

## Chair's governance statement regarding defined contribution benefits held in the Bridgepoint Pension Plan ("the Plan")

### 1. Introduction

- 1.1. This statement has been prepared by the Trustee Corporation Limited ("TCL") as the professional Trustee ("the Trustee") in relation to the Plan and reports on how the Trustee complies with the governance standards. These standards were introduced under the Occupational Pension Schemes (Charges and Governance) Regulations 2015 and amended by the Occupational Pension Scheme (Administration and Disclosure) (Amendment) Regulations 2018 ("the Regulations").
- 1.2. For this statement the Trustee, as allowed under the Regulations, has extended the reporting period from 12 to 18 months. The reporting period covered by this statement is 1 January 2018 to 30 June 2019 ("the reporting period").
- 1.3. As required by the Regulations, the Trustee will publish this Statement on a publicly accessible website. The web address for the website is: <https://vfm.aviva.co.uk/the-bridgepoint>

### 2. The Plan's DC arrangements

- 2.1. The Plan is open to future contributions and is used by Bridgepoint as a qualifying workplace pension plan for auto-enrolment purposes.

### 3. The DC Section's default investment arrangement

- 3.1. Over the reporting period, the Plan had the following default arrangements for the purposes of the regulations, the Bridgepoint Lifetime Investment Strategy and the My Future Investment Strategy.

#### The Bridgepoint Lifetime Investment Strategy (BLIP) design and objectives

The key features of the BLIP are as follows:

- 3.2. The BLIP is a lifestyle investment option which follows a two stage approach to investment taking more risk when an investor is a long way from retirement and then reducing exposure as a member approaches retirement. The BLIP was designed with the intention that members would purchase an annuity at selected retirement age.
  - 3.2.1. Throughout the growth phase, the BLIP invests 100% in the Aviva BlackRock Consensus (Aquila C) Fund. This is a blended investment fund which invests in a portfolio of index tracking funds and seeks to achieve a total return for investors. The fund will invest in equities, fixed interest, money market instruments, deposits and cash and near cash.
  - 3.2.2. The de-risking phase of the BLIP begins when a member reaches 6 years to their SRA. At this point the BLIP will begin to automatically and gradually switch out of the Aviva BlackRock Consensus (Aquila C) Fund and into the Aviva Fixed Interest Fund and Aviva Money Market Fund.
  - 3.2.3. Normal pension age is 65 although members can choose to change the pension age for their benefits.

### The My Future investment arrangement design and objectives

- 3.3. This was implemented in August 2015 as the default for new joiners and followed advice from the Trustee's investment adviser, Barnett Waddingham LLP. This strategy was designed to reflect the changing needs of members post Freedom & Choice and the need to be better aligned with the retirement income options now available.

### My Future investment arrangement design and objectives

- 3.4. The key features of the My Future Investment Strategy are as follows:
- 3.4.1. Whilst a member is more than 15 years from their selected retirement age it invests entirely in the Aviva My Future Growth Fund. The fund aims to achieve a total overall return from capital growth and reinvested income by investing in a diversified portfolio of predominantly passively managed underlying funds. The fund will predominantly invest in UK and overseas equities (including emerging markets), with some investment in UK Government (including index-linked) and corporate bonds. It may also invest in overseas government and corporate bonds, money market instruments and cash.
- 3.4.2. From 15 years until their selected retirement age, benefits are gradually switched in to the My Future Consolidation Fund so that, at the selected retirement age, 100% of a member's benefits are held in the My Future Consolidation Fund. This fund seeks to achieve a total overall return from capital growth and reinvested income by investing in a diversified portfolio of predominantly passively managed underlying funds. A significant proportion of the fund's assets invest in UK government (including index-linked) and corporate bonds. It may also invest in UK and overseas equities (including emerging markets), property, money market instruments and cash.
- 3.4.3. Normal pension age is 65 although members can choose to change the pension age for their benefits.

### Alternative investment options

- 3.5. Alongside the default investment arrangement the Trustee has made available access to the full range of investment funds provided by Aviva.

### Review of the default investment arrangement

- 3.6. The Trustee, together with their professional advisers, monitors the investment options accessed through the Plan to ensure that the range of investment options remains suitable for members. The following work has been undertaken in this reporting period and previous periods:
- 3.6.1. Formal reviews of the My Future and BLIP strategies were undertaken in 2016 and 2017 and the Trustee monitors ongoing performance and strategy on a regular basis. The Trustee is happy that the default investment strategies have performed in line with stated aims and objectives over the reporting period.
- 3.6.2. During the review period the Trustee undertook a review of the BLIP strategy to understand current investment breakdown and the membership demographic within the BLIP.

3.6.3. Work has also been undertaken in respect of the range of self-select funds available to members with the aim to better understand the member demographic and the funds members are invested in. High level performance of each accessed fund relative to their corresponding benchmark/sector was assessed and an overview of the ongoing investment governance service provided by Aviva towards the fund range.

3.6.4. As a result of the reviews of the BLIP and self-select fund options the Trustee has been working with its investment adviser to improve the level of investment governance. Further work in this area will be undertaken in the next reporting period.

#### Further information on investments

- 3.7. Further details of the My Future default as well as the investment governance structure is formally documented in the Statement of Investment Principles (SIP) which is included as Appendix 1. For the purposes of Regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 the SIP includes details of the processes undertaken when selecting investments, the Trustees objectives, key risks and the ongoing monitoring undertaken by the Trustee.
- 3.8. The SIP is reviewed in line with statutory requirements and was last reviewed in 2016. The Trustee acknowledges that it will need to update the SIP in advance of 1 October 2019 to take into account the Trustee's view on the financial materiality of Environmental, Social and Governance (ESG) factors. Following the reporting period, and in advance of the 1 October 2019 deadline, the SIP has been updated to reflect the Trustee's views on ESG.
- 3.9. Information on all funds including the risk profile of each fund, its objectives and member charges are detailed within Plan specific member booklet. Members also have access to fund information online.

#### 4. Core financial transactions

- 4.1. The Regulations require the Trustee to ensure that core financial transactions are processed promptly and accurately. Core financial transactions comprise:
- 4.1.1. The investment of contributions.
  - 4.1.2. Transfers into and out of the Plan.
  - 4.1.3. Investment switches.
  - 4.1.4. Payments out of the Plan in respect of members.

#### Plan administration

- 4.2. The administration functions of the Plan are undertaken by Aviva. Details of Aviva's internal controls and processes are contained in Aviva's Annual Assurance report which is made available to the Trustee. Aviva also provide the Trustee with an annual audit report covering the Plan year.
- 4.3. Administration performance is included in the quarterly governance reports of the Plan and the report is presented by Aviva at each Trustee meeting and reviewed by Trustee, Company representatives and professional adviser. Aviva are requested to provide further information on any concerns raised.
- 4.4. Monitoring of accuracy is undertaken via the auditing of the Plan's annual report and accounts and periodic auditing of the Plan's membership data. In addition, the administrator's processes are subject to internal controls procedures.

- 4.5. Aviva have a SLA of three working days for each administration task. During the reporting period Aviva have been moving away from SLA reporting to a more transparent end to end customer ownership process with the aim of improving the overall member experience. Of the administration service provided to members, Aviva are now seeking member feedback experience on work items and report on a value demand score which demonstrates a member's satisfaction and a non-value demand which shows members dissatisfaction where further action would be required. End to End reporting times are likely to be longer than the traditional SLAs as often demands require further information or processing either from third parties or other parts of Aviva. Future statements will include reporting detail on these new measures.
- 4.6. For this reporting period the Trustee has monitored Aviva's performance from the information provided in the quarterly governance reports measuring work items against items reported within ASL's and are as follows:

Core financial transaction	SLA achieved over the reporting period
Investment of contributions	82%
Transfer into and out of the Plan	91%
Investment switches	84%
Payments out of the Plan	81%

As part of its ongoing consideration of service standards, the Trustee raised concerns over the drop of performance standards during the reporting period against previous years. The Trustee received the following response from Aviva:

"We have a programme to transform our service experience for our customers. Our first step has been to pilot our Customer Teams who are taking ownership for some key processes and their primary objective is to focus on quality, and meeting everything that the customer is looking for, in one step. By taking this approach, it will take longer initially to complete the request at-hand which will therefore likely impact on the turnaround times. But, ultimately, this will be countered by an improving customer experience"

#### Trustee view of core financial transactions

- 4.7. The Trustee recognises that Aviva have been changing the process on how administration tasks are undertaken and measured during the reporting period. As a result this has led to delays for some tasks as administration staff have had to be trained using the new end to end reporting system. The Trustee is satisfied that where issues have been identified these have been corrected by Aviva with no detriment to members. Going forward the Trustee will be monitoring closely the new performance standards and end to end reporting.

## 5. Charges and transaction costs

- 5.1. Charges for the administration, communication and investment services provided are structured on a bundled basis and consist of both explicit and implicit costs:

5.1.1. Explicit costs: these are collected by explicit deduction of investment units and are expressed as a percentage of the value of each member's holdings within an investment fund. These are referred to as an Annual Management Charge (AMC) and includes any additional expenses incurred over the period.

5.1.2. Implicit costs: these relate to the charges and transaction costs incurred within an investment fund arising from the trading activities of the fund e.g. incurred in the buying and selling of securities, which are not accounted for in the explicit charges. These implicit charges impact on the investment returns achieved by the investment fund and vary day-to-day according to each fund's investment approach and prevailing market conditions. We refer to these as Transaction Costs.

#### Plan charges and transaction costs

5.2. Details of the charges and transaction costs applied to the My Future Default and BLIP defaults over the repowering period are shown in the table below.

##### 5.2.1. My Future

Investment option	Annual Management Charge	Transaction costs
Aviva My Future Growth	0.36%	0.0702%
Aviva My Future Consolidation	0.36%	-0.0295%

##### 5.2.2. BLIP

Investment option	Annual Management Charge	Transaction costs
Aviva BlackRock Consensus	0.33%	0.0004%
Aviva Fixed Interest	0.35%	0.1707%
Aviva Money Market	0.35%	-*

\*transaction cost information unavailable

5.3. Information on the charges and transaction costs for the range of other funds available in the Plan over the reporting period are provided within Appendix 2.

5.4. This information has been provided by Aviva where available. For this statement Aviva were unable to provide transactions cost information for all funds. The Trustee will be working with Aviva to provide details of transaction costs for all funds that are available to members in future statements and are hopeful that this will be resolved in early 2020. Aviva state this is an industry wide issue.

## 6. Demonstrating the impact of costs and charges

6.1. To demonstrate the impact of the costs and charges applied through the Plan, in this year's Chair's Statement the Trustee has produced illustrations in line with statutory guidance and the February 2018 guidance from the Department for Work & Pensions entitled "Cost and charge reporting: guidance for trustees and managers of occupational schemes". These illustrations have been provided by Aviva and are included as Appendix 3 of the Chair Statement.

## 7. Value for members

7.1. The Regulations require the Trustee to assess the extent to which the charges and transaction costs borne by members represent good value. These member borne deductions cover the cost of providing the investment management services, administration services and communications.

7.2. A value for members' assessment relating to the reporting of this Statement was undertaken by the Trustees' professional advisers, Barnett Waddingham LLP, as at 31 December 2018.

- 7.3. The assessment recognised that low cost does not necessarily mean better value, so considered a range of different factors, including:
- 7.3.1. in relation to investment services:
    - 7.3.1.1. the range of investment options available and the design and suitability of the default investment arrangement
    - 7.3.1.2. the arrangements for monitoring the performance of the investment funds
    - 7.3.1.3. the investment governance arrangements in place
  - 7.3.2. in relation to administration services:
    - 7.3.2.1. the arrangements for monitoring the service standards of the administrator
    - 7.3.2.2. the administration procedures and process
    - 7.3.2.3. data and record keeping practices
  - 7.3.3. in relation to communication services:
    - 7.3.3.1. the design of the communications strategy
    - 7.3.3.2. the quality of communications issued to members
    - 7.3.3.3. the degree of support provided to members
  - 7.3.4. other options available in the market.
- 7.4. The assessment considered various factors under each element and looked at these in 'Absolute' and 'Relative' terms. Absolute being the Plan on its own merits and Relative comparing to alternative options.
- 7.5. The assessment noted the progress made during the year to improve the level of investment governance and further work in this area will be undertaken in 2019.
- 7.6. The assessment concluded that the Plan continues to provide **good value** for members and that there are no areas in which the Plan's arrangements detract value.

## 8. Trustee knowledge and understanding

- 8.1. The Plan's Trustee is required to maintain appropriate levels of knowledge and understanding. The Trustee has measures in place to secure compliance with the legal and regulatory requirements regarding its knowledge and understanding including investment matters, pensions and trust law. This, together with the professional advice available, enables the Trustee to exercise its functions and run the Scheme properly and effectively.

### Knowledge and expertise of the Trustee

- 8.2. The Plan's Trustee, TCL is a professional Trustee and is represented at meetings and in ongoing governance of the Plan by Robert Gravill, a Director of TCL. As a professional trustee TCL has appropriate internal governance arrangements and resources so that Robert can be supported in his role.
- 8.3. As a Director of a professional Trustee, Robert has the requisite knowledge and skills to undertake a trustee role effectively, bringing a high degree of pensions experience, knowledge and expertise. Robert has over

25 years' experience in acting as a Director of TCL for many pension arrangements. Via TCL he chairs a number of Trustee Boards, is involved in several investment groups and works with pension plans which are responsible for the benefits of circa 30,000 people. He undertakes more than 50 hours relevant training each year.

- 8.4. Over the reporting period, the Trustee has undertaken training and attended seminars which include, but are not limited to:
  - 8.4.1. Internal training session on data security
  - 8.4.2. External training session on LDI
  - 8.4.3. DC governance and future regulatory change
  - 8.4.4. Mortality training
  - 8.4.5. The impact of the General Data Protection Regulations
  - 8.4.6. Pensions Legal update
  - 8.4.7. Environmental, Social and Governance (ESG) factors.
  - 8.4.8. Various external seminars and conferences
- 8.5. The Trustee considers that their training is consistent with TPR's Trustee Knowledge and Understanding requirements (Code of Practice 7) and provides a mixture of generic and bespoke training sessions. This, together with the ongoing work in relation to the Plan and the access to professional advisers ensures that the Trustee has sufficient knowledge and understanding in of the relevant principles relating to the funding and investment of occupational schemes as well as the law relating to pensions and trusts.

#### Access to professional advice

- 8.6. The Trustee consults externally with its professional advisers as and when required, for example on investments, governance and legal matters. Its professional advisers alert the Trustee on relevant changes to pension's legislation.
- 8.7. The SIP has been reviewed ahead of the requirement to add further detail by October 2019 and following the reporting period has been updated prior to the 1 October 2019 deadline.
- 8.8. During the reporting period other processes and policies have been reviewed and the Trust Deed and Rules is referred to throughout the year as the governing documents of the Plan.
- 8.9. The Trustee is conversant with the Plan's trust deed and rules as well as all other relevant Plan documentation, both through their overall experience in managing the Plan as well as its review of such documentation over the reporting period.
  - 8.9.1. During the period covered by this statement, the Trustee obtained professional advice on in particular on:
    - 8.9.1.1. assessing the Plan against the Pensions Regulator's Code of Practice 13
    - 8.9.1.2. reviewing the range of investment options available to members
    - 8.9.1.3. recommendations on the current investment options which are still being considered

Assessment

- 8.10. The Trustee considers that the combined knowledge of the Trustee Board, skills and understanding together with the advice which is available to the Trustee from its professional advisers enables the Trustee to properly exercise its Trustee functions.

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Robert Gravill  
Director  
For and on behalf of The Trustee Corporation Limited, Trustee of the Bridgepoint Pension Plan

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Date



# Appendix 1 DC Section Statement of Investment Principles

## Appendix 2 Plan member charges

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension Premier Ethical	1.58%	1.0498%
Aviva Pension Schroder UK Alpha Plus	1.40%	0.7811%
Aviva Pension Jupiter Financial Opportunities	1.40%	0.6870%
Aviva Pension Artemis UK Special Situations	1.20%	0.5346%
Aviva Pension Fidelity American	1.76%	0.5101%
Aviva Pension BNY Mellon Absolute Return Bond	1.32%	0.5022%
Aviva Pension Artemis UK Select	1.50%	0.4391%
Aviva Pension Premier UK Growth	1.25%	0.4191%
Aviva Pension Aberdeen Diversified Income	1.00%	0.4003%
Aviva Pension Schroder Life Intermediated Diversified Growth	1.12%	0.3667%
Aviva Pension Franklin UK Equity Income	1.20%	0.3567%
Aviva Pension Close FTSE TechMARK	1.00%	0.3392%
Aviva Pension BlackRock UK Smaller Companies Equity Index (Aquila C)	0.60%	0.3101%
Aviva Pension Invesco Perpetual Pacific	1.40%	0.3007%
Aviva Pension BlackRock UK Special Situations	1.40%	0.2713%
Aviva Pension BlackRock UK Smaller Companies	1.24%	0.2382%
Aviva Pension UBS Global Allocation	0.90%	0.2382%
Aviva Pension Newton Multi-Asset Growth	0.60%	0.2304%
Aviva Pension Schroder Global Cities Real Estate	1.50%	0.2015%
Aviva Pension Fidelity Global Special Situations	1.50%	0.1979%
Aviva Pension Invesco Perpetual European Equity	1.58%	0.1968%
Aviva Pension Fidelity WealthBuilder	1.50%	0.1839%
Aviva Pension Schroder European Recovery	1.40%	0.1801%
Aviva Pension BlackRock Gold and General	1.40%	0.1773%
Aviva Pension JPM Natural Resources	1.40%	0.1737%

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension Aberdeen Life UK and Global (50/50) Equity	0.60%	0.1718%
Aviva Pension Invesco Perpetual Global Smaller Companies	1.40%	0.1709%
Aviva Pension BlackRock (60:40) Global Equity (Ascent Life)	1.20%	0.1708%
Aviva Pension Fixed Interest	0.35%	0.1707%
Aviva Pension Premier Income	1.20%	0.1678%
Aviva Pension Stewart Investors Global Emerging Markets Leaders	1.40%	0.1660%
Aviva Pension Jupiter Income	1.89%	0.1596%
Aviva Pension Baillie Gifford American	0.94%	0.1519%
Aviva Pension Invesco Perpetual Monthly Income Plus	1.30%	0.1453%
Aviva Pension Artemis Income	1.20%	0.1441%
Aviva Pension International	0.40%	0.1078%
Aviva Pension Newton Global Equity	0.45%	0.1053%
Aviva Pension Baillie Gifford Managed	0.45%	0.1038%
Aviva Pension Invesco Perpetual Corporate Bond	1.20%	0.1033%
Aviva Pension Newton UK Equity	0.60%	0.1024%
Aviva Pension Invesco Perpetual High Income	1.52%	0.1017%
Aviva Pension Liontrust UK Growth	1.20%	0.0971%
Aviva Pension Aberdeen Asia Pacific Equity	1.57%	0.0935%
Aviva Pension Aberdeen Asia Pacific and Japan Equity	1.40%	0.0875%
Aviva Pension BlackRock Over 15 Year Corporate Bond Index Tracker	0.60%	0.0865%
Aviva Pension Stewart Investors Asia Pacific Leaders	1.26%	0.0840%
Aviva Pension Stewart Investors Asia Pacific Leaders	1.26%	0.0840%
Aviva Pension Fidelity Asia	1.74%	0.0778%
Aviva Pension Jupiter Distribution and Growth	1.50%	0.0770%
Aviva Pension My Future Growth	0.36%	0.0702%
Aviva Pension Rathbone Income	1.40%	0.0575%

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension BlackRock European Equity Index Tracker	0.33%	0.0565%
Aviva Pension BlackRock Balanced (Aquila Life)	0.60%	0.0551%
Aviva Pension Index-Linked	0.40%	0.0529%
Aviva Pension BlackRock UK Equity Index Tracker	0.33%	0.0510%
Aviva Pension Jupiter Ecology	1.40%	0.0490%
Aviva Pension Aberdeen Life Global (ex UK) Equity	1.00%	0.0482%
Aviva Pension Investec Cautious Managed	1.10%	0.0400%
Aviva Pension BlackRock (60:40) Global Equity Index Tracker	0.60%	0.0332%
Aviva Pension Newton International Bond	0.45%	0.0301%
Aviva Pension Investec American	1.40%	0.0300%
Aviva Pension Equity	0.40%	0.0297%
Aviva Pension BlackRock (70:30) Global Equity Index (Aquila C)	0.60%	0.0281%
Aviva Pension BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.33%	0.0236%
Aviva Pension BlackRock US Equity Index Tracker	0.33%	0.0224%
Aviva Pension BlackRock Pacific Rim Equity Index Tracker	0.52%	0.0220%
Aviva Pension BlackRock World ex UK Equity Index Tracker	0.33%	0.0210%
Aviva Pension Schroder Institutional Pacific	1.20%	0.0190%
Aviva Pension Schroder Global Emerging Markets	1.50%	0.0164%
Aviva Pension BlackRock (50:50) Global Equity Index Tracker	0.33%	0.0162%
Aviva Pension Baillie Gifford Japanese	0.90%	0.0148%
Aviva Pension BlackRock World	0.33%	0.0041%
Aviva Pension BlackRock Over 15 Year Gilt Index Tracker	0.33%	0.0023%
Aviva Pension BlackRock Consensus	0.33%	0.0004%
Aviva Pension Schroder Institutional UK Smaller Companies	1.00%	*
Aviva Pension Schroder Tokyo	1.40%	*
Aviva Pension Schroder UK Smaller Companies	1.40%	*

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension BNY Mellon Long-Term Global Equity	1.15%	-0.0045%**
Aviva Pension Fidelity Special Situations	1.50%	-0.0201%**
Aviva Pension Baillie Gifford UK Equity Core	1.00%	-0.0241%**
Aviva Pension My Future Consolidation	0.36%	-0.0295%**
Av Premier UK Mid 250 IE-FPEPICCP	0.47%	*
Aviva Pension Aegon Index-Linked Pension	0.60%	*
Aviva Pension Aegon Long Gilt Pension	0.50%	*
Aviva Pension Aegon UK Corporate Bond Pension	0.60%	*
Aviva Pension Aegon UK Fixed Interest Pension	0.60%	*
Aviva Pension Aegon UK Long Corporate Bond Pension	0.60%	*
Aviva Pension AllianceBernstein European Equity	1.50%	*
Aviva Pension Allianz Gilt Yield	1.00%	*
Aviva Pension AXA Framlington Health	1.40%	*
Aviva Pension AXA Framlington UK Select Opportunities	1.30%	*
Aviva Pension AXA Framlington UK Smaller Companies	1.20%	*
Aviva Pension AXA Rosenberg American	0.65%	*
Aviva Pension AXA Wealth Elite Balanced Managed	1.20%	*
Aviva Pension AXA Wealth Elite Bond	1.00%	*
Aviva Pension AXA Wealth Elite Cautious Managed	1.00%	*
Aviva Pension AXA Wealth Elite Defensive Managed	0.85%	*
Aviva Pension AXA Wealth Elite Global Equity	1.25%	*
Aviva Pension AXA Wealth Elite International	1.25%	*
Aviva Pension AXA Wealth Elite Stockmarket Managed	1.20%	*
Aviva Pension AXA Wealth Elite UK Equity	1.25%	*
Aviva Pension BlackRock Sterling Liquidity	0.33%	*
Aviva Pension F&C Responsible UK Income	1.40%	*

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension Goldman Sachs BRICs Equity Portfolio	1.50%	*
Aviva Pension HSBC Islamic Global Equity Index	1.00%	*
Aviva Pension Investec Sterling Money	0.60%	*
Aviva Pension Janus Henderson Emerging Markets Opportunities	1.50%	*
Aviva Pension Janus Henderson European Selected Opportunities	1.70%	*
Aviva Pension Janus Henderson Fixed Interest Monthly Income	1.33%	*
Aviva Pension Janus Henderson Global Equity	1.89%	*
Aviva Pension Janus Henderson Global Equity Income	1.50%	*
Aviva Pension Janus Henderson Multi-Manager Global Select	1.00%	*
Aviva Pension Janus Henderson Sterling Bond	1.20%	*
Aviva Pension Janus Henderson UK Property	1.40%	*
Aviva Pension Janus Henderson US Growth	1.40%	*
Aviva Pension Kames Sterling Corporate Bond	1.00%	*
Aviva Pension Kames Strategic Bond	1.20%	*
Aviva Pension M&G Corporate Bond	1.25%	*
Aviva Pension M&G Optimal Income	1.25%	*
Aviva Pension Money Market	0.35%	*
Aviva Pension Old Mutual Corporate Bond	1.00%	*
Aviva Pension Old Mutual Global Strategic Bond	1.50%	*
Aviva Pension Old Mutual Managed	0.60%	*
Aviva Pension Old Mutual UK Mid Cap	1.17%	*
Aviva Pension Pensions Index-Linked Gilt	0.60%	*
Aviva Pension Sarasin Thematic Global Equity	1.61%	*
Aviva Pension Schroder Managed	0.40%	*
Aviva Pension Threadneedle European Select	0.96%	*
Aviva Pension Threadneedle Pensions European Equity	0.55%	*

Investment option	Annual Management Charge (AMC)	Transaction Costs
Aviva Pension Threadneedle Pensions North American Equity	0.55%	*
Aviva Pension Threadneedle Pensions Property	0.90%	*
Aviva Pension Threadneedle UK Equity Income	0.98%	*
Aviva Pension Threadneedle UK Equity Income	0.98%	*
Aviva Pension UK Property	1.40%	*

\* Aviva have been unable to provide transaction cost details for these funds. Aviva is confident it will be able to provide this in early 2020.

\*\* in certain circumstances the methodology used for calculating transaction costs (known as slippage) can lead to negative costs being reported. This can be, for example, where other market activity pushes the price of the asset being traded down, whilst the transaction was in progress, resulting in the asset being purchased for a lower price than when the trade was initiated.

## Appendix 3 Costs and charges disclosure illustrations (provided by Aviva)