THE RNIB RETIREMENT BENEFITS SCHEME

Report and Financial Statements for the year ended 31 March 2023

Scheme Registration No: 10152239

XPS Administration

Saltire House, 3 Whitefriars Crescent, Perth, Scotland PH2 0PA

XPS Administration is a trading name of XPS Administration Limited
Registered No. 9428346. Registered Office: Phoenix House, 1 Station Hill, Reading RG1 1NB

Part of XPS Pensions Group

TABLE OF CONTENTS

Trustees and their Advisers	2
Trustees' Report	4
Investment Report	10
Report on Actuarial Liabilities	23
Actuary's Certificate of Schedule of Contributions	25
Statement of Trustees' Responsibilities	26
Independent Auditors' Report	27
Fund Account	29
Statement of Net Assets (Available for benefits)	30
Notes to the Financial Statements	31
Independent Auditors' Statement about contributions	47
Summary of Contributions paid in the year	48
Governance Statement	49
Implementation Statement	59

TRUSTEES AND THEIR ADVISERS

Trustees:	P A Evans ** (Chair)	
	I Maybury ** (Chair)	(Resigned 21 October 2022)
	D Clarke **	(Resigned 10 March 2023)
	G M Davies **	(Appointed 20 June2022)
	S Fox **	(Appointed 11 March 2023)
	J Holifield *	(Appointed 22 June 2022)
	S King *	(Resigned 21 June 2022)
	V Morton *	(Resigned 21 June 2022)
	N Perry *	(Appointed 22 June 2022)

* *Member Nominated Trustee*
** *Employer Nominated Trustee*

Secretary to the Trustees:
N Featherstone
Grimaldi Building
154a Pentonville Road,
Kings Cross
London N1 9JE

Scheme Actuary:
R Agius FIA
Aon Solutions UK Limited
Parkside House
Ashley Road
Epsom KT18 5BS

Principal Employers:
The Royal National Institute of Blind People (RNIB)
Grimaldi Building
154a Pentonville Road,
Kings Cross
London N1 9JE

Participating Employers:
RNIB Charity (Ceased on 31 August 2022)

AVC Providers:
Utmost Life & Pensions
Walton Street
Aylesbury
Bucks HP21 7QW (Closed without members on 17 May 2021)

Fiduciary Manager:
Russell Investments Limited
Rex House
10 Regent Street
London SW1Y 4PE

Independent Auditors:
PricewaterhouseCoopers LLP
1 Hardman Square
Manchester M3 3EB

TRUSTEES AND THEIR ADVISERS (continued)

Legal Advisers:	Shoosmiths Apex Plaza Forbury Road Reading RG1 1SH
Investment Advisers – DC Section:	Lane Clark & Peacock LLP 95 Wigmore Street London W1U 1DQ
Bankers:	Barclays Bank plc 1 Churchill Place London E14 5HP
Scheme Administrators – DB Section:	XPS Administration Limited Saltire House 3 Whitefriars Crescent Perth PH2 0PA
Scheme Administrators – DC Section:	Legal & General Pensions Limited City Park The Droveway Hove BN3 7PY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees of the RNIB Retirement Benefits Scheme (the "Scheme") are pleased to present the Trustees' Report and audited financial statements for the year ended 31 March 2023.

The Scheme is a hybrid occupational pension scheme consisting of a defined benefit section (DB), which provides benefits based on a member's salary, and a defined contribution section (DC), which provides benefits based on a member's accumulated fund.

The Scheme was established solely for the benefit of its members and other beneficiaries. From 6 April 2006 it has been a Registered Scheme under the Finance Act 2004. The assets of the Scheme are held by the Trustees and are held entirely separate from the participating employers.

The Scheme pays pensions and other benefits to members of the Scheme and their dependants. All members of the Scheme are eligible employees of the RNIB or RNIB Charity.

The Triennial valuation as at 31 March 2023 was signed by the Scheme Actuary on 29 September 2023.

The Trustees are committed to working with the participating employers to continue to protect member benefits and manage the risks to the Scheme's funding. Further information about the Scheme is provided in an explanatory booklet which is available to all members from the Scheme Secretary and published on the Principal Employer's intranet site.

Under the Trust Deed and Rules of the Scheme, Trustees are appointed and may be removed by the Principal Employer except for member nominated Trustees. Under legislation at least one third of the Trustees are nominated by Scheme members. These member-nominated Trustees are elected from the membership of the Scheme and may only be removed following the unanimous agreement of the other Trustees. The Trustees who served during the Scheme year and to the date of this report are listed on page 2.

During the year the Trustees met eight times. The Investment Sub-Committee also met five times during the year. A Guide for Pension Scheme Trustees issued by The Pensions Regulator is available to all Trustees. All Trustees are encouraged to complete the Pension Regulator's Trustee Toolkit learning modules and will receive additional training from the Scheme's advisers on specific areas of interest relating to Scheme events and operations.

Following a period of statutory consultation by RNIB, the Scheme's benefit structure was amended with effect from 1 April 2019. From 1 April 2019, benefits accumulate on a defined contribution basis. The Trustees appointed Legal & General ("L&G") to administer this section of the Scheme with effect from that date. All members' Hybrid DC assets, from contributions made up to 31 March 2019, were transferred to the new DC only section, administered by L&G, in January 2020. The DB section benefit accrual ceased for all members on 31 March 2019, but the section still has active members who retain an active pensionable salary link to their service in the DB section, subject to the pensionable salary cap of £23,250. Members prior to 1 April 2005 are not subject to the salary cap.

Administration

The administration of the DB Section of the Scheme is carried out by XPS Administration Limited ("XPS") whilst the administration of the DC Section is carried out by Legal & General. Enquiries about the Scheme generally or about individual's entitlement to benefits should be addressed to the relevant administrator at the email addresses on page 8 as appropriate.

As part of the Trustees' wider governance processes, the Trustees engaged XPS to conduct a full data quality review in 2022. The Trustees were advised of the completion of the review in February 2023 and the Trustees are now working with XPS to collate any missing data items and amend any errors identified. The Trustees expect to complete this exercise by the end of this Scheme year and will also work with XPS to automate standard administration procedures where possible to improve turnaround times and improve the quality of administration for members.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Administration (continued)

The Trustees receive quarterly reports about each administrator's performance and compliance with the Service Level Agreement put in place.

XPS also provides data on transactions and cashflows into and out of the Scheme over each quarter covered by the report. This enables the Trustees to check that the core financial transactions over any given quarter are in line with expectations and that the type of receipts and payments are in line with the activity within the Scheme (i.e. retirement payments, transfers and contributions from members and the Principal Employer).

The Scheme Secretary has regular interactions with XPS to ensure that any issues arising from the administration of the Scheme are dealt with quickly.

Using information provided by the administrators, the Trustees are satisfied that during the year ended 31 March 2023:

- there have been no material administration errors in relation to processing core financial transactions; and
- core financial transactions have been processed promptly and accurately during the Scheme year where possible

Contributions

Employer and Employee normal contributions to the DB section ceased from 1 April 2019, this section of the Scheme is closed to future pensionable service accruals. Contributions to the DC section of the Scheme are made by the Principal Employer to Legal and General directly.

All the expenses of the Scheme are paid directly by the Principal Employer. The Principal Employer made Deficit Recovery Contributions in accordance with the Schedule of Contributions put in place following the signing of the actuarial valuation as at 31 March 2020 on 3 December 2021.

The Scheme was in surplus as at the 31 March 2023 Actuarial Valuation which was signed on 29 September 2023. A revised Schedule of Contributions was agreed by the Principal Employer and Trustees and no further deficit contributions are due. However, the Trustees and the Employers have agreed an annual funding test will be carried out each 31 March, from 31 March 2024 to 31 March 2026 inclusive, to determine if additional Employer contributions will be paid in future.

Due to an administrative error, the Contributions for the months of June and July 2022 were paid later than the requirements of the Schedule of Contributions. Contributions in respect of June 2022 totalling £377,954 were paid 3 days after the due date per the Schedule of Contributions. Contributions in respect of July 2022 totalling £380,870 were paid 6 days after the due date per the Schedule of Contributions.

Subsequent Event

The RNIB Charity ceased to be a Participating Employer of the Scheme on 31 August 2022. A Flexible Apportionment Arrangement was entered into on 21 March 2023 and subsequently no section 75 debt was payable.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Membership and benefits

The membership movements during the year ended 31 March 2023 were as follows:

	DB Section	DC Section	Total
Active members at 1 April 2022	**422**	**1,421**	**1,843**
Adjustments*	(4)	(306)	(310)
New members	-	241	241
Rejoiners	-	-	-
Retirements	(4)	(12)	(16)
Deaths	(1)	(1)	(2)
Trivial commutation	(1)	-	(1)
Transfers out	-	(9)	(9)
Leavers to deferred benefits	(87)	(91)	(178)
Active members as at 31 March 2023	**325**	**1,243**	**1,568**
Pensioners at 1 April 2022	**1,199**	**-**	**1,199**
Adjustments*	13		13
Retirements	-	-	-
From Suspended	-	-	-
Suspended pension	-	-	-
Deaths	(40)	-	(40)
Commutations	(8)	-	(8)
New dependant's pensions	15	-	15
New pensioners from Active	4	-	4
New pensioners from deferred	58	-	58
Pensioners at 31 March 2023	**1,241**	**-**	**1,241**
Members with deferred benefits at 1 April 2022	**1,571**	**1,260**	**2,831**
Adjustments**	1	(16)	(15)
Leavers with preserved benefits	87	91	178
Rejoiners	-	1	1
Deaths	(10)	(1)	(11)
Retirements	(58)	(24)	(82)
Commutations	-	-	-
Serious ill health	(1)	-	(1)
Transfers out	(4)	(55)	(59)
Surrendered	-	(6)	(6)
Trivial commutation	(8)	-	-
Members with deferred benefits at 31 March 2023	**1,578**	**1,250**	**2,828**
Total Membership	**3,144**	**2,493**	**5,637**

*The Scheme holds two plans with Legal & General. In prior years, members in both plans were included in the membership numbers. The adjustments above have removed these members to give a clearer disclosure of total members in the Scheme.

**Adjustments are members whose status has been changed where the change relates to a previous year.

Included in the membership above is 12 members (2022: 9 members) which have two periods of service and are therefore both Active and Deferred members.

Pensioners include 115 (2022: 118) individuals receiving a pension upon the death of their spouse.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Membership and benefits (continued)

Active members of the DB section no longer make contributions to this section, as benefit accrual ceased for all members on 31 March 2019, but do retain an active pensionable salary link to their service in the DB section, subject to the pensionable salary cap of £23,250.

Active members under the DB section whose pensionable salary exceeds the salary cap, will make regular contributions to the DC section of the Scheme calculated on that part of their salary that exceeds the cap. These members will therefore appear as Active members in both sections of the Scheme.

Pension increases

The RPI, upon which the pension increases are based, was 9.0% respectively in March 2022. The Trustees agreed that with effect from 1 September 2022, the increases to pensioners and deferred pensioners would be:

- 5% for pre July 2010 service being the lower of the March 2022 RPI figure, or 5%.
- 3% for post July 2010 service being the lower of the March 2022 RPI figure, or 3%.

There were no discretionary pension increases.

Transfer Values

The transfer payments paid during the year were calculated in accordance with the regulations under the Pensions Schemes Act 1993 and the Pensions Act 1995 as appropriate. Transfer payments represented the full "cash equivalent" value of the accrued benefits. No discretionary benefits were included in the calculations of transfer values.

Internal Dispute Resolution Procedure (IDRP)

The Trustees have adopted an IDRP, a copy of which can be provided on request by the Scheme Secretary.

Additional Information

The Pensions Act has extended the legal rights of members, beneficiaries, and pensioners to receive on request a broad range of information. Some of these rights relate to specific benefit details for an individual which have, in any event, always been available to members or are already provided automatically without the need to make a request. Other rights, relating to more general Scheme information and the availability of documents containing this information, must be drawn to your attention, and are detailed below. In addition, your attention is drawn to other items which any member wanting more technical information is invited to request from the Scheme administrator:

- Trust Deed and Rules
- The latest report on the actuarial valuation
- The latest Statement of Investment Principles drafted in accordance with Section 35 of the Pensions Act 2004
- Internal Disputes Resolution Procedure
- Actuarial statement on calculation of transfer values.

A charge may be made for copies of the trust documents (Deed and Rules) and of the Actuary's report.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Financial Development of the Scheme

Changes in the Scheme's net assets during the year were as follows:

	£'000s
Net assets at 1 April 2022	315,179
Net withdrawals from dealings with members	(3,594)
Net returns on investments	(94,972)
Net assets at 31 March 2023	216,613

The very significant reduction in the assets in the Scheme arises primarily due to the rise in interest rates during the Scheme year. The liabilities are discounted to a present value based on movements in interest rates. As the Trustees have adopted a strategy of seeking to protect the Scheme against the effect of movements in interest rates and inflation, the assets are invested in a way that seeks to mirror the movements in the liability value so also falls in value when the valuation of the liabilities falls. Neither of these changes have any effect on the Scheme's ability to meet benefit payments as and when they fall due.

The financial statements for the year have been prepared and audited in accordance with Sections 41(1) and (6) of the Pensions Act 1995.

Enquiries

All enquiries about the Scheme and individual benefit entitlements should be addressed to the Scheme Trustees:

DB Section
c/o XPS Administration Limited
PO Box 562
Middlesbrough TS1 9JA

Email: RNIB@xpsgroup.com

DC Section
c/o Legal and General Pensions Limited
City Park
The Droveway
Hove BN3 7PY

Email: employerdedicatedteam@landg.com

MoneyHelper

MoneyHelper provides pension guidance, money guidance and debt advice. These services were previously provided by three separate government entities; The Pensions Advisory Service (TPAS), Pension Wise and the Money Advice Service. MoneyHelper can be contacted at:

MoneyHelper
Holborn Centre
120 Holborn
London EC1N 2TD

Tel: 0800 011 3797
Email: pensions.enquiries@moneyhelper.org.uk
Website: www.moneyhelper.org.uk

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Pensions Ombudsman

If a member has a complaint against the Scheme that has not been resolved to his or her satisfaction through the Scheme's Dispute Procedure, the government appointed Pensions Ombudsman can investigate complaints of injustice caused by bad administration, either by the Trustees or Scheme administrators, or disputes of fact or law. The Pensions Ombudsman can be contacted at:

10 South Colonnade
Canary Wharf
London E14 4PU

Tel: 0800 917 4487
Email: enquiries@pensions-ombudsman.org.uk
Website: www.pensions-ombudsman.org.uk

The Pensions Regulator (tPR)

The Pensions Regulator can intervene if they consider that a Scheme's Trustees, advisers or the employer are not carrying out their duties correctly. The address for the Pensions Regulator is:

Telecom House
125-135 Preston Road
Brighton BN1 6AF

Tel: 0345 600 0707
Email: customersupport@tpr.gov.uk
Website: www.thepensionsregulator.gov.uk

The Pension Scheme Registry

The Scheme is registered with the Pension Scheme Registry which is part of the Pensions Regulator's office. The registration number is 10152239. The data held by the Registry is used by the Pension Tracing Service to assist former members of schemes to trace their scheme benefits. The Pension Tracing Service can be contacted at:

The Pension Service
Post Handling Site A
Wolverhampton WV98 1AF

Tel: 0800 731 0193
Website: www.gov.uk/find-pension-contact-details

INVESTMENT REPORT

Defined Benefit Section

Investment strategy and management of the investments

The investments are managed against a Statement of Investment Principles ("SIP"), as required by Section 35 of the Pensions Act 1995. The most recent SIP was approved by the Trustees in March 2023. A copy of the SIP is available from the Secretary to the Trustees and also published online. The Trustees undertake monitoring on a regular basis, receiving periodic reports showing the Scheme's funding level, the performance of the Scheme's assets against the investment objectives and details of any significant issues which may impact on the performance targets set for the underlying funds invested in. The investment objectives for the portfolio are set out in the SIP. In terms of custodian arrangements, all assets are held in custody by State Street in the UK.

The Trustees' Investment Objective

The Trustees invest the assets of the Scheme prudently to ensure that the benefits promised to members are provided. In setting the investment strategy, the Trustees first considered the lowest risk asset allocation that they could adopt in relation to the Scheme's liabilities. The asset allocation strategy they have selected is designed to achieve a higher return than the lowest risk strategy while maintaining a prudent approach to meeting the obligations due to the Scheme's members.

The day-to-day management of the investment portfolio been delegated to the Fiduciary Manager (Russell Investments).

At inception of the mandate, The Trustees set the Fiduciary Manager an objective of achieving 2.2% p.a. in excess of the return on government bonds and net of fees. In addition to this objective, the Trustees are also aiming to protect against any change in the present value placed on the liabilities as a result of changes in long-term interest rates or inflation expectations.

Following de-risking triggers achieved by Q2 2021, the target return was reduced to Gilts + 1.7% p.a.

During Q3 2021 Russell Investments implemented the Scheme's new cashflows, following the 31 March 2020 actuarial valuation. As a result, the funding level passed through additional triggers, reducing the target return to Gilts + 1.1% p.a. Following the liability benchmark update to Gilts + 0.5% p.a., the target hedge ratio was re-expressed as 100% of assets.

During Q4 2021 an Income Generating portfolio was added. This sub-Portfolio seeks to generate income to pay regular cashflows, through investment into both public and private Income Generating assets.

Following the impact of Gilt market volatility at the end of Q3 2022 and start of Q4 2022, a full strategy review was conducted. It was agreed that the target return would be increased to Gilts + 1.9% p.a. as of 15 December 2022.

The underlying funds utilised by the Fiduciary Manager are set out below.

- The Growth Portfolio is invested in Russell Investments' Multi-Asset Growth Strategies Fund;
- The Income Generating Portfolio is invested in Russell Investments' Private Markets Income Fund as well as Insight's Maturing Buy and Maintain (MBAM) 2021-2025 S Series Fund, in order to meet a portion of the Scheme's regular cashflow obligations; and,
- The Matching Portfolio (also referred to as the Liability Driven Investment Mandate) is implemented using pooled funds offered by BlackRock and Columbia Threadneedle Investments, as well as the Russell Investments Sterling Liquidity Fund. The Fiduciary Manager monitors the portfolio daily to ensure the portfolio's positioning remains appropriate to achieve the objectives set out above. When necessary, the Fiduciary Manager rebalances the portfolio on behalf of the Trustees.

INVESTMENT REPORT (continued)

Implementation

As at 31 March 2023 Russell Investments was the appointed Fiduciary Manager. The terms of the agreement between the Trustees and Russell Investments is set out in the Investment Management Agreement (IMA) – signed 21 February 2017. With effect from 1 October 2021, an IMA amendment was executed which details updates to fees and guidelines. Russell Investments' fee for providing the above structure is set out in the IMA and has been chosen to provide cost certainty with regard to the advice and implementation of the investment portfolio.

When choosing investments the Fiduciary Manager is required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4). The fiduciary managers' duties also include:

- Taking into account social, environmental or ethical considerations in the selection, retention and realisation of investments.
- Voting and corporate governance in relation to the Scheme's assets including taking into account the Institutional Shareholders' Committee Statement of Principles on the Responsibilities of Institutional Shareholders and Agents.

The Trustees periodically engage with the Fiduciary Manager with regard to its approach to corporate governance and voting activity.

Investment Performance

The tables below shows the performance of the Scheme's investments, over one, three and five-year periods.

Defined Benefit Investment Performance

	1 Year (net)	**3 Years (Annualised p.a. – net)**	**5 Years (Annualised p.a. – net)**
Investment Portfolio	-33.0%	-9.6%	-3.8%
Benchmark	-25.8%	-8.7%	-1.8%

Inception date of Fiduciary Management mandate with Russell Investments: 26 May 2017.

Source: Russell Investments and underlying fund managers

Benchmark Calculation Methodology: The benchmark performance of the Scheme's investments is based on a composite of the target returns of the Growth, Income Generation and Matching portfolios respectively. Following the appointment of the Fiduciary Manager, the target return of the Growth portfolio was set equal to the return on the Scheme's liabilities + 2.2% p.a. and is revised each time a de-risking trigger is hit. The target return of the Growth portfolio is expected to be delivered over a full market cycle.

INVESTMENT REPORT (continued)

Twelve month market commentary to 31 March 2023

Background

Strict Covid-19 lockdown restrictions in China, the ongoing war in Ukraine and decades-high inflation drove market volatility in the second quarter of 2022. Consequently, most central banks across the world raised interest rates, except for Japan, which maintained an ultra-loose monetary policy despite a weakening yen. Investors had to digest the likelihood of recessions being brought forward on the back of rapid rate hikes and waning consumer confidence. However, towards the end of the year, an expected slowdown in the pace of future interest rate hikes and softer-than-expected inflation data boosted investor enthusiasm, even as the US Federal Reserve (Fed), Bank of England (BoE) and European Central Bank (ECB) raised interest rates as expected in the final quarter. At the start of 2023, investors were encouraged by signs that inflation was being tamed and the prospect of China's reopening from Covid-19 restrictions boosting demand. However, equities fell broadly in February due to slowing progress on inflation and resilient economic data, which implied interest rates may stay higher for longer. Investor sentiment tumbled further following the failure of three regional US banks, which triggered fears of contagion and a sell-off of banking stocks. In Europe these fears were heightened by the collapse of Credit Suisse and its takeover by rival UBS. Nonetheless, concerns subsided towards the end of the period. The Fed, the BoE and the ECB all raised interest rates as expected in the first quarter.

Equities

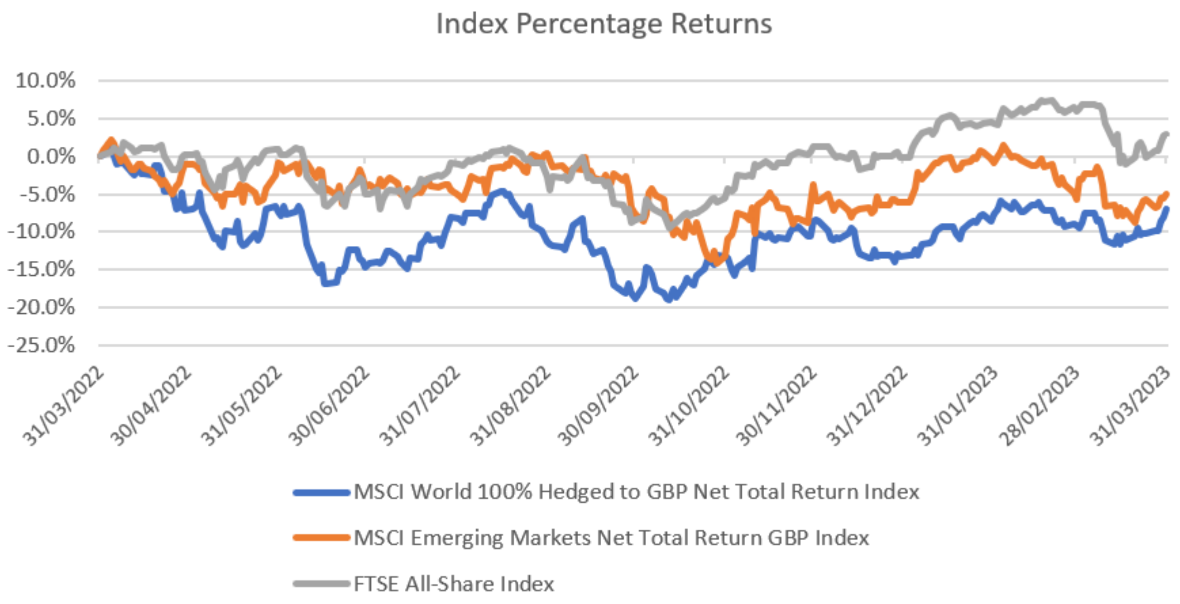
The MSCI World GBP Hedged index fell 6.9% in the one-year period to 31st March, 2023.Global equities experienced a volatile and negative period. Investors anticipated a prolonged higher interest rate environment and negative economic growth as central banks combatted persistently high inflation. The ongoing war in Ukraine and Covid-19 restrictions in China were further market headwinds early in the period. However, market conditions improved in the latter half of the year with investors encouraged by signs that inflation was being tamed and China's abandonment of its "zero-covid" policy commitment. Major central banks raised rates sharply over the period, with Japan being the only exception with its steadfast commitment to an accommodative policy. However, amid much uncertainty over the impact of bank failures on the wider economy, comments from the Fed were noticeably more dovish towards end of first quarter of 2023.The value factor outperformed, aided by the performance of large cap value names. Growth underperformed value and the index return, although the factor performed notably well in the final quarter of the period as investor rate hike expectations moderated. Overall, large capitalisation stocks outperformed small and mid-cap stocks. High dividend yield stocks also outperformed.

The MSCI Emerging Markets (EM) Net Total Return GBP Index recorded a -4.9% return for the year. Initially, market volatility was caused by Russia's invasion of Ukraine. A raft of sanctions on Russia were implemented by the international community. However, EM were mostly dragged down by China's implementation of a zero-Covid policy, with strict regional lockdowns for most of the year. Consequently, investor concerns of an economic slowdown became more pronounced. In the final quarter, China's lockdown restrictions were eased which boosted market sentiment. However, the reopening rally cooled in the first quarter of 2023, and doubts surrounding the country's recovery dampened risk appetite.

The FTSE All Share delivered a 2.9% return for the 12-month period. Record levels of inflation and a faster-than-expected path for monetary policy tightening from the Bank of England weighed on investor risk sentiment and squeezed living standards. Additionally, the OECD forecast the economy would shrink 0.2% in 2023, making it the only G20 economy except Russia to contract. In factors, large caps outperformed small caps across the period to push the market higher, while growth outperformed the value factor.

INVESTMENT REPORT (continued)

Twelve month market commentary to 31 March 2023(continued)



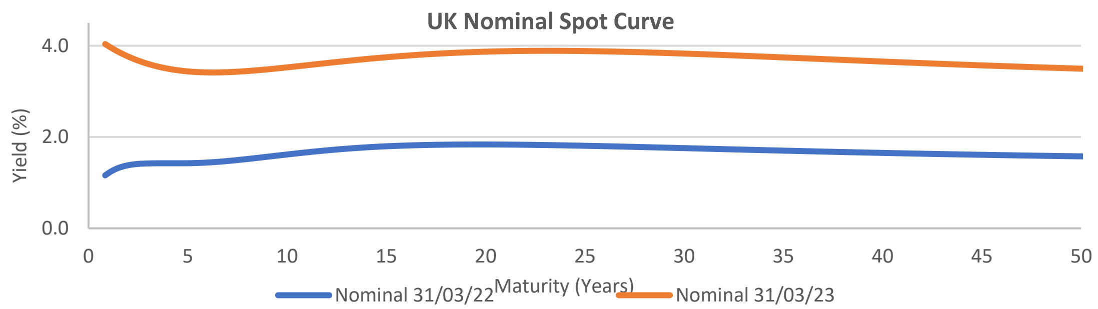
Source: Bloomberg and Russell Investments. Data as at March 31st, 2023. Emerging market equity returns are not hedged but are provided in GBP terms.

Government Bonds

The Bloomberg Global Aggregate Sterling Hedged recorded a -5.1% return for the one-year-period. Fixed income markets struggled alongside equity markets during the 12-month period. Persistently high inflation was the key volatility driver, forcing central banks globally to raise interest rates. Investors also digested the prospect of recessions being brought forward on the back of rapid rate hikes and waning consumer confidence. This level of volatility fed through into risk markets, causing high yield bonds to post their third worst ever quarterly return in the second quarter. In the final quarter of 2022, major central banks raised interest rates as expected and policymakers predicted rates would continue to rise to tackle high inflation. However, softer-than-expected inflation data boosted investor enthusiasm and led investors to anticipate a slower pace of future rate hikes. In the first quarter of 2023, government bonds rallied following turmoil in the banking sector. The failure of three US regional banks and a collapse in Credit Suisse's share price, which ultimately led to its takeover by rival UBS, heightened fears of contagion and prompted investors to seek safe-haven assets. The US Federal Reserve, Bank of England and European Central Bank all raised rates, but uncertainty over future rate-setting was pronounced with fading expectations of further hikes in borrowing costs.

Nominal Yields

The chart below shows that nominal UK Gilt yields significantly increased over the 12 month period.

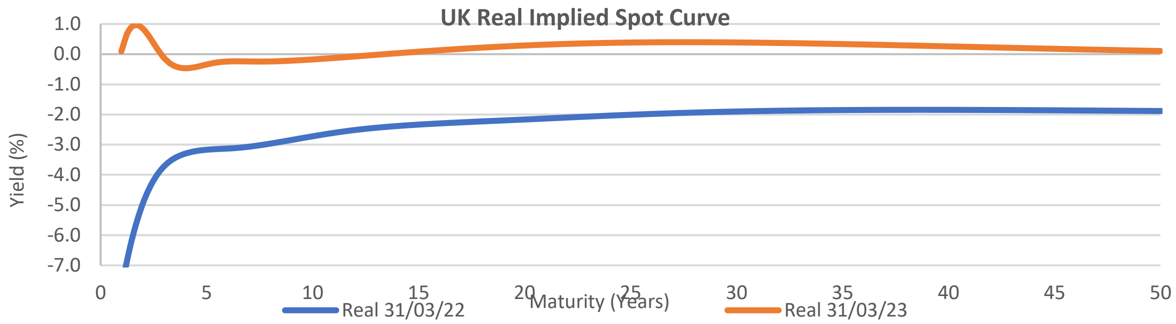


INVESTMENT REPORT (continued)

Twelve month market commentary to 31 March 2023 (continued)

Real Yields

The chart below shows that real (i.e. inflation-linked) yields significantly increased, as investor inflation expectations remain high.



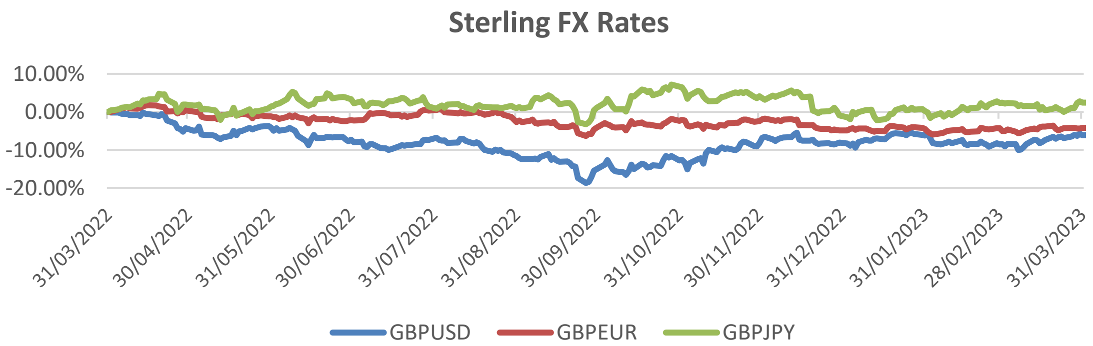
Source: Barclays Live, Bloomberg and Russell Investments

Credit

Global investment-grade (IG) credit spreads widened by 25 basis points (bps) to 138 over the 12-month period. Global credit markets outperformed other areas of fixed income markets over the negative one-year period. Investors anticipated a prolonged higher interest rate environment and negative economic growth as central banks combatted persistently high inflation. The US Federal Reserve (Fed), Bank of England (BoE) and European Central Bank hiked rates over the period, whilst increases by central banks in Switzerland, Sweden and Denmark marked an end to negative rates in Europe. In this tightening environment, high yield credit spreads notably widened, while investment grade credit spreads widened by a more modest amount in comparison.

Foreign Exchange

The British pound (GBP) broadly weakened over the 12-month period but recovered some of its losses in the last two quarters. Heightened political uncertainty weighed on investor confidence, as the UK experienced three prime ministers and four chancellors in one calendar year. The GBP plummeted after September's ill-received mini budget by Chancellor Kwasi Kwarteng. However, the currency made some recovery after Kwarteng and Prime Minister Liz Truss stepped down and their successors made a sharp reversal on fiscal policy. The GBP continued to recover in 2023 as a milder winter and falling natural gas prices reduced recessionary fears and a revised Brexit deal brightened sentiment. In contrast, the US dollar was the strongest of the G10 currencies for the one-year-period, but gave up some of these gains in the last two quarters as inflations showed signs of easing. The Swiss franc benefitted from its "safe-haven" status and was the second-best currency during the year. On the other hand, commodity-linked currencies such as the Norwegian krone, the New Zealand dollar and the Australian dollar suffered amid falling prices and due to disappointment in the growth effects of China's re-opening. The Japanese yen was also weak, struggling due to rising global yields and the Bank of Japan's ultra-loose monetary policy.



Source: Russell Investments and Bloomberg. Data as at 31 March 2023.

INVESTMENT REPORT (continued)

Twelve month market commentary to 31 March 2023 (continued)

Financially material considerations

Over the period to achieving the overall investment objective of reaching full funding on the Gilts + 0.5% p.a. basis, the Trustees have tasked the Fiduciary Manager with monitoring Financially Material Risks (including ESG considerations) within the Scheme's investment portfolio. At a high level, the Scheme is expecting to increase its allocation to lower risk fixed-income assets as the Scheme matures. In addition to this, the Fiduciary Manager will use active ownership (see Stewardship below) to manage the Scheme's investment portfolio through time. The Fiduciary Manager also monitors, and where necessary reduces the Financially Material Risks which the Scheme is exposed to as it travels through its journey to ultimately achieve its objective.

Non-financial matters

The Trustees do not take into account non-financial matters in the selection, retention and realisation of investments. The Trustees assess matters it considers to be financially material, this includes risks related to climate change and other ESG-related factors.

Environmental, Social and Governance Considerations

The Trustees believe that investing sustainably is consistent with the Scheme's mission of taking full account of longer-term return drivers and risk. In particular, the Trustees believe climate change to be a systematic, long-term material financial risk to the value of Scheme assets, as well as potentially impacting on the Scheme's liability profile and the Sponsor's covenant.

By exercising good investor stewardship and by taking financially material environmental, social and governance ("ESG") factors, including climate change, into account in the investment process, the Trustees believe the Scheme is better positioned to deliver the required long-term investment objective of achieving full funding on the ongoing Technical Provisions basis.

The Trustees have delegated the day-to day investment decisions in relation to responsible investment to the Fiduciary Manager, having reviewed the Fiduciary Manager's approach to ESG considerations as part of their appointment. More specific details on the Fiduciary Manager's approach to responsible investment are available upon request.

The Trustees are satisfied that ESG considerations are integrated into the selection, retention and realisation of investments and are included in any manager selection and retention exercises that the Fiduciary Manager may undertake as part of both the investment and operational due diligence processes.

The Fiduciary Manager reports quarterly on the overall responsible investment position, including key ESG metrics. Furthermore, it oversees and reports on developments at the underlying Investment Managers in relation to their responsible investing and ESG integration processes. Where relevant, the underlying Investment Managers report quarterly to the Fiduciary Manager on their proxy voting and engagement activities.

The Trustees aim to monitor the impact and progress of its responsible investing activities.

Stewardship, Voting Rights, Engagement and Monitoring Investee Company Capital Structures

The Trustees are aware of their role as responsible stewards of capital and the need to assess all financially material risks which include the risks with climate change as well as other ESG-related factors. The Trustees believe that having a high standard of governance, promotion of corporate responsibility and appreciation of environmental factors will be additive and will help protect long term financial value.

The Trustees believe that active ownership (voting and engagement) is the most appropriate channel to promote positive ESG practices. All the Scheme's assets are either managed directly or overseen by the Fiduciary Manager. As such, the Trustees delegate stewardship and active ownership to the Fiduciary Manager.

The Fiduciary Manager uses voting rights as an essential part of the value creation process. The Fiduciary Manager has a Proxy Voting Committee (PVC) which oversees the proxy voting policies, procedures, guidelines and voting decisions.

INVESTMENT REPORT (continued)

The Trustees review and from time to time will request and review certain policies of the Fiduciary Manager that are considered relevant by the Trustees to consider the extent to which they align with the Trustees' policies (where these exist). Where the Trustees identify any inconsistency, the Trustees will engage with the Fiduciary Manager to consider how to promote alignment between the respective investment policies.

The Trustees expect the Fiduciary Manager to: (i) be a signatory to the UN PRI Code; (ii) be a signatory to the UK Stewardship code; and (iii) provide adequate transparency around stewardship including an annual report on stewardship activities undertaken.

The Fiduciary Manager prioritises certain engagement themes that drive the engagement with underlying investment managers and holdings. At time of writing the focus is on the following engagement themes:

Environmental themes

- Natural Capital: Encourage responsible environmental management and sustainable usage of resources.
- Climate Change Resilience: Promote increased level of transparency required to better understand the impact of climate related risks and opportunities and how climate change is embedded into the strategy.

Social themes

- Human Capital: Action on how companies attract, develop, and retain employees while providing appropriate working conditions.
- Diversity & Inclusion: Encourage companies to demonstrate how they are recruiting, promoting, protecting and retaining a diverse workforce.

Governance themes

- Board Compensation & Accountability: Companies should have foundation structures that promote accountability, responsibility, transparency, responsiveness, diversity, and independence from company management.
- Executive Compensation: Alignment of executive compensation with corporate performance.

The Trustees will engage with the Fiduciary Manager as and when necessary to ensure that robust active ownership behaviours, reflective of their active ownership policies (where these exist), are being actioned.

The Fiduciary Manager has confirmed to the Trustees that it is a signatory to the UK Stewardship Code 2021.

Portfolio turnover costs

The Fiduciary Manager provides the Trustees with an annual breakdown of the portfolio turnover costs which have been incurred in-line with the Cost Transparency Initiative (CTI). The Trustees do not have a specified target portfolio turnover figure but do monitor and review the Fiduciary Manager's performance net of all transaction costs. The Trustees understand that the Fiduciary Manager will need to carry out trading within the portfolio in order to meet the return objective and properly manage risks. The Fiduciary Manager monitors the level of portfolio turnover (defined broadly as the amount of purchases plus sales) of all the investment managers appointed on behalf of the Trustees. Ultimately, the Fiduciary Manager is incentivised to manage transaction costs effectively given the adverse impact on performance.

Conflicts of Interest

The Trustees are aware that actual and potential conflicts of interest can exist across all aspects of the investment arrangements. The Trustees have a conflict of interest register and update this as and when appropriate.

The Fiduciary Manager has provided the Trustees with their Conflicts of Interest policy. The Trustees are satisfied that the conflicts that exist are managed in accordance with the regulatory requirements, a culture of integrity, and independent oversight and monitoring. The Trustees may engage with the Fiduciary Manager on matters concerning the management of actual or potential conflict of interests between the Fiduciary Manager, or the underlying managers, and the underlying investments being made. Should the Trustees identify a situation where conflict of interest is an issue, the Trustees monitor and engage to achieve the best long-term outcome for the Scheme and its beneficiaries. Russell Investments Limited is regulated by the FCA.

INVESTMENT REPORT (continued)

Details of arrangements with asset managers; the duration of the arrangement, how the Scheme incentivises the asset manager to align investment strategies and decisions, and how they monitor portfolio turnover costs incurred by the asset manager

The Trustees recognise the importance of the ensuring that the Fiduciary Manager's investment strategy aligns with the Trustees' policies. The Trustees' arrangements with the Fiduciary Manager seek to incentivise the Fiduciary investment Manager to align its investment strategy and decisions with the Trustees' investment policies and to make decisions and operate in a manner that best generates medium to long-term financial and non-financial results for the Scheme and its beneficiaries.

The services provided by the Fiduciary Manager include implementing the Scheme's investment strategy, including risk management, portfolio construction and manager selection (which includes continuous monitoring of managers and revision to managers where required). The Fiduciary Manager monitors its sub-advisors and the companies held in its portfolios in accordance with its Stewardship Policy.

The Trustees expect the Fiduciary Manager, where appropriate, to make decisions based on assessments of the longer term financial and non-financial performance of debt/equity issuers, and to engage with issuers to improve their performance. This includes monitoring and engaging with underlying investment managers to ensure they are aligned with the investment objectives of the Scheme. On an annual basis the Fiduciary Manager reports back to the Trustees on its engagement and stewardship practices via the annual implementation statement.

The Trustees carry out periodic reviews to assess the Fiduciary Manager's performance (net of all costs) relative to the objectives set by the Trustees and against the Scheme's specific liability benchmark The Trustees will consider both short (quarter) and longer-term horizons (3 and 5 years) when assessing the performance of the Fiduciary Manager.

The remuneration paid to the Fiduciary Manager and the fees incurred by third parties appointed by the Fiduciary Manager are provided annually by the Fiduciary Manager to the Trustees. This cost information is set out alongside the performance of the Fiduciary Manager to provide context. The Trustees monitors these costs and performance trends over time.

As part of the annual audit the Scheme's auditor also reviews the fees which have been incurred during each year to ensure the remuneration is in-line with what is specified in the IMA.

The Trustees believe that setting clear expectations to the Fiduciary Manager and by regularly monitoring the Fiduciary Managers performance versus those expectations, incentivises the Fiduciary Manager to make decisions that align with the Trustees' investment policies and are based on assessments of medium and long term financial and non-financial performance.

The Trustees receive quarterly reports and verbal updates from the Fiduciary Manager on various items including the investment strategy, performance, and longer-term positioning of the portfolio. The Trustees focus on medium to longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Scheme's objectives.

The Trustees receive annual stewardship reports on the monitoring and engagement activities carried out by the Fiduciary Manager, which supports the Trustees in determining the extent to which the Scheme's engagement policy has been followed throughout the year.

The Trustees also receive annual cost transparency reporting from the Fiduciary Manager in line with the prevailing regulatory requirements for fiduciary managers. These include but are not limited to the total costs incurred by the Scheme, the fees paid to the Fiduciary Manager and underlying managers, the amount of portfolio turnover costs, charges incurred through the use of pooled funds (e.g. custody, admin, audit fees etc.) and the impact of these costs on the investment return achieved by the Scheme.

The Trustees' arrangement with the Fiduciary Manager is not for a fixed term but an ongoing arrangement. The Trustees have a right to terminate this arrangement on notice under the terms specified in the IMA. The periodic reviews (referred to above) is an opportunity for ongoing assessment of the arrangement with the Fiduciary Manager with particular consideration for how the Fiduciary Manager is aligning to the Trustees' investment policies.

INVESTMENT REPORT (continued)

Employer related investments

There are no employer related investments held in the Scheme.

Defined Contributions Section

Investment management

The overall management of the Scheme's investments is the responsibility of the Trustees. However, the day-to-day management of the Scheme's asset portfolio is the responsibility of the investment managers, who operate within the guidelines of their specific mandates.

Over the year under review, the investments of the RNIB Retirement Benefits Scheme – DC Section (the "Scheme") were managed by Legal & General Investment Management Limited ("LGIM") and HSBC Global Asset Management ("HSBC").

Statement of Investment Principles

In accordance with Section 35 of the Pensions Act 1995, a Statement of Investment Principles ("SIP") has been produced by the Trustees following consultation with the Employer. The main purpose of the SIP is to set out details of the investment strategy that is to be followed, the Trustees' investment objectives and their attitude to risk. The SIP was reviewed and updated in December 2022. The Trustees review the SIP at least once every three years, and after any significant change in investment strategy. The Employer is consulted during the review. A copy of the latest SIP is available online via this link: https://www.legalandgeneral.com/employer/workplace-pensions/literature/illustration-rnib/

Custody of assets

In respect of the DC Section, the Trustees have entered into a contract with a platform provider, Legal & General Assurance Society ("LGAS"), who makes available the range of investment options to members. As all the funds are accessed via a reinsurance agreement with the Scheme's platform provider, there is no direct legal relationship between the Scheme and the underlying investment managers of the DC investment funds.

A custodian will normally be appointed to each of the investment funds offered by the platform provider. The custodian's primary function is the safekeeping of assets. In practice this means keeping investors' funds legally separate from the platform provider's own monies, so they may not be used for meeting creditors' demands not relating to the investment funds. There is no direct relationship between the investment managers' custodians and the Trustees.

Departures from the SIP

There have been no departures from the SIP over the Scheme year.

Investment strategy

The investment objectives of the DC Section are agreed by the Trustees, having consulted with the Employer. Within the context of these risk and return objectives, the Trustees, taking advice from the Scheme's investment consultants, decide on the default investment strategy and self-select asset classes, and select the appropriate managers within each asset class.

INVESTMENT REPORT (continued)

Investment strategy (continued)

The Scheme makes available two lifestyle strategies to members. The default lifestyle (where members are automatically invested if they do not make an active choice regarding the investment of their assets) targets cash withdrawal at retirement, since the Trustees believe that most members will wish to take their benefits as a cash lump sum. Therefore, in the initial growth phase the default arrangement is invested to target a return above inflation, and then in the 15 years before retirement, it switches gradually into less risky assets, with the asset allocation at retirement being designed to be appropriate for members taking a cash lump sum.

As well as the lifestyle strategy noted above, the Trustees make an alternative lifestyle arrangement available to members, the ex-tobacco Lifestyle Strategy. This strategy excludes any tobacco companies and targets cash withdrawal at retirement. Therefore, in the growth phase the lifestyle strategy is invested to target a return above inflation, and then in the 10 years before retirement, it switches gradually into cash, with the asset allocation at retirement being designed to be appropriate for members taking cash withdrawal.

Investment performance

The performance of the DC investment funds is reviewed periodically at the Trustees' meetings. The following table shows the performance of the Scheme's DC investment funds with member assets invested in them over the one, three and five year periods to 31 March 2023, after the deduction of fees, on an annualised basis.

The passive funds aim to outperform their respective benchmark returns before the deduction of fees; therefore as we are showing fund performance after the deduction of fees, we have also deducted fees from the benchmark returns (except in the case of the benchmark for the LGIM Managed Property Fund, which is already shown after the deduction of fees as it is a composite of property fund performance). All funds are passively managed (aiming to deliver returns close to the benchmark return) apart from the LGIM Multi-Asset Fund, whose benchmark is the "ABI Mixed Investment 40-85% Shares Sector" (i.e. other multi-asset funds with 40% to 85% in equities) and LGIM aims to outperform this benchmark, and the Managed Property Fund.

Net of fees performance	One year (%)		Three years (% p.a.)		Five years (% p.a.)	
	Fund	BM	Fund	BM	Fund	BM
LGIM Low Carbon Transition Global Equity Index Fund[1]	-4.7	-5.1	-	-	-	-
LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged	-4.4	-4.4	14.6	14.7	7.4	7.3
LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund GBP Currency Hedged	-8.5	-8.5	15.2	15.3	7.8	7.9
LGIM World Emerging Markets Equity Index Fund	-4.9	-4.8	8.8	8.9	2.7	2.7
LGIM Ethical Global Equity Index Fund	-1.9	-1.9	16.6	16.7	11.8	11.8
HSBC Islamic Global Equity Index Fund	-5.9	-6.1	15.7	15.8	14.8	14.9
LGIM Multi-Asset Fund	-5.5	-4.6	6.1	7.9	3.9	3.8
LGIM Managed Property Fund[2]	-8.5	-14.5	2.4	2.6	2.0	2.5
LGIM Corporate Bond All Stocks Index Fund	-10.1	-10.0	-3.5	-3.9	-1.1	-1.2
LGIM Over 15 Years Fixed Interest Gilts Index Fund	-29.9	-29.9	-16.8	-16.8	-6.5	-6.5
LGIM Over 5 Year Index Linked Gilts Index Fund	-29.5	-29.5	-10.4	-10.4	-4.0	-4.0
LGIM Cash Fund[3]	2.2	2.2	0.8	0.7	0.8	0.6

Source: LGIM. LCP calculations. BM = Benchmark

The LGIM Low Carbon Transition Global Equity Index Fund was launched in April 2021 and therefore does not have three and five year performance data.

2 The LGIM Managed Property Fund was closed to new members from 1 June 2022.

3 LGIM Cash Fund benchmark shown is the Sterling Overnight Index Average ("SONIA").

INVESTMENT REPORT (continued)

Trustees' policies in relation to voting rights

The Trustees recognise their responsibilities as owners of capital, and believe that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. The Trustees have delegated to their investment managers the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG considerations.

The Trustees do not monitor or engage directly with issuers or other holders of debt or equity since the DC Section's assets are invested in the units of various pooled funds, and not directly in debt or equity or other investment assets. The Trustees expect the pooled fund investment managers to exercise ownership rights and undertake monitoring and engagement in line with the managers' general policies on stewardship, as provided to the Trustees from time to time, considering the long-term financial interests of the beneficiaries.

The Trustees seek to appoint managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code issued by the Financial Reporting Council, and from time to time the Trustees review how these are implemented in practice.

The Trustees consider stewardship to be a significant factor when selecting and retaining managers and give it strong consideration when doing so. The Trustees would be likely to a reject a manager who was otherwise a strong candidate for a mandate if they observed that it had poor stewardship practices.

Trustees' policies on environmental, social and governance and ethical factors

The Trustees have considered how environmental, social, governance ("ESG") and ethical factors should be considered in the selection, retention, and realisation of investments, given the time horizon of the Scheme (which as a Scheme used for auto-enrolment covers the potential working life of a younger member joining now) and its members.

All of the DC Section investments are via pooled funds. The Trustees have limited influence over managers' investment practices where assets are held in pooled funds.

The Trustees expect their investment managers to take account of financially material considerations (including climate change and other ESG considerations) to the appropriate extent. However, the Trustees review how their managers are taking account of these issues in practice from time to time and encourage their managers to improve their practices where appropriate.

In the selection and retention of managers the Trustees believe ESG, climate change and stewardship considerations to be important factors to consider. The Trustees seek to appoint managers that have appropriate skills and processes to address financially material considerations including ESG factors and manage these risks sufficiently.

The Trustees do consider non-financial matters (i.e. matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments as they relate to tobacco investment. The Trustees have considered the practicalities of moving towards a policy of excluding tobacco investment within the DC Section. This is due to a belief that some members may wish to be able to exclude tobacco investment given the link between smoking and blindness. To that end, the Trustees have made an ex-tobacco lifestyle strategy available for members as a self-select option.

In general, it is not the Trustees' policy to survey the membership in order to elicit their views on financial and non-financial concerns. The Trustees' typical practice is to take a view on which concerns they can reasonably assume members will share, given the nature of the Employer attached to the Scheme. To this end, the Trustees recognise that some members may wish for ethical matters to be considered in their investments and have made available the Ex-Tobacco Lifestyle Strategy, L&G World Developed (ex-tobacco) Equity Index Fund, L&G Low Carbon Transition Global Equity Index Fund and L&G Ethical Global Equity Index Fund as self-select options.

INVESTMENT REPORT (DC Section) (continued)

Trustees' policies on environmental, social and governance and ethical factors (continued)

The Trustees recognise that some members may wish to invest in a way which is consistent with the principles of Islamic investment and therefore have made available the HSBC Islamic Global Equity Index Fund as a self-select investment option.

Trustees' policy on the implementation of asset manager arrangements

The Trustees have limited influence over managers' investment practices because all the Scheme's assets are held in pooled funds, but they encourage their managers to improve their practices where appropriate.

The Trustees' view is that the fees paid to the investment managers, and the possibility of their mandate being terminated, ensure they are incentivised to provide a high-quality service that meets the stated objectives, guidelines and restrictions of the fund. However, in practice managers cannot fully align their strategy and decisions to the (potentially conflicting) policies of all their pooled fund investors in relation to strategy, long-term performance of debt/equity issuers, engagement, and portfolio turnover.

It is the Trustees' responsibility to ensure that the managers' investment approaches are consistent with their policies before any new appointment, and to monitor and to consider terminating any existing arrangements that appear to be investing contrary to those policies. The Trustees expect investment managers, where appropriate, to make decisions based on assessments of the longer term financial and non-financial performance of debt/equity issuers, and to engage with issuers to improve their performance. They assess this when selecting and monitoring managers.

The Trustees evaluate investment manager performance by considering performance over both shorter and longer-term periods as available. The Trustees are unlikely to terminate a mandate on short-term performance grounds alone.

The Trustees' policy is to evaluate each of their investment managers by reference to the manager's individual performance as well the role it plays in helping the Scheme meet its objectives, taking account of risk, the need for diversification and liquidity. Each manager's remuneration, and the value for money it provides, is assessed in light of these considerations.

The Trustees recognise that portfolio turnover and associated transaction costs are a necessary part of investment management and that the impact of portfolio turnover costs is reflected in performance figures provided by the investment managers. The Trustees expect their investment consultant to incorporate portfolio turnover and resulting transaction costs as appropriate in its advice on the Scheme's investment mandates.

Employer related investments

As at 31 March 2023 there were 0.0% (2022: 0.0%) of total assets invested in Employer-related investments in the DC Section, within the meaning of Section 40(2) of the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005.

INVESTMENT REPORT (DC Section) (continued)

Investment Assets

The following table shows assets of the DC Section at the financial year end by fund.

Fund	Allocation as at 31 March 2023 (£)	Allocation as at 31 March 2022 (£)
LGIM Low Carbon Transition Global Equity Index Fund	17,984,884	-
LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged	1,572,903	19,213,685
LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund GBP Currency Hedged	277,331	240,862
LGIM World Emerging Markets Equity Index Fund	13,784	4,825
LGIM Ethical Global Equity Index Fund	782,267	660,474
HSBC Islamic Global Equity Index Fund	11,247	8,448
LGIM Multi-Asset Fund	7,495,737	6,703,075
GIM Managed Property Fund	253,368	237,171
LGIM Corporate Bond All Stocks Index Fund	153,013	130,086
LGIM Over 15 Years Fixed Interest Gilts Index Fund	121,812	163,512
LGIM Over 5 Year Index Linked Gilts Index Fund	110,527	162,725
LGIM Cash Fund	1,562,759	1,470,071
Total	**30,339,632**	**28,994,934**

** The LGIM Global Real Estate Equity Index Fund was made available to members on a self-select basis from June 2022 and zero assets are shown as at 31 March 2023 as members have not chosen to invest in this fund.*

Material changes to the DC investments during the year ended 31 March 2023 are set out below:

Within the default investment strategy (targeting cash withdrawal at retirement), the Trustees agreed to replace the LGIM Global Equity (30:70) Index Fund – GBP 75% Currency Hedged, which was used within the growth phase, with the LGIM Low Carbon Transition Global Equity Index Fund. This change was made to better protect members against climate change risk, materially reduce member borne fees, reduce the tobacco exposure in the growth phase, and address the UK equity allocation overweight. The transfer of assets took place on 4 August 2022.

In addition to the above, the Trustees agreed to the following changes, all of which were implemented on 1 June 2022:

- Make an alternative lifestyle arrangement available for members, the Ex-Tobacco Lifestyle Strategy. This strategy excludes tobacco companies and targets a cash lump sum at retirement;
- Make available the LGIM Low Carbon Transition Global Equity Index Fund (unhedged) and LGIM Global Real Estate Equity Index Fund for members as part of the Scheme's self-select fund range; and
- Close the LGIM Managed Property Fund to new investors.

Transaction costs

The Trustees are aware that indirect transaction costs will be incurred through the bid-offer spread on investments within the Scheme's pooled investment vehicles and charges made within those vehicles.

REPORT ON ACTUARIAL LIABILITIES

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

Under section 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, which represent the present value of benefits to which members are entitled based on pensionable service to the valuation date. This is assessed at least every 3 years using assumptions agreed between the Trustees and the employer and set out in the Statement of Funding Principles, a copy of which is available to Scheme members on request.

The most recent triennial actuarial valuation of the Scheme effective as at 31 March 2023 showed that the accumulated assets of the Scheme were £185.8m against the Scheme's technical provisions of £185.6m that represented a funding ratio of 100.1% which corresponds to a surplus of £0.2m in respect of past service benefits at the valuation date.

The value of technical provisions is based on pensionable service to the valuation date and assumptions about various factors that will influence the Scheme in the future, such as the levels of investment returns and pay increases, when members will retire and how long members will live.

The actuarial method used in the calculation of the technical provisions was the projected unit method and the significant actuarial assumptions were as follows:

Discount interest rate – pre-retirement: term dependent rates set by reference to the Aon fixed interest gilt yield curve at the valuation date plus an addition of 1.75% per annum.

Discount interest rate – post-retirement: term dependent rates set by reference to the Aon fixed interest gilt yield curve at the valuation date plus an addition of 0.5% per annum.

Future Retail Price inflation: the Aon RPI yield curve derived from the gilt market at the valuation date.

Future Consumer Price inflation: the assumption is derived at the valuation date by deducting 1.0% pa from the RPI inflation assumption up until 2030 and deducting 0.1% pa from the RPI inflation assumption from 2030 onwards.

Pension increases: derived from the RPI price inflation assumption allowing for the maximum and minimum annual increases using term dependent best estimates of future inflation volatility.

Pay increases: the RPI inflation assumption.

Mortality: for the period in retirement, standard tables SAPS S3 "All lives" tables with scaling factors of 106% (male actives), 113% (female actives), 109% (male deferred), 113% (female deferred), 102% (male pensioners), 106% (female pensioners), 110% (male future contingent pensioners of current active and deferred members), 108% (female future contingent pensioners of current active and deferred members), 105% (male future contingent pensioners of current pensioner members), and 106% (female future contingent pensioners of current pensioner members).

An allowance for improvements has been made in line with the CMI_2022 Projections, with Sk=7.0, A=0.25% and assuming a long-term annual rate of improvement in mortality rates of 1.50% for males and females.

Recovery plan

The Scheme was in surplus at 31 March 2023, therefore no recovery plan was required.

However, it was agreed with the Employer that an annual funding test will be carried out on 31 March each year between 31 March 2024 and 31 March 2026 inclusive, as had been agreed during the finalisation of the actuarial valuation as at 31 March 2020. If the funding test reveals a funding level of less than 100%, additional contributions of £208,333 per month will be payable for the 12 months from the immediately following 1 July or for a shorter period if the shortfall is projected to be eliminated in less than 12 months.

REPORT ON ACTUARIAL LIABILITIES (continued)

Discontinuance position

If the Scheme had been discontinued and wound up at 31 March 2023 there would have been insufficient assets to buy out the accrued benefits through the purchase of annuity policies with an insurer. The estimated discontinuance (or wind up) funding level was 81.2%, corresponding to a shortfall of £42.9m.

Next actuarial valuation

The next triennial valuation of the Scheme is due to be performed as at 31 March 2026.

ACTUARY'S CERTIFICATE OF SCHEDULE OF CONTRIBUTIONS

Certification of schedule of contributions

The RNIB Retirement Benefits Scheme

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected, at 31 March 2023 to be met for the period for which this 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 29 September 2023.

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

Signature: Date: 29 September 2023

Name: Russell Agius

Qualification: Fellow of the Institute and Faculty of Actuaries

Name of employer: Aon Solutions UK Limited

Address: Parkside House
Ashley Road
Epsom
Surrey
KT18 5BS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees' responsibilities in respect of the financial statements

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the Trustees. Pension scheme regulations require, and the Trustees are 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 these responsibilities, the Trustees are responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Scheme will continue as a going concern.

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

The Trustees have a general responsibility for ensuring that 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 Trustees are also responsible for the maintenance and integrity of the annual report on the media.rnib.org.uk website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' responsibilities in respect of contributions

The Trustees are responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a Schedule of Contributions showing the rates of contributions payable to the Scheme by or on behalf of employers and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustees are 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 that fall due to be paid are paid into the Scheme in accordance with the Schedule of Contributions.

Where breaches of the Schedule occur, the Trustees are required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

The Trustees' Report on pages 4 to 25, which includes the Investment Report, the Report on Actuarial Liabilities, the Statement of Trustees' Responsibilities and the Implementation Statement on page 59, was approved by the Trustees and signed on their behalf by:

Andrew Evans, Chair of Trustees. .	**29 September 2023**
Trustee	**Date**
Gareth Mason Davies	**29 September 2023**
Trustee	**Date**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RNIB RETIREMENT BENEFITS SCHEME

Report on the audit of the financial statements

Opinion

In our opinion, The RNIB Retirement Benefits Scheme's financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2023, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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.

We have audited the financial statements, included in the Report and Financial Statements, which comprise: the Statement of Net Assets (Available for Benefits) as at 31 March 2023; the Fund Account for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Scheme's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all the information in the Report and Financial Statements other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RNIB RETIREMENT BENEFITS SCHEME (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Trustees are 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 Trustees either intend to wind up the Scheme, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Scheme and its environment, we identified that the principal risks of non-compliance with laws and regulations related to the administration of the Scheme in accordance with the Pensions Acts 1995 and 2004 and regulations made under them, and codes of practice issued by the Pensions Regulator; and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, by the Trustees and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and determined that the principal risks were related to posting inappropriate journals to conceal misappropriation of assets and inappropriate adjustments of asset valuations. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Testing estimates and judgements made in the preparation of the financial statements for indicators of bias.
- Reviewing meeting minutes, any correspondence with the Pensions Regulator, and significant contracts and agreements.
- Holding discussions with the Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with the Pensions Acts 1995 and 2004 and regulations made under them.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RNIB RETIREMENT BENEFITS SCHEME (continued)

Use of this report

This report, including the opinion, has been prepared for and only for the Trustees as a body in accordance with Section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

Date: 29 September 2023

FUND ACCOUNT

For the year ended 31 March 2023

	Note	2023 Defined Benefit Section £'000s	2023 Defined Contribution Section £'000s	2023 Total £'000s	2022 Defined Benefit Section £'000s	2022 Defined Contribution Section £'000s	2022 Total £'000s
CONTRIBUTIONS AND BENEFITS							
Employer contributions	4	-	4,910	4,910	1,875	4,842	6,717
Employee contributions	4	-	38	38	-	27	27
Total contributions	4	-	4,948	4,948	1,875	4,869	6,744
Transfers in	5	-	8	8	-	19	19
		-	4,956	4,956	1,875	4,888	6,763
Benefits paid or payable	6	(6,379)	(376)	(6,755)	(5,655)	(455)	(6,110)
Payments to and on account of leavers	7	(496)	(1,285)	(1,781)	(1,454)	(896)	(2,350)
Administrative Expenses	8	(14)	-	(14)	-	-	-
		(6,889)	(1,661)	(8,550)	(7,109)	(1,351)	(8,460)
NET (WITHDRAWALS)/ADDITIONS FROM DEALINGS WITH MEMBERS		(6,889)	3,295	(3,594)	(5,234)	3,537	(1,697)
RETURNS ON INVESTMENTS							
Investment income	9	6,939	-	6,939	3,899	-	3,899
Change in market value of investments	11	(100,126)	(1,822)	(101,948)	4,428	2,265	6,693
Investment management expenses	10	92	(55)	37	(304)	(42)	(346)
NET RETURNS ON INVESTMENTS		(93,095)	(1,877)	(94,972)	8,023	2,223	10,246
NET (DECREASE)/INCREASE IN THE FUND FOR THE YEAR		(99,984)	1,418	(98,566)	2,789	5,760	8,549
OPENING NET ASSETS		285,781	29,398	315,179	282,992	23,638	306,630
CLOSING NET ASSETS		185,797	30,816	216,613	285,781	29,398	315,179

The notes on pages 31 to 46 form part of these financial statements.

STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS)

At 31 March 2023

	Note	2023 Defined Benefit Section £'000s	2023 Defined Contribution Section £'000s	2023 Total £'000s	2022 Defined Benefit Section £'000s	2022 Defined Contribution Section £'000s	2022 Total £'000s
INVESTMENT ASSETS							
Pooled investment vehicles	12	182,916	30,339	213,255	282,838	28,995	311,833
AVC investments	14	-	-	-	-	9	9
Cash deposits		1,079	9	1,088	2,009	10	2,019
TOTAL NET INVESTMENTS		183,995	30,348	214,343	284,847	29,014	313,861
CURRENT ASSETS	17	1,845	468	2,313	1,092	384	1,476
CURRENT LIABILITIES	18	(43)	-	(43)	(158)	-	(158)
TOTAL NET ASSETS AVAILABLE FOR BENEFITS		185,797	30,816	216,613	285,781	29,398	315,179

The notes on pages 31 to 46 form part of these financial statements.

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which considers such obligations for the Defined Benefit Section, is dealt with in the Report on Actuarial Liabilities on page 23 of the Annual Report and these financial statements should be read in conjunction with this report.

These financial statements on pages 29 to 46 were approved by the Trustees on 29 September 2023:

Signed on behalf of the Trustees

PA Evans

. . . .

Trustee

Gareth Mason Davies

. . . .

Trustee

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

1. BASIS OF PREPARATION

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

The financial statements have been prepared on the going concern basis. At the date of signing these financial statements the Trustees believes that the Scheme is able to comfortably cover its related outgoings for the foreseeable future and until at least 12 months from signing. As a result, and together with the relatively strong position of the Principal Employer, the Trustees considers the preparation of the financial statements on a going concern basis to be appropriate.

2. IDENTIFICATION OF THE FINANCIAL STATEMENTS

The Scheme is established as a trust under English law. The address for enquiries to the Scheme is included in the Trustees' Report.

3. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements are prepared on an accruals basis.

(b) Contributions

Contributions are accounted for in the period in which they fall due.

Employee contributions, including AVCs, are accounted for when deducted from members' pay, with the exception of contributions deducted from auto-enrolled members during the opt-out period, which are accounted for on the earlier of receipt or the expiry of the opt-out period. Employer normal contributions are accounted for on the same basis as employee contributions. Employer additional contributions are accounted for in accordance with the agreement under which they are paid.

Employer deficit funding contributions are accounted for either on the due dates on which they are payable in accordance with the Schedule of Contributions under which they are paid or, in the absence of any formal agreement between the Trustees and Principal Employer, on a receipts basis.

(c) Payments to members

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

Benefits are accounted for in the period in which the member notifies the Trustees 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.

Transfer values represent the capital sums either receivable in respect of members from other pension schemes of previous employers or payable to the pension schemes of new employers for members who have left the Scheme. 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.

(d) Expenses

Administrative expenses, transcription services, insurance premiums and investment expenses are borne by the Principal Employer in accordance with the Schedule of Contributions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

3. ACCOUNTING POLICIES (continued)

(e) Investment Income

Income from cash deposits is accrued on a daily basis.

Investment income is reported net of attributable tax credits, but gross of withholding taxes which are accrued in line with the associated investment income. Irrecoverable withholding taxes are reported separately as a tax charge.

Investment income arising from the underlying investments of the pooled investment vehicles is rolled up and reinvested within the pooled investment vehicles. This is reflected in the unit price and reported within change in market value of investments.

(f) Investments

Investment assets and liabilities are included in the financial statements at fair value. Where separate bid and offer prices are available, the bid price is used for investment assets and the offer price for investment liabilities. Otherwise, the closing single price, single dealing price or most recent transaction price is used.

Foreign currency transactions are translated into sterling at the rate prevailing on the date of the transaction.

The market value of investments and other assets and liabilities held in foreign currencies are translated into sterling at the rates of exchange ruling at the year-end. Differences arising on the translation of investments are included in changes in market value.

Other investment management expenses are accounted for on an accruals basis and shown separately within investment returns.

The change in market value of investments comprises all increases and decreases in the market value of investments held at any time during the year, including the profits and losses realised on sales of investments and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, where income if reinvested within the fund without issue of further units, change in market value also includes such income.

(g) Currency

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

(h) Critical accounting estimates and judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Net Assets date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The Trustees confirm that no judgements have had a significant effect on amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

4. CONTRIBUTIONS

	2023		
	Defined Benefit Section £'000s	Defined Contribution Section £'000s	Total £'000s
Employer contributions			
Normal	-	4,910	4,910
	-	4,910	4,910
Employee contributions			
Normal	-	14	14
Special	-	24	24
	-	38	38
	-	4,948	4,948

	2022		
Employer contributions			
Normal	-	4,842	4,842
Deficit funding	1,875	-	1,875
	1,875	4,842	6,717
Employee contributions	-		
Normal	-	13	13
Special	-	14	14
	-	27	27
	1,875	4,869	6,744

Due to an administrative error, Contributions for the months of June and July 2022 were paid later than the requirements of the Schedule of Contributions. Contributions in respect of June 2022 totalling £377,954 were paid 3 days after the due date per the Schedule of Contributions. Contributions in respect of July 2022 totalling £380,870 were paid 6 days after the due date per the Schedule of Contributions.

Employer and Employee normal contributions to the DB section ceased with effect from 1 April 2019 due to the closure to future accruals. Ongoing contributions to the DC section of the Scheme are paid direct to Legal & General from 1 April 2019.

All the expenses have been paid directly by the Principal Employer and as such, no other contributions have been required.

The Scheme was in surplus as at the 31 March 2023 Actuarial Valuation. A new Schedule of Contributions was signed 29 September 2023 and no further deficit contributions are due. However, under the new Schedule of Contributions, the Trustees and the Employers have agreed that an annual funding test will be carried out each 31 March, from 31 March 2024 to 31 March 2026 inclusive, to determine if additional Employer contributions will be paid in future. If the funding test reveals a funding level on the rolled-forward Technical Provisions basis at any given 31 March of less than 100%, additional contributions of £208,333 per month will be payable for the shorter of a 12-month period commencing on the next 1 July after the date of the funding test, and a period of less than 12 months until the deficit as at the 31 March is removed. If the funding test reveals a funding level on the rolled-forward Technical Provisions basis at any given 31 March of greater than or equal to 100%, no additional contributions will be payable or the 12-month period commencing on the next 1 July after the date of the funding test.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

5. TRANSFERS IN

	Defined Benefit Section £'000s	2023 Defined Contribution Section £'000s	Total £'000s
Individual transfers in from other schemes	-	8	8
		2022	
Individual transfers in from other schemes	-	19	19

6. BENEFITS PAID OR PAYABLE

	Defined Benefit Section £'000s	2023 Defined Contribution Section £'000s	Total £'000s
Pensions	5,167	-	5,167
Commutation of pensions and lump sum retirement benefits	1,161	369	1,530
Lump sum death benefits	23	7	30
Refunds of contributions on death	28	-	28
	6,379	376	6,755
		2022	
Pensions	4,962	-	4,962
Commutation of pensions and lump sum retirement benefits	666	453	1,119
Lump sum death benefits	16	2	18
Refunds of contributions on death	11	-	11
	5,655	455	6,110

7. PAYMENTS TO AND ON ACCOUNT OF LEAVERS

	Defined Benefit Section £'000s	2023 Defined Contribution Section £'000s	Total £'000s
Refund to Principal Employer	-	4	4
Individual transfers out to other schemes	496	1,281	1,777
	496	1,285	1,781
		2022	
Refund to Principal Employer	2	2	4
Individual transfers out to other schemes	1,452	894	2,346
	1,454	896	2,350

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

8. ADMINISTRATIVE EXPENSES

	2023		
	Defined Benefit Section £'000s	Defined Contribution Section £'000s	Total £'000s
Administrative expenses	14	-	14
	2022		
Administrative expenses	-	-	-

9. INVESTMENT INCOME

	2023		
	Defined Benefit Section £'000s	Defined Contribution Section £'000s	Total £'000s
Income from pooled investment vehicles	6,930	-	6,930
Bank Interest	9	-	9
	6,939	-	6,939
	2022		
Income from pooled investment vehicles	3,899	-	3,899

10. INVESTMENT MANAGEMENT EXPENSES

	2023		
	Defined Benefit Section £'000s	Defined Contribution Section £'000s	Total £'000s
Administration, management & custody	(92)	55	(37)
	2022		
Administration, management & custody	304	42	346

Investment expenses are negative in 2023 due to an over accrual of expenses in previous years.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. RECONCILIATION OF INVESTMENTS

Defined Benefit Section	Value at 01.04.2022 £'000s	Purchases at cost £'000s	Sales proceeds £'000s	Change in market value £'000s	Value at 31.03.2023 £'000s
Pooled investment vehicles	282,838	165,028	(164,824)	(100,126)	182,916
Cash deposits	2,009				1,079
	284,847				183,995
Defined Contribution Section					
Pooled investment vehicles	28,995	23,653	(20,496)	(1,813)	30,339
AVC investments	9	-	-	(9)	-
	29,004	23,653	(20,496)	(1,822)	30,339
Cash in transit	10				9
	29,014				30,348

There were no direct transaction costs incurred by the Scheme. Indirect transaction costs are incurred through the bid-offer spread on pooled investment vehicles and charges made within those vehicles. It has not been possible for the Trustees to quantify such indirect transaction costs.

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.

Defined contribution section investments held by the Scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. For pre-1 April 2019 DC members the investment manager holds the investment units on a pooled basis for the Trustees and the Scheme administrator allocates investment units to members. For post-1 April 2019 DC members the investment manager holds investment units on a per member basis. The Trustees hold investment units representing the value of employer contributions that have been retained by the Scheme that relate to members leaving the Scheme prior to vesting.

12. POOLED INVESTMENT VEHICLES

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

Defined Benefit Section	2023 £'000s	2022 £'000s
Bonds	93,811	195,613
Diversified Growth	89,105	87,225
	182,916	282,838

Defined Contribution Section	2023 £'000s	2022 £'000s
Equity	20,642	20,128
Bonds	385	457
Diversified Growth	7,496	6,703
Property	253	237
Cash	1,563	1,470
	30,339	28,995

The investment managers operating the pooled investment vehicles are all registered in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

13. AVC INVESTMENTS

In addition to Additional Voluntary Contributions (AVC) invested within pooled investment vehicles, the Trustees also held assets which were separately invested from the main fund to secure additional benefits on a money purchase basis. These investments have been withdrawn during the Scheme year and therefore there are no longer any assets held under this arrangement.

The amount of AVC investments held at the year-end is as follows:	2023	2022
	£'000s	£'000s
Utmost Life & Pensions (Unit linked)	-	9

14. 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 entity can access at the measurement date.

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

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

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

At 31 March 2023

Defined Benefit Section	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
Pooled investment vehicles	-	173,575	9,341	182,916
Cash	1,079	-	-	1,079
	1,079	173,575	9,341	183,995
Defined Contribution Section				
Pooled investment vehicles	-	30,339	-	30,339
AVC investments	-	-	-	-
Cash	9	-	-	9
	9	30,339	-	30,348
	1,088	203,914	9,341	214,343

At 31 March 2022

Defined Benefit Section	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
Pooled investment vehicles	-	277,831	5,007	282,838
Cash	2,009	-	-	2,009
	2,009	277,831	5,007	284,847
Defined Contribution Section				
Pooled investment vehicles	-	28,995	-	28,995
AVC investments	-	-	9	9
Other investments	10	-	-	10
	10	28,995	9	29,014
	2,019	306,826	5,016	313,861

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. FAIR VALUE DETERMINATION (continued)

Pooled investment vehicles which are traded regularly are generally included in level 2. Where the absence of regular trading or the unsuitability of recent transaction prices as a proxy for fair value applies, valuation techniques are adopted and the vehicles are included in level 3

15. INVESTMENT RISK DISCLOSURES
Defined Benefit Section

Investment risks

Financial Reporting Standards requires the disclosure of information in relation to certain investment risks. The principal investment risks are 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 or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other price risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency 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 Trustees determine their investment strategy after taking advice from the Fiduciary Manager. The Scheme has exposure to these risks because of the investments it makes in following the investment strategy. The Trustees manage 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 set out in the Investment Management Agreement, implemented by the Fiduciary Manager and the Trustees regularly monitor and review the on-going suitability of the investment portfolio.

Pooled Investment Vehicles	Credit Risk	Market risk Currency	Market risk Interest Rate	Market risk Other price	2023 £'m	2022 £'m
Multi Asset Growth Strategies Fund	●	◐	◐	◐	79.8	82.2
Income Generating Portfolio	●	○	●	○	21.9	30.6
Matching Portfolio (Bond and LDI Funds) (previously referred to as bonds)	●	○	●	○	81.2	170.0
Total					**182.9**	**282.8**

Note: Total figures may not sum due to rounding

In the above table, the risk noted affects the asset class [●] significantly, [◐] partially or [○] hardly / not at all.

Further information on the Trustees' approach to risk management, credit and market risk is set out below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Benefit Section (continued)

Investment risks (continued)

Credit risk

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

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the underlying investment managers, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. For the DB section the Fiduciary Manager is responsible for deciding which underlying investment managers the Scheme invests in.

Indirect credit risk arises in relation to the underlying investments held within the portfolio. The Multi Asset Growth Strategies Fund has the discretion to invest across a number of asset classes globally and decide whether to invest in assets exposed to credit risk on an individual basis. Within the Matching portfolio risk is mitigated by investing in UK government bonds and derivative contracts which are frequently marked-to-market. The Income Generating portfolio mitigates risk by investing in investment grade corporate bonds which carry lower credit risk compared to higher yielding bonds.

A summary of the pooled investment vehicles subject to credit risk by type of arrangement is as follows:

	2023 £'000s	2022 £'000s
Open-ended investment companies	173,575	277,831
Closed-ended investment companies	9,341	5,007
	182,916	282,838

Currency risk

The Scheme is subject to indirect currency risk because some of the Multi Asset Growth Strategies funds' underlying investments are held in overseas markets and therefore denominated in a foreign currency (i.e. a currency other than Sterling).

The Fiduciary Manager has the discretion to decide whether to hedge the currency risk associated with these investments on an individual basis.

Interest rate risk

Changes in market interest rates will indirectly affect the fair value of the underlying holdings in the Matching and Income portfolios used to help match the liability cash flows of the Scheme. The objective of investing in these funds is to help the Scheme better match to the benefit payments that it needs to make to the beneficiaries as they fall due.

The Trustees have implemented a matching portfolio which broadly tracks changes in the liability value. Under this strategy, if interest rates fall, the value of the matching assets will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the matching investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

The Trustees periodically review the level of interest rate exposure in the matching portfolio.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Benefit Section (continued)

Other price risk

The investment portfolio is also exposed to other idiosyncratic price risks that arise from factors other than the three risk factors highlighted above.

The decision as to whether to invest in a security is delegated to the Fiduciary Manager. Before investing in any asset class, investment manager or individual security the Fiduciary Manager will consider the associated risks on both a quantitative and qualitative basis.

The purpose of accepting these risks is to ensure that, when considered, the Scheme has a suitably diversified portfolio in terms of the type of risks taken and the drivers of future expected returns. The Trustees receive regular reports from their investment managers and Fiduciary Manager setting out the nature and extent of the risks in the Scheme's investment portfolios.

(b) Defined Contribution Section

The Trustees determined the Scheme's DC investment strategy after obtaining written professional advice from their professional investment adviser. The DC Section of the Scheme has exposure to the aforementioned risks because of the investments held to implement the investment strategy, which is described in section 5 of the Trustees' report. The Trustees manage investment risks, including credit risk and market risk, considering the Scheme's investment objectives and strategy, and the advice of their investment advisers.

Within each investment fund, investment objectives and restrictions to manage risk are implemented through the legal agreements in place with the Scheme's investment managers. The Trustees monitor the performance of the DC arrangements and associated risks, and each investment manager against its objectives and restrictions, on a regular basis.

Further information on these risks and the Trustees' approach to risk management is set out below.

Credit risk

The DC Section is subject to credit risk through its investments in pooled investment vehicles. It is directly exposed to the credit risk of the insurance company for any pooled vehicles structured as life policies. The DC Section invests in pooled funds via an investment platform and is therefore also exposed to credit risk in relation to the solvency of the platform provider.

The role of a custodian is to ensure the safe-keeping of the assets and facilitate all transactions entered into by the appointed investment managers. The Trustees are not responsible for the appointment of the custodian of the assets contained within the various pooled fund investments. The pooled investment vehicle's governing body is responsible for appointing its own custodian for the safe-keeping, monitoring and reconciliation of documentation relating to these securities.

The DC Section's holdings in pooled investment vehicles are 'unrated' from a credit perspective. Direct credit risk arising from pooled investment vehicles is mitigated by: the underlying assets of the pooled arrangements being ring-fenced from the assets of the custodian and the investment manager; the regulatory environments in which the pooled fund managers operate; and diversification of the DC Section's investments across a number of pooled funds. The Trustees carry out due diligence checks on investments into new pooled funds and on an ongoing basis monitor any changes to the operating environment of those pooled funds.

The Section is indirectly exposed to credit risks arising from the underlying investments held by the pooled funds, for example where they invest in bonds. The indirect exposure to credit risk arises from the Section's investments in the LGIM Multi-Asset Fund, LGIM Corporate Bond All Stocks Index Fund and LGIM Over 15 Years Fixed Interest Gilts Index Fund. The amount invested in each of these mandates is shown in the Statement of Net Assets.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Contribution Section (continued)

Credit risk (continued)

The managers of the pooled funds that invest in fixed income manage credit risk by having a diversified exposure to issuers, conducting thorough research on the probability of default of those issuers, and having only a limited exposure to securities rated below investment grade. The magnitude of credit risk within each fund will vary over time, as the manager changes the underlying investments in line with its views on markets, asset classes and specific securities.

In the event of default of the platform provided the Trustees understand that the DC Section is protected by the Financial Services Compensation Scheme ("FSCS"). For insurance policy arrangements such as that which the DC Section has with the platform provider, the FSCS aims to ensure the members would get back 100% of any loss with no upper limit. However, in the event of default by one of the other underlying fund managers, members would not be covered by the FSCS, because there is no direct link between the Trustees and those managers.

A summary of the pooled investment vehicles subject to credit risk by type of arrangement is as follows:

	2023 £000	2022 £000
Open ended investment companies	30,339	28,995

Direct credit risk – DC platform

The DC Section invests in pooled funds via an investment platform, Legal & General Assurance (Pensions Management) Limited ("L&G"), and is therefore exposed to credit risk in relation to the solvency of L&G.

In the event of default of the platform provider, the Trustees understand that the DC Section is protected by the Financial Services Compensation Scheme ("FSCS"). For insurance policy arrangements such as that which the DC Section has with platform provider, the FSCS aims to ensure the members would get back 100% of any loss with no upper limit. However, in the event of default by one of the other underlying fund managers, members would not be covered by the FSCS, because there is no direct link between the Trustees and those managers.

Direct credit risk – Pooled funds

The DC Section is subject to credit risk through its investments in pooled investment vehicles. It is directly exposed to credit risk in relation to the solvency of the custodians of those funds. It is directly exposed to the credit risk of the insurance company for any pooled vehicles structured as life policies.

The DC Section's holdings in pooled investment vehicles are 'unrated' from a credit perspective. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the assets of the custodian and the investment manager; the regulatory environments in which the pooled fund managers operate; and diversification of the DC Section's investments across a number of pooled funds.

The Trustees carry out due diligence checks on investments into new pooled funds and on an ongoing basis monitor any changes to the operating environment of those pooled funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Contribution Section (continued)

Direct credit risk – Pooled funds (continued)

The role of a custodian is to ensure the safe keeping of the assets and facilitate all transactions entered into by the appointed investment managers. The Trustees are not responsible for the appointment of the custodian of the assets contained within the various pooled fund investments. The pooled investment vehicle's governing body is responsible for appointing its own custodian for the safe-keeping, monitoring and reconciliation of documentation relating to these securities. All of the DC Section's assets are invested in pooled funds and the fund vehicles are all unit-linked life insurance policies.

Indirect credit risk – underling investments of the pooled funds

There is indirect credit risk arising from the underlying investments of the pooled funds. As at 31 March 2023 around 26% (2022: 24%) of the DC section assets were invested in pooled funds whose underlying investments are significantly exposed to credit risk.

The DC Section is indirectly exposed to credit risks arising from the underlying investments held by the pooled funds, for example where they invest in bonds. The indirect exposure to credit risk arises from members' investments in the LGIM Multi-Asset Fund and LGIM Corporate Bond All Stocks Index Fund. The amount invested in each of these mandates is shown in the table at the end of this section.

The managers of the pooled funds that invest in fixed income manage credit risk by having a diversified exposure to issuers, conducting thorough research on the probability of default of those issuers, and having only a limited exposure to securities rated below investment grade. The magnitude of credit risk within each fund will vary over time, as the manager changes the underlying investments in line with its views on markets, asset classes and specific securities.

Indirect credit risk also arises in relation to underlying investments held in the property pooled investment vehicles. The direct property funds are exposed to the credit risk relating to the underlying tenants. This risk is mitigated by holding a diverse portfolio of investments with exposure to a range of properties and tenants. The indirect exposure to credit risk arises from members' investments in the LGIM Managed Property Fund.

Currency risk

All of the DC Section's pooled funds are accessed via a Sterling share class. Therefore the DC Section is not subject to direct currency risk.

Whilst the majority of the currency exposure of the DC Section's assets is to Sterling, the DC Section is subject to indirect currency risk because some of the investments within the pooled funds accessed by members are in overseas markets. The Trustees consider the overseas currency exposure of the default investment strategy and believe it is appropriate as it offers diversification to other types of investment risk. For members that wish to self-select the Trustees have made available funds that invest in overseas markets that hedge the currency risk exposure. For example the LGIM Global Equity Market Weights (30:70) Index Fund - GBP 75% Currency Hedged has around 70% exposure to overseas equities but around 75% of the currency exposure is hedged back to Sterling.

As at 31 March 2023 around 92% (2022: 92%) of the DC Section's assets were invested in funds that are exposed to currency risk.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Contribution Section (continued)

Currency risk (continued)

The DC Section's assets that are exposed to indirect currency risk are the LGIM Low Carbon Transition Global Equity Index Fund, LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged, LGIM Multi-Asset Fund, HSBC Islamic Global Equity Index Fund, LGIM Ethical Global Equity Index Fund, LGIM World Emerging Markets Equity Index Fund and LGIM Global Real Estate Equity Index Fund, which have some exposure to non-Sterling investments that are not currency hedged. The amount invested in each of these mandates is shown in the table at the end of this section.

The exposure to foreign currencies within the pooled funds will vary over time as the manager changes the underlying investments, but is not expected to be a material driver of returns over the longer term. Decisions about the exposure to foreign currencies within the pooled funds held are at the discretion of the appointed fund managers.

Interest rate and inflation rate risk

The funds offered to members of the DC Section with investments in bonds are also subject to interest rate and inflation risk. Bond funds are offered as self-select options to members and may be used by members to diversify against other types of risk. As at 31 March 2023 around 26% (2022: 25%) of the DC Section's assets were invested in funds that are significantly exposed to interest rate and/or inflation risk.

Other price risk

The funds offered to members of the DC Section are exposed to risks of market prices other than currencies and interest rates, such as the pooled funds that hold equities being subject to movements in equity prices.

As at 31 March 2023 around 94% (2022: 93%) of the DC Section's assets were invested in funds that are significantly exposed to other price risk.

The Trustees monitor risks on a regular basis, for example via quarterly investment reports from their investment advisers. A detailed review of all the DC Section investments including consideration of risk exposure of the default is carried out at least on a triennial basis. The Trustees believe that the DC Section's default strategy is adequately diversified between different asset classes and within each asset class to manage this risk, and the DC options provide a suitably diversified range for members to choose from.

The exposure to other price risk within the multi-asset mandates will vary over time depending on how the managers change the underlying asset allocation to reflect their market views.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

15. INVESTMENT RISK DISCLOSURES (continued)

Defined Contribution Section (continued)

Other price risk (continued)

The table below summarises the DC Section investments that have significant exposure to indirect credit and market risks.

	Credit risk	Currency risk	Interest rate risk	Other price risk	31 Mar 2023 £000	31 Mar 2022 £000
LGIM Low Carbon Transition Global Equity Ind 3B Weights	○	●	○	●	17,985	-
LGIM Global Equity Market Weights 30:70 Index 3	○	●	○	●	1,573	19,213
LGIM FTSE World Developed (ex Tobacco) Equity Index	○	○	○	●	277	241
LGIM HSBC Islamic Global Equity Index Fund	○	●	○	●	11	8
LGIM Ethical Global Equity Index Fund	○	●	○	●	782	660
LGIM World Emerging Markets Equity Index	○	●	○	●	14	5
LGIM Multi-Asset Fund	●	●	●	●	7,496	6,703
LGIM Managed Property Fund	○	○	○	●	253	237
LGIM Global Real Estate Equity	○	●	○	●	-	-
LGIM Corporate Bond All Stocks Index	●	○	●	○	153	130
LGIM Over 15 Years Fixed Interest Gilts Index	●	○	●	○	122	164
LGIM Over 5 Year Index Linked Gilts Index	○	○	●	○	111	163
LGIM Cash Fund	○	○	○	○	1,562	1,470
Total					**30,339**	**28,994**

(c) Other matters

During 2022, geopolitical issues (such as Russia's war in Ukraine) and economic issues (such as increases in the rates of inflation and interest rates and movements in foreign currencies) have had a profound effect on domestic and global economies, with disruption and volatility in the financial markets. The Trustees, in conjunction with their advisers, monitor the situation closely and determine any actions that are considered to be necessary. This includes monitoring the Scheme's investment portfolio, the operational impact on the Scheme and the covenant of the Principal Employer. The extent of the impact on the Scheme's investment portfolio, including financial performance, will depend on future developments in financial markets and the overall economy, all of which are uncertain and cannot be predicted. Since the year end, the value of the Scheme's investment assets and investment liabilities have been impacted. Whilst the Trustees monitor the overall position, they have not, at this time, quantified the change (being an increase or decrease) in market value of the investment assets and investment liabilities as markets remain fluid and unpredictable.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

16. CONCENTRATION OF INVESTMENTS

The following investments represented over 5% of the net assets of the Scheme:

	2023		2022	
	£'000s	%	£'000s	%
Russell Investment Multi Asset Sterling A GBP Mutual Fund	79,764	36.8%	82,218	26.1%
Russell Investment Sterling Liquidity Fund Roll Up	-	-	69,782	22.1%
Blackrock Liability Matching LEV 2032 – Index Linked Fund*	-	-	23,255	7.4%
Blackrock Liability Matching LEV 2050 – Index Linked Fund	16,628	7.6%	16,782	5.3%
Blackrock Liability Matching LEV 2040 – Index Linked Fund	19,332	8.9%	22,386	7.1%
Insight – IIFIG Maturing Buy & Maintain Bond Fund	12,587	5.8%	25,613	8.1%
LGIM Low Carbon Transition Global Equity Index Fund (DC)	17,984	8.3%	-	-

*Blackrock Liability Matching LEV 2032 and Russell IC Sterling Liquidity R Roll Up Class - the Index Linked Fund are less 5% but still held

17. CURRENT ASSETS

	2023		
	Defined Benefit Section	Defined Contribution Section	Total
	£'000s	£'000s	£'000s
Bank balance	1,460	-	1,460
Pensions paid in advance	385	-	385
Contributions receivable – employer	-	468	468
	1,845	468	2,313

	2022		
Bank balance	1,092	3	1,095
Contributions receivable - employer	-	381	381
	1,092	384	1,476

The Defined Contribution Section bank balance includes £Nil (2022: £Nil) which is not allocated to members as at 31 March 2023.

18. CURRENT LIABILITIES

	2023		
	Defined Benefit Section	Defined Contribution Section	Total
	£'000s	£'000s	£'000s
Accrued expenses	-	-	-
Unpaid benefits	43	-	43
	43	-	43

	2022		
Accrued expenses	110	-	110
Unpaid benefits	48	-	48
	158	-	158

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2023

19. EMPLOYER RELATED INVESTMENTS

The Scheme did not hold any employer-related investments at the year-end (2022: nil).

20. RELATED PARTIES

Related party transactions and balances comprise:

Key management personnel

2 Trustees, S King and V Morton, who resigned during the year were in receipt of pension benefits in line with the Scheme Rules during their periods as member nominated Trustees of the Scheme.

D Clark and J Holifield was an active member of the Scheme and accrued benefits in accordance with the Scheme Rules until 10 March 2023, when he resigned as a Trustee to the Scheme.

S Fox is an active member of the Scheme and accrued benefits in accordance with the Scheme Rules during the Scheme year."

During the year the Scheme paid Trustee fees or expenses of £35 (2022: £Nil).

Employer and other related parties

In accordance with the Schedule of Contributions the Principal Employer is paying all costs of administering the Scheme.

21. TAXATION STATUS

The Scheme is a registered pension scheme for tax purposes under the Finance Act 2004. The Scheme is therefore exempt from income tax and capital gains tax except for certain withholding taxes relating to overseas investment income. Tax charges are accrued on the same basis as the investment income to which they relate.

22. OTHER MATTERS

During the Scheme year, the value of the Scheme's investment assets and investment liabilities have been impacted by market developments following the mini-Budget. A loss of £15.5m was incurred when one of the Scheme's Liability Driven Investment managers unilaterally removed hedging when interest rates were close to their peak at the time and when the Fiduciary Manager reinstated the hedging at the earliest opportunity to do so. The Trustees are satisfied with the current level of liquidity within the Defined Benefits section of the investment portfolio and the overall positioning of this section of the portfolio to enable the Trustees to reduce to a reasonable extent the likely adverse impact, if any, of presently unknown future market movements

23. CONTINGENCIES AND COMMITMENTS

In the opinion of the Trustees, the Scheme had no contingent liabilities as at 31 March 2023 (2022: Nil). The Scheme had no capital commitments as at 31 March 2023 (2022: Nil).

INDEPENDENT AUDITORS' STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEES OF THE RNIB RETIREMENT BENEFITS SCHEME

Statement about contributions

Qualified opinion

In our opinion, except for the matter described in the basis for qualified opinion paragraph below, the contributions required by the Schedule of Contributions for the Scheme year ended 31 March 2023 as reported in The RNIB Retirement Benefits Scheme's summary of contributions have, in all material respects, been paid in accordance with the Schedule of Contributions certified by the Scheme Actuary on 3 December 2021.

We have examined The RNIB Retirement Benefits Scheme's summary of contributions for the Scheme year ended 31 March 2023 which is set out on the following page.

Basis for qualified opinion

The summary of contributions discloses details of the late contributions which have led us to qualify our opinion.

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 in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme under the Schedule of Contributions, and the timing of those payments.

Responsibilities for the statement about contributions

Responsibilities of the Trustees in respect of contributions

As explained more fully in the statement of Trustees' responsibilities, the Scheme's Trustees are 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 employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustees as a body in accordance with Section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

Date: ...29 September 2023

SUMMARY OF CONTRIBUTIONS PAID IN THE YEAR

During the year, the contributions paid to the Scheme by the employer under the Schedule of Contributions were as follows:

	£'000s
Employer normal contributions	4,910
Employee normal contributions	14
Total contributions required by the Schedule of Contributions, as reported on by the Scheme auditors	4,924
Reconciliation to the financial statements:	
Contributions required by the Schedule of Contributions	4,924
Members' Additional Voluntary Contributions	24
Contributions receivable per the financial statements	4,948

Due to an administrative error, DC Contributions for the months of June and July 2022 were paid later than the requirements of the Schedule of Contributions. Contributions in respect of June 2022 totalling £377,954 were paid 3 days after the due date per the Schedule of Contributions. Contributions in respect of July 2022 totalling £380,870 were paid 6 days after the due date per the Schedule of Contributions

This summary was approved by the Trustees on 29 September 2023

Signed on behalf of the Trustees

PA Evans
Andrew Evans, Chair of Trustees
. . . .
Trustee

GM Davies
Gareth Mason Davies
. . . .
Trustee

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023

1. Introduction and members' summary

The RNIB Retirement Benefits Scheme (the "Scheme") is an occupational pension scheme providing defined contribution ("DC") benefits (a DC pension scheme is where employee and employer contributions are paid into it, the member can choose their investments, and the value of the member's benefits is affected by investment returns, positively or negatively).

Governance requirements apply to DC pension arrangements, to help members achieve a good outcome from their pension savings. We, the Trustees of the Scheme, are required to produce a yearly statement (signed by the Chair of Trustees) covering:

- the design and oversight of the default investment option (i.e. where contributions are invested for members that do not wish to choose their own investments);
- processing of core financial transactions (i.e. administration of the Scheme, such as investment of contributions);
- the charges and transaction costs borne by members for the default option and any other investment option members can select or have assets in, such as "legacy" funds;
- an illustration of the cumulative effect of these costs and charges;
- net returns of the investment options;
- how the value members obtain from the Scheme is assessed; and
- Trustee knowledge and understanding.

The key points that we would like members reading this Statement to take away are as follows:

- We regularly monitor the investment arrangements, and we are satisfied that the default and other investment options remain suitable for the membership.
- The administrator has processed core financial transactions promptly and accurately to an acceptable level during the Scheme year, and we remain comfortable with the administrator's performance.
- Fees can have a material impact on the value of your pension savings and the fee impact is greater the more time passes, since fees reduce the amount of money which can grow with future investment returns.
- Fees for the investment options are set out in this Statement. We believe that members receive good value from the Scheme overall.
- Please rest assured that we are looking after your best interests as members, and we undertake training and receive advice as appropriate so that we have sufficient knowledge and understanding to do so effectively.

2. Default arrangement

The Scheme is used as a Qualifying Scheme for automatic enrolment purposes. This means that it is used as a pension savings scheme for employees who are eligible for automatic enrolment into a pension scheme.

We have made available a range of investment options for members. Members who join the Scheme and who do not choose an investment option are placed into the default investment arrangement, which is the Lump Sum Targeting Strategy (the "Default"). We recognise that most members do not make active investment decisions and instead invest in the Default. After taking advice, we decided to make the Default a "lifestyle strategy", which means that members' assets are automatically moved between different investment funds as they approach their target retirement date.

We are responsible for investment governance, which includes setting and monitoring the investment strategy for the default arrangement.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

2. default arrangement (continued)

Details of the objectives and our policies regarding the default arrangement can be found in a document called the 'Statement of Investment Principles' ("SIP"). The Scheme's SIP covering the default arrangement is available at Benefits of working at RNIB | RNIB .

The aims and objectives of the Default, as stated in the SIP, are as follows:

- Generate returns above inflation whilst members are some distance from retirement.
- Switch automatically and gradually to lower risk investments as members near retirement.
- The asset allocation of the default strategy should be reflective of the form in which the Trustees expect most members to take their assets.

The Default was not reviewed during the period covered by this Statement. The last review commenced in August 2021. Following this review, we concluded that it remained appropriate for the Default to target a cash lump sum. To help address the risks posed by climate change, we decided to switch the global equity fund in the Default to one that has much lower exposure to greenhouse gas emissions, the L&G Low Carbon Transition Global Equity Index Fund. This change was implemented during the Scheme year effective from 4 August 2022.

We regularly monitor the performance of the Default and will formally review the strategy at least every three years. The next review is intended to take place in August 2024 or immediately following any significant change in investment policy or the Scheme's member profile.

In addition to the triennial strategy review we also review the performance of the Default against its objectives on a quarterly basis. This review includes performance analysis to check that the risk and return levels meet expectations. Our reviews over the Scheme year concluded that the Default was performing broadly as expected, and consistently with the aims and objectives as stated in the SIP.

3. Requirements for processing core financial transactions

Legal & General ("L&G")

The processing of core financial transactions is carried out by the administrator of the Scheme, L&G. Core financial transactions include (but are not limited to): the investment of contributions, processing of transfers in and out of the Scheme, transfers of assets between different investments within the Scheme, and payments to members and beneficiaries.

We recognise that delay and error can cause significant issues for members. We have received assurance from L&G that there are adequate internal controls to support prompt and accurate processing of core financial transactions.

The Scheme has a service level agreement ("SLA") in place with the administrator which covers the accuracy and timeliness of all core financial transactions. The SLA details the target processing times for 28 administration processes which include contribution allocation, investment switches, pre-retirement processes, transfers of members' funds into and out of the Scheme, retirement, and ill health as well as death processes. The SLA'S form part of the quarterly Governance Report issued by L&G to the Trustees. The key processes adopted by the administrator to help it meet the SLA are as follows:

- Day to day administration is managed through work management systems with built in controls to ensure a high level of quality through checking processes. These are also subject to quality sampling.
- The administration systems have data restrictions in place. The L&G systems have a data specification to restrict acceptance of incorrect data at source.
- A The Pensions Regulator ("TPR") Record Keeping Report is available to the Trustees which checks the Scheme's records for all common and conditional data items.
- L&G complete internal audit processes to ensure processing controls are in place and adhered to.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

3. Requirements for processing core financial transactions (continued)

L&G reported performance of 99% against SLAs over the Scheme year, surpassing its target of 95%.

To help us monitor whether service levels are being met, we receive quarterly reports about the administrator's performance and compliance with the SLA and any complaints that have been raised by members. Any issues identified as part of our review processes would be raised with the administrators immediately, and steps would be taken to resolve the issues.

Based on its review processes, we are satisfied that over the period covered by this Statement:

- the administrator was operating appropriate procedures, checks and controls, and operating within the agreed SLA;
- there have been no material administration issues in relation to processing core financial transactions; and
- core financial transactions have been processed promptly and accurately to an acceptable level during the Scheme year.

We recently became aware of some calculation errors by the payroll team at RNIB with regard to member contributions for a small proportion of Scheme members. These contribution shortfalls have been rigorously investigated by us and are being swifty rectified for the affected members. The adjustments have been made subsequent to the end of the Scheme year. We are carefully monitoring the steps which have been taken by RNIB to ensure that no further issues arise.

4. Member-borne charges and transaction costs

We are required to set out the on-going charges incurred by members over the period covered by this Statement, which are annual fund management charges plus 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 stated charges also include administration and investment costs since members incur these costs. The TER for the funds available on L&G's platform includes the "administration charge" for active members (i.e. employees of RNIB) of 0.03% p.a. Deferred members pay a higher administration charge of 0.36% p.a. as RNIB pays a contribution towards administration costs for active members but not deferred members.

We are also required to disclose transaction cost figures. In the context of this Statement, the transaction costs shown are those incurred when the Scheme's fund managers buy and sell assets within investment funds but are exclusive of any costs incurred when members invest in and switch between funds. Transaction costs are borne by members.

The charges and transaction costs have been supplied by L&G who are the Scheme's platform provider. When preparing this section of the Statement we have taken account of the relevant statutory guidance. Under the prescribed way in which transaction costs have been calculated it is possible for figures to be negative, where market movements are favourable between the time a trade is placed and it is executed. We have shown any negative figures in the tables for the year as provided, but for the costs and charges illustrations we have used zero where a transaction cost is negative to give a more realistic projection (i.e. we would not expect transaction costs to be negative over the long term).

Default arrangement

The Default arrangement is the Lump Sum Targeting Strategy. The Default has been set up as a lifestyle approach, which means that members' assets are automatically moved between different investment funds as they approach their target retirement date. This means that the level of charges and transaction costs will vary depending on how close members are to their target retirement age and in which funds they are invested.

For the period covered by this Statement, annualised charges and transaction costs are set out in the following table. The TER for the Default is significantly lower than the charge cap of 0.75% p.a. set by legislation.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

The following table has four columns and five rows. The first row contains headings.

Years to target retirement date	TER (Active members)	TER (Deferred members)	Transaction costs
15 or more years to retirement	0.10%	0.43%	0.04%
10 years to retirement	0.13%	0.46%	0.04%
5 years to retirement	0.16%	0.49%	0.04%
At retirement	0.13%	0.46%	0.01%

Self-select and AVC options

In addition to the Default, members also have the option to invest in one other lifestyle, the Ex-Tobacco lifestyle which targets cash withdrawal, and several other self-select funds.

The annual charges and transaction costs for the Ex-Tobacco lifestyle during the period covered by this Statement is set out in the table below. This lifestyle was made available to members during the Scheme year on 1 June 2022.

Ex-Tobacco lifestyle charges and transaction costs

The following table has four columns and five rows. The first row contains headings:

Years to target retirement date	TER (Active members)	TER (Deferred members)	Transaction costs
15 or more years to retirement	0.20%	0.53%	0.03%
10 years to retirement	0.20%	0.53%	0.03%
5 years to retirement	0.16%	0.49%	0.01%
At retirement	0.12%	0.45%	-0.01%

The TER for each self-select fund (including those used in the Default) and the transaction costs over the period covered by this Statement are set out in the following table. The underlying funds used within the Default are shown in bold. LGIM stands for Legal & General Investment Management.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

Self-select fund charges and transaction costs

The following table has four columns and thirteen rows. The first row contains headings:

Fund name	TER (Active members)	TER (Deferred members)	Transaction costs
LGIM Low Carbon Transition Global Equity Index Fund[1]	0.10%	0.43%	0.04%
LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund GBP Currency	0.23%	0.56%	0.10%
LGIM Global Equity Market Weights (30:70) Index Fund - GBP 75% Currency Hedged	0.17%	0.50%	0.08%
LGIM World Emerging Markets Equity Index Fund	0.28%	0.61%	0.04%
LGIM HSBC Islamic Global Equity Index Fund	0.38%	0.71%	-0.03%
LGIM Ethical Global Equity Index Fund	0.33%	0.66%	0.00%
LGIM Multi-Asset Fund	0.16%	0.49%	0.04%
LGIM Managed Property Fund[2]	1.44%	1.77%	-0.49%
LGIM Global Real Estate Equity Index Fund[1]	0.22%	0.55%	0.05%
LGIM Corporate Bond All Stocks Index Fund	0.15%	0.48%	-0.03%
LGIM Over 15 Years Fixed Interest Gilts Index Fund	0.11%	0.44%	0.19%
LGIM Over 5 Year Index Linked Gilts Index Fund	0.11%	0.44%	0.21%
LGIM Cash Fund	0.12%	0.45%	-0.01%

[1]*The LGIM Low Carbon Transition Global Equity Index Fund and LGIM Global Real Estate Equity Index Fund were added to the Scheme's self-select range on 1 June 2022. Please note that the figures quoted in the table represent the full period covered by this Statement.*

[2]*The LGIM Managed Property Fund was closed to new members on 1 June 2022.*

Illustration of charges and transaction costs

The following table sets out an illustration of the impact of charges and transaction costs on the projection of an example member's pension savings. In preparing this illustration, we had regard to the relevant statutory guidance.

- The "before costs" figures represent the savings projection assuming an investment return with no deduction of member borne charges or transaction costs. The "after costs" figures represent the savings projection using the same assumed investment return but after deducting member borne charges and an allowance for transaction costs.
- The transaction cost figures used in the illustration are those provided by the managers over the past five years, subject to a floor of zero (so the illustration does not assume a negative cost over the long term). We have used the average annualised transaction costs over the past five years as this should be more indicative of longer-term costs compared to only using figures over the Scheme year. For the investment funds used within the illustration that were incepted less than five years ago, we have used average annualised transaction costs since inception.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

Illustration of charges and transaction costs (continued)

- The illustration is shown for the Default (the Lump Sum Targeting Strategy) since this is the arrangement with the most members invested in it as well as two funds from the Scheme's self-select fund range. The two self-select funds shown in the illustration are:
- the fund with highest annual member borne costs (TER plus Scheme year transaction costs) – this is the LGIM Managed Property Fund. This fund is no longer available to members to make future investments .
- the fund with lowest annual member borne costs – this is the LGIM Cash Fund.

Costs and charges illustration

The following table has seven columns and twelve rows. The two rows contain headings:

	Default option		LGIM Managed Property Fund		LGIM Cash Fund	
Years invested	**Before costs**	**After costs**	**Before costs**	**After costs**	**Before costs**	**After costs**
1	£7,200	£7,200	£7,200	£7,100	£7,000	£7,000
3	£14,200	£14,100	£13,900	£13,600	£13,100	£13,000
5	£21,800	£21,700	£21,300	£20,400	£19,200	£19,100
10	£44,300	£43,900	£42,300	£38,900	£34,800	£34,600
15	£72,700	£71,900	£67,800	£60,000	£50,900	£50,400
20	£108,600	£106,900	£98,900	£83,900	£67,500	£66,600
25	£154,000	£151,000	£136,700	£111,000	£84,600	£83,200
30	£208,500	£203,400	£182,700	£141,800	£102,200	£100,200
35	£270,000	£261,600	£238,700	£176,700	£120,300	£117,600
40	£318,900	£307,100	£306,800	£216,300	£138,900	£135,400

Notes

- Values shown are estimates and are not guaranteed. The illustration does not indicate the likely variance and volatility in the possible outcomes from each fund. The numbers shown in the illustration are rounded to the nearest £100 for simplicity.
- Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
- Annual salary growth and inflation is assumed to be 2.5% since this is what is required to be used for Statutory Money Purchase Illustrations. Salaries could be expected to increase above inflation to reflect members becoming more experienced and being promoted. However, the projections assume salaries increase in line with inflation to allow for prudence in the projected values.
- The starting pot size used is £4,000 This is the approximate average (median) pot size for active members aged 30 years and younger (rather than using a whole membership average, we have taken this approach to give a more realistic 40-year projection).

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

Costs and charges illustration (continued)

- The projection is for 40 years, being the approximate duration that the youngest Scheme member has until they reach the Scheme's Normal Pension Age.
- The starting salary is assumed to be £28,000. This is the approximate median salary for active members aged 30 or younger.
- Total contributions (employee plus employer) are assumed to be 10.6% of salary per year. This is the approximate median total contribution for active members.
- The projected annual returns used are as follows:
  - Default option: 4.8% above inflation for the initial years, gradually reducing to a return of 1.4% above inflation at the ending point of the lifestyle.
  - LGIM Managed Property Fund: 4.0% above inflation
  - LGIM Cash Fund: 0.6% p.a. above inflation

5. Investment returns

This section shows the annual return, after the deduction of investment fund member borne charges (excluding the L&G's administration charge) and transaction costs, for all investment options in which member assets were invested during the Scheme year. As noted in Section 4 of this Statement, the annual L&G administration charge differs for active members (0.03% p.a.) and deferred members (0.36% p.a.); since the active member administration charge is so low, the figures shown would not be materially impacted by this (i.e. depending on rounding they may be 0.1% lower at the most). The deferred member returns net of administration charges will be 0.3% p.a. to 0.4% p.a. lower than the figures shown below depending on rounding.

For the Default, returns are shown over the Scheme year for a member aged 25, 45 and 55 at the start of the period the returns are shown over. The Default was incepted in April 2019 and therefore we have not been able to show 5 year return figures.

The following table has three columns and four rows. The first two rows contain headings:

Lump Sum Targeting Strategy net returns

Age of member at the start of the period	1 year (%)	2 years (% p.a.)
25	-6.4%	2.3%
45	-6.4%	2.3%
55	-5.8%	0.6%

The following table has two columns and five rows. The first two rows contain headings.

Age of member at the start of the period	1 year (%)[1]
25	-4.2%
45	-4.2%
55	-3.5%

Ex-Tobacco Lifestyle net returns

[1] The Ex-Tobacco lifestyle was made available to members on 1 June 2022 and therefore any members invested in this lifestyle will not have experienced a full year of performance as at 31 March 2023.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

The following table has three columns and fifteen rows. The first two rows contain headings:

Self-select fund net returns

Fund name	1 year (%)	5 years (% p.a.)
LGIM Low Carbon Transition Global Equity Index Fund[1,2]	-4.7%	-
LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund GBP Currency	-8.5%	7.8%
LGIM Global Equity Market Weights (30:70) Index Fund - GBP 75% Currency Hedged	-4.4%	7.4%
LGIM World Emerging Markets Equity Index Fund	-4.9%	2.7%
LGIM HSBC Islamic Global Equity Index Fund	-5.9%	14.8%
LGIM Ethical Global Equity Index Fund	-1.9%	11.8%
LGIM Multi-Asset Fund	-5.5%	3.9%
LGIM Managed Property Fund	-8.5%	2.0%
LGIM Global Real Estate Equity Index Fund[1,3]	-18.0%	-
LGIM Corporate Bond All Stocks Index Fund	-10.1%	-1.1%
LGIM Over 15 Years Fixed Interest Gilts Index Fund	-29.9%	-6.5%
LGIM Over 5 Year Index Linked Gilts Index Fund	-29.5%	-4.0%
LGIM Cash Fund	2.2%	0.8%

[1]The LGIM Low Carbon Transition Global Equity Index Fund and LGIM Global Real Estate Equity Index Fund were added to the Scheme's self-select range on 1 June 2022 and therefore any members invested in these funds will not have experienced a full year of performance as at 31 March 2023.

[2]The LGIM Low Carbon Transition Global Equity Index Fund was incepted in April 2021 and therefore does not have five years of performance data as at 31 March 2023.
[3]The LGIM Global Real Estate Equity Index Fund was incepted in November 2018 and therefore does not have five years of performance data as at 31 March 2023.

6. Value for members assessment

We are required to assess every year the extent to which member borne charges and transaction costs represent good value for members and to explain that assessment. There is no legal definition of 'good value' which means that determining this is subjective. Our general policy in relation to value for member considerations is set out below.

We review all member-borne charges (including transaction costs where available) annually, with the aim of ensuring that members are obtaining value for money given the circumstances of the Scheme. The date of the last review was in June 2023, and it covered the Scheme year ending 31 March 2023.

We note that value for money does not necessarily mean the lowest fee, and the overall quality of the service received has also been considered in this assessment. We are confident that the administration service provided by L&G is of a good standard and represents a significant improvement on quality of administration that members historically experienced, and communications are clear and informative. Our investment advisers have also confirmed that the fund charges are competitive for active members because of the contribution made by the Employer. However, fund charges for deferred members, who do not receive a subsidy from the Employer, were found to be less competitive. As such, as at the timing of writing this Statement we are currently in negotiations with L&G and the Employer with the aim of improving the competitiveness of fund charges for deferred members.

Our assessment included a review of the performance of the Scheme's investment funds (after all charges and transaction costs) in the context of their investment objectives. The returns on the investment funds members can choose during the period covered by this statement have been consistent with their stated investment objectives.

6. Value for members assessment (continued)

In carrying out the assessment, we also consider the other benefits members receive from the Scheme, which include:

- our oversight and governance, including ensuring the Scheme is compliant with relevant legislation, and holding regular meetings to monitor the Scheme and address any material issues that may impact members;
- the design of the Default and how this reflects the interests of the membership as a whole;
- the range of investment options and strategies;
- the quality of communications delivered to members;
- the quality of support services, such as the Scheme website where members can access fund information online; and
- the efficiency of administration processes and the extent to which the administrator met or exceeded its service level standards.

As detailed in the earlier section covering the processing of core financial transactions, we are comfortable with the quality and efficiency of the administration processes at L&G.

We believe that the transaction costs provide value for members as the ability to transact forms an integral part of the investment approaches and expect this to lead to greater investment returns net of costs over time.

Overall, we believe that members of the Scheme are receiving good value for money for the charges and cost that they incur, for the reasons set out in this section. We aim to improve value for members in future through taking the following steps:

- Identify any areas to improve the governance processes.
- Look towards ways to further support members in the lead up to retirement to include improvements on in-Scheme flexibilities, communications, guidance, advice, and post- retirement solutions.
- Provide members with more regular communications in the form of a regular newsletter.

7. Trustee knowledge and understanding

We are required to maintain appropriate levels of knowledge and understanding to run the Scheme effectively. We have measures in place to comply with the legal and regulatory requirements regarding knowledge and understanding of relevant matters, including investment, pension and trust law. Details of how the knowledge and understanding requirements have been met during the period covered by this Statement are set out below.

With the help of our advisers, we regularly consider training requirements to identify any knowledge gaps. Our investment advisers proactively raise any changes in governance requirements and other relevant matters as they become aware of them. Our advisers typically deliver training on such matters at Trustees' meetings if they were material. During the period covered by this Statement, we received training on various matters including stewardship (voting and engagement in relation to the assets) and pension law. Additionally, we receive quarterly updates on topical pension issues from our investment advisers.

We are familiar with and have access to copies of the Scheme's governing documentation and documentation setting out our policies, including the Trust Deed & Rules and SIP (which sets out the policies on investment matters). In particular, we refer to the Trust Deed and Rules as part of considering and deciding to make any changes to the Scheme, and the SIP is formally reviewed annually and as part of making any change to the Scheme's investments. Further, we believe that we have sufficient knowledge and understanding of the law relating to pensions and trusts and of the relevant principles relating to the funding and investment of occupational pension schemes to fulfil our duties.

CHAIR'S DC GOVERNANCE STATEMENT, COVERING 1 APRIL 2022 TO 31 MARCH 2023 (continued)

7. Trustee knowledge and understanding (continued)

We are required to commit to completing the training, either at the relevant meetings or by personal study. Most of the Trustees have completed the Pensions Regulator's Trustee Toolkit (an online learning programme, designed to help trustees of pension schemes meet the minimum level of knowledge and understanding required by law). All the Trustees are committed to completing the Toolkit, most have either completed the Toolkit or are working towards it; one Trustee has only recently been appointed and will aim to complete the Toolkit training within the allowable time limit for completion.

Regular training is provided on aspects of the Trustee Knowledge and Understanding requirements. Other training relates to topical items or specific issues under consideration during the Scheme year.

A training log is maintained in line with best practice and the training programme is reviewed regularly to ensure it is up to date. The training programme was last updated in June 2023. Additionally, the Scheme has in place a structured induction process for new trustees.

The Chair of Trustees is an independent trustee with wide-ranging experience on multiple trustee boards. Other Trustees have wide experience of governance roles as well as one other Trustee who is a Trustee on another pension scheme. This experience and knowledge is a further indication that the Trustees have sufficient knowledge and understanding to appropriately oversee the Scheme.

Considering our knowledge and experience and the specialist advice received from the appointed professional advisors (e.g. investment consultants, legal advisors), we believe that we are well placed to exercise our functions as Trustees of the Scheme properly and effectively.

PA Evans

Andrew Evans, Chair of the Trustees

Signed by the Chair of Trustees of the RNIB Retirement Benefits Scheme

Date: 29 September 2023

Implementation Statement
The RNIB Retirement Benefits Scheme (the "Scheme")
Scheme year to 31 March 2023

The trustees of the Scheme (the "Trustees") are required to include, as part of the Scheme's annual report, an implementation statement which sets out certain information describing the Trustees' voting behavior and how the Trustees have ensured compliance with the policies and objectives contained within the Scheme's Statement of Investment Principles during and for the Scheme year to which the annual report relates.

The information which must be included in the implementation statement differs in respect of Defined Benefits and Defined Contribution schemes. The Trustees' statement in respect of the part of the Scheme relating to DB investments is contained within Appendix 1 and the statement in respect of the part of the Scheme relating to DC investments is contained within Appendix 2.

The following statement covers the Scheme Year ending 31 March 2023.

PA Evans

Date: 29 September 2023

Andrew Evans, Chair of Trustees
For and on behalf of the trustees of the RNIB Retirement Benefits Scheme

Appendix 1 – Defined Benefit Section

Stewardship and Engagement
RNIB RBS DB Implementation Statement – 1 April 2022 to 31 March 2023

Introduction

On 6 June 2019, the UK Government published the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations (the "Regulations"). The Regulations require that the Trustees of the RNIB Retirement Benefit Scheme (the "Trustees") outline how the stewardship, voting and engagement policies set out in their Statement of Investment Principles ("SIP") have been followed in relation to the DB Section over the course of the year under review.

This Statement has been prepared by the Trustees with the assistance of their appointed Fiduciary Manager and is for the year ending 31 March 2023.

The Trustees' Stewardship and Engagement policies are included in the SIP which is available online.

Last review of the key policies regarding Stewardship and Engagement

Policies regarding stewardship, voting and engagement were last reviewed as part of a wider review of the SIP in January 2023. The Trustees confirmed that the policies remained suitable and in the best interests of members.

Voting behaviour

Under the Fiduciary Management arrangement in place the Trustees have delegated proxy voting and engagement decisions to the Fiduciary Manager. The Fiduciary Manager has a robust and well-established set of guidelines to follow when voting on the Trustees' behalf which are reviewed and updated on an annual basis. It has provided the Trustees with both a copy of the Proxy Voting Guidelines and the most recent Active Ownership Report. The Fiduciary Manager instructs Glass Lewis, a specialist proxy voting firm, to execute the votes in-line with the agreed guidelines and where Glass Lewis cannot apply this policy the votes are referred to Russell Investments Active Ownership Committee.

A total of 11,658 votes were placed on securities held in the Scheme's Growth portfolio over the period under review. A summary of the voting activity carried out on behalf of the Trustees is set out overleaf.

Key statistics

	Management Proposals	Share Holder Proposal	Total Proposals
With Management	9,990	276	**10,266**
Against Management	1,137	192	**1,329**
Votes without Management Recommendation	52	11	**63**
Take No Action	625	7	**632**
Unvoted	0	0	**0**
Totals	**11,804**	**486**	**12,290**

The decision to "Take No Action" was driven by:

i) Shareblocking markets: As per the Fiduciary Managers standing instructions, if a meeting belongs to a Shareblocking market such as Switzerland, then the ballots are automatically set to Take No Action.

ii) This rule is applicable at the meeting and the ballot level as well. Sometimes if a meeting or a ballot is share-blocked then either the entire meeting or a ballot gets auto-TNA.

iii) And lastly, for the Contested meetings, one of the two voting cards is set to "Take No Action" (the card which is not voted).

Votes Broken Out by Category

Topic	**Number of Votes**
Environmental	94 (includes climate risk issues)
Social	182
Governance	11,382

This table excludes Take No Action votes.

Most significant votes

Criteria adopted

The Fiduciary Manager defines significant votes as ones that meet, at least, one of the following criteria:

- Votes against management proposals where the level of dissent from shareholders is 20% or higher, in line with the UK Corporate Governance Code.
- Votes supporting shareholder proposals when management is recommending against, and the level of support is 40% or higher, suggesting that the proposal nearly passed.
- Votes that directly affect shareholder equity holding or value. For example, merger and acquisitions.

In addition, the Fiduciary will consider votes that are aligned with the Fiduciary Manager's stewardship priorities with regards to environmental, social and governance matters, as defined by the voting policy.

To ensure a wide variety of the placed votes is reflected, the summary of the most significant votes below has been split into Environmental, Social or Corporate Governance categories Furthermore, the votes are selected on the basis of having high weight in the Scheme. Any reference to we and/or us in the following examples refers to the Fiduciary Manager's views and / or approach followed when voting on behalf of the Trustees.

As at 31 March, the Scheme was 43.3% invested in the Multi Asset Growth Strategy Fund (MAGS), which in turn held 42.6% in equities. At the same date, the RNIB Retirement Benefit Scheme was 14.8% of the total MAGS Fund.

This statement does not include the fixed income funds, as the voting only covers equity engagements. The following size of holdings are references to the approximate weight of the company as a proportion of the Multi Asset Growth Strategy Fund.

Environmental Votes

Travelers Companies Inc.

Shareholder Proposal Regarding Aligning GHG Reductions with Paris Agreement

Date	25/05/22
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.29%
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Passed
Criteria for selection as significant vote:	Vote Against Management, Controversial Outcome, Environmental Shareholder Proposal

Rationale

Voted to support this proposal, along with over 55% of the vote. The Company has fairly robust disclosure concerning its fossil fuel underwriting; however, it does not provide disclosure of or a reduction target for its Scope 3 emissions.

Given this proposal does not explicitly direct the adoption of any policies or actions—it asks the Company to report on if and how it intends to measure, disclose, and reduce its GHG emissions associated with underwriting, insuring, and investment activities—we believe this proposal provides sufficient latitude to the Company concerning what is disclosed and how it will provide the requested information, while benefitting shareholders.

Amazon.com Inc.

Shareholder Report on Plastic Packaging

Date	25/05/22
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.04%
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Top Holding, Vote Against Management, Controversial Outcome, Environmental Shareholder Proposal

Rationale

Voted to support this proposal, along with over 48% of the vote. While the company discusses its impact in terms of plastic waste reduction, it does not provide an overall baseline amount of plastic used throughout its supply chain, nor does it provide data that allows investors to assess its progress. Additional disclosures on the company’s plastics use would allow shareholders to keep track of the company’s commitments and assess progress in terms of waste reduction.

Alphabet Inc

Shareholder Proposal Regarding Report on Physical Risks of Climate Change

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.40%
Date	01/06/22
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Vote Against Management, Controversial Outcome, Environmental Shareholder Proposal

Rationale

This proposal was referred to the Active Ownership Committee for further review, per our guidelines. The Committee voted to support this proposal, along with over 40% of the vote. Despite some disclosures of identified risks, the company offers little disclosure regarding its adaptive planning for these short-, medium-, and long-term risks. It is prudent for investors to know whether the company is taking reasonable mitigation measures or contingency plans for these risks, such as efforts to protect or relocate its Bay Area headquarters, and to mitigate the risks to data centers. The implementation guide for the Task Force on Climate-related Financial Disclosures (TCFD) illustrates how a company should go beyond identifying physical risks, to also report on measures being taken to protect the company's business from those risks.

Social Votes

Chevron Corp.

Shareholder Proposal Regarding Racial Equity Audit

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.42%
Date	25/05/22
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Vote Against Management, Controversial Outcome, Social Shareholder Proposal

Rationale

Voted in support of the proposal, along with ~47% of the vote. The proposal asks the Company to address systemic environmental racism and the disproportionate harm climate change will have on indigenous communities and the populations of developing nations. While the deeper solutions to these issues lie outside the Company's purview, it is feasible that the company look more holistically on its current operations and provide a report to Shareholders integrating the DEI issues specific to its industry (climate justice and environmental equity) in its current policies and provide an audit of those policies.

As the Company's peers are reporting on the efforts to address environmental justice and placing the issue in the framework of its DEI policies – it is not a material burden for the company to meet the request of this proposal.

Apple Inc.

Shareholder Proposal Regarding Median Gender and Racial Pay Equity Report

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.85%
Date	10/03/23
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Top Holding, Vote Against Management, Controversial Outcome, Social Shareholder Proposal

Rationale

While current disclosures address how the company is monitoring and managing issues related to pay equity, there is scope for improvements. Furthermore, we retain concerns regarding the lack of response from the company given that a similar resolution was filed at the 2022AGM, and it received over 30% support from shareholders. The level of support for this proposal held steady, around ~33%.

Microsoft Corporation

Shareholder Proposal Regarding Report on Tax Transparency

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	3.21%
Date	13/12/22
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Top Holding, Vote Against Management, Controversial Outcome, Social Shareholder Proposal

Rationale

Though this proposal was rejected by ~76% of shareholders, Russell Investments voted for the proposal. Controversies around tax avoidance pose a large reputational risk for companies. Since the company will be required to disclose most of the information requested by this proposal in be in alignment with recent EU regulations, this requested disclosure would not be a significant burden to the company and would benefit shareholders.

Governance Votes

Bristol-Myers Squibb Co.

Shareholder Proposal Regarding Independent Board Chair

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.37%
Date	03/05/22
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Rejected
Criteria for selection as significant vote:	Vote Against Management, Controversial Outcome, Governance Shareholder Proposal

Rationale

Vesting a single person with both executive and board leadership concentrates too much responsibility in a single person and inhibits independent board oversight of executives on behalf of shareholders. On the Trustees' behalf, we believe adopting a policy requiring an independent chair may therefore serve to protect shareholder interests by ensuring oversight of the company on behalf of shareholders is led by an individual free from the insurmountable conflict of overseeing oneself.

Though ultimately rejected, the proposal received >44% support

Apple Inc

Shareholder Proposal Regarding Proxy Access Bylaw Amendment

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	2.85%
Date	10/03/23
Mgmt. Rec.	Against
How the vote was cast	Against
Vote Outcome	Voted Down
Criteria for selection as significant vote:	Top Holding, Controversial Outcome, Governance Shareholder Proposal

Rationale

We believe, on the Trustees' behalf, that the Company's existing proxy access provision is in line with standard market practice, and furthermore, the Proponent of the proposal did not provide adequate evidence that the existing provision is restrictive to shareholders.

Approximately 31% of shareholders supported this proposal.

Ansys Inc.

Shareholder Proposal Regarding Board Declassification

Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.21%
Date	12/05/22
Mgmt. Rec.	Against
How the vote was cast	For
Vote Outcome	Passed
Criteria for selection as significant vote:	Vote Against Management, Controversial Outcome, Governance Shareholder Proposal

Rationale

We believe, on the Trustees' behalf, that classified boards are not in the best interest of shareholders. Empirical evidence has shown that classified boards may reduce the firm's value and also reduce the likelihood of receiving a takeover offer. The annual election of directors provides maximum accountability of directors to shareholders; the ability to withhold votes from or vote against directors is a powerful mechanism through which shareholders may express dissatisfaction with company or director performance.

The proposal was passed with overwhelming support from 90% of shareholders

Engagement Activities

Not all investments have voting rights attached to them, however asset owners can engage with the issuers of equity and debt to influence positive change. The Trustees are supportive of engagement with investee companies in this way and has delegated this activity to the Fiduciary Manager.

The Fiduciary Manager aims to engage with companies on overall business strategy, capital allocation, and ESG practices while encouraging appropriate levels of risk mitigation. The Fiduciary Manager's engagement policy is available here and examples of engagement activity are provided below.

Any reference to we, our and/or us in the following examples refers to the Fiduciary Manager's policy, views and activity.

Direct-Company Engagement with a North American Mining Company

Engagement Action:

Russell Investments engaged with a mining company domiciled in Canada. The dialogue was focused on the company's efforts around climate change adaptation, ESG accountability, and natural resource management.

Engagement Objective:

Mining operations are energy-intensive and generate significant direct greenhouse gas (GHG) emissions. Regulatory efforts to reduce GHG emissions in response to the risks posed by climate change may result in additional regulatory compliance costs and risks for the company due to climate change mitigation policies. The primary objective of this discussion was to encourage the company to further disclose its strategy to achieve net zero by 2050 and improve their approach to biodiversity impact.

Engagement Summary:

Russell Investments identified that, whilst disclosure provided by the company is in line with The Task Force on Climate-Related Financial Disclosures ('TCFD'), the level of detail provided was limited from a strategic perspective. The company intends to reduce its reliance on fossil fuels. Natural gas and solar energy will be the main alternatives, and we have requested the company provide a higher level of detail in terms of percentage each alternative fuel will represent.

The company is taking a more conservative approach than peers as they believe that the technology, they require to reach net zero will not be available until post 2030.

Engagement Outcome:

Russell Investments will continue to engage with the company during 2023 to ensure the company shows progress in disclosure, particularly its net zero roadmap and biodiversity impact.

Collaborative Engagement on Board Composition and Accountability with a US-based food products supplier

Engagement Action:

As part of a collaborative engagement with one of our sub-advisor partners, Russell Investments engaged with large US producer of proceed food products.

Engagement Objective:

Russell Investments maintains responsibility for proxy voting related to investment holdings. In line with our proxy voting guidelines, we were set to vote against the three directors due to the company's lack of responsiveness to shareholder proposals. The company has a dual class share structure and a significant proportion of shareholders have expressed their concerns with this practice at the 2021 Annual General Meeting and in other forums.

Engagement Summary:

Russell Investments conveyed our preference for a 'one-share-one-vote' capital structure. Furthermore, we encouraged the company to better respond to shareholder dissent through disclosures and outreach. The Company met with shareholders and understood the preference to remove dual-class shares structure but noted it is unwilling to change the structure in the short term.

Direct-Company Engagement on ESG Disclosures with a European Global Defence Company

Engagement Action:

Russell Investments engaged with a UK-based Aerospace and Defence company with high ESG exposure to product governance risks in its operations as well as moderate risk from Scope 3 carbon emissions.

Engagement Objective:

The engagement has been ongoing since 2021 with previous engagement calls covering ESG disclosures as it related to human capital and diversity and inclusion. Russell Investments objective for 2022 was to encourage the company to keep engaging with external stakeholders to influence the external perception of the defense industry. Furthermore, we have focused our discussion to assess and monitor the company's decarbonatisation strategy.

Engagement Summary:

The Company has continued engagement with the press to work toward a more positive perception of the defense sector. Regarding ESG strategy, the Company engaged with internal and external stakeholders from a materiality perspective and the outcome shows the company is focused on the right ESG-related issues. The targets and commitments set before the pandemic remained unchanged, and they're on track to achieve them. The decarbonisation strategy doesn't require high Capex and it is not fully reliant on technology for Scope 1 and 2. Technology more relevant for management of Scope 3 emissions. The company will consider disclosing a decarbonisation roadmap in the next report.

Engagement Outcome:

The company exhibits very strong governance practices. We are broadly satisfied with the response to the issues raised. Where they don't have a response or strategy in place, they have taken action - This has been already reflected in their improved disclosures i.e. human capital metrics. Russell Investments will follow up with the company on the decarbonisation strategy, with the main topics of discussion being scope 3, waste and water in 2023.

Industry Participation

The Trustees encourage the Scheme's Fiduciary Manager to leverage its position through collaborative efforts and partnerships with other industry participants. To this end, the Fiduciary Manager is a signatory to the *UK Stewardship Code 2020* and *Principles for Responsible Investment ("PRI")* and a member of *Climate Action 100+* and the *Net Zero Asset Managers Initiative*.

The *UK Stewardship Code 2020*, comprising a set of 'apply and explain' Principles, sets high stewardship standards for those investing money on behalf of UK savers and pensioners. The Fiduciary Manager's Stewardship Code Report for 2022 can be found here.

PRI is a globally recognised proponent of responsible investment, which provides resources and best practices for investors incorporating ESG factors into their investment and ownership decisions. As a signatory to the PRI since 2009, the Fiduciary Manager has a long-standing relationship with the organisation and has completed the annual PRI assessment every year since 2013. The Principles are a set of global best practices that provide a framework for integrating ESG issues into financial analysis, investment decision-making and ownership practices. The Fiduciary Manager is actively involved with the PRI, attending annual conferences and global seminars, and engaging on discussions of interest.

Climate Action 100+ is an investor initiative launched in 2017 to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. The Fiduciary Manager joined the Climate Action 100+ initiative in early 2020 and has directly engaged with a select number of companies on climate transition through the regional entities over the period.

In 2021, the Fiduciary Manager joined the Net Zero Asset Managers Initiative, a group of international asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner. The Fiduciary Manager has committed to a range of actions that are the key components required to accelerate the transition to net zero and achieve emissions reductions in the real economy: Engaging with clients, setting targets for assets managed in line with net zero pathways, corporate engagement and stewardship, and policy advocacy.

Additionally, the Fiduciary Manager's latest investment stewardship report for the year ending 2022 can be found here.

Compliance with the policy over the period

As a holder of assets with attached voting rights, the Trustees are able to exercise these voting rights on behalf of members of the Scheme and believe the best approach is to delegate the execution of their policy to the Fiduciary Manager. The Trustees have received information on the voting activity that has been carried out on their behalf on an annual basis and are comfortable with the decisions taken.

Over the period, the Trustees are pleased to report that they have, in their opinion, adhered to the policies set out in their SIP.

Appendix 2 – Defined Contribution Section I

IMPLEMENTATION STATEMENT
Covering 1 April 2022 to 31 March 2023

The Trustees of the RNIB Retirement Benefits Scheme (the "Scheme") are required to produce a yearly statement to set out how, and the extent to which, the Trustees have followed their Statement of Investment Principles ("SIP") during the Scheme Year, as well as details of any review of the SIP during the Scheme Year, subsequent changes made with the reasons for the changes, and the date of the last SIP review. Information is provided on the last review of the SIP in Section 1 and on the implementation of the SIP in Sections 2 to 11.

The Statement is also required to include a description of the voting behaviour during the Scheme Year by, and on behalf of, the Trustees (including the most significant votes cast by the Trustees or on their behalf) and state any use of the services of a proxy voter during that year. This is provided in Section 12.

In preparing the Statement, the Trustees have had regard to the guidance on Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement, issued by the Department for Work and Pensions ("DWP's guidance") in June 2022.

This Statement is based on and uses the same headings as the Scheme's SIPs that were in place during the Scheme Year. This Statement should be read in conjunction with the latest SIP which can be found here: Legal & General - RNIB Chair Statement and SIP (legalandgeneral.com)

The majority of the Scheme's assets are invested in funds provided by Legal & General Investment Management (LGIM).

The SIPs in place during the Scheme Year were:

- SIP dated 1 October 2020 for period between 1 April 2022 and 13 December 2022; and
- SIP dated 14 December 2022 for period between 14 December 2022 and 31 March 2023.

- **Updates to the SIP**

The SIP was reviewed and updated during the Scheme Year on 14 December 2022 to reflect:

- the replacement of LGIM Global Equity Fixed Weights 30:70 Index Fund with LGIM Low Carbon Transition Global Equity Index Fund in respect of the equity fund used in the default investment strategy;
- the addition of the LGIM Low Carbon Transition Global Equity Index Fund and LGIM Global Real Estate Index Fund to the self-select fund range as well as the closure of the LGIM Managed Property Fund to new investors;
- the addition of an alternative lifestyle strategy, the ex-tobacco lifestyle; and
- the updated expected return assumptions for the equity, diversified growth and money market cash assets classes that were used during the 2021 strategy review.

As part of this SIP update, the employer was consulted and confirmed it was comfortable with the changes.

The Trustees have followed all of the policies in the Scheme's SIP during the Scheme Year. The following Sections provide detail and commentary about how and the extent to which it has done so.

- **Investment objectives**

Members who join the Scheme and who do not choose an investment option are placed into the default investment arrangement, which is the Lump Sum Targeting Strategy (the "Default"). The performance and strategy of the Default is reviewed at least every three years. The Default was not reviewed during the Scheme Year to 31 March 2023; it was last reviewed in August 2021.

In addition to the triennial strategy review the Trustees also review the performance of the Default against its objectives on a quarterly basis. The reviews over the Scheme year concluded that the Default was performing broadly as expected and consistently with the aims and objectives as stated in the SIP.

The Trustees also provide members with access to a range of investment options which they believe are suitable for this purpose and enable appropriate diversification. The Trustees have made available a self-select fund range to members covering all major asset classes as set out in Appendix 3 of the SIP.

The Trustees review the membership demographics and any material changes from time to time, but not less than every three years and as part of the strategy review.

- **Investment strategy**

The Trustees did not review the DC investment strategy over the period covered by the Statement. The Trustees, with the help of their advisers and in consultation with the sponsoring employer, last reviewed the strategy and performance of the Default arrangement in August 2021.

The Trustees concluded that cash lump sum remains an appropriate retirement target for the Default. The Trustees reviewed the growth phase of the Default and decided to replace the LGIM Global Equity (30:70) Index Fund (75% GBP hedged) with the LGIM Low Carbon Transition Global Equity Index Fund. This change reduces the fund charge for members and better protects members against climate change risk. In addition, the change roughly halves the exposure to tobacco related investments within the growth phase. This change was implemented during the Scheme Year on 4 August 2022. Furthermore, as the Trustees had a desire to exclude tobacco due to the link between smoking and blindness an alternative lifestyle was agreed as highlighted in Section 2. This lifestyle was made available to members during the Scheme Year on 1 June 2022.

As part of this review the Trustees made sure the Scheme's Default was adequately and appropriately diversified between different asset classes and that the self-select options provide a suitably diversified range to choose from.

- **Considerations in setting the investment arrangements**

When the Trustees undertook a performance and strategy review of the DC default arrangement in August 2021, they considered the investment risks set out in Appendix 2 of the SIP. They also considered a wide range of asset classes for investment, considering the expected returns and risks associated with those asset classes as well as how these risks can be mitigated.

The Trustees review their investment beliefs from time to time and there were no changes to those beliefs over the Scheme Year.

The Trustees invest for the long term, to provide for the Scheme's members and beneficiaries. To achieve good outcomes for members and beneficiaries over this investment horizon, the Trustees therefore seek to appoint managers whose stewardship[1] activities are aligned to the creation of long-term value and the management of long-run systemic risks.

- **Implementation of the investment arrangements**

In respect of the DC Section, the Trustees have entered into a contract with a platform provider, Legal & General Assurance Society ("LGAS"), which makes available the range of investment options to members. As all the funds are accessed via a reinsurance agreement with the Scheme's platform provider, there is no direct legal relationship between the Scheme and the underlying investment managers of the DC investment funds. Nevertheless, the Trustees are responsible for appointing and providing governance oversight of the managers which the Scheme accesses via the LGAS arrangement.

[1] The responsible allocation, management, and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

During the Scheme Year the Trustees invested in two new funds with LGIM as set out in Section 3.

The Trustees obtained formal written advice from their investment adviser, Lane Clark & Peacock LLP ("LCP"), before investing in the funds and made sure the investment portfolios of the funds chosen were adequately and appropriately diversified. The Trustees rely on their investment adviser's research to understand managers' investment approaches, and ensure they are consistent with the Trustees' policies prior to any new appointment.

The Trustees' investment adviser, LCP, monitors the investment funds on an ongoing basis, through regular research meetings. LCP informs the Trustees promptly about any relevant material developments that they become aware of that may affect the managers' ability to achieve their investment objectives, for example the departure of a fund manager. There have been no significant issues with the Scheme's investments over the Scheme Year.

The Trustees monitor the performance of the Scheme's investments on a quarterly basis, using reporting provided by LGAS and LCP. The Trustees' monitoring includes reviewing the performance of each fund over the quarter, one year, three years and five years (where available) in the context of the managers' benchmarks and objectives. The Trustees' review to 31 March 2023 concluded that all managers have produced relative performance broadly in line with their targets over shorter and longer-term periods and there were no material concerns with the funds.

The Trustees received a "value for members" report from their investment advisers on 30 June 2023. This report covered the Scheme Year to 31 March 2023 and assessed a range of factors, including the fees payable to managers in respect of the DC Section. The report concluded that overall the DC members of Scheme are receiving good value for money.

- **Realisation of investments**

It is the Trustees' policy to invest in funds that offer daily dealing to enable members to readily realise and change their investments. All of the DC Section funds which the Trustees offered during the Scheme Year are daily priced.

- **Financially material considerations, non-financial matters**

As part of its advice on the selection and ongoing review of the investment managers, LCP incorporates its assessment of the nature and effectiveness of managers' approaches to financially material considerations, including climate change and other Environmental, Social and Governance (ESG) considerations, voting and engagement.

As explained in Section 5, the Trustees reviewed the investments in the previous Scheme Year and decided to change the equity fund used in the default strategy to a fund that has more of an explicit focus on climate change.

The Trustees do consider non-financial matters (i.e. matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return alone) in the selection, retention and realisation of investments as they relate to tobacco investment. This is due to a belief that some members may wish to be able to exclude tobacco investment given the link between smoking and blindness. As part of the August 2021 strategy review, the Trustees decided to make an alternative ex-tobacco lifestyle arrangement available for members, and this was made available to members during the Scheme Year on 1 June 2022.

In general, it is not the Trustees' policy to survey the membership to elicit their views on financial and non-financial concerns. The Trustees' typical practice is to take a view on which concerns they can assume members will share, given the nature of the Employer attached to the Scheme. To this end, the Trustees recognise that some members may wish for ethical matters to be considered in their investments and have made available the LGIM World Developed (ex-tobacco) Equity Index Fund and LGIM Ethical Global Equity Index Fund as self-select options. During the Scheme Year the Trustees also made available the LGIM Low Carbon Transition Global Equity Index Fund (the same fund included in the Default) as a self-select option.

The Trustees recognise that some members may wish to invest in a way which is consistent with the principles of Islamic investment and therefore continued to make available the HSBC Islamic Global Equity Index Fund during the Scheme Year as a self-select investment option.

- **Voting and engagement**

The Trustees recognise their responsibilities as owners of capital, and believe that good stewardship practices, including monitoring and engaging with investee companies, and exercising voting rights attaching to investments, protect and enhance the long-term value of investments. The Trustees have delegated to their investment managers the exercise of rights attaching to investments, including voting rights, and engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest, risks and ESG considerations.

LGIM and HSBC are the two investment managers used within the DC Section. Information on the managers' respective voting policies is available here:

LGIM: LGIM's UK corporate governance and responsible investment policy 2023

HSBC: Policies and Disclosures - Institutional Investor (hsbc.co.uk)

The Trustees do not monitor or engage directly with issuers or other holders of debt or equity since the DC Section's assets are invested in the units of various pooled funds, and not directly in debt or equity or other investment assets. The Trustees expect the pooled fund investment managers to exercise ownership rights and undertake monitoring and engagement in line with the managers' general policies on stewardship, as provided to the Trustees from time to time, considering the long-term financial interests of the beneficiaries. The Trustees seek to appoint managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code issued by the Financial Reporting Council, and from time to time the Trustees review how these are implemented in practice.

The Trustees consider stewardship to be a significant factor when selecting and retaining managers and give it strong consideration when doing so. The Trustees would be likely to a reject a manager who was otherwise a strong candidate for a mandate if they observed that it had poor stewardship practices.

Following the introduction of DWP's guidance, the Trustees agreed to set stewardship priorities to focus monitoring and engagement with their investment managers on specific ESG factors. The Trustees discussed and agreed the stewardship priorities for the Scheme outside of the Scheme Year at a meeting in Q2 2023 and will report on them in the next Implementation Statement. The stewardship priorities agreed on were Climate Change, Human Rights, Corporate Transparency and Business Ethics.

The Trustees are conscious that responsible investment, including voting and engagement, is rapidly evolving and therefore expects most managers will have areas where they could improve. Therefore, the Trustees aim to have an ongoing dialogue with managers to clarify expectations and encourage improvements.

- **Investment governance, responsibilities, decision-making and fees (Appendix 1 of SIP)**

The Trustees assess the performance of the Scheme's investments on an ongoing basis as part of the quarterly performance reports they receive.

The Trustees' effectiveness was considered as part of the production of the Annual Chair's Statement, and over the Scheme year to 31 March 2023 the Trustees considered that their management of the Scheme was effective. The performance of the professional advisers is considered on an ongoing basis by the Trustees. The Trustees have put in place formal objectives for LCP and will review the adviser's performance against these objectives on a periodic basis and will review the objectives themselves at least every three years.

- **Policy towards risk (Appendix 2 of SIP)**

Risks are monitored on an ongoing basis with the help of the investment adviser.

The Trustees maintain a risk register. The Trustees' policy for some risks, given their nature, is to understand them and to address them if it becomes necessary, based upon the advice of the Scheme's investment adviser or information provided to the Trustees by the Scheme's investment managers. These include, but are not limited to, credit risk, equity risk, currency risk and ESG (including climate) risks.

With regard to the risk of inadequate returns, the Trustees make use of equity and equity-based funds, which are expected to provide positive returns above inflation over the long term. These are used in the growth phase of the default option and are also made available within the self-select options. These funds are expected to produce adequate real returns over the longer term.

The following risks are covered earlier in this Statement: diversification risk in Sections 3 and 5, investment manager risk and excessive charges in Section 5, illiquidity/marketability risk in Section 6 and ESG risks in Section 7.

- **Investment managers arrangements (Appendix 3 of the SIP)**

Policies in relation to Investment Manager Arrangements have been addressed in Section 5 of the Statement.

- **Description of voting behaviour during the Scheme Year**

Aspects of the Trustees' policies in respect of voting are covered in Section 7.

All of the Trustees' holdings in listed equities are within pooled funds and the Trustees have delegated to their investment managers the exercise of voting rights. Therefore, the Trustees are not able to direct how votes are exercised and the Trustees themselves have not used proxy voting services over the Scheme Year. However, the Trustees monitor managers' voting and engagement behaviour on an annual basis and challenge managers where their activity has not been in line with the Trustees' expectations.

In this section we have sought to include voting data in line with the Pensions and Lifetime Savings Association (PLSA) guidance, PLSA Vote Reporting template and DWP's guidance, on the Scheme's funds that hold equities as follows:

- LGIM Global Equity Market Weights (30:70) Index Fund - GBP 75% Currency Hedged
- LGIM Low Carbon Transition Global Equity Index Fund
- LGIM Multi-Asset Fund
- LGIM FTSE World Developed (ex-tobacco) Equity Index Fund
- LGIM Ethical Global Equity Index Fund
- LGIM World Emerging Markets Equity Index Fund
- LGIM HSBC Islamic Global Equity Index Fund

For the DC Section we have included the Scheme's funds that hold equities, and which are either used in the default strategy or used in the self-select funds range. Regarding the self-select range we have included voting information where funds have been marketed as having a particular focus on engagement or where corporate governance is considered to be weaker (and therefore voting and engagement is of paramount importance), such as emerging markets.

12.1 Description of the voting processes

For assets with voting rights, the Trustees rely on the voting policies which the asset managers have in place. The Trustees consider these policies and votes cast as part of producing and approving their Implementation Statements, and are comfortable that the policies are sufficiently aligned with the Trustees' views and stewardship priorities. If the Trustees, or the Trustees' advisers as part of their manager research, identified any concerns with the manager voting processes then such an issue would be communicated to the manager and resolution to the issue sought. No issues were identified during the Scheme Year.

LGIM

LGIM's policy on consulting with clients before voting

LGIM's voting and engagement activities are driven by ESG professionals and their assessment of the requirements in these areas seeks to achieve the best outcome for its clients. LGIM's voting policies are reviewed annually, considering feedback from its clients. Every year, LGIM holds a stakeholder roundtable event where clients and other stakeholders (civil society, academia, the private sector, and fellow investors) are invited to express their views directly to the members of the Investment Stewardship team. The views expressed by attendees during this event form a key consideration as LGIM continues to develop its voting and engagement policies and define strategic priorities in the years ahead. LGIM also considers client feedback received at regular meetings and/ or ad-hoc comments or enquiries.

LGIM's overview of the process for deciding how to vote

All decisions are made by LGIM's Investment Stewardship team in accordance with its Corporate Governance & Responsible Investment and Conflicts of Interest policy documents which are reviewed annually. Each team member is allocated a specific sector globally so that voting is undertaken by the same individuals who engage with the relevant company. This ensures LGIM's stewardship approach flows smoothly throughout the engagement and voting process and that it is fully integrated into the vote decision process, sending a consistent message to companies.

LGIM's use of proxy voting services

LGIM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM, and it does not outsource any part of the strategic decisions. LGIM's use of ISS recommendations is purely to augment its own research and proprietary ESG assessment tools. The Investment Stewardship team also uses the research reports of Institutional Voting Information Services ("IVIS") to supplement the research reports that it receives from ISS for UK companies when making specific voting decisions.

To ensure LGIM's proxy provider votes in accordance with its position, LGIM has put in place a custom voting policy with specific voting instructions. These instructions apply to all markets globally and seek to uphold what LGIM considers are minimum best practice standards that all companies globally should observe, irrespective of local regulation or practice. LGIM retains the ability in all markets to override any vote decisions, which is based on its custom voting policy. This may happen where engagement with a specific company has provided additional information (for example from direct engagement, or explanation in the annual report) that allows LGIM to apply a qualitative overlay to its voting judgement. LGIM has strict monitoring controls to ensure its votes are fully and effectively executed in accordance with its voting policies by the service provider. This includes a regular manual check of the votes input into the platform, and an electronic alert service to inform it of rejected votes which require further action.

HSBC

The legal right to the underlying votes lies with the directors of the HSBC CCF Islamic Global Equity Fund. They have delegated the execution of this voting to HSBC Global Asset Management (UK) Limited. HSBC exercises its voting rights as an expression of stewardship for client assets. It has global voting guidelines which protect investor interests and foster good practice, highlighting independent directors, remuneration linked to performance, limits on dilution of existing shareholders and opposition to poison pills.

HSBC uses the leading voting research and platform provider ISS to assist with the global application of its voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene its guidelines. HSBC review voting policy recommendations according to the scale of its overall holdings. The bulk of holdings are voted in line with the recommendation based on HSBC's guidelines.

12.2 Summary of voting behaviour

A summary of voting behaviour over the Scheme Year is provided in the table below.

	LGIM Global Equity Market Weights (30:70) Index Fund	LGIM Low Carbon Transition Global Equity Index Fund	LGIM Multi-Asset Fund
Total size of fund at end of the Scheme Year	£3.9bn	£3.3bn	£22.4bn
Value of Scheme assets at end of the Scheme Year (£ / % of total assets)	£1.6m / 5.2%	£18.0m / 59.3%	£7.5m / 24.7%
Number of equity holdings at end of the Scheme Year	4,995	2,791	6,288
Number of meetings eligible to vote	7,319	4,828	9,818
Number of resolutions eligible to vote	76,499	50,462	100,094
% of resolutions voted	99.9%	99.9%	99.8%
Of the resolutions on which voted, % voted with management	80.7%	77.9%	77.6%
Of the resolutions on which voted, % voted against management	18.2%	19.9%	21.7%
Of the resolutions on which voted, % abstained from voting	1.1%	1.2%	0.7%
Of the meetings in which the manager voted, % with at least one vote against management	61.2%	66.1%	71.1%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	9.7%	11.1%	12.4%

	LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund	LGIM Ethical Global Equity Index Fund	LGIM World Emerging Markets Equity Index Fund	LGIM HSBC Islamic Global Equity Index Fund
Total size of fund at end of the Scheme Year	£0.4bn	£0.9bn	£4.4bn	£1.7bn
Value of Scheme assets at end of the Scheme Year (£ / % of total assets)	£0.3m / 0.9%	£0.8m / 2.6%	£0.0m / 0.0%*	£0.0m / 0.0%*
Number of equity holdings at end of the Scheme Year	1,830	1,041	1,679	105
Number of meetings eligible to vote	2,090	1,155	4,231	95
Number of resolutions eligible to vote	27,521	16,602	36,506	1,423
% of resolutions voted	99.8%	99.8%	99.9%	97.0%
Of the resolutions on which voted, % voted with management	78.9%	81.2%	79.5%	80.5%
Of the resolutions on which voted, % voted against management	21.0%	17.8%	18.4%	19.5%
Of the resolutions on which voted, % abstained from voting	0.2%	0.2%	2.1%	0.0%
Of the meetings in which the manager voted, % with at least one vote against management	80.2%	76.0%	53.9%	78.9%
Of the resolutions on which the manager voted, % voted contrary to recommendation of proxy advisor	15.0%	13.0%	6.8%	12.1%

*These funds have little Scheme assets invested in them and round to £0.0m and 0.0% of total assets.

12.3 Most significant votes

Commentary on the most significant votes over the Scheme Year, from the Scheme's asset managers who hold listed equities, is set out below.

The Trustees have interpreted "significant votes" to mean those that:

- align with the Trustees' stewardship priorities;
- might have a material impact on future company performance;
- the investment manager believes to represent a significant escalation in engagement;
- impact a material fund holding, although this would not be considered the only determinant of significance, rather it is an additional factor;
- have a high media profile or are seen as being controversial;
- the Scheme or the sponsoring employer may have a particular interest in.

LGIM's process for determining the "most significant" votes

LGIM regularly produces case studies and/or summaries of its vote positions to clients for what they deemed were 'material votes.' In determining significant votes, LGIM's Investment Stewardship team considers the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:

- High profile vote which has such a degree of controversy that there is high client and/or public scrutiny;
- Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where LGIM note a significant increase in requests from clients on a particular vote;
- Sanction vote as a result of a direct or collaborative engagement; and
- Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.

For the purposes of this statement, we have selected four of the significant votes provided by LGIM which relate to the Trustees' selected stewardship priorities.

- Votes 1 and 2 below apply to the LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged, LGIM Low Carbon Transition Global Equity Index Fund, LGIM Multi-Asset Fund and the LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund.
- Vote 3 applies to the LGIM Ethical Global Equity Index Fund, LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged, LGIM Low Carbon Transition Global Equity Index Fund, LGIM Multi-Asset Fund and the LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund.
- Vote 4 applies to the LGIM World Emerging Markets Equity Index Fund, LGIM Low Carbon Transition Global Equity Index Fund and the LGIM Global Equity Market Weights (30:70) Index Fund – GBP 75% Currency Hedged

Vote #1

Amazon.com Inc, May 2022

Summary of resolution: Elect Director Daniel P. Huttenlocher.

Relevant stewardship priority: Human Rights

Approximate size of the holding at the date of the vote:

- LGIM Low Carbon Transition Global Equity Index Fund: 1.9%
- LGIM Global Equity Market Weights (30:70) Index Fund: 1.4%
- LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund: 2.0%
- LGIM Multi-Asset Fund: 0.2%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: LGIM voted against this election as the director is a long-standing member of the Leadership Development & Compensation Committee which is accountable for human capital management failings.

Was the vote communicated to the company ahead of the vote: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Outcome of the vote and next steps: For. LGIM will continue to engage with the company, publicly advocate its position on this issue and monitor company and market-level progress.

Vote #2

JPMorgan Chase & Co., May 2022

Summary of resolution: Elect Director Todd A. Combs

Relevant stewardship priority: Business Ethics

Approximate size of the holding at the date of the vote:

- LGIM Low Carbon Transition Global Equity Index Fund: 0.6%
- LGIM Global Equity Market Weights (30:70) Index Fund: 0.4%
- LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund: 0.6%
- LGIM Multi-Asset Fund: 0.1%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: LGIM applied a vote against this resolution in light of the one-off time-based share incentive granted to the joint CEO and Chair and its persistent concerns about pay structures at the Company. As members of the Compensation Committee, these directors are deemed accountable for the Company's pay practices.

Was the vote communicated to the company ahead of the vote: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Outcome of the vote and next steps: For. LGIM will continue to engage with the company, publicly advocate its position on this issue and monitor company and market-level progress.

Vote #3

Royal Dutch Shell Plc, May 2022

Summary of resolution: Approve the Shell Energy Transition Progress Update

Relevant stewardship priority: Climate Change

Approximate size of the holding at the date of the vote:

- LGIM Ethical Global Equity Index Fund: 0.6%
- LGIM Low Carbon Transition Global Equity Index Fund: 0.3%
- LGIM Global Equity Market Weights (30:70) Index Fund: 2.1%
- LGIM FTSE World Developed (ex-Tobacco) Equity Index Fund: 0.4%
- LGIM Multi-Asset Fund: 0.6%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: LGIM acknowledge the substantial progress made by the company in strengthening its operational emissions reduction targets by 2030, as well as the additional clarity around the level of investments in low carbon products, demonstrating a strong commitment towards a low carbon pathway. However, LGIM remain concerned with the disclosed plans for oil and gas production, and would benefit from further disclosure of targets associated with the upstream and downstream businesses.

Was the vote communicated to the company ahead of the vote: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Outcome of the vote and next steps: For. LGIM will continue to engage with the company, publicly advocate its position on this issue and monitor company and market-level progress.

Vote #4

China Construction Bank Corporation, June 2022

Summary of resolution: Elect Wang Xing as Director

Relevant stewardship priority: Climate Change, Corporate Transparency

Approximate size of the holding at the date of the vote:

- 1.1% LGIM World Emerging Markets Equity Index Fund;
- 0.1% LGIM Low Carbon Transition Global Equity Index Fund; and
- 0.1% of the LGIM Global Equity Market Weights (30:70) Index Fund - GBP 75% Currency Hedged

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: A vote against is applied under LGIM's Climate Impact Pledge as the Company had not published a clear thermal coal policy and there had been no disclosure of Scope 3 emissions associated with investments. As members of the Risk Committee, these directors are considered accountable for the bank's climate risk management.

Was the vote communicated to the company ahead of the vote: LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is LGIM's policy not to engage with investee companies in the three weeks prior to an AGM as its engagement is not limited to shareholder meeting topics.

Outcome of the vote and next steps: For. LGIM will continue to engage with the company and monitor progress.

HSBC's process for determining the "most significant" votes

HSBC regards the votes against management recommendation as the most significant. With regards to climate, in its engagement it encourages companies to disclose their carbon emissions and climate-related risks in line with the recommendations of the Task Force on Climate-related Financial Disclosure ("TCFD"). Where companies in energy intensive sectors have persistently failed to disclose their carbon emissions and climate risk governance, HSBC will generally vote against the re-election of the Chairman. HSBC also generally supports shareholder resolutions calling for increased disclosure on climate-related issues.

For the purposes of this statement, we have selected two of the significant votes which relate to the Trustees' selected stewardship priorities.

Vote #1

Visa Inc, January 2023

Summary of resolution: Advisory vote to ratify named executive officers' compensation.

Relevant stewardship priority: Business Ethics

Approximate size of the holding at the date of the vote: 1.9%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: HSBC voted against the granting of shares or options to executives within the long-term incentive plan (LTIP) that are not majority (+51%) linked to performance criteria. HSBC also voted against the granting of shares or options to executives within the LTIP if the vesting period is less than 3 years.

Was the vote communicated to the company ahead of the vote: HSBC did not communicate its voting intention to the company ahead of the vote.

Outcome of the vote and next steps: For. HSBC has confirmed that it will likely vote against a similar proposal should it see insufficient improvements.

Vote #2

Roche Holding AG, March 2023

Summary of resolution: Approve Remuneration Report

Relevant stewardship priority: Business Ethics, Corporate Transparency

Approximate size of the holding at the date of the vote: 1.1%

Why this vote is considered to be most significant: This vote relates to a stewardship priority selected by the Trustees.

Firm management recommendation: For. Fund manager vote: Against.

Rationale: HSBC considers the quantum of the total pay excessive. The LTIP is not linked to performance criteria. The board chair participates in performance-based incentive schemes. The short-term incentive and LTIP grants are assessed on a discretionary basis. There is insufficient ex-post disclosure to explain the evolution of variable pay-outs versus company performance.

Was the vote communicated to the company ahead of the vote: HSBC did not communicate its voting intention to the company ahead of the vote.

Outcome of the vote and next steps: For. HSBC has confirmed that it will likely vote against a similar proposal should it see insufficient improvements.