

Du Pont (U.K.) Limited Pensions Fund
Chair's Annual Governance Statement 2020 (1 January – 31 December 2020)

This statement has been prepared by the Trustee of the Du Pont (U.K.) Limited Pensions Fund ('the Fund') to demonstrate how the Fund has complied with the governance standards introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015.

At the end of 2016, the Principal Employer, Du Pont (U.K.) Limited ('the Company'), closed the Defined Benefits (DB) Section of the Fund to ongoing accruals. The Trustee worked with the Company to establish the Defined Contribution (DC) Section of the Fund with effect from 1 January 2017.

Aviva works in tandem with Barnett Waddingham, which is the administrator of the Defined Benefit (DB) Section of the Fund, to provide administration services for members with DB and DC rights.

The DC Section is invested through Aviva Life and Pensions ('Aviva'), and the Fund also had a legacy Additional Voluntary Contribution ('AVC') arrangement with Equitable Life. During 2019, High Court approval was granted to Equitable Life's Guarantee Exchange Scheme ('GES'). As a result, in 2020 members' policy values were uplifted and transferred to Utmost Life and Pensions. The Trustee then instructed a transfer of these funds into the core DC section fund range. This transfer was completed in the third quarter of 2020.

General investment principles

The Trustee has in place a Statement of Investment Principles (SIP) dated September 2020. The SIP governs decisions about investments and sets out the aims and objectives of the Fund's investment strategy, including full information about the DC Section's default investment strategy. In particular it covers:

- The aims and objectives of the funds offered;
- The Trustee's investment policy, including policies on risk, return and ethical, social and governance (ESG) investing;
- How the default investment strategy is intended to ensure that assets are invested in the best interests of DC Section members and beneficiaries; and
- Details of which funds are classified as defaults by virtue of monies being invested in those funds without members having given written instructions to invest in those funds.

In September 2020, the Trustee reviewed the SIP and included further details on how the Trustee interacts with the Fund's investment managers.

The Trustee's policy is that day-to-day decisions relating to the investment of Fund assets are delegated to the discretion of its investment managers. The Trustee considers how the investment managers exercise these duties in practice, including how they use their voting rights, and will provide feedback on this where appropriate.

A copy of the latest SIP is attached to this statement. The Chair's statement is available online at <https://vfm.aviva.co.uk/duPont-limited-pension-fund-n11441>.

Investment strategy

The Fund's DC Section provides benefits on a money purchase basis. In selecting appropriate investments, the Trustee is aware of the need to provide a range of investment options, which broadly satisfy the needs of all members.

As part of establishing the DC Section of the Fund in 2017, the Trustee consulted with its advisers and conducted an in-depth analysis of the membership's demographics, to understand the risk profile and how members were likely to take their benefits. Following this analysis and subsequent investment strategy review the Trustee implemented a range of self-select options and initially two (now three) lifestyle strategies.

An investment strategy review was not undertaken during the reporting period; the latest investment strategy review (which considered both the performance and the investment strategy), completed on 20 November 2019. This review identified that based on the projected fund sizes and the ability for members with DB benefits to use their DC funds for their overall tax-free cash entitlement, most of the membership expected to retire over the next 5 years would be likely to take their benefits as single or multiple cash lump sums. Therefore, as part of the investment strategy review the Trustee agreed to:

- Update the Fund's default lifestyle strategy (details below).
- Move from offering cash and annuity targeting lifestyle strategies to offering strategies targeting cash, annuities and income drawdown.
- Keep the Fund's former default strategy (the annuity targeting lifestyle strategy) available as a self-select option (along with the drawdown focussed lifestyle).
- Replace the Aviva Pension BlackRock (30:70) Currency Hedged Global Equity Fund with the Aviva Blended Global Equity Fund. The key difference with this change is that the amount invested in UK equities is now based on the size of the UK market within the world rather than a fixed percentage (previously 30%). This change was made to provide a broader range of equity investments within this fund.

The above changes were implemented in Q4 2020 after the Trustee delayed the implementation in light of heightened market volatility earlier in 2020. The Fund now offers the following lifestyle strategies:

- 1. Default Lifestyle (Cash)** - this is the default investment strategy for members that do not make an alternative investment decision and is designed to be broadly appropriate for members looking to take 100% of their pension pot as a cash lump sum at their retirement date or as a series of lump sums over a short period of time. The strategy is structured as follows:
 - **Growth phase** - Pension savings will initially be invested wholly in the Aviva Blended Global Equity Fund with the aim of growing the value of members' savings.
 - **Consolidation phase** - When members are 20 years from their retirement date, their pension pot will be gradually moved into a lower-risk diversified fund that invests in a broad spread of investments with the aim of reducing investment risk as they approach retirement whilst still providing some potential to grow the value of their savings.
 - **Pre-retirement phase** - When members are 10 years from their retirement date, their pension pot will gradually transition so that, when they reach their retirement date, 70% will be invested in a low-risk fund that invests in cash deposits and short-term government loans, with the aim of preserving the value savings, whilst the other 30% will remain in the diversified fund with the aim of protecting savings against the impact of inflation.

2. **Drawdown Lifestyle** - This is an alternative lifestyle strategy that maintains exposure to higher investment risk assets for longer than the default investment strategy and is designed to be broadly appropriate for members looking to leave their funds invested in retirement (income drawdown).
3. **Annuity Lifestyle** - This is an alternative lifestyle strategy that gradually moves assets into a diversified growth fund with the aim of reducing volatility whilst maintaining good potential for high growth, before moving them into lower risk investments, such as bonds and cash. It is designed to be broadly appropriate for members looking to purchase an annuity at retirement.

As a result of a previous consolidation exercise, some of the Fund's self-select options are also considered to be 'default' funds as members were "mapped" into the equivalent funds within the DC Section without making an individual investment decision. These self-select funds are therefore monitored in the same way as the default investment strategy. We have identified those funds that are deemed "defaults" in the table later in this Statement.

The 2019 review also resulted in the Trustee electing to remove the M&G Feeder of Property Fund from the self-select fund range. Although this change was also planned to be carried out over the reporting period, M&G imposed a suspension on disinvestments throughout 2020 (which has only recently been lifted), and the Trustee took the decision at the time to temporarily divert new contributions from this fund into the Aviva BlackRock Institutional Sterling Liquidity Fund until the suspension was lifted.

The Trustee has decided to move the assets held in the M&G Feeder of Property Fund into the L&G Diversified Fund, after the suspension is lifted. The Trustee has decided to do this because the Diversified Fund invests in a wide range of asset classes which helps to reduce potential volatility. The Diversified Fund also holds property investments as an underlying asset class, although the manager has some discretion over the level of property investment within it. The actions taken in relation to the diverted contributions and the existing funds invested in the M&G Feeder of Property Fund will be reported on in the next Statement.

The next default investment strategy review is scheduled for Q3 2022.

In 2020, following the closure of Equitable Life's With-Profits Fund, members' savings invested in this Fund were uplifted by Equitable Life and automatically transferred to a Secure Cash Fund with Utmost Life & Pensions (or 'Utmost'). The Secure Cash Fund was a temporary fund set up by Utmost to receive the proceeds of the Guarantee Exchange Scheme, pending a Trustee decision on their future investment. The Trustee then arranged for the full uplifted value of pension savings invested in the Utmost Secure Cash Fund to be transferred to the Fund's existing arrangement with Aviva. Monies invested in any other funds with Utmost were also transferred to Aviva. The Trustee made this choice as the Aviva arrangement offers a fund range specifically designed for Fund members and has lower associated charges than those that were offered by Utmost.

Investment Monitoring

During the reporting period the Trustee met 8 times and received investment advice from professional advisers to ensure that they had appropriate knowledge, competency and experience to manage the Fund's assets.

The performance of the Investment Managers is monitored against the agreed performance objectives and the Trustee receives reports on fund performance on a quarterly basis. The Trustee may decide to remove, replace or add funds if it feels it is appropriate. The Trustee is satisfied that the funds offered have performed reasonably relative to their investment return objectives during the reporting period, and the default investment strategy has performed in line with its aims despite heightened volatility in light of

the Covid-19 pandemic. The M&G Feeder of Property Fund has underperformed its benchmark; as outlined above, the intention is for all assets to be transferred out of this Fund.

The Trustee also transferred the uplifted Utmost Life and Pension policy values into the main DC Section fund range with Aviva during 2020. This transfer was co-ordinated with the changes that arose out of the investment strategy review which was completed in November 2019.

Core Financial transactions

The Trustee has appointed Aviva Life and Pensions ('Aviva') to undertake the core financial transactions on behalf of the DC Section of the Fund.

Core financial transactions include (but are not limited to):

- investment of contributions;
- transfer of members' assets to and from the Fund;
- switching between investments within the Fund; and
- payments out of the Fund to members/beneficiaries.

There are Service Level Agreements ('SLAs') in place with Aviva for all core financial transactions including those outlined above. These SLAs are the Trustee's agreed levels for the promptness and accuracy of processing financial transactions. The SLAs are all within legal disclosure limits and are regularly reviewed. Aviva typically measures performance based on member satisfaction rather than the number of days taken to perform tasks, however it does have a standard target completion time for tasks of five days.

During the reporting period, the Trustee has seen an improvement in the consistency of Aviva's administration performance, measured against its SLAs when compared to the previous annual period. Aviva completed between 91% - 95% of its tasks in line with the agreed SLA measured on a quarterly basis (the average was 94%). This is slightly lower than the figures seen during 2019, however Aviva, in common with all providers, has faced some operational challenges during 2020 as a result of the Covid-19 pandemic. During the reporting period there were four member complaints, three of which were upheld and dealt with within an agreed timeframe (for example, a member experienced a delay caused by information being required from the DB administrators relating to the member's protected retirement age; the member was compensated for the delay caused). One of the member complaints was not upheld (the member could not access their online account, which was due to an incorrect password being used; Aviva reset the member's password and issued the login information via the post).

Aviva also provides end to end process reporting which is the average length of time taken between the point a member makes a request, to the point at which all elements of the request have been handled (including those undertaken outside of Aviva). The Trustee considers Aviva's performance against both metrics, and is satisfied with the improvement in Aviva's performance, but is in continual dialogue with Aviva to further improve performance.

The Trustee monitored Aviva's performance with the aim of ensuring that core financial transactions were processed promptly and accurately by:

- Monitoring, assessing and reconciling financial transactions and performance against SLAs on a quarterly basis using Aviva's Management Information ('MI') report.

- Ensuring Aviva has in place appropriate internal processes and controls that include the checking and reconciliation of investment and banking transactions.
- Aviva representatives regularly attending Trustee meetings to discuss service levels and to outline future developments.
- Undertaking regular reviews of Aviva; these include the quality of its administration processes and internal controls (in conjunction with the Trustee’s advisers).

During the year the overall interaction and some of the joint processes between Barnet Waddingham and Aviva were found to be less efficient than they could otherwise be. In order to resolve this, a combined administration meeting was held in October 2020 to address areas of improvement in the working relationship between the two providers with the aim of ensuring that members that have both DB & DC benefits receive a joined up and efficient administration service, with clearer responsibilities for both service providers. The Trustee is monitoring this on an ongoing basis.

Aviva made the Trustee aware of some delays to the implementation of the investment strategy changes agreed as part of the review completed in November 2019. In particular some investment switches that were intended to take place in one tranche were undertaken in two tranches. Aviva is in the process of undertaking a profit and loss analysis and will compensate members where they have lost out as a result of these delays. Aviva has also provided post transition reporting outlining the reconciliation that Aviva undertook as part of this process.

Willis Towers Watson has undertaken an independent review of the Fund’s governance processes against The Pensions Regulator’s (TPR’s) Code of Practice No. 13 on money purchase governance and administration. The review found that there were no material areas in which the Trustee did not meet TPR’s expectations. Based on the information provided above, the Trustee is satisfied that the Fund’s core financial transactions have been processed promptly and accurately during the reporting period 2020 Fund Year.

Charges and transaction costs

The investment charges and Aviva administration costs are paid by the members through the funds’ total expense ratios (‘TERs’) with Aviva.

Transaction costs are those incurred by fund managers as a result of buying, selling, lending or borrowing investments. These costs are incorporated in the unit price for each of the funds. Transactions can have a positive or negative effect on the value of each fund and hence transaction costs can be positive or negative. For example, if a transaction involves a net inflow of assets into a particular fund this can sometimes have a positive effect on the price of each unit in the fund, the reverse can also be true.

The level of charges and transaction costs applying during this period (1 January 2020 – 31 December 2020) for all funds are as follows (default funds are highlighted in bold):

Fund Name	Total expense Ratio (TER)	Total Transaction Cost
Aviva BlackRock 30:70 Global Equity Fund	0.33%	0.23%
Aviva BlackRock Emerging Markets Equity	0.51%	0.00%
Aviva BlackRock UK Equity Index Tracker	0.27%	0.37%
Aviva M&G Feeder of Property	1.19%	0.55%
Aviva BlackRock World ex UK Equity Index Tracker	0.27%	0.04%
Aviva BlackRock Sterling Liquidity	0.27%	0.01%
Aviva Legal & General (PMC) Ethical UK Equity Index	0.42%	0.01%
Aviva Blended Global Equity Fund	0.33%	0.00%
Aviva BlackRock Over 15 Year Gilt Index Tracker	0.27%	0.04%

Aviva BlackRock Over 5 Year Index-Linked Gilt Index Tracker	0.27%	0.02%
Aviva Legal & General (PMC) Pre-Retirement	0.34%	0.00%
Aviva BlackRock Corporate Bond All Stocks Index Tracker	0.27%	0.12%
Aviva LGIM Diversified	0.45%	0.00%

Utmost funds (that were transferred to Aviva during the reporting period)

Fund Name	Total Expense Ratio	Total Transaction Cost
Utmost Managed Fund	0.75%	0.21%
Utmost Money Fund	0.75%	0.00%
Utmost Secure Cash Fund	0.5%	0.00%

The Financial Conduct Authority (FCA) has published its policy statement on the disclosure of transaction costs in workplace pensions. The statement confirmed that from 3 January 2019, providers must provide within a reasonable timescale information about transaction costs (those costs incurred in buying and selling funds) calculated according to the methodology set out in the FCA's policy statement (known as the 'slippage cost' methodology). Aviva has provided the Trustee with transaction costs incurred by members at a fund level as detailed in the table above, where this is available.

The Trustee has taken into account the statutory guidance which requires trustees to make available certain information on a publicly accessible website. This includes an illustration of the impact of costs and charges on fund growth for typical Fund members. This illustration is included in Appendix 1 and can also be accessed using the website address: <https://vfm.aviva.co.uk/dupont-limited-pension-fund-n11441>

Value for Members ('VFM')

The Trustee is committed to ensuring that the Fund provides good VFM taking into account the costs (including transaction costs) and charges deducted from members' pots over the year.

The Trustee undertook an assessment in March 2021 of whether the total cost of Fund membership in 2020 represented VFM during that period. This assessment considered the services members pay for and assessed the extent to which these services both meet members' needs and have performed over the reporting period. Consideration was also given to 'broader value', i.e. the wider benefits and services members receive in relation to the Fund that members do not pay for. In carrying out the VFM assessment, the Trustee considered the following areas: scheme management; investment; administration; and communications.

The Trustee concluded that the Fund does offer good VFM for the following reasons:

- The charges that members pay are competitive when compared to the average charges paid for other bundled trust-based arrangements. The Trustee also considered the average charges payable within other pension arrangements (contract-based and Master Trust) and the Fund's charges were much lower in comparison. Transaction costs for most of the available funds over the period were shown to be below or in line with the market average for the reporting period. The Property Fund had transaction costs that were noticeably higher than the market average. The Trustee plans to remove the Property Fund from the investment range.

- The investment options are designed with the aim of maximising returns for members for an appropriate degree of investment risk. The latest investment review considered member needs in detail both in terms of the membership's ability to take investment risk and how individuals may take their benefits at retirement.
- The communications and online services available during the year are assessed as being of good quality by the Trustee's advisers.
- DB Section members are able to use their DB and DC Section benefits in tandem, and the Fund's DB and DC administrators work together to facilitate this.
- The transfer of assets from Utmost to Aviva in 2020 also resulted in a reduction in costs for relevant members.
- The statistics show that Aviva is consistently achieving service levels close to 95% of its target standards. A figure of 91% was seen in Q2 2020, however this remains encouraging considering the initial challenges faced by providers over the reporting period as a result of the Covid-19 pandemic.

In accordance with TPR's Code of Practice No 13 the Trustee will continue to monitor VFM on an annual basis.

Trustees' knowledge and understanding ('TKU')

The Trustee has a TKU process in place which, together with the advice available to it, enables it to exercise its functions as a Trustee. The Trustee is satisfied that it has met its knowledge and understanding duties during the reporting period and that it has sufficient knowledge and understanding of the law relating to pensions and the principles relating to the funding and investment of occupational schemes. The Trustee's approach to meeting the TKU requirements includes:

- The Trustee Board has an independent professional trustee representing BESTrustees Limited appointed to it, to provide additional knowledge, guidance and expertise.
- Ensuring each Trustee Director has a working knowledge, through training, of all key documents setting out the Trustee's current policies (including the Trust Deed and Rules and the Statement of Investment Principles). The Trustee's legal adviser regularly attends Trustee meetings to advise and educate the Trustee on the operation of the Fund's rules.
- Structured induction process for new Trustee Directors, including initial introductory sessions with the Trustee's advisers.
- All Trustee Directors have undertaken TPR's Trustee toolkit.
- Annual assessment of Trustee training needs. The Trustee Directors completed a questionnaire provided by the Fund Secretary to identify their training requirements. The outcome of this process results in the training plan for the forthcoming periods.
- Annual tailored Trustee training day, including training from legal advisers. For 2020, due to the Covid-19 pandemic, the Trustee has moved to remote training activity and as a result the Trustee training day has been broken down into a series of shorter remote training sessions.
- All training and attendance at appropriate seminars is recorded on the Fund's training log.
- Training undertaken over the reporting period included:

- Occupational pensions legislation, pensions and trust law and the interface between occupational schemes and state provision
- Conflicts of interest
- Environmental, Social and Governance (ESG) considerations
- Powers of TPR and Code of Practice (including DC Code of Practice)
- Provider service agreements / contracts
- Strategic asset allocation and use of specialised investment techniques
- Bulk transfers
- All Fund documents and meeting minutes are easily accessible on an online site set up for this purpose.
- Trustee Directors receive general updates from their advisers about matters relevant to the Fund. Ad hoc updates are provided to the Trustee between meetings by the Trustee's advisers as matters arise. As an example, the Trustee received updates from its investment adviser on actions taken by Aviva to improve their administration performance both at and in between meetings, depending on the timing of developments. In addition, updates on topical matters are also provided at Trustee meetings.

The education and training received by the Trustee together with the advice it has received have been combined to assist the Trustee in ensuring that Board decisions are made with appropriate levels of understanding and advice.

An independent review carried out on the Trustee's governance structure and diversity/skills in 2018 indicated that the Fund has been well governed and operated in accordance with TPR's expectations. The next review will be undertaken in 2021.

A Trustee effectiveness review is also scheduled to be undertaken in 2021.

On behalf of the Trustee of the Fund, I confirm that the Trustee is comfortable that the Fund has met and exceeded the minimum governance standards as defined in the Occupational Pension Scheme (Charges and Governance) Regulations 2015 during the period 1 January 2020 to 31 December 2020.

Signed:

Date:

Appendix 1

Costs and charges illustrations

In order to achieve greater transparency about costs, new regulations came into force on 6 April 2018 which require the Trustee to provide members with additional information in relation to investment charges and transactions costs. These must be set out as example member illustrations that have been prepared in accordance with the relevant statutory guidance: "Reporting of costs, charges and other information: guidance for trustees and managers of relevant occupational pension schemes".

The following illustrations have been prepared in accordance with the relevant statutory guidance and reflect the impact of costs and charges for a range of Fund members and investment funds.

As each member has a different amount of savings within the Fund and the amount of any future investment returns and future costs and charges cannot be known in advance, the Trustee has had to make a number of assumptions about what these might be. The assumptions are explained in the Notes section below the illustrations.

Within this Appendix we have provided illustrations based on:

- The potential period of Fund membership for the youngest member, an average age of a Fund member and a Fund member approaching retirement.
- For the average age Fund member, both an active Fund member who is contributing to the DC Section, and a deferred member with no new contributions going into the Fund are shown.
- The following range of investment choices:
 - Default Lifestyle (Cash) – this is Fund's default investment strategy and contains the largest proportion of the Fund's DC assets and has the highest number of members using it.
 - BlackRock Sterling Liquidity Fund – this is the fund with the lowest expected returns and the lowest charges.
 - LGIM Diversified Fund – This fund has the second highest charge within the available fund range (it was decided not to use the M&G Property Fund as although this option has higher charges it currently has a very small investment holding).
 - BlackRock Emerging Markets Index Fund – this is the fund with the highest risk rating.
- The return assumptions are consistent with those used within the annual benefit statements produced by Aviva.

The table below shows the age, contribution amount and starting fund sizes used for the purpose of the illustrations:

	Example member A - Youngest member in Fund (active)	Strawman B - Average active member	Strawman C - Average deferred member	Strawman D - Member approaching retirement (active)
Current pot size (in £)	£3,000	£43,000	£36,000	£37,000
Current age	18	48	54	60
Annual contribution amount (in £)	£1,600	£6,900	£0	£7,800
Normal retirement age	65	65	65	65

The illustrations below show the projected fund values based on certain assumptions before and after charges so that the potential impact of charges is clearly shown. Members should be aware that these are simply illustrations, and so the actual fund values and implication of charges for members' investments may be different if members' personal details or investment choices differ from those shown or the assumptions are not borne out. This means that the information contained in this Appendix is not a substitute for the individual and personalised illustrations which are provided to members each year by the Fund.

Example Member	Years	Default Lifestyle (Cash)		BlackRock Institutional Sterling Liquidity Fund		LGIM Diversified Fund		BlackRock Emerging Markets	
		Before charges	After charges	Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	4,700	4,700	4,500	4,500	4,600	4,600	4,700	4,700
	3	8,100	8,100	7,500	7,400	8,000	7,900	8,100	8,100
	5	11,700	11,600	10,300	10,200	11,400	11,200	11,700	11,600
	10	21,400	20,900	16,900	16,700	20,300	19,800	21,400	20,800
	15	32,000	31,100	22,900	22,400	29,600	28,600	32,000	30,800
	20	43,700	42,100	28,300	27,500	39,500	37,700	43,700	41,600
	25	56,700	54,100	33,200	32,100	49,900	47,100	56,700	53,300
	30	70,600	66,700	37,600	36,200	61,000	56,900	71,000	65,900
	35	84,200	78,600	41,600	39,800	72,600	67,000	86,800	79,500
	40	97,300	89,500	45,200	43,000	84,900	77,500	104,200	94,300
45	108,200	98,300	48,500	45,900	97,900	88,300	123,500	110,200	
47	109,500	99,200	49,700	46,900	103,300	92,700	131,700	116,900	
Average active member	1	50,700	50,500	49,000	48,800	50,400	50,200	50,800	50,600
	3	66,200	65,600	60,600	60,100	65,500	64,800	67,000	66,200
	5	81,900	80,700	71,700	70,900	80,900	79,600	83,700	82,300
	10	122,100	118,700	97,600	95,800	120,900	117,400	128,700	124,900
	15	160,400	154,200	121,000	117,900	163,100	156,600	178,400	170,800
	17	171,400	164,200	129,800	126,100	180,700	172,600	199,700	190,200
Average deferred member	1	36,400	36,200	35,300	35,200	36,400	36,200	36,700	36,600
	3	37,200	36,700	33,900	33,600	37,200	36,700	38,200	37,700
	5	38,000	37,200	32,500	32,100	38,000	37,200	39,700	38,900
	10	38,500	37,000	29,400	28,600	40,200	38,500	43,900	42,000
	11	38,100	36,500	28,800	27,900	40,600	38,800	44,800	42,700
Active member approaching retirement	1	45,100	44,900	44,000	43,900	45,200	45,100	45,600	45,400
	3	60,700	60,100	57,500	57,100	62,000	61,400	63,400	62,700
	5	75,100	74,100	70,500	69,800	79,200	77,900	81,800	80,500

Assumptions and notes:

1. Projected pension account values are shown in today's terms.
2. Contributions and costs/charges that are shown as a monetary amount reduction are paid halfway through the year.
3. Investment returns and costs/charges as a percentage reduction per annum are assumed to be deducted at the end of the year.
4. Charges and costs are deducted before the application of investment returns.
5. Switching costs are not considered in the lifestyle strategy.
6. Inflation is assumed to be 2.5% each year.
7. Contributions are assumed for active members up to 65 and increase in line with assumed earnings inflation of 0% per year in real terms. No additional contributions assumed for deferred members.
8. Values shown are estimates and not guaranteed.
9. The real projected growth rates for each fund are as follow (for consistency, these are the same as the SMPI investment assumptions used for annual benefit statements):
 - Default Lifestyle (Cash) (the Default) – from -1.07% to 2.00% (adjusted depending on term to retirement)
 - BlackRock Institutional Sterling Liquidity Fund – -2.00%
 - LGIM Diversified Fund – 1.10%
 - BlackRock Emerging Markets – 2.00%
10. Transactions costs were aggregated using an unweighted average, provided by Aviva, and cover the period Q1 2018 to Q4 2020.