OSPS

University of Oxford Staff Pension Scheme

UNIVERSITY OF OXFORD
STAFF PENSION SCHEME

Defined Contribution Governance Statement
for the year to 31st March 2024

Pension Scheme's Registry Number: 10009029
HMRC Registration Number: 00333061RQ

ANNUAL STATEMENT REGARDING GOVERNANCE OF THE DEFINED CONTRIBUTION FUNDS IN OSPS ("the Scheme")

The Occupational Pension Schemes (Scheme Administration) Regulations 1996 ("the Administration Regulations") require the Trustee to prepare an annual statement regarding governance, which must be included in the annual Trustee report and accounts and published online. These governance requirements apply to all defined contribution ("DC") pension arrangements and aim to help members achieve a good outcome from their pension savings.

This statement covers the period from 1 April 2023 to 31 March 2024 ("the Scheme Year") and is signed on behalf of the Trustee by the Chair.

This statement covers governance and charge disclosures in relation to the following:

1. The default arrangement used to invest members' funds and other funds members can select;
2. Net investment returns;
3. The charges and transaction costs borne by members (and illustrations of the cumulative effect of these costs and charges);
4. Processing of core financial transactions;
5. A value for members assessment;
6. Trustee knowledge and understanding, and
7. Additional requirements for relevant multi-employer schemes.

The Scheme has three arrangements providing DC benefits to members:

- The Investment Builder section which was opened for new Scheme entrants on 1 October 2017 (value at 31 March 2024, £49,022,567). The assets of the Investment Builder section are managed by Legal and General Assurance Society Limited ("L&G"). L&G also administers the Investment Builder section((other administration services are provided by the Pensions Office of the University).
- Defined benefit members' Additional Voluntary Contributions ("AVCs") which are invested with Prudential (value as at 31 March 2024, £160,191); and
- The Bonus account in relation to defined benefit members with pensionable service in the Scheme prior to 31 July 1998, which is held in a With-Profits Investment Account with Prudential (value as at 31 March 2024, £2,129,128).

Following the introduction of the Investment Builder section, the Trustee agreed to offer defined benefit members access to the investment options in the Investment Builder section for the purposes of making AVCs. These arrangements are considered as part of the Investment Builder section throughout this statement.

1.1 The default arrangement

The Investment Builder section is used as a Qualifying Scheme for auto-enrolment purposes.

When members are automatically enrolled into the Investment Builder section, their retirement age is set as their State Pension Age and contributions are invested in the default arrangement, which is the L&G PMC Target Date Funds 3 range of funds.

The Trustee is required to design the default arrangement in members' interests and keep it under review. The Trustee needs to set out the aims and objectives of the default investment strategy and take account of the level of costs and the risk profile that are appropriate for the Scheme's membership.

Details of the objectives and the Trustee's policies regarding the default arrangement can be found in the 'Statement of Investment Principles' ("SIP"). The Scheme's current SIP is included at the end of this statement (the SIP was updated after the end of the Scheme Year to include the Trustee's policy on investing in illiquid assets through the default arrangement).

The key aims of the default arrangement are set out below for ease of reference:

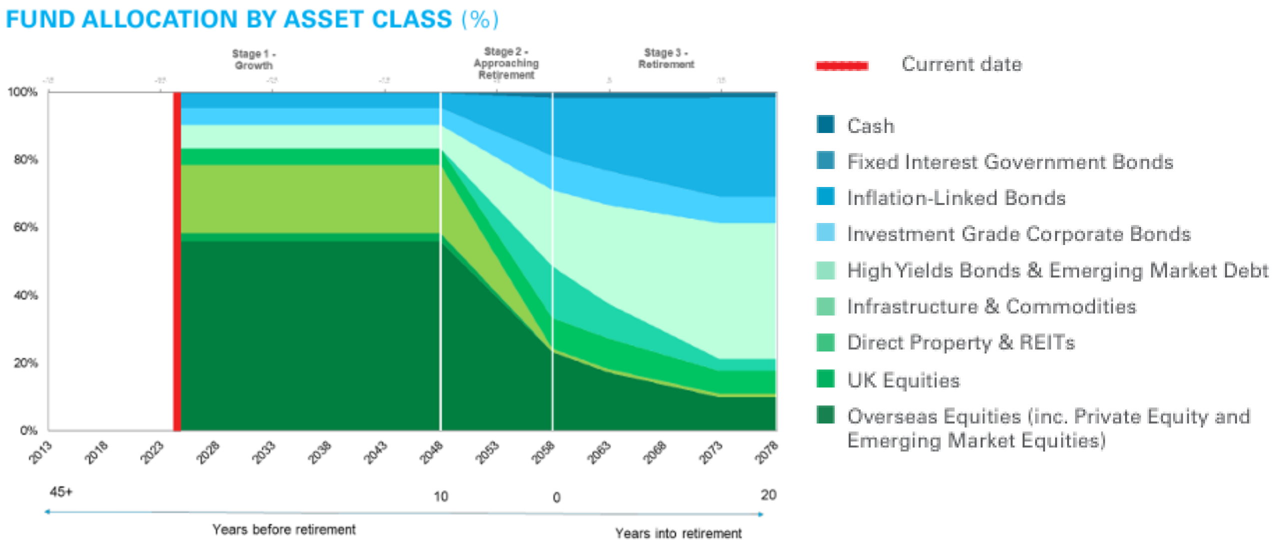
- to support DC members in building their real retirement income while managing possible downside risks; and
- to hold investments at retirement that do not target a particular benefit but are diversified across primarily 'lower risk' asset classes such as cash and investment grade bonds, whilst also allocating a lesser proportion to 'higher' risk assets such as equities, property and alternatives.

The L&G PMC Target Date Funds 3 adjust the way members' pension savings are invested as they move closer to retirement, spreading risk by investing in a range of asset classes throughout, and reducing investment risk as members approach retirement age.

The aim of the L&G PMC Target Date Funds 3 is to provide opportunity for growth in the early years of investment by investing predominantly in equities. As retirement approaches, assets are switched to lower risk investments which have historically been less volatile, with the aim of protecting the value of the accumulated fund.

The chart below shows the structure of the L&G PMC Target Date Funds 3 2055-2060 ‘vintage’. The asset allocation shown is dynamic and is expected to evolve over time. Other target date fund ‘vintages’ may have a different asset allocation to the one shown below.

The chart also shows the asset allocation for members that choose to continue contributing or defer taking their pension beyond their normal retirement age ('Stage 3 – Retirement' in the chart). Please note that the Scheme does not offer a drawdown facility so members will not be able to stay invested in the Scheme while taking their pension benefits, they must transfer out to another arrangement.



Source: L&G

The Trustee is responsible for the Investment Builder section's investment governance, which includes setting and monitoring the investment strategy for the default arrangement. Throughout the Scheme Year, the Defined Contribution Committee (“DCC”) was responsible for monitoring the performance of investment strategy. The Funding & Investment Committee (“FIC”) remains responsible for setting and reviewing the strategy, subject to consultation requirements and the approval of the Trustee Board.

1.2 The asset allocation of the default arrangement

The Trustee is required to disclose the full asset allocation of the default arrangements.

The table below shows the percentage of assets allocated in the default arrangement to specified asset classes for members of different ages.

Asset class	Asset allocation as at 31 March 2024 (%)			
	25 years old	**45 years old**	**55 years old**	**65 years old**
Cash	0.4	0.4	0.9	8.9
Bonds	22.7	22.7	45.3	53.6
Listed equities	70.0	70.0	40.0	14.1
Private equity	1.0	1.0	2.0	0.7
Infrastructure	2.5	2.5	5.0	3.2
Property*	3.4	3.4	6.8	5.1
Private debt	0.0	0.0	0.0	13.2
Other	0.0	0.0	0.0	1.2

* including real estate investment trusts when held for property exposure.

1.3 Specified performance based-fees

Where a fee is calculated by reference to the returns from investments held by the Scheme and is not calculated by reference to the value of the member's rights under the Scheme, the Trustee must state the amount of any such performance-based fees in relation to each default arrangement.

During the Scheme Year there were no such fees levied on the default arrangement and accordingly no assessment of the extent to which they represent good value has been carried out.

1.4 Review of the investment strategy and performance of the default arrangement

The Trustee undertakes a formal investment strategy review of the default arrangement at least every 3 years.

The last review concluded on 25 March 2021. The review considered the Scheme's membership profile as well as modelling of retirement out comes for representative members. The modelling showed that the existing default arrangement is expected to provide a broadly similar outcome at retirement but with greater downside protection in the approach to retirement than the alternative L&G 'off the shelf' strategies considered. The Trustee therefore concluded that the existing default arrangement remained suitable.

The DCC commenced an investment strategy review in March 2024 and this is ongoing.

The DCC reviews the performance of the default arrangement against the benchmark(s) set by L&G on a quarterly basis. This review includes an analysis of member activity and of fund performance to check that the risk and return levels meet expectations. The performance reviews carried out by the DCC over the Scheme Year concluded that the default arrangement was performing broadly as expected and remains consistent with the aims and objectives set out in the SIP.

1.2. AVCs

The AVC arrangements do not have a default arrangement, as defined in the Occupational Pension Scheme (Investment) Regulations 2005 since they relate only to AVCs. Members have always been required to choose which funds their AVCs are invested in. During the Scheme Year, the last member paying regular contributions into the AVC arrangement ceased paying contributions.

1.3. Bonus account

The Bonus account is a special investment account which received a credit of 1% of members' pensionable salary for every year and part year of pensionable service as at 31 July 1998. This bonus was granted as a result of a surplus from the Scheme's 1998 actuarial valuation. It was invested with Prudential in a With-Profits Investment Account. At retirement, members use the value of their Bonus account, plus the investment growth it has accumulated, to buy extra pension or take cash.

Although the Prudential With-Profits Investment Account is the only investment available through the Bonus account, no new contributions have been invested in the Bonus account since the Charges and Governance Regulations came into effect. This arrangement does not therefore have a default arrangement, as defined in the Occupational Pension Scheme (Investment) Regulations 2005.

2. Net Investment Returns

The Trustee is required to report the net investment returns for each default arrangement and for each non-default fund which members of the Scheme were invested in during the Scheme Year. Net investment return refers to the return on a fund minus all member-borne transaction costs and charges.

The net investment returns reported here have been prepared having regard to statutory guidance. The guidance states that, for arrangements where the net returns vary with age, such as the L&G PMC Target Date Funds 3, net investment returns should be shown for a member aged 25, 45 and 55 at the start of the investment reporting period. For completeness, we have reported the net investment returns for all L&G PMC Target Date Funds 3 'vintages' held over the Scheme Year.

Performance has been shown over 1 and 5 year periods where available. Some funds were launched less than 5 years ago, therefore 5-year returns are not available.

It is important to note that past performance is not a guarantee of future performance.

2.1. Investment Builder section - default arrangement – L&G PMC Target Date Funds 3

Age of member at the start of the investment reporting period	Net investment return to 31 March 2024	
	1 year (%)	5 years (% p.a.)
25	12.0	5.7
45	12.0	4.5
55	8.6	3.9

Source: L&G

2.2 Investment Builder section – all L&G PMC Target Date Funds 3 and self select funds

Fund name	Net investment return to 31 March 2024	
	1 year (%)	5 years (% p.a.)
L&G PMC 2070 - 2075 Target Date Fund 3	12.0	Not available
L&G PMC 2065 - 2070 Target Date Fund 3	12.0	5.7
L&G PMC 2060 - 2065 Target Date Fund 3	12.0	5.7
L&G PMC 2055 - 2060 Target Date Fund 3	12.0	5.7
L&G PMC 2050 - 2055 Target Date Fund 3	12.0	5.8
L&G PMC 2045 - 2050 Target Date Fund 3	12.0	5.4
L&G PMC 2040 - 2045 Target Date Fund 3	11.3	4.5
L&G PMC 2035 - 2040 Target Date Fund 3	10.8	4.4
L&G PMC 2030 - 2035 Target Date Fund 3	8.6	3.9
L&G PMC 2025 - 2030 Target Date Fund 3	7.3	3.2
L&G PMC 2020 - 2025 Target Date Fund 3	6.5	2.6
L&G PMC 2015 - 2020 Target Date Fund 3	5.7	1.5
L&G PMC Future World Multi-Asset Fund 3	8.8	4.2
L&G PMC Ethical Global Equity Index Fund 3	23.3	13.7
L&G PMC HSBC Islamic Global Equity Index Fund 3	31.9	16.9
L&G PMC All Stocks Index Linked Gilts Index Fund 3	-6.2	-5.8
L&G PMC Retirement Income Multi-Asset Fund 3	6.5	3.5
L&G PMC All World Equity Index 3	21.7	Not available

Source: L&G

2.3 AVCs and Bonus account

Fund	Net investment return to 31 March 2024	
	1 years (%)	**5 years (% p.a.)**
AVCs		
Prudential Cash Fund	4.5	1.1
Prudential With Profits Cash Accumulation Fund	1.5	1.2
Bonus Account		
Prudential With Profits Investment Account	2.0	1.6

Source: Prudential

For the Prudential With Profits Funds, the net investment returns shown above are the bonus rates declared on these funds over the relevant period i.e. to 15 March 2024 for the Prudential With Profits Cash Accumulation Fund and to 5 April 2024 for the Prudential With Profits Investment Account. Whilst, in practice, we would expect a terminal bonus to increase returns to close to the returns achieved by the underlying assets of the With Profits Funds over the period held (after taking account of all costs of running the fund, including the costs of any guarantees), these amounts are unknown and are not guaranteed. A market value reduction, which can reduce the return delivered to investors, may be applied on exit from the With Profits Funds at any time other than at maturity date, or in the event of death before retirement.

3. Member-borne Charges and Transaction Costs

The Trustee must report the level of charges and costs borne by members through the investment funds during the Scheme Year. These comprise:

- Charges – which represent the explicit costs associated with operating and managing a members' account or policy.

- Transaction costs, which are incurred when the fund manager buys and sells assets within investment funds. These are implicit and are reflected in the unit price of funds, or the fund value quoted for With Profits funds.

The Trustee is also required to produce an illustration of the cumulative effect of the costs and charges on members' retirement fund values as required following the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

The Trustee has taken account of the statutory guidance when compiling the information in this section, other than when determining the representative member for the Bonus account, which uses the mean average (rather than median) age and fund value. Current fund values have been rounded to the nearest £10, except for smaller fund values where the impact of rounding would be disproportionate.

Except as stated below, all costs and expenses relating to DC benefits (including advisory costs) are borne by the Trustee and are not passed onto members.

3A.1. Investment Builder Section

Members of the Investment Builder section pay the following charges:

- an administration charge (the annual management charge ("AMC")) which covers the cost of running their policy – this is met by cancelling units as shown on members' annual benefit statements and transaction history;

- a fund management charge ("FMC") which covers the cost of managing the fund(s) in which members are invested, including any additional expenses disclosed by the fund manager. This is met by adjusting the unit price of the funds members invest in (so it's not shown separately on members' annual benefit statements or transaction history).

The Total Expense Ratio ("TER") is the term used to describe the total of all explicit charges members pay. This is made up of the AMC and FMC.

Members also bear transaction costs, as described in section 3 above.

The table below shows the explicit costs (the AMC and the FMC) and implicit costs (transaction costs) on funds held through the Investment Builder section as at 31 March 2024. These have been provided by L&G.

The TER on the default arrangement (the L&G PMC Target Date Funds 3) is 0.42% p.a. which is well below the statutory charge cap of 0.75%.

DC section fund	AMC (% p.a.)	FMC (% p.a.)	Transaction costs (% p.a.)	Total costs and charges (% p.a.)
L&G PMC Target Date Funds 3 **(the default arrangement)**	0.27	0.15	0.04-0.08[2]	0.46-0.50[2]
L&G PMC All World Equity Index Fund 3	0.27	0.12	0.03	0.42
L&G PMC Ethical Global Equity Index Fund 3	0.27	0.30	0.00	0.57
L&G PMC HSBC Islamic Global Equity Index Fund 3	0.27	0.35	0.00	0.62
L&G PMC Future World Multi-Asset Fund 3	0.27	0.16	0.04	0.47
L&G PMC Retirement Income Multi-Asset Fund 3	0.27	0.31	0.08	0.66
L&G PMC All Stocks Index Linked Gilts Index Fund 3	0.27	0.08	0.04	0.39

[2]Depending upon target date of the fund

To give an example in monetary terms, a member invested in one of the L&G PMC Target Date Funds 3 with a fund value of £1,000 will pay an AMC of £2.70 a year (paid by cancelling units) plus a FMC of £1.50 a year, paid by adjusting the unit price. The costs of buying and selling assets in the L&G PMC Target Date Funds were between 40p and 80p over the year to 31 March 2024. The unit price of the L&G PMC Target Date Funds took account of the costs of buying and selling assets in the Fund.

3A.2. AVCs

Members with AVC funds pay an AMC from their unit-linked funds. Some unit-linked funds are subject to additional expenses. For unit-linked funds, the TER is made up of the AMC plus the additional expenses.

The charges on the Prudential With-Profits Cash Accumulation Fund are not explicit, they are taken into account when the annual bonus rate on the Fund is declared. Prudential has however provided an estimate of the charges on the Fund and this is shown in the table below.

The table below shows the costs and charges borne by members on their AVCs, which have been provided by Prudential. The TER is as at 31 March 2024. The transaction costs are the most recent available but they cover the twelve month period ending 31 December 2023.

Prudential has explained that transaction costs for the Scheme Year are not available because the majority of its funds are mirror funds or fund of funds. Prudential is therefore very much reliant on the underlying fund managers providing accurate data to its third party provider who then uses this data to calculate transaction costs at the Prudential pension fund level. Prudential also requires some time to validate the data and check the end results. Prudential has confirmed it is continuously working with all stakeholders to make the process as efficient as possible.

As explained above, there is no default arrangement within the AVCs.

AVC fund	TER (% p.a.)	Transaction costs (% p.a.)	Total costs and charges (% p.a.)
Prudential Cash Fund	0.55	0.03	0.58
Prudential With Profits Cash Accumulation Fund	1.27	0.16	1.43

3A.3. Bonus account

The charges on the Prudential With-Profits Investment Account are not explicit. Prudential takes account of the costs of administering the With-Profits Investment Account when it declares the annual bonus rate on the Account. Prudential has however provided an estimate of the charges on the With-Profits Investment Account.

The table below shows the estimated charges and the transaction costs borne by Bonus account members. These have been provided by Prudential. The TER is as at 31 March 2024. The transaction costs are the most recent available, but they cover the twelve month period ending 31 December 2023. Please see section 3A.2 for an explanation of why more recent transaction costs are not available.

As explained above, there is no default arrangement for Bonus account members.

Bonus account	TER (% p.a.)	Transaction costs (% p.a.)	Total costs and charges (% p.a.)
Prudential With Profits Investment Account	0.96	0.16	1.12

3B. Illustrations to show the cumulative effect of costs and charges

In order to help members understand the impact that costs and charges can have on their retirement savings, the Trustee has provided illustrations to show their cumulative effect on the value of typical Scheme members' savings over the period to their retirement.

The illustrations have been prepared having regard to statutory guidance, selecting suitable representative example members, and are based on a number of assumptions about the future which are set out at the end of this section.

Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on typical members of the Scheme they are not a substitute for the individual and personalised illustrations which are provided to members in their annual Benefit Statements. The Scheme does not offer members access to flexi-access drawdown therefore this option has not been taken into account in these illustrations.

3B.1. Investment Builder section

For the Investment Builder section, the Trustee has decided to illustrate four example members as follows:

Example Member	Current Age	Retirement Age	Salary (£ per annum)	Total contribution rate	Current Fund Value (£)
1 – Youngest Active	16	68	20,800	18%	160
2 – Youngest Deferred	16	68	N/A	N/A	80
3 – Median Active	37	68	25,400	18%	5,600
4 – Median Deferred	32	68	N/A	N/A	2,500

These example members were chosen as they are representative of the membership of the Scheme's Investment Builder section.

The Trustee has produced illustrations to demonstrate the cumulative effect of the above costs and charges for the default arrangement (as represented by the L&G PMC 2070 – 2075 Target Date Fund 3 for the youngest example active and deferred members, the L&G PMC 2055 – 2060 Target Date Fund 3 for the median active member and the L&G PMC 2060 – 2065 Target Date Fund 3 for the median deferred member).

The Trustee has also included illustrations to demonstrate the cumulative effect of costs and charges for the L&G PMC Retirement Income Multi-Asset Fund 3 which had the highest total costs and charges over this reporting period and the L&G PMC All Stocks Index Linked Gilts Index Fund 3 which had the lowest total costs and charges over this reporting period, in accordance with the current guidance.

The tables below illustrate the cumulative effect of the costs and charges at different ages on members' projected retirement pots for the example members invested in the relevant funds. The projected retirement fund is shown in today's terms and so it already takes account of the effect of inflation between now and retirement.

Example member 1 – For the youngest active member the estimated impact of charges on accumulated fund values is shown in the table below.

Age	L&G PMC 2070 – 2075 Target Date Fund 3			L&G PMC Retirement Income Multi-Asset Fund 3			L&G PMC All Stocks Index Linked Gilts 3		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
16	£160	£160	£0	£160	£160	£0	£160	£160	£0
20	£15,080	£14,930	£150	£14,810	£14,630	£180	£15,410	£15,280	£130
25	£34,900	£34,130	£770	£33,530	£32,610	£920	£36,650	£35,950	£700
30	£56,110	£54,200	£1,910	£52,720	£50,490	£2,230	£60,620	£58,810	£1,810
35	£78,810	£75,150	£3,660	£72,370	£68,240	£4,130	£87,650	£84,060	£3,590
40	£103,110	£97,050	£6,060	£92,510	£85,890	£6,620	£118,140	£111,970	£6,170
45	£129,110	£119,920	£9,190	£113,150	£103,420	£9,730	£152,540	£142,820	£9,720
50	£156,940	£143,820	£13,120	£134,290	£120,850	£13,440	£191,350	£176,900	£14,450
55	£186,710	£168,780	£17,930	£155,960	£138,160	£17,800	£235,120	£214,570	£20,550
60	£218,580	£194,860	£23,720	£178,160	£155,360	£22,800	£284,500	£256,200	£28,300
65	£252,690	£222,100	£30,590	£200,900	£172,460	£28,440	£340,200	£302,210	£37,990
68	£274,290	£239,030	£35,260	£214,820	£182,660	£32,160	£376,990	£332,110	£44,880

Example member 2 – For the youngest deferred member the estimated impact of charges on accumulated fund values is shown in the table below.

Age	L&G PMC 2070 – 2075 Target Date Fund 3			L&G PMC Retirement Income Multi-Asset Fund 3			L&G PMC All Stocks Index Linked Gilts 3		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
16	£80	£80	£0	£80	£80	£0	£80	£80	£0
20	£84	£83	£1	£82	£80	£2	£88	£87	£1
25	£90	£87	£3	£84	£79	£5	£99	£96	£3
30	£97	£90	£7	£86	£79	£7	£112	£106	£6
35	£104	£94	£10	£88	£78	£10	£126	£117	£9
40	£111	£99	£12	£90	£78	£12	£143	£129	£14
45	£119	£103	£16	£92	£77	£15	£161	£143	£18
50	£127	£108	£19	£94	£77	£17	£182	£158	£24
55	£136	£113	£23	£97	£76	£21	£205	£174	£31
60	£145	£118	£27	£99	£76	£23	£231	£193	£38
65	£156	£123	£33	£102	£75	£27	£261	£213	£48
68	£162	£126	£36	£103	£75	£28	£280	£226	£54

Example member 3 – For the median active member the estimated impact of charges on accumulated fund values is shown in the table below.

Age	L&G PMC 2055 – 2060 Target Date Fund 3			L&G PMC Retirement Income Multi-Asset Fund 3			L&G PMC All Stocks Index Linked Gilts 3		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
37	£5,600	£5,600	£0	£5,600	£5,600	£0	£5,600	£5,600	£0
40	£19,660	£19,480	£180	£19,330	£19,100	£230	£20,070	£19,910	£160
45	£44,400	£43,430	£970	£42,660	£41,490	£1,170	£46,630	£45,750	£880
50	£70,880	£68,450	£2,430	£66,570	£63,730	£2,840	£76,600	£74,300	£2,300
55	£99,220	£94,580	£4,640	£91,060	£85,840	£5,220	£110,410	£105,860	£4,550
60	£129,540	£121,890	£7,650	£116,160	£107,800	£8,360	£148,540	£140,740	£7,800
65	£162,000	£150,420	£11,580	£141,880	£129,630	£12,250	£191,550	£179,280	£12,270
68	£182,560	£168,140	£14,420	£157,620	£142,660	£14,960	£219,960	£204,330	£15,630

Example member 4 – For the median deferred member, the estimated impact of charges on accumulated fund values is shown in the table below.

Age	L&G PMC 2060 – 2065 Target Date Fund 3			L&G PMC Retirement Income Multi-Asset Fund 3			L&G PMC All Stocks Index Linked Gilts 3		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
32	£2,500	£2,500	£0	£2,500	£2,500	£0	£2,500	£2,500	£0
35	£2,600	£2,570	£30	£2,540	£2,490	£50	£2,690	£2,650	£40
40	£2,790	£2,680	£110	£2,600	£2,470	£130	£3,030	£2,930	£100
45	£2,980	£2,800	£180	£2,660	£2,460	£200	£3,420	£3,240	£180
50	£3,190	£2,930	£260	£2,730	£2,440	£290	£3,860	£3,580	£280
55	£3,420	£3,060	£360	£2,800	£2,430	£370	£4,350	£3,960	£390
60	£3,660	£3,190	£470	£2,860	£2,410	£450	£4,910	£4,380	£530
65	£3,910	£3,340	£570	£2,940	£2,400	£540	£5,540	£4,840	£700
68	£4,070	£3,420	£650	£2,980	£2,390	£590	£5,950	£5,130	£820

3B.2. AVCs

For the AVC arrangement, no members are currently paying contributions therefore we have decided to illustrate one example member as follows:

Example Member	Current Age	Retirement Age	Current fund value (£)
5 – Youngest member	54	65	23,100

In accordance with the guidance, we have produced illustrations to demonstrate the cumulative effect of the above costs and charges for the With Profits Cash Accumulation Fund and the Cash Fund because these are the funds with the highest and lowest charges respectively (they are also the only funds members invested in over the Scheme Year).

For example member 5, the estimated impact of charges on accumulated fund values is shown in the table below.

Age	With Profits Cash Accumulation Fund			Cash Fund		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
54	£23,100	£23,100	£0	£23,100	£23,100	£0
55	£23,210	£22,900	£310	£22,760	£22,640	£120
60	£23,780	£21,900	£1,880	£21,140	£20,460	£680
65	£24,370	£20,950	£3,420	£19,640	£18,480	£1,160

3B.3. Bonus account

For the Bonus account, we have decided to illustrate two example members being the youngest and average Bonus account members:

Example Member	Current Age	Retirement Age	Current fund value (£)
6 – Youngest member	42	65	100
7 – Average member	57	65	1,600

For example member 6, the estimated impact of charges on accumulated fund values is shown in the table below.

Age	With Profits Investment Account		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
42	£100	£100	£0
45	£101	£98	£3
50	£104	£95	£9
55	£107	£93	£14
60	£109	£90	£19
65	£112	£87	£25

For example member 7, the estimated impact of charges on accumulated fund values is shown in the table below.

Age	With Profits Investment Account		
	Fund value (before charges)	Fund value (after charges)	Impact of charges on fund value
57	£1,600	£1,600	£0
60	£1,620	£1,570	£50
65	£1,660	£1,530	£130

3B.4. Assumptions and Data for Illustrations

All fund values shown are estimates and are not guaranteed.

The projected fund values and the effect of charges on fund values is rounded to the nearest £10, except for smaller fund values where the effect of rounding would be disproportionate.

Fund values shown are in real terms and do not need to be reduced to allow for the effect of inflation.

Inflation is assumed to be 2.5% p.a. consistent with the guidance.

Projected fund values for Prudential With Profits Funds assume returns are the investment growth on the underlying assets less charges however this will be different to the bonus rate declared on these funds.

For the example active members of the Investment Builder section, contributions are assumed to continue until retirement and to increase by assumed earnings inflation of 2.5% p.a.

The transaction costs have been averaged over five years in line with statutory guidance to reduce the level of volatility. A floor of 0% p.a. has been used for the transaction costs if these were negative in any year so as not to potentially understate the effect of charges on fund values over time.

The projected growth rates and costs and charges used for the illustrations are shown in the table below. These are the same as the growth rates used by the providers for annual benefit statements. We have used a single growth rate for the Target Date Funds, irrespective of the length of time members have to retirement, consistent with L&G's practice for annual benefit statements.

Fund	Total costs and charges[5]	Growth rate (gross of charges)
L&G PMC 2070 – 2075 Target Date Fund 3	0.50% p.a.	3.9% p.a.
L&G PMC 2060 – 2065 Target Date Fund 3	0.50% p.a.	3.9% p.a.
L&G PMC 2055 – 2060 Target Date Fund 3	0.50% p.a.	3.9% p.a.
L&G Retirement Income Multi-Asset Fund 3	0.63% p.a.	3.0% p.a.
L&G All Stocks Index Linked Gilts 3	0.43% p.a.	5.0% p.a.
Prudential With Profits Fund (AVCs)	1.41% p.a.	3.0% p.a.
Prudential Cash Fund (AVCs)	0.56% p.a.	1.0% p.a.
Prudential With Profits Investment Account (Bonus account)	1.10% p.a.	3.0% p.a.

[5]This is the TER plus the averaged transaction costs

4. Processing of Core Financial Transactions

The Trustee has a specific duty to ensure that core financial transactions are processed promptly and accurately. Core financial transactions include the investment of contributions, transfer of member funds into and out of the Scheme, transfers between different investments within the Scheme and payments from the Scheme to and in respect of members/beneficiaries.

4.1. Investment Builder section

The bulk of the core financial transactions are undertaken on behalf of the Trustee by L&G. The Scheme employers are responsible for ensuring that contributions are paid to the Scheme promptly. The Pensions Office is responsible for monitoring contributions and reconciling contributions under the service level agreement ("SLA") in place with the Trustee, which specifies that a data file will be provided within 5 working days of agreed monthly dates. The Pensions Office reports SLA performance to the DCC. The DCC monitored the allocation of contributions based upon the quarterly administration reports provided by L&G.

The Trustee has a SLA in place with L&G. This details a number of key administration processes to be performed and the target timescale within which each of these processes need to be completed. The SLA covers the accuracy and timeliness of all core financial transactions. Under the current SLA, L&G aims to complete investment of contributions within 24 hours, and all other core financial transactions within 5 working days.

L&G uses automated processes wherever possible, to avoid the need for manual intervention. However there will always be some manual tasks and L&G has processes in place to ensure these are completed promptly and accurately. These processes include:

- Use of a standard operating procedure manual (this is a guide which is used by the administration team to ensure that repeat tasks are carried out in the same way each time).
- Quality / in-line checking of tasks by another individual.
- Quality sampling, where a number of cases per process and/or per member of staff are sampled to be checked by more senior or experienced members of staff, who are in turn subject to checks by another team.
- Daily monitoring of bank accounts and daily processing of both contribution files and cash allocation.
- Use of an internal Knowledge Management system, known as 'AME', which holds and links to all scheme specific information & processes via a page specific to each scheme. All requested updates are approved by the Client Directors who in turn review the pages annually to ensure consistency in the tasks their colleagues process.

L&G processed the majority of core financial transactions within the SLA during the Scheme Year. It took longer than 5 working days to pay a number of transfer-out payments resulting in the average SLA performance for this task being 97%. This represents an improvement in the SLA performance of 92% reported for this task the previous Scheme Year. L&G has confirmed that the industry-wide focus on pot consolidation has had an impact on its Transfers Out team and that this increased demand is expected to continue throughout 2024.

The Trustee aims to have appropriate internal controls in place to minimise the risk of inaccurate or late payment of core financial transactions. Key processes include:

- As well as processes described above, the DCC receives quarterly reports from L&G on compliance with agreed standards and timescales to help it monitor that the SLAs of the Pensions Office and L&G are being met;
- L&G attends at least one DCC meeting a year, and maintains regular communication with the Scheme Secretary;

- Receipt of contributions by L&G is reconciled to the funds remitted from the Scheme bank account by the University on behalf of the Trustee;
- All refunds of contributions resulting from individuals opting out are reconciled to the Scheme's bank records prior to returning funds to the relevant Participating Employer;
- As part of its master trust authorisation, the Scheme's processes were independently reviewed and the review has been an annual process since then;
- The Trustee was presented with proposals from Cyber Resilience experts on how to review and bolster the Scheme's cyber resilience. These proposals were reviewed in September 2023 and the Trustee is currently working with the University's internal expert resource on a cyber resilience project.

The Trustee is therefore satisfied that over the period:

- L&G was operating appropriate procedures, checks and controls.
- there have been no material administration errors in relation to processing core financial transactions; and
- L&G was operating within the agreed SLAs the majority of the time; and the majority of core financial transactions have been processed promptly and accurately during the Scheme Year, with appropriate steps being taken to return to improve where this expectation has not been met.

4.2. AVCs and Bonus account

For the AVCs and the Bonus account, transactions are undertaken on the Trustee's behalf by the Pensions Office and Prudential. The Trustee has a SLA in place with the Pensions Office relating to transfers in and transfers out, payment processing, payment of benefits at retirement and contribution processing. The Trustee receives quarterly reports on performance of the Pensions Office, with any exceptions reported when matters have not been dealt with promptly and accurately. No material issues arose during the Scheme Year to 31 March 2024.

The Trustee does not have a formal SLA in place with Prudential. However, Prudential has target timescales in operation for all core financial transactions as set out in the table below.

Task	**Target timescales / Service Level Agreement**	
	Prudential	**Pensions Office**
Allocation of contributions	5 working days[6]	Not applicable
Transfers in	5 working days	5 days
Transfers out	5 working days	5 days
Fund switches	5 working days	Not applicable
Payment of retirement and death benefits	5 working days	2 days

[6]Prudential backdates the payment to the receipt date so even if the contribution is not allocated until a later date, it will be invested with an effective date of day 1.

Prudential monitors its performance against service targets closely and adopts a number of measures to help ensure core financial transactions are processed in a timely and accurate manner. These include:

- A dedicated contribution processing team;
- A central financial control team separate from the main administration team;
- Peer review and authorisation of payments;
- Daily monitoring of bank accounts;
- Daily checking and reconciliation of member unit holdings.

As expected for the size of the AVC arrangement, there were relatively few core financial transactions over this period (twelve monthly contribution payments). The Pensions Office has confirmed these were all processed in a timely manner.

The Trustee is therefore satisfied that over this period:

- the Pensions Office was operating appropriate procedures, checks and controls and operating within the agreed SLAs;
- there have been no material administration errors in relation to processing dis-investments; and
- dis-investments and contribution payments have been processed promptly and accurately during the Scheme Year.

5. Value for Members Assessment

The Administration Regulations require the Trustee to make an assessment of charges and transaction costs borne by members and the extent to which those charges and costs represent good value for money for members.

There is currently no legal definition of "good value" or the process of determining this for scheme members. Therefore, working in conjunction with its advisers, Aon, the Trustee has developed a cost-benefit analysis framework in order to make an assessment as to whether our members receive good value from the Scheme relative to the costs and charges they pay. Although the Scheme is not subject to the more detailed value for members assessment requirements, the Trustee has taken account of the relevant guidance and the Pensions Regulator's General Code of Practice when carrying out this assessment.

5.1. Costs and charges

Members pay the administration and investment costs of their policy in the Investment Builder section or the AVC arrangement. Members pay only investment costs for their Bonus account assets and these are taken account of in the With Profits bonus rate declared.

Investment Builder section - the costs and charges have been identified as the AMC and FMC which make up the TER and transaction costs, as set out in section 3 of this statement. The Trustee's assessment concluded that the charges for the Investment Builder section are within the range reported by other similar schemes and broadly in line with current market rates. Although no benchmarking information is available for transaction costs, those reported for the

Investment Builder section over the Scheme Year appear reasonable compared to costs we have seen reported for similar funds. L&G typically uses cash flows to manage and minimise transaction costs and the majority of investments in the Investment Builder section are index-tracking funds which have lower transaction costs than more actively managed funds, such as the Prudential funds held by AVC members. The Trustee has offered AVC members the opportunity to transfer funds and future contributions to the Investment Builder section to take advantage of the lower costs and charges (and other benefits) it provides.

The Trustee has considered the benefits of membership under the following five categories: governance, investments, administration and member experience, member communications and retirement support. Each of these categories have been given an equal weighting, when considering overall value for members. Benchmarking relative to other pension arrangements or industry best practice guidelines has also been undertaken.

For the AVCs and Bonus Account, the Trustee has considered the benefits these arrangements provide to members in the wider context of membership of the Scheme rather than these arrangements alone.

A summary of the assessment for each category of benefit is set out below.

5.2. Governance

The Trustee believes that having robust processes and structures in place to support effective management of risks and ensure members interests are protected should increase the likelihood of good outcomes for members.

The Scheme has achieved master trust authorisation and is supervised by the Pensions Regulator as a master trust. This takes account of the Scheme's governance processes and structures.

The Trustee has a business plan which is reviewed regularly.

DC issues are included in the Scheme's risk register, which is also reviewed regularly, and the Trustee and its sub-committees take professional advice in respect of actuarial, legal and investment matters (the costs of which are not passed onto members).

The Trustee has a service level agreement ("SLA") in place with the Pensions Office and L&G and receives quarterly reporting on this. The Trustee also has appropriate internal controls in place to minimise the risk of inaccurate or late payment of contributions.

Investment Builder section - the Trustee has governance processes in place for the Investment Builder section whereby core financial transactions and other key governance factors are monitored quarterly.

The Trustee has a SLA in place with L&G. This covers a number of key administration processes to be performed, including all core financial transactions and the target timescale within which each of these processes needs to be completed. The DCC receives quarterly reports from L&G that enable the DCC to monitor that the SLA is being met, and to investigate an instances where the SLA is not met. L&G also attend two DCC meetings a year to discuss any issues and queries with the DCC.

The Trustee's DC advisers review the suitability of the Investment Builder section and L&G as a provider on an annual basis.

AVCs and Bonus account arrangements - the Trustee takes a proportionate approach to governance of the AVCs and Bonus account arrangements, taking account of the number of members and assets under management and the relatively static nature of these arrangements (in terms of fund switches and other core financial transactions).

Members who hold AVCs have been offered the opportunity to move these to the Investment Builder section to take advantage of the lower charges and additional governance oversight, and an exercise to make members aware of this was undertaken in the 2018/19 Scheme Year.

A review of the AVC arrangements is undertaken every three years. The last review was completed on 15 November 2022 therefore the next review is due to be completed by 15 November 2025.

The Trustee concluded it has suitable governance processes in place with the right structures in place to support effective management of risks.

5.3. Investments

The Trustee believes that a well-designed investment portfolio that is subject to regular performance monitoring and assessment of suitability for the membership will make a large contribution to the delivery of good member outcomes.

Investment Builder section - the Trustee has chosen L&G's range of target date funds as the default arrangement, following advice from its professional advisers and analysis of the membership. A suitable range of alternative investment options on the risk / return spectrum is made available to members, including a Shariah-compliant fund and an environmental, social and governance fund.

The Statement of Investment Principles sets out the aims and objectives of the Investment Builder section default investment strategy and this is reviewed at least every three years.

The DCC reviews investment performance after investment charges and transaction costs against the benchmarks set by L&G on quarterly basis. The investment performance reviews carried out during the Scheme Year identified no major concerns in relation to the relevant investment objectives.

The DCC and the FIC undertake a formal review of the investment strategy every three years. The last review which was completed on 25 March 2021, concluded the default investment strategy remained appropriate but recommended some changes to the self select fund range which were subsequently actioned.

The next triennial investment strategy is currently underway, taking account of the current membership of the Investment Builder section, the forms in which members can access their pension savings and any new developments in investment markets and products.

AVCs and Bonus account arrangements – the quality and suitability of the AVC investment options are reviewed every 3 years. The AVC arrangement offers members a range of funds that provide access to the main asset classes and a With Profits Fund and are therefore considered to be capable of meeting members' needs. The last review of these arrangements, completed on 15 November 2022, raised no major concerns over fund suitability or performance.

The Prudential With Profits Investment Account is the only option available through the Bonus account. The Trustee is unable to change the investment strategy as doing so would result in the loss of investment guarantees provided by the With Profits Investment Account. All members of the Bonus account have benefits in the DB section and this account provides additional benefits. Performance of the Bonus account was not formally reviewed during the Scheme Year. The last review of these arrangements was completed on 15 November 2022 and this review raised no concerns over the quality of the With Profits Investment Account.

The Trustee has concluded that the processes it has in place to review and monitor investments are suitable.

5.4. Administration

The Trustee believes that good administration and record keeping play a crucial role in ensuring that the Scheme operates efficiently and members receive the retirement benefits due to them.

The Scheme has achieved master trust authorisation and is supervised as a master trust, which includes consideration of its administration systems and processes.

The Trustee has service level agreements in place with L&G and the Pensions Office covering all aspects of administration undertaken and both service providers report performance against these on a quarterly basis. This enables the Trustee or the sub-committees to which it has delegated these tasks to monitor standards of administration on a regular basis and investigate any issues that arise. Over this Scheme Year, L&G met the SLA for all tasks 99.96% of the time.

L&G also reports on the time taken to respond to member enquiries and any member complaints received in its quarterly governance reports. L&G received two member complaints during the Scheme Year. This represents a very small proportion of the membership, and both were deemed ‘non-reportable’ i.e. they were resolved by the next business day.

Interfaces used to provide data to L&G include automatic validation of key member data. There is currently no specific action regarding data quality deemed necessary to be included within the Trustee’s Business Plan although this is kept under review.

The Trustee does not have a formal service level agreement in place with Prudential for the AVCs and Bonus account, but this is typical market practice for older arrangements. Prudential does have processes in place to ensure core financial transactions are processed promptly and accurately. It also has target timescales for core financial transactions, although it does not report performance against these targets to the Trustee or more widely.

The Pensions Office reviews the data for AVC and Bonus account members as part of the annual process to compile the Trustee Report and Accounts.

The Trustee has concluded that the processes it has in place to review and monitor administration are suitable and that members received good standards of administration service over the Scheme Year.

5.4. Member communications

The Trustee believes that effective member communications and delivery of the right support and tools help members understand and have the potential to improve their retirement outcomes.

Member communications remain a key focus area for the DCC. For the Investment Builder section, the Trustee predominantly uses L&G's standard suite of communications that it reviews before issue to ensure it is suited to the Scheme's membership. The Trustee has identified that communications may benefit from tailoring to meet the needs of and engage with the Scheme's members and a decision has been made to issue separate DB and DC newsletters next year.

The Scheme is in line with many other schemes, providing most information to members online. Members of the Investment Builder section and members who hold unit-linked AVC funds with Prudential have online access to their accounts via the L&G and Prudential websites. The L&G website includes modelling tools and supporting information such as the member guide and investment guide for the Investment Builder section and relevant sources of information are signposted to members. In addition, L&G are developing an app for members to have additional online access as well as their secure online access website. It is expected that this will become available to members later in 2024. L&G also provides a helpline to members of the Investment Builder section.

The Trustee concluded that the Scheme's communications are broadly in line with those provided by similar schemes but it recognises more could be done to inform and engage DC members.

5.5. Retirement support

The Trustee believes that retirement processes that enable members to make informed decisions and select appropriate option(s) at retirement help members understand and improve retirement outcomes.

The Investment Builder section allows members to access their funds as an uncrystallised fund pension lump sum (i.e. cash) or to take their entitlement to tax-free cash and use the remainder to buy an annuity. Members also have the opportunity to transfer their DC funds out of the Scheme to a suitable arrangement, if they wish to draw income directly from their fund.
The Investment Builder section is relatively immature and the majority of members are expected to take funds as an uncrystallised fund pension lump sum for the foreseeable future.

Members of the Investment Builder section have access to L&G's scheme-specific website, which includes financial planning education materials and tools to support retirement decision making.

The Scheme allows defined benefit section members with AVCs to use their AVCs or Bonus account as the first source of tax free cash from the Scheme rather than having to commute defined benefit pension. The Trustee believes this option is valued highly by members who have made AVCs or who have Bonus account benefits. Pre-retirement communications clearly set out the options available to members (i.e. standard benefit option, maximum cash option or no cash option).

The Trustee has concluded that the retirement options available to members are appropriate for the Scheme's current DC membership and in line with those currently offered by similar schemes. However, it is aware of regulatory developments to provide members of occupational pension schemes with greater support and access to

decumulation products and is looking at how best to develop appropriate support for members at retirement.

The Trustee's assessment for the year ended 31 March 2024 concluded that the charges and transaction costs borne by members of the Investment Builder section, AVCs and Bonus account represented good value for members, taking account of the benefits of Scheme membership.

6. TRUSTEE KNOWLEDGE AND UNDERSTANDING

Sections 247 and 248 of the Pensions Act 2004 set out the requirements for trustees to have appropriate knowledge and understanding. These requirements are considered in the Pension Regulator's Code of Practice 7.

The comments in this section relate to the Scheme as a whole and not solely the DC Section.

New Trustee Directors are required to complete a structured induction programme before taking up office, which may include a period of acting as an observer. Completion of the Pensions Regulator's Trustee Toolkit forms part of that induction.

The Trustee Directors have put in place arrangements for ensuring that they take personal responsibility for keeping themselves up to date with relevant developments and review their own training needs. The Scheme Secretary, with the help of the Trustee's advisers, regularly considers training requirements and arranges for training to be made available to individual Trustee Directors or to the whole Trustee body as appropriate. Training is recorded in the Trustee Director's training logs and the Business Plan is updated as required. Trustee Directors have personal copies of the Trust Deed and Rules and have access to all Scheme governance documents and policies through the Scheme's SharePoint site.

It is usual to hold training sessions at each quarterly Trustee meeting. Training sessions usually cover topics on the agenda and updates to law, regulation and practice such as new governance requirements, new legislative requirements, changes to Scheme documentation (e.g. Trust Deed and Rules, SIP, Scheme policy documents), funding and investment and new provider offerings that might benefit the Scheme.

During the period covered by this statement, the Trustee Directors received DC-relevant training from their DC advisers and their legal advisers. This training included the following matters:

1. Equality, Diversity and Inclusion (Trustee board training – July 2023)
2. Task Force on Climate-Related Financial Disclosures (Trustee board training – October 2023)
3. DC Retirement Support (Trustee board training – January 2024)

As part of the master trust application process, the Trustee Directors needed to demonstrate that they individually have appropriate trustee knowledge and understanding as part of the fit and proper person test. Trustee knowledge and understanding was assessed by asking each Trustee Director to complete a self-assessment. From this, a trustee board skills matrix was compiled. This approach has been included in the Trustee business plan to ensure the Board considers any gaps in its knowledge regularly and informs its training needs or the need for additional support and advice. New Trustee Directors must also demonstrate they meet the fit and proper person test as part of the ongoing supervision of the Scheme as a master trust.

The Trustee Directors also receive advice from professional advisers, and the relevant skills and experience of those advisers is a key criterion when evaluating adviser performance or selecting new advisers. The Scheme Actuary and Legal Adviser and other advisers attend each Trustee meeting to provide advice and are available to attend committee meetings when appropriate. In particular, the Scheme Actuary attends funding and investment committee meetings when funding matters are on the agenda. The investment adviser attends each funding and investment committee meeting and is invited to Trustee meetings when appropriate. The DC consultant attends each DC committee meeting and is invited to Trustee meetings when appropriate. All advisers are available to provide advice and support when required.

The Trustee Directors are conversant with key scheme documents such as the Trust Deed & Rules, Trustee Report & Accounts, Statement of Investment Principles and Trustee policies and procedures.

Some examples during the Scheme Year which demonstrate the Trustee Directors' knowledge and understanding and familiarity with Scheme documents include:

1. Consideration of the Trust Deed & Rules when reviewing the structure of the Trustee's committees.
2. Consideration of the Trust Deed & Rules and Trustee company documentation when reviewing the policy and procedure relating to member-nominated Trustee Directors.
3. Consideration of existing principles and policies when making decisions in preparation for the additional disclosures required in relation to climate change.
4. Signing off the Trustee Report and Accounts.
5. Reviewing quarterly administration reports to monitor service delivery against agreed service levels standards and assessing the member experience.
6. Reviewing quarterly investment reports to assess fund performance against benchmarks, and funds against overall Scheme aim and objectives, as set out in the SIP.
7. Regular review of policies by rotation under the Scheme's activity plan.
8. During this period, the Trustees undertook a gap analysis to review the entire suite of governance documents to measure compliance with the Pensions Regulator's General Code of Practice. Noting that they currently have 100 governance documents and policies, part of this work was looking to simplify the governance documents and then set out a more manageable review cycle. This work is currently ongoing.
9. Consideration of the Trust Deed & Rules and trust law when considering member applications and the application of death benefits.

Taking account of actions taken individually and as a Trustee Board, together with advice available from its professional advisers, the Trustee considers that its Board has the necessary knowledge and understanding to properly exercise its functions as Trustee of the Scheme.

7A. ADDITIONAL REQUIREMENTS FOR RELEVANT MULTI-EMPLOYER SCHEMES

The Trustee is required to comply with the additional requirements for relevant multi-employer schemes, set out in Regulation 26 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the "**Scheme Administration Regulations**").

During the Scheme Year the Trustee board had six non-affiliated Trustee Directors (including the chair of the Trustee Board) and four affiliated Trustee Directors with one vacancy. After the Scheme Year end, Vidett Trustee Services Limited (company number 01050578 with registered office at 3rd Floor, Forbury Works, 37-43 Blagrave Street, Reading, England, RG1 1PA) was appointed to replace Mr J. N. Sykes as chair of the Trustee following the end of his term. Affiliation refers broadly to being employed by an entity providing services to the Scheme. The affiliated Trustee Directors are employees (or recent employees) of the University but none are/were employed in the Pensions Office which provides services to the Trustee or have/had roles involving oversight or direction of the Pensions Office. The non-affiliated Trustee Directors during the Scheme Year were Mr C. A. H. Alexander, Mr N. Badman, Mrs M. Hauser, Ms L. Savin, Mr J. N. Sykes (Chair), and Mr J. Clark. The non-affiliated Trustee Directors do not work for the University (or any other Scheme service provider) or any of its subsidiaries (nor have they in the five years prior to their appointment as Trustee Directors) and have not received any payment or benefit from the University (or any other Scheme service provider) other than for their role on the Trustee Board. The term lengths of the non-affiliated Trustee Directors comply with Regulation 28 of the Scheme Administration Regulations, being 3 years each (extended to 4 years for the Chair on an exceptional basis by agreement between the Trustee and University). The Trustee's articles permit term extensions to be decided by the Trustee Board where there is a vacancy, subject to statutory term limits.

During the period, non-affiliated directors Ms L. Savin, Mrs M. Hauser and affiliated director Ms K. Kele had their terms temporarily extended until such time as the process for selecting the Trustee's member-nominated directors ("**MNDs**") was completed. No extended term exceeded 5 years during the period.

Following an open and transparent process for appointment (by public advertisement in the University Gazette), the re-appointment of non-affiliated director Mr J Clark was confirmed during the period for a term to 31 March 2026. The MND process for the five MND positions will be completed after Scheme Year end.

7B. FEEDBACK

Members and their representatives are encouraged to make their views on matters relating to the Scheme known to the Trustee. Because of the size, nature and demographic of the Scheme membership, a range of different channels is available to members should they wish to share their views with the Trustee. They may contact the Trustee via the contact details (telephone number, email and postal address) in the annual report and the annual members' newsletter and on the OSPS website page. Members may also give feedback when in contact with the Pensions Office and they are encouraged to give feedback in the annual members' newsletter. The Trustee keeps under review the level of engagement with members and the opportunities for feedback from members. The presence of a number of member-nominated Trustee Directors on the Trustee Board is also helpful in this regard. Feedback is also received on future provision from employer working groups and forums that also include union representatives.

Signed on behalf of the Trustee of the University of Oxford Staff Pension Scheme by the Chair of the Trustee

H Winn Date: 30 October 2024