

# Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

## Introduction

Governance requirements apply to defined contribution (“DC”) pension arrangements, to help members achieve a good outcome from their pension savings. The Trustee of the AXA UK Group Pension Scheme – DC Section (“the Scheme”) is required to produce a yearly statement describing how these governance requirements have been met. This Statement covers the period from 1 April 2021 to 31 March 2022.

Please note that the majority of member assets in the DC sections of the Scheme transferred to the LifeSight Master Trust in December 2020, and the trustees of the LifeSight Master Trust took over responsibility for members and assets of the Scheme after this date. In late 2021, the remaining assets in the Scheme, held in the AXA Property Fund, were transferred over to LifeSight such that the only remaining assets in the Scheme are in a legacy DC arrangement. The information contained in this Chair’s Statement, refers to the post-transfer period where the AXA Property Fund was the only remaining fund within the Scheme, along with legacy and Additional Voluntary Contribution (AVC) arrangements, for which the oversight remained the responsibility of the Trustee of the AXA Group Pension Scheme.

**Signed by the Chair of Trustees of the AXA UK Group Pension Scheme**

Date: \_\_\_\_\_

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**Mr Stephen Yandle**

**Chair of the Trustee Board of the AXA UK Group Pension Scheme**

## 1. Investment options

### 1.1 Default arrangement

The Pensions Regulator, as laid out in its DC Code of Practice 13, defines a default arrangement as “an arrangement within a relevant scheme, into which contributions are placed without the member having expressed a choice as to where the contributions are allocated, or in which 80% or more of members have actively chosen to invest at any relevant time” . Following the transfer to the LifeSight Master Trust in December 2020, the Scheme did not have a default arrangement as defined above so this has not been reported on.

### 1.2 Other default arrangements

The following funds were previously “inadvertent” default arrangements as a result of changes to funds members have been invested in:

- AXA Cash Fund, as regular contributions were redirected into this fund from the AXA Property Fund following its temporary suspension in March 2020.

This fund was disinvested from in full on 31 March 2021 so the AXA Cash Fund has not been reported on in this Statement.

# Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

## 2. Investment performance

The presentation of the investment performance takes into account the statutory guidance issued by the Department for Work and Pensions.

### 2.1 Default arrangement

The Scheme did not have a default arrangement over the year to 31 March 2022 so we have not reported on investment performance in respect of a default.

### 2.2 Self-select and AVC funds

The Trustee has asked for, but not received, information relating to the performance of the AXA Property Fund from 31 March 2021 to November 2021, when the remaining funds were transferred to the LifeSight Master Trust. The Trustee has also asked for, but not received, information relating to the performance of the Scheme's AVC holdings with ReAssure and Utmost Life, and the performance of the Scheme's legacy SBJ arrangements with Aviva. More information is contained within Section 8 ("Missing Information") of this statement.

## 3. Charges and transaction costs

The charges and transaction costs borne by members and/or the Company for the Scheme's services are:

Service	By members	Shared	By the Company
Investment management	Yes	-	-
Administration & Communications	-	Yes	-
Governance	-	-	Yes
Investment transactions	Yes	-	-

**Basis for cost sharing:** Members pay an annual management charge that covers the costs of investment fees; administration and communications issued by the administrator.

The presentation of the charges and transaction costs, together with the projections of the impact of charges and costs on members' benefits over time, have taken into account the statutory guidance issued by the Department for Work and Pensions.

### Charges

The charges quoted in this Statement are the funds' Total Expense Ratios ("TERs"). The TER consists of a fund's Annual Management Charge ("AMC") and Operating Costs and Expenses ("OCE"). OCEs include, for example, the fund's custodian costs, but exclude transaction costs. While the AMC is usually fixed, the OCE, and hence the TER, can vary slightly from day to day.

### 3.1 Transaction costs

The funds' transaction costs are in addition to the funds' TERs and can arise when:

- The fund manager buys or sells part of a fund's portfolio of assets; or
- The platform provider or fund manager buys or sells units in an underlying fund.

# Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

Transaction costs vary from day to day depending on where each fund is invested and stock market conditions at the time. Transaction costs can include: custodian fees on trades, stockbroker commissions and stamp duty (or other withholding taxes).

Transaction costs are deducted before the funds' unit prices are calculated. This means that transaction costs are not readily visible, but these costs will be reflected in a fund's investment performance.

The Financial Conduct Authority ("FCA") requires fund managers and providers to calculate transaction costs using the "slippage method", which compares the value of assets immediately before and after a transaction has taken place. This can give rise to negative transaction costs where favourable stock market movements during a transaction offset the rest of the trading costs (such as stockbroker commission).

## **3.2 Member-borne charges and transaction costs**

The charges and transaction costs have been supplied by Aegon and Capita.

It was not possible to obtain the charges and transaction costs for the AXA Property Fund from Aegon, and the AVC funds with ReAssure and Utmost Life, as well as the legacy SBJ funds, that are held by Aviva. Where available, the charges and transaction costs covering the previous year to 31 March 2021, have been provided for indicative purposes. More details are given in "Missing Information" in section 8.

The presentation of the charges and costs, together with the projections of the impact of charges and costs, takes into account the statutory guidance issued by the Department for Work and Pensions.

Full details of the annualised charges and transaction costs, for all funds, can be found in Appendix 2.

## **3.3 Default arrangement**

The Scheme did not have a default arrangement during the year so this has not been reported on in this Statement.

### **3.3.1 Self-select funds**

Charges and transaction costs for the year have not been provided by the Scheme's administrators. Therefore, the charges and transaction costs in this section refer to the previous year to 31 March 2021.

During the year the charge for the self-select funds were in a range from 0.15% to 0.96% of the amount invested or, put another way, in a range from £1.50 to £9.60 per £1,000 invested.

The transaction costs borne by members in the AXA Property Fund during the year were 0.08% of the amount invested or, put another way, £0.80 per £1,000 invested. Transaction costs for the legacy arrangements with Aviva were not provided by the Scheme's administrator.

## **3.4 Additional Voluntary Contributions ("AVCs")**

Charges and transaction costs for the year have not been provided by the Scheme's administrators. Therefore, the charges and transaction costs in this section refer to the previous year to 31 March 2021.

The Scheme offers members in the defined benefit section a choice of 29 funds for their AVCs. During the year, the charges for the AVC funds were in a range from 0.50% to 1.09% of the amount invested or, put another way, in a range from £5.00 to £10.90 per £1,000 invested.

The transaction costs borne by members in the AVC funds during the year were not provided by the Scheme's administrators.

The table in Appendix 2 gives the charges and transaction costs for each AVC fund.

## 3.5 Illustration of charges and transaction costs

Over a period of time, the charges and transaction costs that are taken out of a member's pension savings can reduce the amount available to the member at retirement. These illustrations show projected fund values in today's money before and after costs and charges for a typical member at stages from joining the Scheme at age 18 up to retirement.

As the Scheme has no default strategy, projections have not been produced in respect of a default arrangement.

The tables in Appendix 3 to this Statement show these figures for:

- The AXA Property Fund; as well as
- 2 funds from the Scheme's AVC fund range:
  - The fund with the highest before costs expected return and highest annual member borne costs – the ReAssure Far East AL Fund
  - The fund with the lowest before costs expected return and lowest annual member borne costs – the Utmost Life Money Market Fund

It is typical to include projections on the AVC funds used by the greatest number of members, but this information has not been provided by the Scheme's administrators.

The "before costs" figures show the projected value of a member's savings assuming an investment return with no deduction of member borne fees or transaction costs. The "after costs" figures show the projected value of a member's savings using the same assumed investment return but after deducting member borne fees and an allowance for transaction costs.

Please see the notes to the tables in Appendix 3 for the assumptions used in calculating these illustrations.

The illustrations have been prepared in accordance with the DWP's statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension schemes" on the projection of an example member's pension savings.

Charges and transaction costs have not been provided for the year so the projections use information provided for the year to 31 March 2021. Transaction costs have not been provided for the Scheme's AVC funds so the projections for these funds, allowing for costs and charges, make no explicit allowance for the impact of transaction costs.

## 4. Value for Members

Each year, with the help of its advisers, the Trustee carries out an assessment of whether the charges and transaction costs for the default arrangement and other investment options, which are borne in full or in part by members, represent good Value for Members. Value is not simply about low cost – the Trustee also considers the quality and scope of provision compare against similar schemes and available external benchmarks.

### Approach

The Trustee adopted the following approach to assessing Value for Members for the last year:

- Services – considered the investment, administration, communication services where members bear or share the costs;
- Outcomes – weighted each service according to its likely impact on retirement outcomes for members;

# Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

- Comparison – the cost and quality of each service were compared against similar schemes and available external comparisons;
- Rating – each service was rated on the below basis.

## Results for the year ending 31 March 2022

Please note that the majority of member assets in the DC sections of the Scheme were transferred to the LifeSight Master Trust in December 2020, with the trustees of the LifeSight Master Trust taking over responsibility for members and the assets of the Scheme after this date. In November 2021, the remaining assets in the Scheme, held in the AXA Property Fund, were transferred over to LifeSight such that the only remaining assets in the Scheme are in a legacy DC arrangement.

*"The Trustee notes that (other than under AVC arrangements), as at the date of this Statement, there are only two members in the Scheme with DC benefits (which are subject to a DB underpin)."*

The Trustee notes that, in the year ending 31 March 2021, the Scheme gave Good Value for Members prior to the transfer of the majority of assets to the LifeSight Master Trust. The underlying rationale from last year was that:-

- The performance of the funds were generally appropriate given relevant benchmarks;
- The charges were considered generally competitive;
- Core financial transactions have, generally, been processed promptly and accurately; and
- There was good record keeping and a low number of member complaints.

The Trustee is not aware of any material change to the above for the year ending 31 March 2022 noting the information limitations detailed in other sections of this Chair's Statement. The Trustee has not completed an action plan for the following year as the majority of DC assets have been transferred into the LifeSight Master Trust. Details of value assessment limitations are detailed in other sections of this Chair's Statement.

## 5. Administration

The Trustee appointed Aegon (for the DC arrangements until October 2020 and Capita (for AVC arrangements) to administer the Scheme on their behalf. Please note that the majority of member assets in the DC sections of the Scheme transferred to the LifeSight Master Trust in December 2020, and the trustees of the LifeSight Master Trust took over responsibility for members and assets of the Scheme after this date. In late 2021, the remaining assets in the Scheme, held in the AXA Property Fund, were transferred over to LifeSight such that the only remaining assets in the Scheme are in a legacy DC arrangement.

### 5.1 Core financial transactions

The Trustee monitored core financial transactions during the year including:

- The receipt and investment of contributions (including inward transfers of funds);
- Switches between investment options; and
- Payments of benefits (including retirements and outward transfers of funds).

### 5.2 Service levels

The Scheme has a service level agreement (SLA) in place with the administrators, which covers the accuracy and timeliness of all administration work such as:

- Switching investment options

## Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

- Providing quotations of benefits to members who are retiring or leaving the Scheme;
- Payments of benefits;
- Producing annual benefit statements; and
- Responding to ad hoc enquiries from members.

The administrators aims to complete 90% of its administration work and core financial transactions within these service levels.

The Trustee understand that both their administrators monitors its performance against these service levels by:

- Monitoring daily transactions;
- Monitoring daily workflow items;
- Regular internal audits of administration procedures; and
- Reviewing the level, causes and resolution of complaints.

The Trustee monitored core financial transactions and administration service levels during the year by:

- Receiving quarterly reports from the administrator on the processing of financial transactions and other administration processes against the agreed service levels;
- Considering the reasons for and resolution of any breaches of service standards;
- Arranging reviews of data accuracy; and
- Considering member feedback including any complaints and member surveys.

The Scheme's administrators have confirmed to the Trustee that there are adequate internal controls to ensure that core financial transactions relating to the Scheme were processed promptly and accurately during the Scheme year. The Trustee is not aware of any significant breach or material failure in administration performance for the year to 31 March 2022.

### **5.3 Overall**

The Trustees 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;
- All core financial transactions were processed promptly and accurately;
- There have been no material administration errors in relation to processing core financial transactions; and
- The wider administration of the Scheme achieved the agreed service standards.

### **5.4 Bulk transfer of assets**

During the year there was a transfer between funds affecting a number of members as a result of the following changes to the Scheme's investment options and provider:

- AXA Property Fund was transferred to the LifeSight Master Trust in November 2021.

The transfer was for a total of £853,541.45. The transition costs have not been provided by the Scheme's administrator.

## 6. Trustee knowledge

The Scheme's Trustee Directors are required to maintain appropriate levels of knowledge and understanding to run the Scheme effectively. Trustee Directors must:

- Be conversant with the Trust Deed and Rules of the Scheme, the Scheme's statement of investment principles and funding principles, as well as any other document recording policy for the time being adopted by the Trustee relating to the administration of the Scheme generally,
- Have, to the degree that is appropriate for the purposes of enabling the individual to properly exercise his or her functions as Trustee Director, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment the assets of occupational pension schemes. This includes the identification, assessment and management of risks and opportunities, including those arising from steps taken because of climate change (whether by governments or otherwise)".

The Trustee has 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.

The Trustee's current practices to maintain and develop their level of knowledge and understanding of matters relating to the Scheme are:

- There is an induction process for newly appointed Trustee Directors, who are asked to complete the Pensions Regulator's "Trustee Toolkit" within 6 months of becoming a Trustee Director;
- Training is provided to ensure that Trustee Directors maintain a working knowledge of the Scheme's Trust Deed and Rules, the Scheme's Statement of Investment Principles as well as the investment concepts and principles relevant to the Scheme, contract documents in relation to administration of the Scheme and the law and legislation relating to pension schemes and trusts;
- Trustee Directors are encouraged to undertake further study and qualifications which support their work as Trustees;
- The Trustee Directors have a plan in place for ongoing training appropriate to their duties;
- The effectiveness of these practices and the training received are reviewed annually and carry out regular assessments to confirm and identify any gaps in their knowledge and skills;
- The Trustee conducts regular assessments of the management of the risks and opportunities relating to climate change; and
- The Trustee, with the help of their advisers, regularly considers training requirements to identify any knowledge gaps.

All the Trustee Directors have access to copies of and are familiar with the current governing documentation for the Scheme, including the Trust Deed & Rules (together with any amendments). The Trustee refers to the Trust Deed and Rules as part of deciding to make any changes to the Scheme, and, where relevant, deciding individual member cases, and the SIP is formally reviewed at least every three years and as part of making any change to the Scheme's investments.

## Annual Statement by the Chair of the Trustee Board for the year to 31 March 2022

All the Trustee Directors have completed the Pensions Regulator's Trustee Toolkit (the Trustee Toolkit is a free online learning programme from The Pensions Regulator aimed at trustees of occupational pension schemes and designed to help trustees meet the minimum level of knowledge and understanding required by law). A training log is maintained in line with best practice and the training programme is reviewed annually to ensure it is up to date. Additionally, the Scheme has a structured induction process for new Trustee Directors.

The Trustee also carries out an annual evaluation of the performance and effectiveness of the Trustee Board as a whole, measured against the objectives in the Scheme's business plan.

The Trustee has appointed suitably qualified and experienced legal advisers, investment consultants and benefit consultants to provide advice on the operation of the Scheme in accordance with its Trust Deed and Rules, legislation and regulatory guidance. The Trustee review the effectiveness of its advisers annually and periodically reviews the appointment of its advisers.

Taking into account the knowledge and experience of the Trustee Directors with the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisors (e.g. investment consultants, legal advisors), the Trustee Directors believes they are well placed to exercise their functions as Trustee Directors of the Scheme properly and effectively.

### **7. Our key actions last year and plans for next year**

The Trustee has not completed an action plan for the following year as the majority of DC assets have been transferred into the LifeSight Master Trust.

### **8. Missing information**

The Trustee has been unable to obtain the missing information from our providers and continue to chase for these details.

The Trustee understands that this issue currently affects only two members who have a DC benefit with a DB underpin.



## Appendix 1

### Table of funds and charges

#### 2a Default arrangement

The Pensions Regulator, as laid out in its DC Code of Practice 13, defines a default arrangement as “an arrangement within a relevant scheme, into which contributions are placed without the member having expressed a choice as to where the contributions are allocated, or in which 80% or more of members have actively chosen to invest at any relevant time”<sup>1</sup>.

As noted previously the vast majority of member assets in the DC sections of the Scheme have been transferred to the LifeSight Master Trust the only remaining assets in the Scheme are in a legacy DC arrangement. The details provided below replicate last year’s information, as they relate to the last default arrangement in place for the Scheme, which has since transferred out.

#### Other investment options

#### 2b Self-select funds

The funds’ charges (as “Total Expense Ratios”) and transaction costs in the last year used in the Annuity Lifecycle Strategy were:

Fund	ISIN *	Charges **		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
AXA Property Fund	N/A	0.96	9.60	Aegon Property Fund	GB00BRCJNL57	0.08	0.80

Source: Aegon

## Appendix 1

### 2c Legacy arrangements

#### Aviva

Fund	ISIN *	Charges **		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
BGI Cash	Not available	0.15	1.50	Not available	Not available	Not available	Not available
BGI Consensus	Not available	0.15	1.50	Not available	Not available	Not available	Not available
BGI Corporate Bond	Not available	0.15	1.50	Not available	Not available	Not available	Not available
BGI UK Equity	Not available	0.10	1.00	Not available	Not available	Not available	Not available
BGI World Equity (ex-UK)	Not available	0.25	2.50	Not available	Not available	Not available	Not available
Aviva Sterling Deposit	Not available	0.63	6.30	Not available	Not available	Not available	Not available
BGI Cash	Not available	0.15	1.50	Not available	Not available	Not available	Not available

## Appendix 1

### AVC arrangements

#### ReAssure

Fund	ISIN *	Charges **		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
Anniversary AL	Not available	0.78	7.80	N/A	Not available	Not available	Not available
Asia Pacific ex Japan Equities AL	Not available	1.08	10.80	N/A	Not available	Not available	Not available
Cash AL	Not available	1.01	10.10	N/A	Not available	Not available	Not available
Distribution AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
Ethical Distribution AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
Europe ex UK Equities AL	Not available	1.02	10.20	N/A	Not available	Not available	Not available
Far East AL	Not available	1.09	10.90	N/A	Not available	Not available	Not available
Fixed Interest AL	Not available	1.02	10.20	N/A	Not available	Not available	Not available
Global Distribution AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
Global Managed AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
High Yield Distribution AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
Higher Income AL	Not available	1.02	10.20	N/A	Not available	Not available	Not available
Index-Linked AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
Japan Equities AL	Not available	1.08	10.80	N/A	Not available	Not available	Not available
Managed AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
North America Equities AL	Not available	1.04	10.40	N/A	Not available	Not available	Not available
Property AL	Not available	1.01	10.10	N/A	Not available	Not available	Not available
Reserve AL	Not available	1.03	10.30	N/A	Not available	Not available	Not available
UK Equity AL	Not available	1.01	10.10	N/A	Not available	Not available	Not available

## Appendix 1

### Utmost Life

Fund	ISIN *	Charges **		Underlying Fund	ISIN *	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
Asia Pacific	Not available	0.75	7.50	ASI Asia Pacific Equity Enhanced Index Fund	GB00BRJL7V21	0.43	4.30
European Equity	Not available	0.75	7.50	ASI European Equity Enhanced Index Fund	GB00BRJL7X45	0.48	4.80
US Equity	Not available	0.75	7.50	ASI American Equity Enhanced Index Fund	GB00BRJL8192	0.18	1.80
UK Equity	Not available	0.75	7.50	ASI UK Equity Enhanced Index Fund	GB00BRJL8531	0.55	5.50
UK FTSE All Share Tracker	Not available	0.50	5.00	ASI UK All Share Tracker Fund	GB00B61C0396	0.13	1.30
Fund of Investment Trusts	Not available	0.75	7.50	Halifax Fund of Investment Trusts Fund	GB00B29MCX79	0.40	4.00
UK Government Bond	Not available	0.50	5.00	ASI Sterling Government Bond Fund	GB00BWK26S93	0.03	0.30
Property	Not available	1.00	10.00	Aberdeen UK Property Fund	GB00BTLX1F24	0.82	8.20
Global Equity	Not available	0.75	7.50	ASI World Equity Enhanced Index Fund	GB00BRJL7Z68	0.28	2.80
Money Market	Not available	0.50	5.00	ASI Liquidity Fund (Lux) – Sterling Fund	LU0966092990	0.00	0.00

\* ISIN = the International Securities Identification Number unique to each fund.

\*\* Charge = the funds' Total Expense Ratio ("TER"), which includes the funds' Annual Management Charge ("AMC") and Operating Costs and Expenses.

\*\*\* Underlying Fund = the fund in which the Scheme's top level Fund invests.

## Appendix 2

### Tables illustrating the impact of charges and costs

As noted previously the vast majority of member assets in the DC sections of the Scheme have been transferred to the LifeSight Master Trust. The only remaining assets in the Scheme are in a legacy DC arrangement. The details provided below replicate last year's information, as they relate to the last default arrangement in place for the Scheme, which has since transferred out.

#### 3a For the default arrangement

As the Scheme has no default strategy, projections have not been produced in respect of a default arrangement.

#### 3b For a selection of the self-select funds:

For a new joiner in 2017 section, aged 18, retiring at age 65 with average starting salary £17,425 and starting pot size £0.

Years to retirement	AXA Property Fund Fund remaining in Scheme at 31 March 2021	
	Before costs and charges £	After costs and charges £
0	£118,629	£91,361
5	£100,321	£79,633
10	£83,699	£68,439
15	£68,608	£57,755
20	£54,906	£47,557
25	£42,467	£37,824
30	£31,173	£28,534
35	£20,920	£19,668
40	£11,610	£11,205
45	£3,159	£3,127
47	£0	£0

Source: Hymans Robertson

## Appendix 2

### 3c For the most popular AVC funds:

It is typical to include projections on the AVC funds used by the greatest number of members, but this information has not been provided by the Scheme's administrators.

#### Assumptions

The assumptions used in these calculations were as follows:

For a new joiner in 2017 section, aged 18, retiring at age 65 with average starting salary £17,425 and starting pot size £0:

- The opening DC pot size is £0.
- Inflation is assumed to be 2.5% p.a. (in line with SMPPI assumptions and real salary growth is assumed to be zero.)
- The starting salary is assumed to be £17,425.
- The total ongoing contribution rate is assumed to be 9% of salary.
- Contributions are assumed to be paid every year with no contribution holidays.
- The projected values are shown up to age 65, the most common normal retirement age for members of the Scheme.
- Where transaction costs for a fund are unavailable, they have been assumed to be zero.
- The projected gross growth rates for each fund are as follows (these are based on returns assumed for the Scheme's Statutory Money Purchase Illustrations, are shown rounded to one decimal place and before ongoing management charges and transaction costs are applied):

Fund	Return % p.a.	TER % p.a.	Transaction Cost % p.a.
AXA Property Fund	4.50	0.96	0.08

## Appendix 2

Please note that:

- Returns, charges and transaction costs have not been provided for the year to 31 March 2022 so the projections use information provided for the year to 31 March 2021.

Please note that these illustrated values:

- Are estimates using assumed rates of future investment returns and inflation which may not be borne out in practice;
- The assumptions used may differ in the future to reflect changes in regulatory requirements or investment conditions;
- Will be affected by future, and as yet unknown, changes to the Scheme's investment options;
- Are not guaranteed;
- Depend upon how far members in the default lifestyle option are from retirement as the funds used change over time;
- May not prove to be a good indication of how your own savings might grow; and
- Comply with the Technical Actuarial Standards (TAS) 100: Principles for Technical Actuarial Work.

## Appendix 3

### Investment performance

This appendix shows the annual return, after the deduction of member borne charges and transaction costs, for all investment options that members are able, or were previously able, to select and in which members were invested during the scheme year.

#### Default arrangement

The Scheme did not have a default arrangement over the year to 31 March 2022 so we have not reported on investment performance in respect of a default.

#### Self-select and AVC funds

The Trustee has asked for, but not received, information relating to the performance of the AXA Property Fund from 31 March 2021 to November 2021, when the remaining funds were transferred to the LifeSight Master Trust. The Trustee has also asked for, but not received, information relating to the performance of the Scheme's AVC holdings with ReAssure and Utmost Life, and the performance of the Scheme's legacy SBJ arrangements with Aviva. More information

The Statement of Investment Principles has not been included as it covers the Scheme prior to the transfer to the LifeSight Master Trust, therefore some of the information may not be relevant following the transfer; in particular, there is no longer a default investment strategy or inadvertent default arrangement.