active members since this date. Details of the current membership of the Scheme are as follows:

	Number
Deferred members as at 1 April 2024	216
Previous year corrections	(3)
Retirements	(4)
No liability	(1)
<b>Deferred members as at 31 March 2025</b>	<b>208</b>
Pensioner members as at 1 April 2024	64
Previous year corrections	3
Retirements	4
<b>Pensioner members as at 31 March 2025</b>	<b>71</b>
<b>Dependant pensioners as at 1 April 2024 and at 31 March 2025</b>	<b>1</b>

### Internal Disputes Resolution

The Pensions Act 1995 requires the Trustee to establish a formal complaints procedure. The Trustee updated the formal complaints procedure during the Scheme year in March 2025. Members were informed of this change through the annual newsletter. A copy of the new procedure can be requested from the Scheme Administrator.

### Pension Increases

Pensions in payment are increased in April each year in line with the RPI up to a maximum of 2.5%. On 1 April 2024 pensions in payment were increased by 2.5% (2024: 2.5%).

Deferred pension entitlements have been increased in line with the Scheme rules.

No discretionary increases were applied during the year.

### Transfer Value Payments

Cash equivalent transfer values quoted prior to 1 October 2008 in respect of transfers to other pension funds were calculated in accordance with Section 97 of the Pension Schemes Act 1993 and were not below the amounts for which Section 94 (1) of the Pension Schemes Act 1993 provides. No allowance was made in the transfer values for discretionary benefits.

With effect from 1 October 2008 cash equivalent transfer values have been calculated in accordance with the Occupational Pension Schemes (Transfer Values) Amendment Regulations 2008. The transfer value basis was set by the Trustee with advice from the Scheme Actuary. Legislation allows the transfer value basis calculations to be reduced to reflect a pension scheme's underfunding. There is currently no reduction being applied when calculating transfer values. No allowance was made in the transfer values for discretionary benefits.

Trustee’s Report

Financial Development of the Scheme

The financial statements set out on pages 20 to 29 have been prepared and audited in accordance with regulations made under sections 41(1) and (6) of the Pensions Act 1995.

	£'000
Value of the net assets of the Scheme at the beginning of the year	8,297
Benefits paid and other expenditure	(319)
Investment management expenses	(19)
Investment income	198
Decrease in the market value of the investments of the Scheme	(901)
<b>Value of the net assets of the Scheme at the end of the year</b>	<b>7,256</b>

Going Concern

The financial statements have been prepared on a going concern basis as the Trustee Directors believe that this is appropriate. In assessing the going concern position, the Trustee Directors have regard to covenant advice that is provided to the Scheme Actuary on a quarterly basis to assess the financial position of the Scheme’s employer (Northern Foods Limited) and wider group - 2 Sisters Food Group (“the Group”). The Trustee Directors note that through discussions with the employer and the Group, the Group has recently completed a refinancing process providing debt funding until 2029. Based on a combination of the Group’s trading position and having secured a refinancing process, the Group prepares its quarterly results on a going concern basis. As a result, the Trustee Directors believe it is appropriate to conclude that the Scheme is able to meet its financial commitments over the next 12 months from the date of signing. Although the Trustee Directors anticipate that the Scheme will still have a deficit on the solvency basis at the end of this period.

The General Code of Practice

The Pensions Regulator’s (TPR) long-awaited General Code of Practice came in to force on 27 March 2024. The code consolidates existing codes of practice into one document, as well as introducing some new requirements for pension schemes.

Central to the Code are the Regulator’s expectations as to the features of a well-run scheme and how the governing body (those in charge of pension schemes) should comply with their legal duties. Governing bodies will need to have in place an effective system of governance (ESOG), which is a collection of internal controls and procedures in relation to running a pension scheme. The code sets out TPR’s expectations of how occupational pension schemes should be managed and the policies, practices and procedures that should be in place, which includes the obligation to conduct an Own Risk Assessment (ORA).

While the ORA is a new provision, TPR anticipates that many of the stipulations are already being adhered to by schemes. The Trustee is working with their advisers to identify any gaps and assess what actions need to be taken to ensure compliance with the General Code.

## Trustee's Report

### Investment Matters

#### Overview

The Trustee, with the assistance of its appointed Fiduciary Manager, determines the overall investment strategy for the Scheme and sets out the broad policy to be adopted by the appointed fund manager.

#### Investment managers

The names of those who have managed the Scheme's investments during the year are listed on page 2. The Trustee has delegated the day-to-day management of investment to its appointed fund manager. A written agreement between the Trustee and the manager sets out the terms on which the manager will act.

The manager's duties include the consideration of social, environmental or ethical issues in the selection, retention and realisation of investments as well as voting and corporate governance in relation to the Scheme's assets. However, given the Scheme's investments are managed passively, the Trustee acknowledges the ability of the manager to take account of social, environmental or ethical considerations in the selection, retention and realisation of investments is limited. The Trustee believes that the policies adopted by the manager is consistent with their own views.

#### Investment principles

In accordance with Section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles which includes the Trustee's policy relating to ethical investment and the exercise of the rights attaching to investments. Any member may request a copy. This Statement may change from time to time according to advice received from the investment manager or consultants.

#### Departures from investment principles

To the best of its knowledge, the Trustee can report that there has not been any departure from the SIP by the Scheme's investment managers during the year ended 31 March 2025.

#### Custodial arrangement

As at 31 March 2025 the Scheme employed State Street as custodian for the underlying assets held by the Scheme's investment manager.

#### Employer-related investments

There were no employer related investments held as at 31 March 2025.

Northern Foods Pension Builder

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## Trustee's Report

### Investment Matters

#### Asset allocation

The long-term target asset allocation for the Scheme as at 31 March 2025 was as follows:

Asset Class	Weighting %
<b>Return-seeking</b>	<b>43.5</b>
TWIM Partners Fund	36.5
TWIM CDF	7.0
<b>Liability matching</b>	<b>56.5</b>
Insight Liability Hedging	55.0
Cash Fund	1.5
	<hr/> 100.0 <hr/>

#### Review of investment performance

The table below details the performance, gross of fees, of the Scheme's funds managed by State Street for the periods ending 31 March 2025.

Manager/Fund	Fund (%)	1 Year Benchmark (%)	Relative (%)	Fund (%)	3 Years pa Benchmark (%)	Relative (% p.a.)	Fund (%)	5 Years pa Benchmark (%)	Relative (% p.a.)
TWIM Core Diversified Fund*	5.3	4.9	0.4	-	-	-	-	-	-
TWIM Partners Fund*	1.3	4.9	-3.6	-	-	-	-	-	-
Insight Liability Hedging*	-18.3	-18.3	0.0	-	-	-	-	-	-
<b>Total Scheme</b>	<b>-9.7</b>	<b>-9.2</b>	<b>-0.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source: State Street

\*3 and 5 year returns not populated for TWIM Core Diversified Fund, TWIM Partners Fund and Insight Liability Hedging given investment in June 2023.

#### Further investment disclosures

Further details on the Investment Strategy, objectives and Investment risks are disclosed in Note 12 on pages 25 to 27.

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## Trustee's Report

### Compliance Matters

The purpose of this section is to provide information, which is required to be disclosed in accordance with Schedule 3 of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 or voluntarily by the Trustee. The information deals with matters of administrative routine.

#### MoneyHelper

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

Address: Money and Pensions Service  
Bedford Borough Hall  
138 Cauldwell Street  
Bedford  
MK42 9AP

Email: [pensions.enquiries@moneyhelper.org.uk](mailto:pensions.enquiries@moneyhelper.org.uk)

Website: [www.moneyhelper.org.uk/en](http://www.moneyhelper.org.uk/en)

Telephone: 0800 011 3797

#### Pensions Ombudsman

The Pensions Ombudsman will assist members and beneficiaries of the Scheme in connection with difficulties which they have failed to resolve with the Trustee or Administrator of the Scheme and may investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme.

The Pensions Ombudsman can be contacted at:

The Pensions Ombudsman  
10 South Colonnade  
Canary Wharf  
London E14 4PU  
or email [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

or their Early Resolution Service at: [helpline@pensions-ombudsman.org.uk](mailto:helpline@pensions-ombudsman.org.uk)

Telephone: 0800 917 4487

#### The Pensions Regulator

The Pensions Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

The Pensions Regulator can be contacted at the following address:

The Pensions Regulator, Telecom House, 125-135 Preston Road, Brighton, BN1 6AF.  
Telephone: 0345 600 0707

or via their website at: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk).

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## Trustee's Report

### Compliance Matters

#### The Pension Tracing Service

The Scheme is registered with the Pension Scheme Registry which is part of the Pensions Regulator's office. The registration number is 10274566. The data held by the registry is used by the Pensions Tracing Service to assist former members of schemes to trace their scheme benefits.

A pension tracing service is carried out by the Department for Work and Pensions. The Pension Tracing Service can be contacted at the following address:

The Pension Service, Post Handling Site A, Wolverhampton, WV98 1AF. Telephone: 0800 731 0193 or via the website at: [www.gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details)

#### GDPR

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 Capita and Lane Clark & Peacock operate in the EU. This ensures there is adequate provision for the safe processing of data in the UK and in the EU/EEA.

The Trustee's obligations under the UK GDPR are fundamentally the same as its obligations under the EU GDPR and we continue to remain subject to UK Data Protection laws.

The Trustee has communicated with members on this matter and during the Scheme year, the Trustees updated their privacy notice in preparation for the administration transition from Capita to LCP on 1 March 2025.

## Trustee's Report

### Statement of Trustee's Responsibilities

The Financial Statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) 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; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, 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 judgments 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 reviewing and if necessary 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.

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## Trustee's Report

### Report on Actuarial Liabilities

Under Section 222 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 members' benefits entitlements, assessed using the assumptions agreed between the Trustee and the Employer. These assumptions are 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 31 March 2024. These showed:

Actuarial valuation

31 March 2024

The value of the Technical Provisions was: £7.1 million

The value of the assets at that date was: £8.2 million

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles):

#### Method

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

#### Significant actuarial assumptions

Assumption	2021	2024	Rationale for change
Discount rate	Gilt yield curve plus 0.5% p.a.	Gilt yield curve plus 0.5% p.a.	No change except to update the gilt curve used to be in line with Aon's UK Government Gilt Prices Only ("GPO") curves rather than the Bank of England curves that were used at the last valuation.
RPI inflation	"Break-even" RPI curve with no inflation risk premium deduction	"Break-even" RPI curve with no inflation risk premium deduction	No change except to move to GPO curves as noted above.
CPI inflation	RPI inflation less 0.9% p.a. for the period to 2030 and RPI inflation less 0.1% p.a. for the period after 2030	RPI inflation less 0.9% p.a. for the period to 2030 and RPI inflation less 0.1% p.a. for the period after 2030	No change. This remains appropriate given expectations of the difference between RPI and CPI, allowing for RPI reform in 2030.
Mortality – base table	100% of SAPS S3 All tables for males and middle tables for females	100% of SAPS S4 All tables for males and middle tables for females	Reflect latest research.
Mortality – future improvements	CMI 2020, Sk=7.0, A parameter =0.5% and long-term improvement rate of 1.5% p.a.	CMI 2023, Sk=7.0, A parameter =0.5% and long-term improvement rate of 1.5% p.a.	Reflect latest research.
Commutation	25% of pension commuted based on commutation terms in force at the valuation date	25% of pension commuted based on commutation terms in force at the valuation date	No change, other than to allow for the latest factors.
Expenses	Ongoing expenses met from the Scheme	Ongoing expenses met from the Scheme	No change



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## Trustee's Report

### Contact for Further Information

Any enquiries or complaints about the Scheme, including requests from individuals for information about their benefits or Scheme documentation, should be sent to:

Lara Clark & Peacock LLP  
St Paul's House  
St Paul's Hill  
Winchester  
Hampshire  
SO22 5AB

Or email: [northernfoodspbadmin@lcp.uk.com](mailto:northernfoodspbadmin@lcp.uk.com)

Or Website: <https://northernfoodspensionbuilder.lcp.uk.com/contact>

### Approval of the Trustee's Report

This Trustee's Report was approved by the Trustee of the Northern Foods Pension Builder on.....24 October 2025.....and signed on its behalf by:

Stewart Imeson  
**Trustee Director**

Rebecca Kay  
**Trustee Director**

Actuary’s Certification of the adequacy of Contributions

Certification of Schedule of Contributions  
Northerns Foods Pension Builder

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 can be expected to continue to be met for the period for which the schedule is to be in force.

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 5 March 2025.

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:	Date: 05 March 2025		
Name:	Colin High	Qualification:	Fellow of the Institute and Faculty of Actuaries
Address:	Epsom Gateway 2 Ashley Avenue Epsom Surrey KT18 5AL	Name of employer:	Aon Solutions UK Limited

Northern Foods Pension Builder

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# Independent Auditor's Statement about Contributions to the Trustee of the Northern Foods Pension Builder

We have examined the Summary of Contributions to the Northern Foods Pension Builder for the year ended 31 March 2025 which is set out on page 3.

In our opinion contributions for the Scheme year ended 31 March 2025 as reported in the Summary of Contributions and payable under the Schedules of Contributions have in all material respects been paid at least in accordance with the Schedules of Contributions certified by the Actuary on 28 June 2022 and 5 March 2025.

## Scope of work on Statement about contributions

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

## Respective responsibilities of Trustee and the Auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on page 10, the Scheme's 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 Schedules of Contributions.

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

## Use of our report

This statement is made solely to the Scheme's Trustee, in accordance with Regulation 4 of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our work on contributions has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them in such 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 Scheme and the Scheme's Trustee, for our work on contributions, for this statement, or for the opinions we have formed.

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Date: 24 October 2025



**COOPER PARRY GROUP LIMITED**

Statutory Auditor

# Independent Auditor's Report to the Trustee of the Northern Foods Pension Builder

## Opinion

We have audited the financial statements of Northern Foods Pension Builder for the year ended 31 March 2025 which comprise the fund account, the statement of net assets and notes to the financial statements, including 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 31 March 2025, 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 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

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.

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 authorised for issue.

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 and our auditor's statement about contributions. 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 we do not express any form of assurance conclusion thereon.

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## Independent Auditor's Report to the Trustee of the Northern Foods Pension Builder (continued)

### Other information (continued)

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 course of 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 this gives rise to 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

As explained more fully in the Statement of Trustee's Responsibilities set out on page 10, the Scheme's Trustee is responsible for the preparation of the 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 liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

### 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the Scheme has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Pensions Act 1995 and United Kingdom Generally Accepted Accounting Practice.

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## Independent Auditor's Report to the Trustee of the Northern Foods Pension Builder (continued)

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

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Scheme and how the Scheme is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Scheme's control environment and how the Scheme has applied relevant control procedures, through discussions and sample testing of controls;
- obtaining an understanding of the Scheme's risk assessment process, including the risk of fraud;
- reviewing Trustee meeting minutes throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing the appropriateness of journal entries and other adjustments made.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

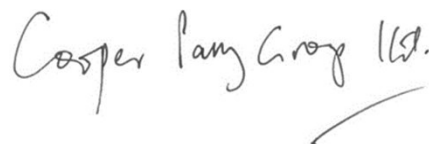
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 Scheme's Trustee, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them 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 Scheme and the Scheme's Trustee, for our audit work, for this report, or for the opinions we have formed.

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
Date: 24 October 2025



**COOPER PARRY GROUP LIMITED**

Statutory Auditor

Northern Foods Pension Builder

Confidential

# Fund Account for the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
<b>Benefits and expenses</b>			
Benefits paid or payable	4	(146)	(130)
Administrative expenses	5	(173)	(53)
		<u>(319)</u>	<u>(204)</u>
<b>Net withdrawals from dealings with members</b>		(319)	(204)
<b>Returns on investments</b>			
Investment income	6	198	290
Change in market value of investments	7	(901)	(667)
Investment management expenses	8	(19)	(22)
<b>Net returns on investments</b>		<u>(722)</u>	<u>(399)</u>
<b>Net decrease in the fund during the year</b>		(1,041)	(603)
<b>Net assets of the Scheme at 1 April 2024</b>		<u>8,297</u>	<u>8,900</u>
<b>Net assets of the Scheme at 31 March 2025</b>		<u>7,256</u>	<u>8,297</u>

The notes on pages 20 to 29 form an integral part of these financial statements.

Northern Foods Pension Builder

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## Statement of Net Assets available for benefits as at 31 March 2025

	Note	2025 £'000	2024 £'000
<b>Investment assets:</b>	7		
Pooled investment vehicles	10	7,238	8,217
AVC investments	9	57	54
		<u>7,295</u>	<u>8,271</u>
<b>Current assets</b>	13	39	85
<b>Current liabilities</b>	14	(78)	(59)
<b>Net assets of the Scheme at 31 March 2025</b>		<u>7,256</u>	<u>8,297</u>

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, is dealt with in the Report on Actuarial Liabilities on page 11 of the Annual Report and these financial statements should be read in conjunction with this report.

The notes on pages 20 to 29 form an integral part of these financial statements.

**The financial statements on pages 20 to 29 were approved and authorised for issue by the**

**Trustee on** 24 October 2025 **and signed on its behalf by:**

Stewart Imeson  
Trustee Director

Rebecca Kay  
Trustee Director



# Notes to the Financial Statements

## 1. 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 an auditor) regulations 1996, Financial Reporting Standard 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice (revised 2018).

The financial statements have been prepared on a going concern basis as the Trustee Directors believe that this is appropriate. The Scheme is in a position to be able to meet its financial commitments over the next 12 months from the date of signing.

## 2. Identification of the financial statements

The Northern Foods Pension Builder is an occupational pension scheme established under an irrevocable trust dated 1 May 2005 under English Law and is governed by a Definitive Trust Deed and Rules. The Scheme was established to provide retirement benefits to certain groups of employees of Northern Foods Limited whose principal office is Trinity Park House, Fox Way, Wakefield, WF2 8EE. The Trustee is Northern Foods Trustees Limited at the same address, but enquiries should be addressed to Capita Pension Solutions Limited, PO Box 555, Stead House, Darlington, DL1 9YT.

## 3. Accounting policies

The principal accounting policies of the Scheme are as follows:

### Contributions

The Scheme was closed to future accrual with effect from 31 October 2011 and currently no contributions are receivable under the Schedule of Contributions.

### Payments to members

Benefits are accounted for in the period in which the member notifies the Trustee of their 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.

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

Individual transfers out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid.

### Expenses

Expenses are accounted for on an accruals basis.

### Investments

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.

Investments are included at fair value as described below:

Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager.

AVC investments are valued in accordance with the values provided by the insurance company.

### Presentational currency

The Scheme's functional and presentational currency is pounds sterling.

Notes to the Financial Statements

3. Accounting policies (continued)

Investment income

Income from pooled investment vehicles is accounted for when declared by the fund manager.

Taxation

The Scheme is a registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

4. Benefits paid or payable

	2025 £'000	2024 £'000
Pensions	99	79
Commutations of pensions and lump sum retirement benefits	47	51
	<u>146</u>	<u>130</u>

5. Administrative expenses

	2025 £'000	2024 £'000
Administration and processing	93	23
Actuarial fees	71	22
Audit fees	10	8
Other fees and expenses	(1)	-
	<u>173</u>	<u>53</u>

The Scheme bears all costs of administration.

Northern Foods Pension Builder

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## Notes to the Financial Statements

### 6. Investment income

	2025 £'000	2024 £'000
Income from pooled investment vehicles	197	289
Bank interest	1	1
	<u>198</u>	<u>290</u>

Income from pooled investment vehicles in 2024 arises on the current holdings following the transition of the investment portfolio from Legal & General in June 2023. Income from pooled investment vehicles in 2025 arises from dividends received from the State Street investments.

### 7. Reconciliation of investments

	Value at 1 April 2024 £'000	Purchases at cost £000	Sales proceeds £'000	Change in market value £'000	Value at 31 March 2025 £'000
Pooled investment vehicles	8,217	3,696	(3,771)	(904)	7,238
AVC investments	54	-	-	3	57
	<u>8,271</u>	<u>3,696</u>	<u>(3,771)</u>	<u>(901)</u>	<u>7,295</u>

#### Transaction costs

There were no direct transaction costs during the current year or comparative period. Indirect costs are incurred through the bid-offer spread on investments through pooled investment vehicles. The amount of indirect costs is not separately provided to the Scheme.

### 8. Investment management expenses

	2025 £'000	2024 £'000
Administration, management and custody	7	5
Investment consultancy	12	17
	<u>19</u>	<u>22</u>

## Notes to the Financial Statements

### 9. AVC investments

The Trustee holds assets invested separately from the main fund in the form of a separate policy with Clerical Medical securing additional benefits on a money purchase basis for those members who had elected to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement made up to 31 March confirming the amounts held on their account. All AVC contributions ceased on 31 October 2011.

	2025 £'000	2024 £'000
<b>Clerical Medical</b>		
Unit - linked	35	34
With profits	22	20
	<u>57</u>	<u>54</u>

### 10. Pooled investment vehicles

The Scheme's investments in pooled investment vehicles and concentration of assets at the year-end comprised:

	2025 £'000	2024 £'000
Bonds	5,446	6,090
Diversified fund	379	564
Cash funds	1,413	1,563
	<u>7,238</u>	<u>8,217</u>

## Notes to the Financial Statements

### 11. Fair value determination

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

- Level 1      The unadjusted quoted price in an active market for identical assets or liabilities that the Scheme can access at the assessment date.
- Level 2      Inputs other than quoted prices included within Level 1 that are observable (i.e. developed) 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.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety. The fair value hierarchy below uses data provided by the Scheme's investment managers.

The Scheme's investment assets and liabilities fall within the above hierarchy levels as follows:

<b>As at 31 March 2025</b>	<b>Level 1 £000</b>	<b>Level 2 £000</b>	<b>Level 3 £000</b>	<b>Total £000</b>
Pooled investment vehicles	-	7,238	-	7,238
AVC investments	-	35	22	57
	-	7,273	22	7,295
<b>As at 31 March 2024</b>	<b>Level 1 £000</b>	<b>Level 2 £000</b>	<b>Level 3 £000</b>	<b>Total £000</b>
Pooled investment vehicles	3,182	5,035	-	8,217
AVC investments	-	34	20	54
	3,182	5,069	20	8,271

## Notes to the Financial Statements

### 12. Investment risk disclosures

#### (a) Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks to which the Scheme is exposed to at the end of the reporting period. 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 currency risk, interest rate risk and other price risk.

- 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 of 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 currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or 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 advice from its Fiduciary Manager, Towers Watson Limited.

Subject to complying with the agreed strategy, which specifies the target proportions of the fund which should be invested in the principal market sectors, 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 in following the investment strategy set out below. The Trustee manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreement in place with the Scheme's investment manager and monitored by the Trustee by regular reviews of the investment portfolio. The investment objectives and risk limits of the Scheme is further detailed in the Statement of Investment Principles.

Further information on the Trustee's approach to risk management, credit and market risk is set out below. This does not include the AVC investments as these are not considered significant in relation to the overall investments of the Scheme.

The Scheme's net assets as at 31 March 2024 and 31 March 2025 are detailed in the Statement of Net Assets (available for benefits) on page 19.

## Notes to the Financial Statements

### 12. Investment risk disclosures

#### (a) Investment risks (continued)

##### (i) Investment strategy

The investment objective of the Scheme is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits payable under the trust deed and rules as they fall due.

The Trustee sets the investment strategy taking into account considerations such as the strength of the employer covenant, the long term liabilities of the DB Section and the funding agreed with the Employer. The investment strategy is set out in its Statement of Investment Principles (SIP).

The strategy as at 31 March 2025 is to hold:

- 56% in pooled Liability Driven Investments ('LDI') funds that, using leverage provides exposure to the equivalent of 100% of the assets to investments that move in line with the long-term liabilities of the Scheme. The LDI allocation, which includes UK government bonds, aims to hedge against the impact of interest rate and inflation movements on long-term liabilities.
- 44% in return-seeking investments including, but not limited to, UK and overseas equities, real assets, fixed income, alternative credit and private equity.

In the Defined Benefit Section, the Statement of Net Assets (available for benefits) disclose the value of fixed interest and index-linked securities as £5,824,596.10 and cash balances of £1,413,361.24. The comparative amounts as at 31 March 2024 are further detailed in Note 10 of the accounts.

##### (ii) Credit risk

The Scheme is subject to credit risk because it has cash balances and invests in pooled funds which undertake stock lending activities. The values of the Scheme's arrangements as at 31 March 2025 and 31 March 2024 are detailed in note 10.

The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles. The Scheme is indirectly exposed to credit risks arising on the underlying financial instruments held by the pooled investment vehicles.

Credit risk arising on bonds held as a result of the Scheme's investments in the pooled funds is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are rated at least investment grade. The Scheme also has exposure to alternative credit which may be rated below investment grade. Whilst the Trustee recognises there are additional risks associated with such investments, the expected return of these investments is deemed to compensate for the additional risk.

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter. OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. The credit risk for OTC instruments is reduced by collateral arrangements within the pooled LDI funds.

## Notes to the Financial Statements

### 12. Investment risk disclosures

#### (a) Investment risks (continued)

##### (ii) Credit risk

Credit risk for direct cash holdings is managed by investing any significant balances into a cash vehicle that diversifies by instrument and issuer.

Credit risk on repurchase agreements is mitigated through collateral arrangements.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled arrangements. The Fiduciary Manager carries out due diligence checks on the appointment of any new pooled investment managers and on an ongoing basis monitor any changes to the operating environment of the pooled manager.

Pooled investment arrangements used by the Scheme comprise unit-linked life insurance vehicles.

##### (iii) Currency risk

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets and denominated in a foreign currency (i.e. a currency other than Sterling). These investments are held via pooled investment vehicles. Indirect currency risk arises from the Scheme's investments in Sterling priced pooled investment vehicles which hold underlying investments denominated in a foreign currency.

##### (iv) Interest rate risk

The Scheme is subject to interest rate risk because some of the Scheme's investments are held in bonds through its investments in the pooled vehicles. Indirect market risk arises if the underlying investments of the pooled investment vehicles are exposed to interest rate or other price risks.

The Trustee has set a benchmark for total investment in LDI of 56% of the total investment portfolio that, using leverage, provides exposure to the equivalent of 95% of the Scheme's assets. Under this strategy, if interest rates fall, the value of LDI investments will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the LDI investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

At the year end the (physical) LDI portfolio represented 53% (2024: 53%) of the total investment portfolio. This variance from the target asset allocation is deemed to be within an acceptable range and will vary depending on normal market movements.

##### (v) Other price risk

Other price risk arises principally in relation to the Scheme's return seeking portfolio which includes UK and overseas equities, real assets, fixed income, alternative credit and private equity.

The Scheme has set a target asset allocation of 44% of investments being held in return seeking investments. The Scheme manages this exposure to overall price movements by investing in a diverse portfolio of investments across various markets.

At the year end, the return seeking portfolio represented 47% (2024: 42%) of the total investment portfolio.



## Notes to the Financial Statements

### 13. Current assets

	2025 £'000	2024 £'000
Cash balances	23	68
VAT recoverable	16	17
	<b>39</b>	<b>85</b>

### 14. Current liabilities

	2025 £'000	2024 £'000
Accrued expenses	70	22
Accrued benefits	6	35
Other creditors	2	2
	<b>78</b>	<b>59</b>

### 15. Self-investment

The Scheme has limited exposure, either directly or indirectly, to 2 Sisters Food Group, the owner of Northern Foods Limited, as a result of its investments.

### 16. Concentration of investments

The investments at the year-end which are more than 5% of the total value of the net assets of the Scheme comprise:

	% of assets	2025 £'000	% of assets	2024 £'000
Towers Watson Partners Distributing Shares	41.5	3,009	-	-
LDI Solutions Long Fixed fund	19.2	1,391	21.7	1,804
LDI Liquidity class 2	12.2	883	14.2	1,177
LDI Solutions Long Real Fund	10.4	755	11.9	991
Insight Liquidity Fund	7.3	531	-	-
Towers Watson Core Diversified	5.2	379	6.8	564
Towers Watson Partners B Shares	-	-	35.0	2,908

The TWIM funds invest in many underlying funds reducing the Scheme's exposure to any one asset class, and the LDI funds have been selected to match the profile of the Scheme's liabilities.

## Notes to the Financial Statements

### 17. Capital commitments

There were no capital commitments as at 31 March 2025 (2024: Nil)

### 18. Related party transactions

During the years ended 31 March 2025 and 2024 there were related party transactions in respect of Scheme administrative costs paid by the Employer and not recharged to the Scheme. Fees of £0 (2024: £79,751) were paid by Northern Foods / Northern Foods Pension Scheme to Independent Trustee Services Limited in respect of C. Martin's work as Chairman of the Trustee.

# Statement of Investment Principles - Annual Implementation Statement

Scheme year ending 31 March 2025

## 1. Introduction

This document is the Annual Implementation Statement ("the statement") prepared by the Trustee of the Northern Foods Pension Builder ("the Scheme") covering the Scheme year to 31 March 2025 ("the year"). The purpose of this statement is to:

- set out how, and the extent to which, in the opinion of the Trustee, the Scheme's engagement policy (required under regulation 23c of the Occupational Pension Schemes Investment Regulations 2005) has been followed during the year; and
- describe the voting behaviour by, or on behalf of, the Trustee (including the most significant votes cast by Trustee or on the Trustee's behalf) during the year and state any use of services of a proxy voter during that year.

The Scheme makes use of a wide range of investments; therefore, the principles and policies in the Statement of Investment Principles ("SIP") are intended to be applied in aggregate and proportionately, focussing on areas of maximum impact.

In order to ensure that investment policies set out in the SIP are undertaken only by persons or organisations with the skills, information and resources necessary to take them effectively, the Trustee has delegated some responsibilities. In particular, the Trustee has appointed a Fiduciary Manager, Towers Watson Limited, to manage the Scheme's DB assets on a discretionary basis. The Fiduciary Manager's discretion is subject to guidelines and restrictions set by the Trustee. So far as is practicable, the Fiduciary Manager considers the policies and principles set out in the Trustee's SIP.

A copy of this Implementation Statement will be made available on the following website <https://northernfoodspensionbuilder.lcp.uk.com/information>

## 2. Voting and engagement

### Trustee's engagement policy

As set out above, the Trustee has delegated responsibility to the Fiduciary Manager to implement the Trustee's agreed investment strategy, including making certain decisions about investments (including asset allocation and manager selection/deselection) in compliance with Sections 34 and 36 of the Pensions Act.

The Fiduciary Manager is therefore responsible for managing the sustainability of the portfolio and how Environmental, Social and Governance ("ESG") factors are allowed for in the portfolio.

The Trustees' view is that ESG factors can have a potential impact on investment returns, particularly over the long-term. As a result, the Trustees believe that the incorporation of ESG factors is in the best long-term financial interests of its members. The Trustee has appointed a Fiduciary Manager who shares this view and has fully embedded the consideration of ESG factors in its processes, where appropriate.

The Fiduciary Manager's process for selecting, monitoring and de-selecting managers explicitly and formally includes an assessment of a manager's approach to SI (recognising that the degree to which these factors are relevant to any given strategy is a function of time horizon, investment style, philosophy and exposures). Where ESG factors are considered to be particularly influential to outcomes, the Fiduciary Manager engages with investment managers to improve their processes.

## Statement of Investment Principles - Annual Implementation Statement

### 2 Voting and engagement (continued)

#### Trustee's engagement policy (continued)

The Fiduciary Manager has a dedicated Sustainable Investment resource and a network of subject matter experts. The consideration of ESG issues is fully embedded in its investment manager research.

The Trustee has delegated responsibility for the selection, retention and realisation of investments to the Fiduciary Manager, and in turn to the Scheme's investment managers. The day-to-day integration of ESG considerations and stewardship activities (including consideration of all relevant matters, voting and engagement) are delegated to the Scheme's investment managers.

Through the engagement undertaken by the Fiduciary Manager, the Trustee expects investment managers to sign up to local Stewardship Codes and to act as responsible stewards of capital as applicable to their mandates. The Fiduciary Manager considers the investment managers' policies and activities in relation to ESG and stewardship both at the appointment of a new manager and on an ongoing basis. The Fiduciary Manager engages with managers to improve their practices and may terminate a manager's appointment if they fail to demonstrate an acceptable level of practice in these areas. However, no managers were terminated on these grounds during the year.

The Scheme is invested across different asset classes which carry different ownership rights, for example fixed income whereby these holdings do not have voting rights attached. Therefore, voting information was only requested from the Scheme's multi-asset managers with an equity allocation as here there is a right to vote as an ultimate owner of a stock. Responses received are provided in the table below. Where managers provided multiple examples of votes, one of those deemed most significant by the Trustee have been shown below. The Trustee has endeavoured to select "significant" votes which align with the Trustee's identified priorities for voting and engagement – climate, human and labour rights, biodiversity, remuneration, and diversity, equity and inclusion ("DEI") – where the data has allowed. Over the course of the Scheme year, the Scheme held two pooled funds with equity allocations:

- Manager A – a multi-asset fund
- Manager B – a multi-asset fund

#### Industry wide / public policy engagement:

As mentioned in the SIP, the Fiduciary Manager has partnered with EOS at Federated Hermes (EOS) for a number of years to enhance its stewardship activities. One element of this partnership is undertaking public policy engagement on behalf of its clients (including the Trustee). This public policy and market best practice engagement is done with legislators, regulators, industry bodies and other standard-setters to shape capital markets and the environment in which companies and their investors operate, a key element of which is risk related to climate change. The Fiduciary Manager represents client policies/sentiment to EOS via the Client Advisory Council, of which its Head of Stewardship currently chairs. It applies EOS' services, from public policy engagement to corporate voting and engagement, to several of its funds. Some highlights from EOS' activities over 2024:

- 994 companies engaged across regions on 4,267 issues and objectives
- 62 companies in their core programme featured engagements with the CEO or chair
- Making voting recommendations on 143,075 resolutions at 14,701 meetings, including recommended votes against 25,070 resolutions
- Participation in a range of global stewardship initiatives

The Fiduciary Manager participated in a range of industry initiatives over the year to seek to exercise good stewardship practices. Please refer to their latest UK Stewardship Code for more information: <https://www.wtco.com/en-gb/solutions/services/sustainable-investment>.

## Statement of Investment Principles - Annual Implementation Statement

### 2. Voting and engagement (continued)

Manager and strategy	Voting activity	Most significant votes cast	Use of proxy voting
Manager A – multi-asset fund	<p>Number of eligible votes: <b>26,345</b></p> <p>Percentage of eligible votes cast: <b>98.9%</b></p> <p>Percentage of votes with management: <b>87.0%</b></p> <p>Percentage of votes against management: <b>12.0%</b></p> <p>Percentage of votes abstained from: <b>0.9%</b></p> <p>Percentage of votes against recommendation of proxy advisor: <b>3.4%</b></p>	<p>Company: Visa, Inc.</p> <p>Date of vote: 28 January 2025</p> <p>Resolution: A report on gender-based compensation and benefits inequities</p> <p>Voting decision: Against the shareholder resolution, for management recommendation</p> <p>Rationale for voting decision: The shareholder proposal advocates transparency in ensuring equal pay and benefits for equal work, irrespective of gender identity or other protected characteristics.</p> <p>Outcome of the vote: Failed the resolution</p> <p>Rationale for inclusion: Human and labour rights is one of the stewardship priorities</p>	<p>For Manager A, the equity exposure comes from four main areas:</p> <ul style="list-style-type: none"> <li>- The manager's global equity portfolio where EOS provides voting recommendations to enhance engagement and help achieve responsible ownership. EOS's voting recommendations are informed by its extensive research and experience in the area of stewardship as well as its long-term engagement activities with companies. The underlying managers must provide an explanation and note their rationale when they choose to vote differently to the recommendation. The underlying managers in this portfolio use ISS's 'ProxyExchange' electronic voting platform to facilitate voting.</li> <li>- The China equity manager uses Glass Lewis service where they have created a bespoke policy</li> <li>- The emerging markets equity managers use ISS, Glass Lewis, SES and Broadridge Proxy Edge platforms for information and to facilitate voting</li> <li>- The long-short equity managers use ISS to provide corporate research and to facilitate the voting process.</li> </ul>

Statement of Investment Principles - Annual Implementation Statement

2. Voting and engagement (continued)

Manager B – multi- asset fund	<p>Number of eligible votes: <b>38,335</b></p> <p>Percentage of eligible votes cast: <b>98.7%</b></p> <p>Percentage of votes with management: <b>86.0%</b></p> <p>Percentage of votes against management: <b>14.0%</b></p> <p>Percentage of votes abstained from: <b>0.0%</b></p> <p>Percentage of votes against recommendation of proxy advisor: <b>2.5%</b></p>	<p>Company: Amazon.com, Inc</p> <p>Date of vote: 22 May 2024</p> <p>Resolution: Disclose all material Scope 3 greenhouse gas emissions</p> <p>Voting decision: For shareholder proposal, against management</p> <p>Rationale for voting decision: The shareholder proposal promotes better management of social, environmental and ethical opportunities and risks.</p> <p>Outcome of the vote: Failed the resolution</p> <p>Rationale for inclusion: Climate change is one of the stewardship priorities.</p>	<p>Manager B, through the equity and listed real asset strategies, works with EOS to provide corporate engagement and voting recommendations services to enhance the efforts of the underlying managers where possible. The underlying managers must provide an explanation and note their rationale when they choose to vote differently to the recommendations. The underlying managers also use ISS to facilitate voting and provide research. The China equity manager uses Glass Lewis service where they have created a bespoke policy.</p>
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