

Virgin Money Retirement Savings Plan

Annual statement by the Chair of the Trustees for the year to 30 September 2024

Introduction

Governance requirements apply to defined contribution (“DC”) pension arrangements, to help members achieve a good outcome from their pension savings. The Virgin Money Retirement Savings Plan Trustee Limited (“the Trustee”) of the Virgin Money Retirement Savings Plan is required to produce a yearly statement describing how these governance requirements have been met.

This Statement covers the period from 1 October 2023 to 30 September 2024 (“the Plan Year”).

For the record

This annual statement regarding governance has been prepared in accordance with:

Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715) as amended by subsequent Regulations.

Sir David Chapman

Date: 09/12/2024

Signed by the Chair of Trustee of the Virgin Money Retirement Savings Plan

1 Investment options

1.1 Default arrangements

The Plan’s default arrangement, the Drawdown Lifestyle (Default), is designed for members who join the Plan and do not choose an investment option.

The Trustee is responsible for the governance of the default arrangement which includes setting and monitoring its investment strategy.

The Trustee decided that the default arrangement should be a lifestyle strategy, which means that members’ contributions are automatically moved between different funds as they approach their selected retirement date.

The main investment objectives for the default arrangement are in outline:

- Manages the main investment risks members’ face during their membership of the Plan;
- Maximises investment returns relative to inflation while taking an appropriate level of risk for the majority of members who do not make investment choices;
- Takes into account financially material considerations including environmental, social and governance considerations and climate change over an appropriate timescale; and
- Reflects members’ likely benefit choices at retirement.

The Statement of Investment Principles covering the default arrangement is appended to this Statement.

The Trustees believe that the default arrangement is appropriate for the majority of the Plan's members because:

It is a lifestyle strategy which targets members who are expected to use flexible retirement with a high probability of using Flexible Access Income Drawdown for a significant part of their retirement savings during their retirement. This strategy gradually moves investments between different funds to manage the levels of expected investment risks and returns at each stage of membership of the Plan. The strategy is suitable as it is a lifestyle strategy which targets growth in the earlier part of a member's career and latterly switches investments into diversified funds which, whilst still intending to provide investment growth, aims to preserve members' retirement accounts from significant falls as they approach retirement. The asset mix at retirement is designed to be consistent with use of the retirement account, or a significant part of it, for Flexible Access Income Drawdown.

During the growth phase (up to 15 years before a member's selected retirement date) the Drawdown Lifestyle strategy invests in the Virgin Money Growth Fund. Over a 5-year period between 15 and 10 years before their selected retirement date, investments are gradually switched into a diversified growth fund (the Virgin Money Diversified Fund). A diversified growth fund is one made up of a range of asset classes including equities, bonds and other assets designed to provide investment growth but with less volatility (lower risk). During the last 5 years before their selected retirement date, investments are gradually switched to a lower risk diversified fund specifically designed for members targeting drawdown so that at retirement the member is invested in the Virgin Money Pre-Retirement Targeting Drawdown Fund.

The Trustee regularly monitors the investment performance of the default arrangements and formally reviews both the investment performance against the default arrangements' objectives and the suitability of the investment strategy at least every three years. The investment performance of these funds during the last year is shown in section 2 and in Appendix 4.

No full review of the performance and suitability of the default arrangement was due to be undertaken during the year. The last full review was completed on 6 December 2022.

The next full review is intended to take place by 6 December 2025 or immediately following any significant change in investment policy or the Plan's member profile.

The Trustee is satisfied that the default arrangement remains appropriate for the majority of the Plan's members because:

- Its investment performance in the Plan Year has been consistent with its investment objectives;
- Its design continues to meet its principal investment objectives;
- The demographic profile of the membership has not changed materially; and
- Members' needs and likely benefit choices at retirement have not changed materially.

The Trustees undertook a high-level annual review of the default arrangement during the year and did not find any issues requiring immediate attention but agreed to consider the following change as part of the next full review of strategy in 2025.

- Adjust the glidepath in the lifestyle strategy so that the Growth Phase (as described above) will extend to a period of 10 years prior to selected retirement date instead of the current 15 years, meaning members in the lifestyle strategy will retain a greater exposure to equity investments for longer which is expected to be beneficial in terms of potential outcomes.

1.1.1 Asset allocation disclosure

The following table shows the asset allocation for the Plan's default arrangement, Drawdown Lifestyle (Default), for members of different ages, as at Plan year end. The asset allocation disclosure meets the

DWP's statutory guidance "Disclose and Explain asset allocation reporting and performance-based fees and the charge cap" as at January 2023.

Table 1: Asset Allocation

Asset class	Percentage allocation – average 25 y/o	Percentage allocation – average 45 y/o	Percentage allocation – average 55 y/o	Percentage allocation – average 1 day prior to Plan Retirement Date
Cash	0.0%	0.0%	1.1%	5.2%
Bonds	0.0%	0.0%	44.9%	54.5%
Listed equities	100.0%	100.0%	40.0%	23.9%
Private equity	0.0%	0.0%	1.9%	0.0%
Infrastructure	0.0%	0.0%	5.0%	4.2%
Property / real estate	0.0%	0.0%	7.0%	6.0%
Private debt / credit	0.0%	0.0%	0.0%	4.6%
Other assets	0.0%	0.0%	0.0%	1.6%
Total	100.0%	100.0%	100.0%	100.0%

"Please note that the totals may not sum to 100% due to rounding

Note: The asset allocation figures presented have been calculated from the fund allocations detailed in the respective fund factsheets as of 30 September 2024. For members whose asset allocation at the selected age on the default glidepath involves multiple funds, we have determined the overall asset allocation based on the proportion of assets held in each fund.

1.2 Other default arrangements

In addition, the following are default arrangements for some Plan members:

Cash Withdrawal Lifestyle

A lifestyle strategy which targets members who are expected to take a cash withdrawal at retirement or take a series of smaller lump sums over a period of several years. This strategy targets a "lower risk" strategy at retirement designed for members wishing to take their retirement benefits in cash or wishing to be invested cautiously immediately before retirement.

This lifestyle strategy gradually moves investments between different funds to manage the levels of expected investment risks and returns at each stage of membership of the Plan.

This strategy is suitable as it is a lifestyle strategy which targets growth in the earlier part of a member's career and latterly switches investments into bonds and cash. In particular, this strategy utilises an absolute return bond fund in the last 5 years prior to target retirement age. This type of defensive bond-based fund is managed to preserve capital and minimise the risk of losses where possible. This type of fund is of particular value in the period prior to retirement when retirement accounts can have grown to substantial amounts and where time is limited to recover from any large market losses prior to retirement.

This strategy maintains the same asset allocation as the Drawdown Lifestyle (Default) up to 5 years from a member's retirement. During the last 5 years before their selected retirement date, their assets are gradually switched initially to an absolute return bond fund (Virgin Money Defensive Bonds Fund) and in the last 3 years also to a cash fund so that at retirement the member is invested 40% in the absolute return bond fund, 35% in the diversified fund and 25% in the cash fund.

This strategy is designed to reduce volatility closer to retirement and also aligned to members accessing their retirement accounts entirely in cash at retirement or in a series of cash withdrawals over a few years.

Some members were automatically switched into this strategy on 9 November 2020 as part of merging the Yorkshire and Clydesdale Bank Defined Contribution Scheme with the Virgin Money Retirement Savings Scheme and the move to an investment platform with Fidelity. Because some members were switched without their express consent this fund is classified as a “default arrangement”.

Annuity Lifestyle

A lifestyle strategy which targets members who are expected to purchase an annuity at retirement in combination with a tax-free lump sum.

This lifestyle strategy gradually moves investments between different funds to manage the levels of expected investment risks and returns at each stage of membership of the Plan.

This strategy is suitable as it is a lifestyle strategy which targets growth in the earlier part of a member’s career and latterly switches investments into bonds and cash. In particular, this strategy utilises a “pre-retirement” bond fund in the last 5 years prior to target retirement age. This type of fund is designed to match annuity pricing and therefore protect the expected size of annuity the member is able to purchase at retirement. This type of fund is of particular value in the period prior to retirement when a member may be looking to preserve the annuity purchasing power of their retirement account.

This strategy maintains the same asset allocation as the Drawdown Lifestyle (Default) up to 5 years from a member’s retirement. During the last 5 years before their selected retirement date, their assets are gradually switched initially to a pre-retirement bond fund (Virgin Money Pre-Retirement Targeting Annuity Fund) and in the last 3 years are also switched to a cash fund so that at retirement the member is invested 75% in the pre-retirement bond fund and 25% in the cash fund.

Some members were automatically switched into this strategy on 9 November 2020 as part of merging the Yorkshire and Clydesdale Bank Defined Contribution Scheme with the Virgin Money Retirement Savings Scheme and the move to an investment platform with Fidelity. Because some members were switched without their express consent this fund is classified as a “default arrangement”.

Legacy Annuity Strategy

This was the lifestyle strategy that (prior to October 2015) was the strategy used by members who did not make an active decision on their investment options. It was designed at a time when members would have been expected to purchase an annuity at retirement in combination with a tax-free lump sum.

This lifestyle strategy gradually moves investments between different funds to manage the levels of expected investment risks and returns at each stage of membership of the Plan.

This strategy is suitable as it is a lifestyle strategy which targets growth in the earlier part of a member’s career and latterly switches investments into bonds and cash. In particular, this strategy utilises a mix of bond funds in the last 5 years prior to target retirement age. This is designed to protect the expected size of annuity a member is able to purchase at retirement to preserve the annuity purchasing power of their retirement account.

The strategy is invested in a mixture of equity funds up to the 10 years from a member’s retirement. During the last 10 years, assets are gradually switched to bond funds and a cash fund in order to achieve a 75:25 split (bonds: cash) at the member’s selected retirement date.

The Legacy Annuity Lifestyle was closed during the Plan year and member investments were switched to the Annuity Lifestyle (described above) or other investment options of their choice.

1.2.1 Asset allocation disclosure

The following tables shows the asset allocation for the Plan's other default arrangements, Cash Withdrawal Lifestyle and Annuity Lifestyle, for members of different ages, as at Plan year end. The asset allocation disclosure meets the DWP's statutory guidance "Disclose and Explain asset allocation reporting and performance-based fees and the charge cap" as at January 2023.

Table 2: Asset Allocation Cash Withdrawal Lifestyle

Asset class	Percentage allocation – average 25 y/o	Percentage allocation – average 45 y/o	Percentage allocation – average 55 y/o	Percentage allocation – average 1 day prior to Plan Retirement Date
Cash	0.0%	0.0%	1.1%	25.4%
Bonds	0.0%	0.0%	44.9%	55.7%
Listed equities	100.0%	100.0%	40.0%	14.0%
Private equity	0.0%	0.0%	1.9%	0.7%
Infrastructure	0.0%	0.0%	5.0%	1.8%
Property / real estate	0.0%	0.0%	7.0%	2.5%
Private debt / credit	0.0%	0.0%	0.0%	0.0%
Other assets	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

"Please note that the totals may not sum to 100% due to rounding

Table 3: Asset Allocation Annuity Lifestyle

Asset class	Percentage allocation – average 25 y/o	Percentage allocation – average 45 y/o	Percentage allocation – average 55 y/o	Percentage allocation – average 1 day prior to Plan Retirement Date
Cash	0.0%	0.0%	1.1%	25.0%
Bonds	0.0%	0.0%	44.9%	75.0%
Listed equities	100.0%	100.0%	40.0%	0.0%
Private equity	0.0%	0.0%	1.9%	0.0%
Infrastructure	0.0%	0.0%	5.0%	0.0%
Property / real estate	0.0%	0.0%	7.0%	0.0%
Private debt / credit	0.0%	0.0%	0.0%	0.0%
Other assets	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

"Please note that the totals may not sum to 100% due to rounding

Table 4: Asset Allocation Legacy Annuity Lifestyle (now closed)

Asset class	Percentage allocation – average 25 y/o	Percentage allocation – average 45 y/o	Percentage allocation – average 55 y/o	Percentage allocation – average 1 day prior to Plan Retirement Date
Cash	0.0%	0.0%	0.0%	25.0%
Bonds	0.0%	0.0%	0.0%	75.0%
Listed equities	100.0%	100.0%	100.0	0.0%
Private equity	0.0%	0.0%	0.0%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property / real estate	0.0%	0.0%	0.0%	0.0%
Private debt / credit	0.0%	0.0%	0.0%	0.0%
Other assets	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%

"Please note that the totals may not sum to 100% due to rounding

1.3 Other investment options

The Trustee recognises that the default arrangement will not be suitable for the needs of every member and so the Plan also offers members a choice of other investment options including alternative lifestyle options; and self-select funds. The main objectives of these investment options are:

- To cater for the likely needs of a wider range of members;
- To cater for members looking to take different benefits at retirement than those targeted by the default arrangement;
- To offer a wider range of asset classes, levels of risk and return and different investment approaches; and
- To support members who want to take a more active part in how their savings are invested.

The Trustees carry out an in-depth review of the performance and suitability of these other investment options at least every 3 years. The last full review was completed on 6 December 2022, when the following changes were agreed:

- Some changes to the composition of a number of Funds used in the Lifestyle and self-select options to increase sustainability of those funds (VM Growth Fund, VM Diversified Fund and VM Defensive Bonds Fund).
- Addition of a new sustainable ESG tilted global equity passive fund for self-select members to increase the options for members looking to invest sustainably.
- Addition of the drawdown specific fund to be used in the revised Drawdown lifestyle as a self-select option for members to potentially use if they are self-select and want a drawdown specific fund.
- Closure of some self-select funds to members to rationalise the fund range.

The Trustee undertakes a review, each quarter, of the performance of the alternative lifestyle arrangements and the funds underlying the default arrangements, and the self-select funds available under the wider fund range. In particular the Trustee assesses the extent to which the long-term performance is consistent with each of their aims, benchmarks, and objectives.

In keeping with the Pensions Regulator's guidance, the Trustees also carry out an annual high-level review of the performance and suitability of these other investment options. There were no issues with these investment options last year and did not find any issues requiring immediate attention but agreed to consider the following change as part of the next full review of strategy.

- Adjust the glidepath in the lifestyle strategy so that the Growth Phase (as described above) will extend to a period of 10 years prior to selected retirement date instead of the current 15 years, meaning members in the lifestyle strategy will retain a greater exposure to equity investments for longer which is expected to be beneficial in terms of potential outcomes.

The Trustee as part of its ongoing governance of the Plan closed the Legacy Annuity Lifestyle during the Plan Year as it was little used. As a lifestyle targeting annuity, its objective largely overlapped with that of the newer Annuity Lifestyle, which the Trustee believes can offer better retirement outcomes for members seeking to purchase an annuity. During the Plan year, members in this strategy were moved to the Annuity Lifestyle or other investment options of their choice on 29 May 2024. The Trustee also made some adjustments to the component funds of the Virgin Money Growth, Diversified and Sustainable Active Equity Funds which are further detailed in section 2. The Trustee also closed five self-select funds as described in section 2 with members moved members moved to the Drawdown Lifestyle or other investment options of their choice on 29 May 2024.

2 Investment performance

The presentation of the investment performance takes into account the statutory guidance (i.e. The Occupational Pension Schemes (Administration, Investment, Charges and Governance) (Amendment) Regulations 2021) issued by the Department for Work and Pensions. The Trustee has followed the statutory guidance in all areas.

2.1 Investment conditions

When looking at the following figures it should be borne in mind that major stock markets rose significantly in 2024 continuing the recovery seen in 2023 after the difficult period in 2022 which saw significant falls in equity and bond markets. Bond markets also performed positively in 2024.

2.2 Default arrangement

Over the year to 30 September 2024 the funds used in the Plan's default arrangement saw investment returns of between a rise in value of 12.8% or, put another way, a rise of £128 for every £1,000 invested for the Virgin Money Pre-Retirement Targeting Drawdown Fund to a rise in value of 23.6%, or a rise of £236 for every £1,000 invested for the Virgin Money growth Fund.

Table 4: Default Performance

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020 (p.a.)
Virgin Money Growth Fund	23.5%	5.5%	8.7%
Virgin Money Diversified Fund	14.4%	0.8%	2.6%
Virgin Money Pre-Retirement Fund Targeting Drawdown	12.8%	N/A	N/A

Source: Fidelity (Performance shown since inception of arrangements with Fidelity)

As the default arrangement uses a lifestyle strategy, the investment return varies depending on your age and how far you are from your selected retirement age.

Table 5: Default Arrangement

Member Age	1 year	3 years (p.a.)	5 years (p.a.)
	Fund	Fund	Fund
25	23.5%	5.5%	8.1%
45	23.5%	5.5%	8.1%
55	15.4%	1.5%	4.9%
63	13.6%	0.5%	2.6%
65	12.9%	0.7%	2.7%

Source: Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes.

The Trustee is satisfied that funds used by the default arrangements have performed in line with their longer-term objectives. The Trustee recognises that most funds performed negatively in 2022 and reflected the widespread market falls over the period but that 2023 and 2024 have seen an improvement in returns mainly due to stronger performance from equity markets although bonds, and particularly UK government gilts have remained weaker. The Trustee recognises that investment markets can be volatile over the shorter term and,

with advice from its investment adviser, has considered the expected returns and suitability of the default arrangements on a forward-looking basis as part of its review of strategy and annual review of strategy.

The Trustee took the following action in respect of these funds:

- It reviewed the component funds of the Virgin Money Growth and Virgin Money Diversified Fund and replaced two of the component funds, namely the Baillie Gifford Sustainable Growth Fund (in the Virgin Money Diversified Fund) and the Baillie Gifford Multi-Asset Growth Fund in the Virgin Money Diversified Fund. These funds were replaced following ongoing monitoring by the Trustee and advice from the investment adviser.

The Trustee also monitors the potential outcomes at retirement for members in the main default arrangement (Drawdown Lifestyle). The Trustee found that the estimated benefits payable at retirement have, on average, improved during the year primarily due to the stronger investment market.

2.3 Other default arrangements

The funds used in the other default arrangements (Cash Withdrawal and Annuity Lifestyles) rose in value by 5.3% to 23.5% during the year to 30 September 2024.

Table 6: Other Default Arrangement

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020
Virgin Money Growth Fund	23.5%	5.5%	8.7%
Virgin Money Diversified Fund	14.4%	0.8%	2.6%
Virgin Money Defensive Bonds	10.6%	5.5%	5.2%
Virgin Money Pre-Retirement Fund Targeting Annuity	10.4%	-8.1%	-7.8%
Virgin Money Cash	5.3%	3.2%	2.5%

Source: Fidelity (Performance shown since inception of arrangements with Fidelity)

As the other default arrangements use a lifestyle strategy, the investment return varies depending on your age and how far you are from your selected retirement age.

Table 7 Other Default Arrangements

Member Age	1 year	3 years (p.a.)	5 years (p.a.)
	Fund	Fund	Fund
25	23.6%	5.5%	8.1%
45	23.6%	5.5%	8.1%
55	15.4%	1.5%	4.9%
63 (Cash Withdrawal Lifestyle)	13.4%	1.1%	2.9%
65 (Cash Withdrawal Lifestyle)	11.2%	1.8%	3.3%
63 (Annuity Lifestyle)	12.0%	-1.3%	1.5%
65 (Annuity Lifestyle)	9.5%	-4.1%	-1.3%

Source: Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes.

The funds used in the other default arrangement which is now closed and in which no members remained invested at the end of the Plan (Legacy Annuity Lifestyles) rose in value by 5.3% to 30.7% during the year to 30 September 2024 (performance estimated as funds closed earlier in Plan Year).

Table 8: Legacy Annuity Lifestyle Arrangement

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020
Virgin Money UK Equity Fund	11.7%	6.3%	9.3%
Virgin Money World ex UK Equity	21.5%	8.8%	11.4%
Virgin Money World ex UK Equity (Currency Hedged)	30.7%	9.2%	12.2%
Virgin Money World Emerging Markets	14.8%	-0.0%	0.8%
Virgin Money Long Gilts	9.9%	-15.2%	-14.4%
Virgin Money Long Corporate Bonds	14.5%	-10.5%	-9.1%
Virgin Money Index-Linked	6.5%	-14.3%	-11.5%
Virgin Money Index-Cash	5.3%	3.2%	2.5%

Source: Fidelity (Performance shown since inception of arrangements with Fidelity)

As this other default arrangement use a lifestyle strategy, the investment return varies depending on your age and how far you are from your selected retirement age.

Table 9: Legacy Annuity Lifestyle Arrangement

Member Age	1 year		3 years (p.a.)		5 years (p.a.)	
	Fund		Fund		Fund	
25	21.7%		7.6%		9.8%	
45	21.7%		7.6%		9.8%	
55	21.7%		7.6%		9.8%	
63	12.9%		-6.5%		-1.3%	
65	10.2%		-8.8%		-3.6%	

Source: Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes. Performance estimated to end of Plan Year as funds closed during Plan Year.

The Trustee is satisfied that funds used by the other default arrangements have performed in line with their longer-term objectives. The Trustee recognises that most funds performed negatively in 2022 and reflected the widespread market falls over the period but that 2023 and 2024 have seen an improvement in returns mainly due to stronger performance from equity markets although bonds, and particularly UK government gilts have remained weaker. The Trustee recognises that investment markets can be volatile over the shorter term and, with advice from its investment adviser, has considered the expected returns and suitability of the default arrangements on a forward-looking basis as part of its review of strategy and annual review of strategy.

The Trustee took the following action in respect of these funds:

- It reviewed the component funds of the Virgin Money Growth and Virgin Money Diversified Fund and replaced two of the component funds, namely the Baillie Gifford Sustainable Growth Fund (in the Virgin Money Diversified Fund) and the Baillie Gifford Multi-Asset Growth Fund in the Virgin Money Diversified Fund. These funds were replaced following ongoing monitoring by the Trustee and advice from the investment adviser.
- The Trustee closed the Legacy Annuity Lifestyle during the Plan Year and no members remained invested in it at the end of the Plan Year.

2.4 Other investment options

2.4.1 Self-select lifestyle options

The funds used in the alternative lifestyle options is shown in the previous section.

2.4.2 Self-select funds

The funds in the table below are also available to members as self-select options.

The other investment options rose in value by 5.3% to 27.3% during the year to 30 September 2024.

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020
Virgin Money Growth Fund	23.5%	5.5%	8.7%
Virgin Money Diversified Fund	14.4%	0.8%	2.6%
Virgin Money Pre-Retirement Fund Targeting Drawdown	12.8%	N/A	N/A
Virgin Money Defensive Bonds	10.6%	5.5%	5.2%
Virgin Money Pre-Retirement Fund Targeting Annuity	10.4%	-8.1%	-7.8%
Virgin Money Cash	5.3%	3.2%	2.5%
Virgin Money Sustainable Active Fund	17.4%	2.4	6.0%
Virgin Money Sustainable Passive Fund	25.9%	N/A	N/A
Virgin Money Islamic Equity Fund	27.3%	12.4%	14.0%
Virgin Money Index-Linked Gilt Fund	6.5%	-14.3%	-11.5%
Virgin Money Property Fund	9.2%	5.3%	5.8%

Source: Fidelity (Performance shown since inception of arrangements with Fidelity)

The Trustee is satisfied that these funds have performed in line with their longer-term objectives. The Trustee recognises that performance of some funds was weaker in 2022 which was largely reflective of negative investment market returns in 2022 and that performance has been stronger on 2023 and 2024. The Trustee recognises that investment markets can be volatile over the shorter term and, with advice from its investment adviser, has considered the expected returns and suitability of investment options on a forward-looking basis.

- The Trustee closed the Virgin Money UK Equity Fund, Virgin Money World ex UK Equity Fund, Virgin Money Emerging Markets Fund, Virgin Money Long Gilts Fund and Virgin Money Long Corporate

Bonds to rationalise the self-select range and to remove overlap of fund choices during the Plan Year and no members remained invested in them at the end of the Plan Year.

- It reviewed the component funds of the Virgin Money Growth Fund, Virgin Money Sustainable Active Fund and Virgin Money Diversified Fund and replaced two of the component funds, namely the Baillie Gifford Sustainable Growth Fund (in the Virgin Money Diversified Fund and Virgin Money Sustainable Active Fund) and the Baillie Gifford Multi-Asset Growth Fund in the Virgin Money Diversified Fund. These funds were replaced following ongoing monitoring by the Trustee and advice from the investment adviser.

The performance of the self-select funds which were closed during the Plan Year and in which no members remained invested at the end of the Plan is shown below (performance estimated as funds closed earlier in Plan Year).

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020
Virgin Money UK Equity Fund	11.7%	6.3%	9.3%
Virgin Money World ex UK Equity	21.5%	8.8%	11.4%
Virgin Money World Emerging Markets	14.8%	-0.0%	0.8%
Virgin Money Long Gilts	9.9%	-15.2%	-14.4%
Virgin Money Long Corporate Bonds	14.5%	-10.5%	-9.1%

Source: Fidelity (Performance shown since inception of arrangements with Fidelity)

3 Charges and transaction costs

The charges and costs borne by members and/or the Employer for the Plan's services are:

Service	By members	Shared	By the Employer[s]
Investment management	Y	N	N
Investment transactions	Y	N	N
Administration	N	N	Y
Governance	N	N	Y
Communications	N	N	Y

3.1 Charges

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

The charges are deducted by the Provider before the funds' unit prices are calculated.

The Plan is a qualifying scheme for auto-enrolment purposes and the member borne charges for the default arrangement complied with the charge cap during the year covered by this Statement.

As in previous years, the Trustee has agreed that the "charges year" for the purposes of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 (SI 2015/879) shall be the same as the Plan year.

3.2 Transaction costs

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

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

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

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

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

3.3 Member-borne charges and transaction costs

The charges and transaction costs have been supplied by the Plan's provider.

Information on transaction costs was requested from Fidelity (the Plan platform providers) for all funds for the 12-month period to 30 September 2024. Transaction costs data for funds has been supplied for 12-month periods to 30 June 2024 being the latest available information at the time of request and preparation of this document but is unlikely to be materially different than for the year to 30 September 2024.

It was not possible to obtain transaction costs for 6 funds and the Legacy Annuity Lifestyle which were closed during the Plan Year. More details are given in "Missing Information" in section 8. The provider has been

asked to provide any information on transaction costs for the 12 month prior to closure of these funds but has been unable to provide this.

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

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

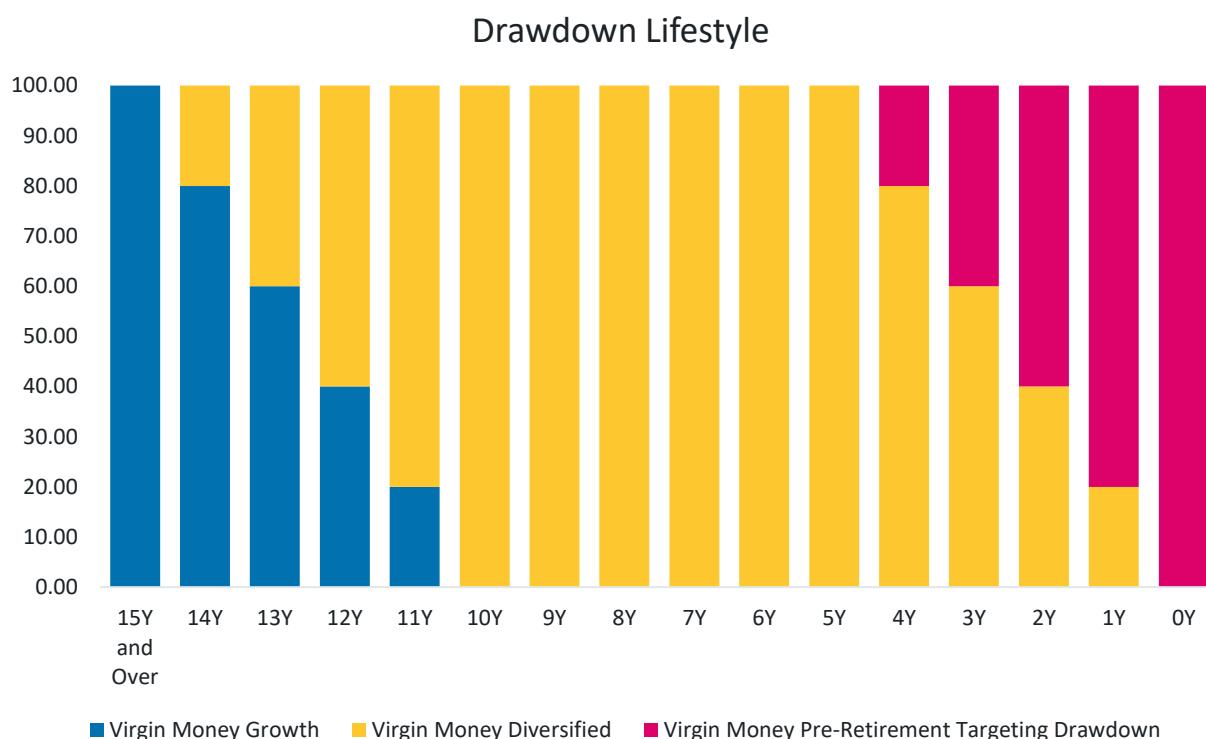
3.4 Performance-based fees

There were no performance-based fees which were deducted from the default arrangement during the Plan Year.

3.5 Default arrangement

The default arrangement is the Drawdown Lifestyle. The default arrangement has been set up as a “lifestyle strategy”, which means that members’ assets are automatically moved between different funds as they approach their target retirement date. This means that the level of charges and transaction costs borne by members will vary depending on how close members are to their selected retirement age and in which fund they are invested.

Chart 1: Default Glidepath



Annualised charges and transaction costs for the Plan Year are set out in the table below.

Default Charges and Costs over Time

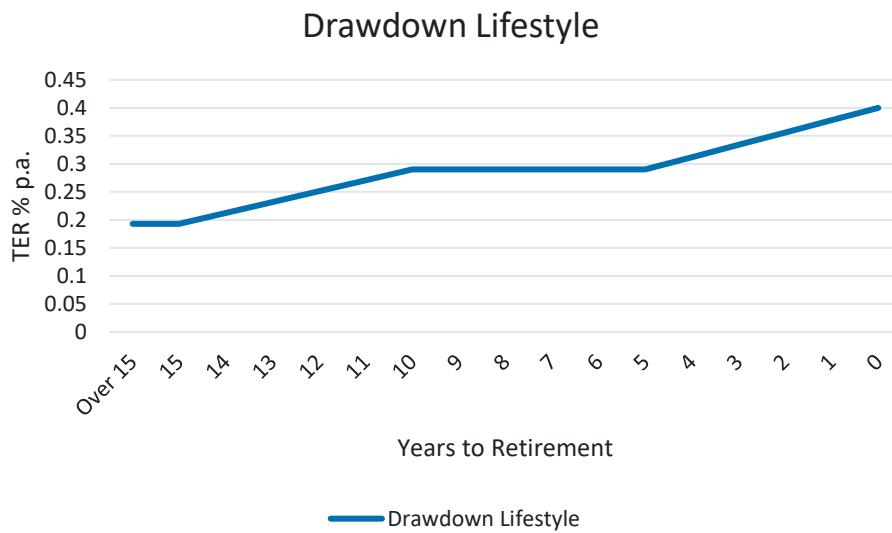
Period to selected retirement date	Charge		Transaction costs	
	% p.a.	£ per £1,000	% p.a.	£ per £1,000
15 years or greater	0.19	1.90	0.06	0.60
14 years	0.21	2.10	0.06	0.60
13 years	0.23	2.30	0.05	0.50
12 years	0.25	2.50	0.05	0.50
11 years	0.27	2.70	0.04	0.40
10 years	0.29	2.90	0.04	0.40
9 years	0.29	2.90	0.04	0.40
8 years	0.29	2.90	0.04	0.40
7 years	0.29	2.90	0.04	0.40
6 years	0.29	2.90	0.04	0.40
5 years	0.29	2.90	0.04	0.40
4 years	0.31	3.10	0.12	1.20
3 years	0.33	3.30	0.20	2.00
2 years	0.36	3.60	0.28	2.80
1 year	0.38	3.80	0.36	3.60
At retirement	0.40	4.00	0.44	4.40

The average charge over a 40 year period was 0.23% p.a.

The member borne charges were in the range from 0.19% p.a. to 0.40% p.a. Range: £1.90 to £4.00 per £1,000 invested.

The transaction costs were in the range from 0.04% p.a. to 0.44% p.a. Range: £0.40 to £4.40 per £1,000 invested.

Source: Fidelity

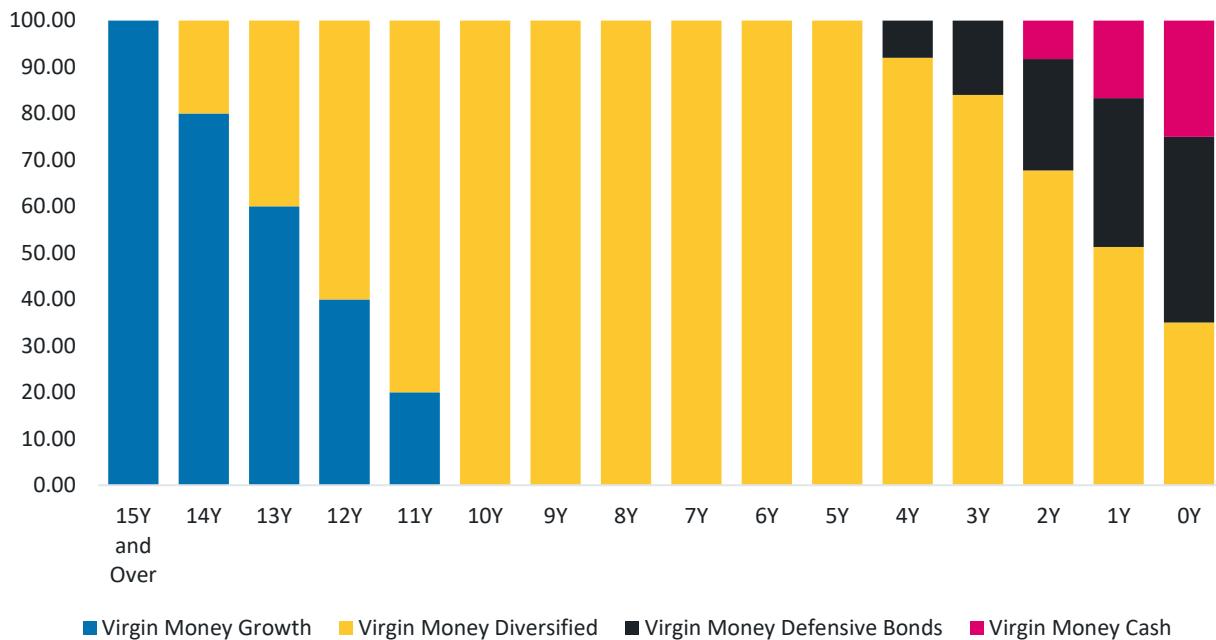


The table in Appendix 2a gives the charges and transaction costs for each fund used by the default arrangement.

3.6 Other default arrangements

The following investment options are also considered to be “default arrangements” for some members:

Cash Withdrawal Lifestyle



Cash Withdrawal Lifestyle Charges and Costs over Time

Period to selected retirement date	Charge		Transaction costs	
	% p.a.	£ per £1,000	% p.a.	£ per £1,000
15 years or greater	0.19	1.90	0.06	0.60
14 years	0.21	2.10	0.06	0.60
13 years	0.23	2.30	0.05	0.50
12 years	0.25	2.50	0.05	0.50
11 years	0.27	2.70	0.04	0.40
10 years	0.29	2.90	0.04	0.40
9 years	0.29	2.90	0.04	0.40
8 years	0.29	2.90	0.04	0.40
7 years	0.29	2.90	0.04	0.40
6 years	0.29	2.90	0.04	0.40
5 years	0.29	2.90	0.04	0.40
4 years	0.30	3.00	0.05	0.50
3 years	0.31	3.10	0.06	0.60
2 years	0.30	3.00	0.06	0.60
1 year	0.30	3.00	0.07	0.70
At retirement	0.29	2.90	0.08	0.80

The average charge over a 40 year period was 0.22% p.a.
The member borne charges were in the range from 0.19% p.a. to 0.31% p.a. Range: £1.90 to £3.10 per £1,000 invested.
The transaction costs were in the range from 0.04% p.a. to 0.08% p.a. Range: £0.40 to £0.80 per £1,000 invested.

Source: Fidelity

Cash Withdrawal Lifestyle



Annuity Lifestyle

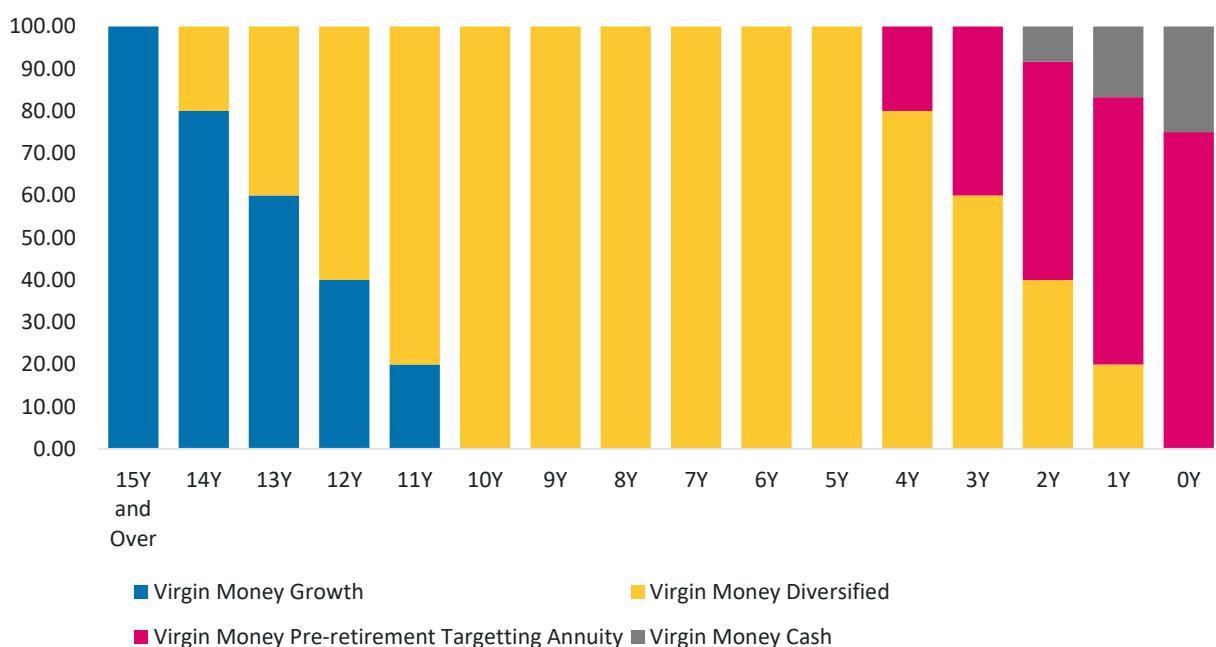


Table 3 Annuity Lifestyle Charges and Costs over Time

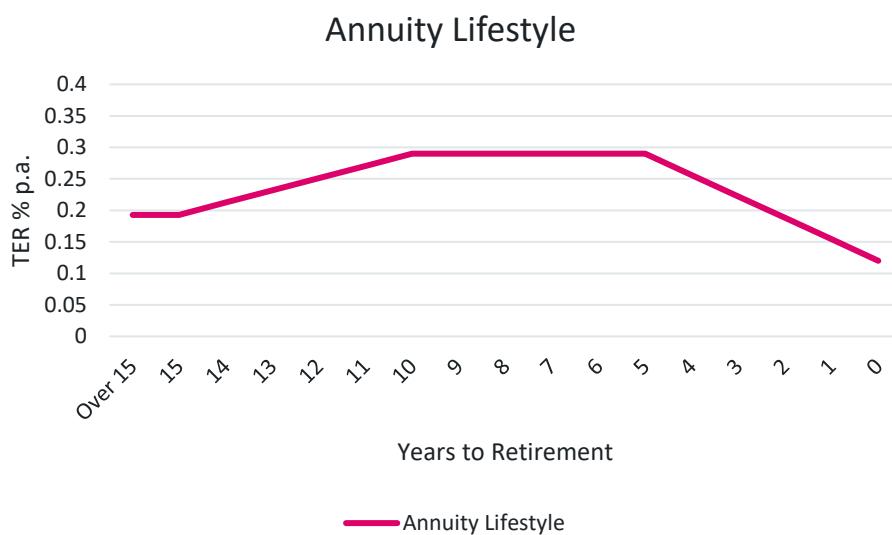
Period to selected retirement date	Charge		Transaction costs	
	% p.a.	£ per £1,000	% p.a.	£ per £1,000
15 years or greater	0.19	1.90	0.06	0.60
14 years	0.21	2.10	0.06	0.60
13 years	0.23	2.30	0.05	0.50
12 years	0.25	2.50	0.05	0.50
11 years	0.27	2.70	0.04	0.40
10 years	0.29	2.90	0.04	0.40
9 years	0.29	2.90	0.04	0.40
8 years	0.29	2.90	0.04	0.40
7 years	0.29	2.90	0.04	0.40
6 years	0.29	2.90	0.04	0.40
5 years	0.29	2.90	0.04	0.40
4 years	0.26	2.60	0.02	0.20
3 years	0.22	2.20	0.00	0.00
2 years	0.19	1.90	-0.01	-0.10
1 year	0.15	1.50	-0.02	-0.20
At retirement	0.12	1.20	-0.03	-0.30

The average charge over a 40 year period was 0.21% p.a.

The member borne charges were in the range from 0.12% p.a. to 0.29% p.a. Range: £1.20 to £2.90 per £1,000 invested.

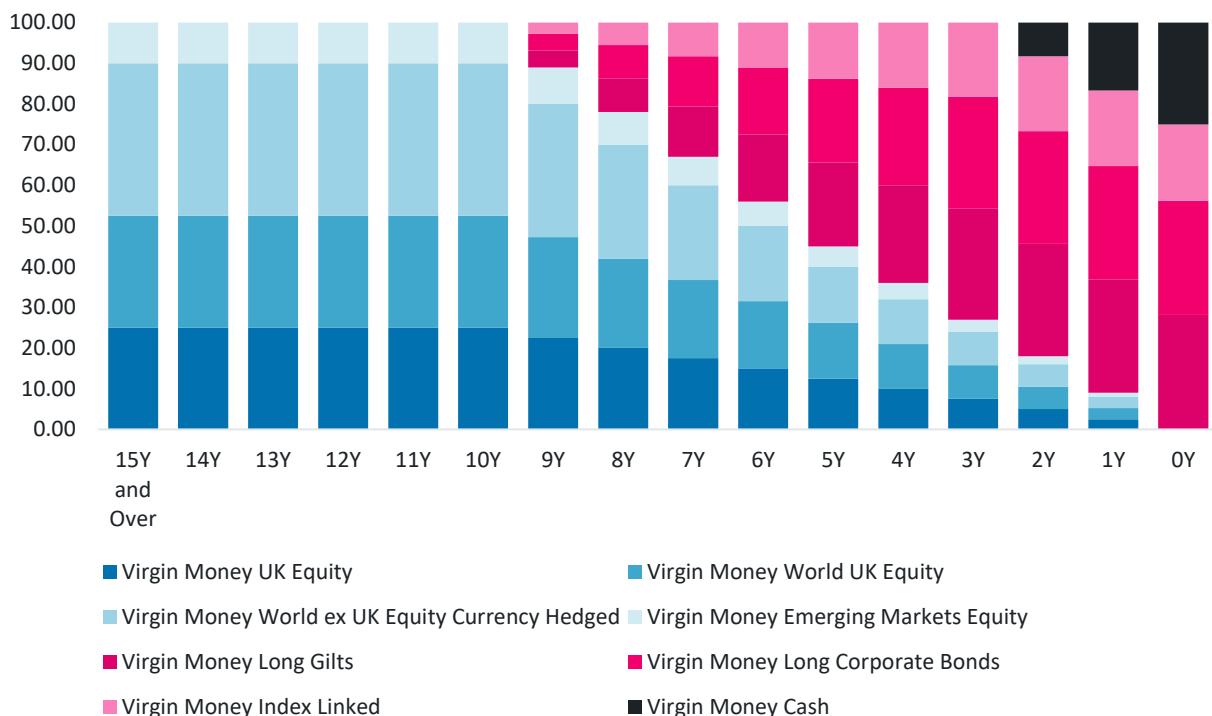
The transaction costs were in the range from -0.03% p.a. to 0.06% p.a. Range: -£0.30 to £0.60 per £1,000 invested.

Source: Fidelity



The table in the Appendix 2b gives the charges and transaction costs for each fund used by the other default arrangements.

Legacy Annuity Lifestyle



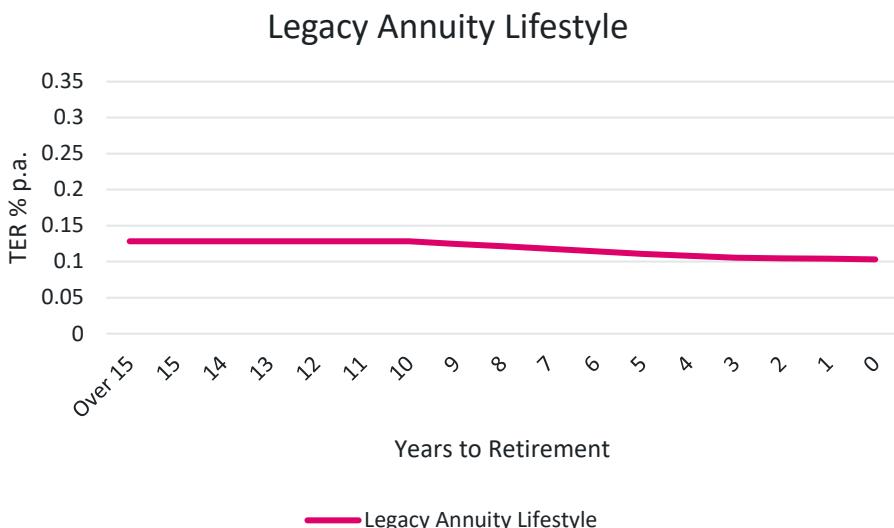
Legacy Annuity Lifestyle Charges and Costs over Time (now closed)

Period to selected retirement date	Charge		Transaction costs	
	% p.a.	£ per £1,000	% p.a.	£ per £1,000
15 years or greater	0.13	1.28	n/a	n/a
14 years	0.13	1.28	n/a	n/a
13 years	0.13	1.28	n/a	n/a
12 years	0.13	1.28	n/a	n/a
11 years	0.13	1.28	n/a	n/a
10 years	0.13	1.28	n/a	n/a
9 years	0.12	1.25	n/a	n/a
8 years	0.12	1.21	n/a	n/a
7 years	0.12	1.18	n/a	n/a
6 years	0.11	1.14	n/a	n/a
5 years	0.11	1.11	n/a	n/a
4 years	0.11	1.08	n/a	n/a
3 years	0.11	1.05	n/a	n/a
2 years	0.10	1.05	n/a	n/a
1 year	0.10	1.04	n/a	n/a
At retirement	0.10	1.03	n/a	n/a

The average charge over a 40 year period was 0.12% p.a.

The member borne charges were in the range from 0.10% p.a. to 0.13% p.a. Range: £1.03 to £1.28 per £1,000 invested.

Source: Fidelity



3.7 Other investment options

In addition to the default arrangement, members also have the option to invest in the two other lifestyles, targeting cash withdrawal and annuity (described above) and 11 other self-select funds.

3.7.1 Self-select lifestyle options

The lifestyle options available for members to self-select are shown above.

3.7.2 Self-select funds

During the year the charges for the self-select funds were in a range from 0.09% to 0.67% of the amount invested or, put another way, in a range from £0.90 to £6.70 per £1,000 invested.

The transaction costs borne by members in the self-select funds during the year were in a range from 0.00% to 0.44% of the amount invested or, put another way, in a range from £0.00 to £0.44 per £1,000 invested (ignoring funds with negative transaction costs).

The table in Appendix 2d gives the charges and transaction costs for each self-select fund.

3.8 Illustration of charges and transaction costs

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

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

- The default arrangements as well as
- Two funds from the Plan's self-select fund range:
 - The lowest charging fund – the Virgin Money Index-Linked Gilt Fund
 - The highest charging fund – the Virgin Money Property Fund

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

As an example, for a member who joined the default arrangement (Drawdown Lifestyle) at age 24, the level of charges and costs seen in the last year would reduce their projected pot value at retirement in today's money

from £254.8k to £235.4k. For a member who joined the default arrangement (Drawdown Lifestyle) at age 42, the level of charges and costs seen in the last year would reduce their projected pot value at retirement in today's money from £370.1k to £349.9k.

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

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

4 Value for Members

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

For the purposes of the Chair's Statement, the Trustee only needs to consider the investment options (as they are the services members pay for) but the Trustee has also assessed other aspects of the Plan (Administration, Communications and Governance) in their Overall Value for Money Assessment.

4.1 Approach

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

- Services – considered the services where members bear or share the costs;
- Outcomes – weighted each service according to its likely impact on outcomes for members at retirement;
- Comparison – compared the cost and quality of each service against similar schemes and available external comparisons;
- Rating – rated each service from poor to excellent.

4.2 Results for the year 30 September 2024

The Plan gave GOOD Value for Members in the year ending 30 September 2024 (this is based on the assessment of services for which members pay the cost – which are the Investment options only and excludes other services for which members do not pay the cost).

The Trustee also assesses all the services members use (Investment for which members pay the cost and the other services for which members do not pay the cost, Administration, Communications and Governance).

The Plan gave Good to Excellent overall value for money in the year ending 30 September 2024 when considering all these services.

4.3 Value for Members

The rationale for the rating of each service was in outline:

Category	Weighting	VFM rating	Rationale
Investment	100%	4	<p>Charges for the default and alternative lifestyle strategies in which 98% of the members' assets are invested were less than those of comparable schemes. Transaction costs were similar to those of comparable schemes.</p> <p>Transition activity during the Plan Year was carried out efficiently and with costs minimised.</p> <p>The Trustee is satisfied that the investment options are suitable for the Plan's membership as it believes that most members will want to take their retirement benefits by drawdown or by a relatively short period of cash withdrawals following retirement. The Trustee is therefore satisfied that the default and alternative lifestyle options remain broadly appropriate for the majority of members (providing lifestyle options suitable for drawdown, cash withdrawal and annuity purchase) and the self-select options retain an appropriate breadth of choice across asset classes for members and includes sustainable funds.</p> <p>Investment performance for the lifestyle options has been broadly in line with objectives performing similarly to wider pension scheme arrangements. Plan performance has been reflective of investment markets over the Plan Year with strong returns from equity based funds and also from bond and diversified funds.</p> <p>Within the self-select range, the performance of most funds has been in line with expectations within the current market environment has been strong ranging from 5.3% to 27.4%.</p> <p>The Plan's investment options take responsible investment (including climate change) into account and incorporate sustainable funds in the Plan's default investment strategy and self-select fund range.</p> <p>The Trustee has established excellent governance procedures including an Investment Sub Committee to focus on investment matters.</p>

The Trustee has agreed an action plan for the following year to improve value where necessary and obtain any missing information. This action plan, along with details of the missing information and value assessment limitations, are detailed in other sections of this Chair's Statement. Full details of the approach used to assess value can be found in the Value for Members assessment.

5 Administration

The Trustee appointed the in-house Pension Team of Virgin Money UK plc of to administer the Plan on their behalf.

5.1 Core financial transactions

The Trustees monitored core financial transactions during the year including:

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

5.2 Service levels

The Plan has a service level agreement (SLA) in place with the Pension Team which covers the accuracy and timeliness of all core financial transactions. The Pension Team aims to complete 100% of its core financial transactions within this service level.

The Pension Team has committed to meet the following agreed service levels:

- New joiner and regular contributions files and the allocation of contributions are processed within 10 working days;
- Provision of retirement pack and quotation of benefits within 20 working days;
- Payments of benefits are made within 20 working days;
- Provision of transfer value quotations within 60 working days;
- Payment of transfer values within 60 working days;
- Processing individuals transferring into the Plan within 30 working days; and
- Response to members enquiries within 30 working days.

The Trustee understands that the Pension Team monitors its performance against these service levels by monitoring daily transactions, monitoring daily workflow items, and reviewing the level, causes and resolution of complaints. Bank accounts are reconciled monthly by the Pension Team. The Pension Team also continually maintains its Pensions Quality Mark (PQM) plus accreditation.

Over the year, the Trustee has monitored core financial transactions and administration service levels during the year by:

- Receiving quarterly reports from the Pension Team on the processing of core financial transactions and other administration processes against the agreed service levels;
- Considering the reasons for and resolution of any breaches of service standards;
- Considering member feedback including any complaints and the results of member surveys.

The Plan's accounts are also audited annually by the Plan's Auditors EY. This audit includes testing the processing of core financial transactions.

The Trustee is satisfied that the service standards are reasonable because:

- The Trustee is confident that the processes and controls in place with the Pension Team are robust and ensure that the core financial transactions and processes are dealt with promptly and accurately.

The Trustee believes that the Pension Team offers a very high-quality service to members. There were no administration service issues or core financial transactions issues during the Plan year, and the audit of the Plan did not highlight any areas of concern. The Pension Team aims to ensure that 100% of all the above processes are completed within the agreed service levels. The Trustee notes that, in the current year, the Pension Team achieved a 100% response rate to member queries/requests within 10 working days (against an SLA target of 30 days). Furthermore, on average c91% of these member queries were answered within 1 working day.

- The Trustee conducted a review of the administration in 2019 as part of an overall provider review and as part of the merger of the Yorkshire and Clydesdale Bank Defined Contribution Scheme and Virgin Money Retirement Savings Scheme. A decision was made to move administration to the in-house Virgin Money Pension Team and this was implemented in November 2020).

5.3 Data quality

Each year the Trustee asks the Plan's Pension team to undertake an audit of the Plan's common data (which is the key data needed by the Plan to calculate members' benefits such as dates of birth), to ensure that the records for all members are accurate and up to date.

The last data quality audit was undertaken in October 2024. This showed that common data was present for 98% of membership data as at October 2024 – compared to 96% last year so is improved.

5.4 Cyber security

The Trustee is conscious of the growing threat of cyber-attacks on pension scheme information.

Each year the Trustee asks the Pension Team to confirm that their cyber security arrangements are effective and up to date. The Trustee expects that the Pension Team will report any security breach immediately and ensure that members are notified as soon as possible. There were no security breaches in the current Plan year.

The Trustee has received training on cyber security and are aware of the roles and responsibilities associated with identifying cyber risk and cyber breaches. The Trustee has a cyber incident response plan which is exercised periodically. Cyber security is on the risk register and is reviewed on a quarterly basis. The Trustee has access to specialist expertise to investigate the nature of any cyber breach including the Employer's (Virgin Money UK plc) information security standards and supplier governance framework.

One of the Plan Trustee Directors is a member of the Bank's cyber security team.

5.5 Own Risk Assessment (ORA)

Each year the Trustees carry out an assessment of the effectiveness of the controls which are in place to manage the risks faced by the Plan. The Trustees are currently preparing their first ORA. The Trustee has conducted a Gap Analysis against the General Code and has taken steps to adapt policies to meet all General Code requirements.

5.6 Overall

The Trustee receives quarterly reports about the administrator's (pension Team's) performance and compliance with the SLA. Using information provided by the administrator, the Trustee is satisfied that over the Plan Year:

- The administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- All core financial transactions were processed promptly and accurately;
- There have been no material administration errors in relation to processing core financial transactions;
- The wider administration of the Plan achieved the agreed service standards;

- The Plan's common data is accurate and up to date;
- The Plan's cyber security arrangements are effective.

5.7 Bulk transfer of assets

During the year there were large-scale transfers between funds affecting a number of members as a result of the following changes to the Plan's investment options:

- transfer of deferred members to the Virgin Money Section of the Fidelity Master Trust;
- transfers of funds affecting a number of members in respect of closure of the Legacy Annuity Lifestyle and closure of five self-select funds; and
- changes to the underlying funds of the Virgin Money Growth Fund, Virgin Money Diversified Fund and Virgin Money Sustainable Active Fund.

The Trustees reviewed the way in which the transfers were to be conducted and received reports on the transaction costs incurred during the transfer.

The transition costs and risks were mitigated by:

- ensuring that out of market exposure was mitigated as far as possible
- ensuring that the majority of the transfer was completed by unit switches

The transition costs were £134 on a transfer of £0.514m (i.e. 0.03% of the funds moved) in respect of the transfer of deferred members to the Virgin Money Section of the Fidelity Master Trust.

The transition costs were £13.6k on a transfer of £10.7m (i.e. 0.13% of the funds moved) in respect of the transfer of funds for the closure of the Legacy Annuity Lifestyle and closure of five self-select funds.

The transition costs were £284k on a transfer of £101.3m (i.e. 0.28% of the funds moved) in respect of the transfer of funds for changes to the underlying funds of the Virgin Money Growth Fund, Virgin Money Diversified Fund and Virgin Money Sustainable Active Fund.

The Trustees are satisfied that this bulk transfer was conducted efficiently to mitigate the costs and risks for members as far as practicable.

5.8 Security of assets

The situation regarding the security of where pension contributions are invested is complex. It can vary from scheme to scheme and from fund to fund within each scheme. To-date there have only been a few instances where members of Plans such as ours have seen their benefits reduced as a result of a financial failure of a provider or fund manager.

The Trustee has reviewed the structure of the funds used within the default arrangement and other investment options. The Trustee believes that the current structures are appropriate for members when compared to other possible structures.

The changes made by the Trustees to the investment options in the last year did not materially affect the security of assets.

The Trustee has received training on the security of members' assets and will continue to keep this under review. The Trustee takes the security of assets into account when selecting and monitoring the funds used by the Plan.

6 Trustee knowledge and understanding

The Plan's Trustee Directors are required to maintain appropriate levels of knowledge and understanding to run the Plan effectively. Section 247 and 248 of the Pensions Act 2004 requires that each Trustee Director must:

- Be conversant with the Trust Deed and Rules of the Plan, the Plan's Statement of Investment Principles and any other document recording policy for the time being adopted by the Trustee relating to the administration of the Plan generally;
- Have, to the degree that is appropriate for the purposes of enabling the individual to properly to exercise his or her functions as trustee director, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment the assets of occupational pension schemes.

The Trustee has measures in place to comply with the legal and regulatory requirements regarding knowledge and understanding of relevant matters, including investment, pension and trust law.

6.1 Current practices

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

- There is an induction process for newly appointed Trustee Directors, who are asked to complete the Pensions Regulator's "Trustee Toolkit" within 6 months of becoming a Trustee Director;
- Trustee Directors are encouraged to undertake further study and qualifications which support their work as Trustee Directors;
- The Trustee Directors have a plan in place for ongoing training appropriate to their duties;
- The effectiveness of these practices and the training received are reviewed regularly;
- Training is provided to ensure that Trustee Directors maintain a working knowledge of the Plan's Trust Deed and Rules, the Plan's Statement of Investment Principles as well as the investment concepts and principles relevant to the Plan, contract documents in relation to administration of the Plan and the law and legislation relating to pension schemes and trusts;
- The Trustee Directors regularly review (at quarterly meetings) their Trustee Knowledge and Understanding needs to identify any gaps in their knowledge and skills;
- Trustee Directors receive quarterly "hot topics" from their advisers covering technical and legislative/regulatory changes affecting defined contribution schemes in general;
- Trustee Directors include a member of the Association of Professional Pension Trustees (APPT) and who complies in full with requirements for Continuing Professional Development; and
- Two of the nine Trustee Directors on the board at the Plan year end have completed the PMI Award in Pension Trusteeship.

6.2 Trustee training

The Trustee, with the help of its advisers and the Group Pensions Department (GPD), regularly considers training requirements to identify any knowledge gaps and this awareness is used in the setting of the Trustee's training priorities throughout the year. The Trustee's advisers and GPD proactively raise any changes in governance requirements and other relevant matters as they become aware of them. The Trustee's advisers typically deliver training on such matters at Trustee meetings if they are material.

Trustee Directors are asked to complete the Pensions Regulator's Trustee Toolkit (the Trustee Toolkit is a free online learning programme from The Pensions Regulator aimed at trustees of occupational pension

schemes and designed to help trustees meet the minimum level of knowledge and understanding required by law). A training log is maintained in line with best practice and the training programme is reviewed annually to ensure it is up to date. The Plan has a structured induction process for new Trustee Directors coordinated by GPD. The Trustee Directors have strong combined knowledge of financial services and risk management through their careers, both at the Bank and in some instances previous employers and from professional experience. The Chairman of the Trustee is an independent Trustee Director (as at 30 September 2024) and the Trustee Board also contains an independent professional Trustee Director.

During the Plan Year, the Trustee Directors received training on the following topics:

Date	Topic	Aim/benefit	Trainer
4 October 2023	Legal & Compliance Updates	Update of compliance and regulatory requirements including to understand requirements and deadlines for General Code, understand deadlines and actions in respect of Pensions Dashboards, update on pension transfers and scams and general DC and ESG and Climate Change updates. This benefits the Trustee in updating and maintaining knowledge in order to fulfil its duties.	Sackers LLP
4 October 2023	Investment Matters and Outlook	Update on topical investment and DC pension related matters: concentration in the US equity market. Hymans Robertson DC Update: Mansion House Speech, Value for Money, Provider Market update and other DC pension and investment news. This benefits the Trustee in updating and maintaining knowledge of investment related matters in order to fulfil its duties.	Hymans Robertson LLP
4 October 2023	Virgin Money Retirement Guidance / Policy	Guidance on process that colleagues need to follow when deciding to retire. Benefits the Trustee by raising awareness of this process.	Pensions Team
7 October 2023	Legal & Compliance Updates	Update of compliance and regulatory requirements focussing on Government's Autumn Statement. This benefits the Trustee in updating and maintaining knowledge in order to fulfil its duties.	Sackers LLP
7 October 2023	Investment Matters and Outlook	Update on topical investment and DC pension related matters: Private Debt instruments for DC Schemes including types of investment, rationale and implementation. Hymans Robertson DC Update: Updates to Regulator's guidance, changes to automatic enrolment provision; decumulation and Full service provision within DC Schemes and other DC pension and investment news. This benefits the Trustee in updating and maintaining knowledge of investment related matters in order to fulfil its duties.	Hymans Robertson LLP
7 December 2023	Equality, Diversity and Inclusion for Pension Schemes	Definition of Equality and Inclusion, TPR guidance, considerations for Board Composition, Member Communications. Benefits the Trustee in raising awareness of equality and inclusion matters and enables Trustee to consider these issues further for benefit of members.	Sackers LLP
14 March 2024	Investment Matters and Outlook	Update on topical investment and DC pension related matters: DC Investment Outlook 2024. Hymans Robertson DC Update: Updates on Autumn Statement, Pension Dashboards, Provider Market Update and other DC pension and investment news. This benefits the Trustee in updating and maintaining knowledge of investment related matters in order to fulfil its duties.	Hymans Robertson LLP

Date	Topic	Aim/benefit	Trainer
14 March 2024	Legal & Compliance Updates	Update of compliance and regulatory requirements including key changes to General Code including ESOG and ORA, removal of Lifetime Allowance, Mansion House reforms and TPR update. This benefits the Trustee in updating and maintaining knowledge in order to fulfil its duties.	Sackers LLP
14 March 2024	Pension Tax - getting ready for LTA-day	Understanding detail of tax changes in particular LTA removal and new allowances. Benefits the Trustee in understanding the allowances and impact on members.	Sackers LLP
4 July 2024	Legal & Compliance Updates	Update of compliance and regulatory requirements including Pensions Dashboard connection timetable, new tax lump sum allowances replacing Lifetime Allowance and regime post LTA, ESG and TPR update. This benefits the Trustee in updating and maintaining knowledge in order to fulfil its duties.	Sackers LLP
4 July 2024	Investment Matters and Outlook	Update on topical investment and DC pension related matters: Anti greenwashing and Sustainable Disclosure Regulation to improve greater visibility and consumer trust in sustainable investments. Hymans Robertson DC Update: Key reforms from Spring budget, Updated Retirement Living Standards, Update on General Code and other DC pension and investment news. This benefits the Trustee in updating and maintaining knowledge of investment related matters in order to fulfil its duties.	Hymans Robertson LLP
2 September 2024	Investment Manager Day	Update from existing managers L&G and Schroders. L&G provided update on Future World Global Equity Index Fund, Future World Multi-Asset Fund, Retirement Income Multi-Asset Fund and Future World Annuity Aware Fund. Also some background on Private Market Access Fund and its potential for DC Schemes. Schroder provided update on Sustainable Multi-Factor Equity Fund and also their new private market LTAFs which may interest the Trustee if looking to invest in private markets. Benefits the Trustee in its ongoing monitoring of fund managers and potential ideas for implementation within Plan strategy.	Legal & General, Schroders
2 September 2024	Investment Manager Day	Introductory training on private markets and illiquid investments including types of assets, considerations for investing, vehicles for investing, outline of manager products available and developing. Benefits the Trustee in terms potential ideas for implementation within Plan strategy for the ultimate benefit of members.	Hymans Robertson LLP
2 September 2024	Investment Manager Day	Presentation from Fulcrum giving details of their private markets LTAf which has recently come to the market - providing understanding to the Trustee of one of the products that are coming to the market in the area of illiquid and private markets investing. Benefits the Trustee in illustrating how an implementation of private markets investments could potentially be made, including costs and practical issues.	Fulcrum

Date	Topic	Aim/benefit	Trainer
19 September 2024	Legal & Compliance Updates	Update of compliance and regulatory requirements including Pensions Dashboard and LTA. This benefits the Trustee in updating and maintaining knowledge in order to fulfil its duties.	Sackers LLP
19 September 2024	Investment Matters and Outlook	Update on topical investment and DC pension related matters: Factoring nature into investment strategies. Hymans Robertson DC Update: Developments following new UK government, anti-greenwashing legislation, Pensions Dashboard, Provider Market Update and other DC pension and investment news. This benefits the Trustee in updating and maintaining knowledge of investment related matters in order to fulfil its duties.	Hymans Robertson LLP

6.3 Governing documentation

All the Trustee Directors have access to copies of, and are familiar with, the current governing documentation for the Plan, including the Trust Deed & Rules (together with any amendments) and Statement of Investment Principles ("SIP"). The Trustee refers to the Trust Deed and Rules as part of deciding to make any changes to the Plan, and, where relevant, deciding individual member cases, and the SIP is formally reviewed at least every three years and as part of making any change to the Plan's investments. A separate document ancillary to, but not forming part of the SIP, the Investment Operations Document, sets out the details of the Plan's investment arrangements and this is also reviewed alongside the SIP at least every three years and as part of making any change to the Plan's investments.

The Trustee receives an update on a quarterly basis from their legal adviser on pensions Law/Regulations and matters such as the Pensions Regulator's General Code of Practice and relate this back to Plan documentation and policies.

6.4 Skills, experience and diversity

The Trustee Directors have strong combined knowledge of financial services and risk management through their careers, both at the Bank and in some instances previous employers and from professional experience. The Chairman of the Trustee is an independent Trustee Director and the Trustee Board also contains an independent professional Trustee Director.

The Trustee regularly considers the diversity of the board in relation to core characteristics such as gender, age and ethnicity and to the mix of skills, experience and cognitive diversity. Where vacancies on the board arise, the Trustee, where it is in their gift, seek to recruit new trustees who enhance the diversity of the board and its overall effectiveness.

The Trustee maintains a set of clear objectives and considers member outcomes. These objectives are reviewed and agreed in a Trustee Board meeting and inform the priorities and actions within the annual business plan for the Plan.

Trustee Directors review the performance and effectiveness of the Trustee board as part of a governance working group and any areas identified as weaknesses are addressed via training where appropriate. Trustee Directors undertake this review biannually and it is included on the Trustee's business plan. The last review was completed in Q4 of the Plan Year 2022/23.

Each year the Trustee reviews value for members, which it considers to be of high importance, with assistance and input from the Plan's Investment adviser.

6.5 Trustee advisers

The Trustee has appointed suitably qualified and experienced advisers on investment, legal and other matters to provide advice on the operation of the Plan in accordance with its Trust Deed and Rules, legislation and regulatory guidance.

The Trustee reviews the effectiveness of its advisers annually and periodically reviews the appointment of its advisers.

6.6 Reviews

The Trustee undertook the following reviews during the Plan Year:

Date	Review of
The Trustee has a standing item at each meeting to consider and discuss the need for training topics as a board and maintains a list of topics that are addressed.	The practices to maintain and develop Trustee knowledge and understanding
Training needs discussed each quarter at meetings of Investment Sub-Committee and Trustee Board. Agenda and Training topics for Manager Day discussed and agreed by ISC and Trustee Board at meeting on 4 June 2024 and 4 July 2024.	The effectiveness of the training programme and training for the coming year
Informally when a new Trustee position arises the Trustee in conjunction with the Pensions Manager assess where the trustee has any skills gaps and attempts to fill that gap with the new Trustee appointment.	Assessments to identify any gaps in the Trustees' knowledge and skills
Completed periodically.	Assessed the overall effectiveness of the Trustee Board (including equality, diversity and inclusion)
30 November 2023 (and on 13 November 2024 post Plan Year end)	Effectiveness of advisers – review of Investment Adviser's performance and Objectives

6.7 Overall

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

7 Our key actions last year and plans for the next year

During the last year the Trustee undertook the following actions (over and above “business as usual”):

- Implemented the annual transfer out of deferred members to the Fidelity Master Trust;
- Conducted a light touch review of investment strategy;
- Considered the role of illiquid investments within the Plan’s investment and agree policy wording in Statement of Investment Principles;
- Replaced the Baillie Gifford Sustainable Growth Fund as a component fund of the Virgin Money Growth Fund and Active Sustainable Equity Fund and replaced the Baillie Gifford Multi-Asset Growth Fund as a component fund of the Virgin Money Diversified Fund;
- Reviewed and compared the charges for funds and improved value for members by a reduction in charges; and
- Introduced a process whereby members wishing to retire and access retirement solutions via the Virgin Money Section of the Fidelity Master Trust could transfer to the Master Trust.

In the coming year, which will be covered by the next Statement, the Trustee intends to carry out the following:

- Conduct the triennial review of strategy

The Trustee believes that this work will continue to help improve member outcomes.

8 Missing information

The Trustee has been unable to obtain information on:

- The transaction costs for the following investment options which were closed during the Plan year:
 - Virgin Money World ex UK Equity Fund
 - Virgin Money UK Equity Fund
 - Virgin Money Emerging Markets Fund
 - Virgin Money Long Corporate Bond Fund
 - Virgin Money Long Gilts Fund
 - Virgin Money World ex UK Equity (Currency Hedged) Fund
- Transaction costs for the remaining investment options during the period covered by this Statement (i.e. to 30 September 2024) however, transaction costs have been provided for the period from 1 July 2023 to 30 June 2024 being the latest available information at the time of request and preparation of this document.

The following steps are being taken to obtain the missing information for the future:

- The Trustee requested the information from the provider and are continuing to chase for a response.

Appendix 1 - Statement of Investment Principles

[Insert Statement of Investment Principles covering the default arrangement. This should be the one in force when the Chair's Statement is signed.]

Appendix 2 - Table of funds and charges

2a Default arrangement

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year used in the default arrangement were:

Drawdown Lifestyle

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Pre-Retirement Targeting Drawdown	GB00BMFWWF34	0.40	4.00	100.00% L&G Retirement Income Multi-Asset Fund (GB00B8ZTNG45)	0.44	4.40

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a.

2b Other default arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year used in the other default arrangements were:

Cash Withdrawal Lifestyle

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested

Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Defensive Bonds Fund	GB00BMDFG522	0.40	4.00	100.00% M&G Sustainable Total Return Credit Investment Fund (LU2360509983)	0.14	1.40
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a.

Annuity Lifestyle

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Pre-Retirement Targeting Annuity	GB00BMDFG308	0.12	1.20	100.00% L&G Future World Annuity Aware Fund (GB00B6V70Q77)	-0.05	-0.50
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a.

Legacy Annuity Lifestyle (closed 30 May 2024)

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money UK Equity	GB00BMDFFW29	0.09	0.90	100.00% BlackRock ACS UK Equity Fund (GB00BYX7SS90)	n/a	n/a
Virgin Money World ex UK Equity	GB00BMDFFX36	0.11	1.10	100.00% BlackRock ACS World ex UK Fund (GB00BYV1TY67)	n/a	n/a
Virgin Money World ex UK Equity Currency Hedged	GB00BMDFGD05	0.14	1.40	100.0% L&G World (ex UK) Developed Equity Index - GBP Currency Hedged Fund (ISIN GB00BHFQ5N96)	n/a	n/a
Virgin Money Emerging Markets	GB00BMDFFY43	0.23	2.30	100.00% BlackRock Emerging Markets Fund (GB00B658GJ14)	n/a	n/a
Virgin Money Long Gilts	GB00BMDFG076	0.09	0.90	100.00% (BlackRock) iShares Over 15 Years Gilts Index Fund (GB00B5B12Z56)	n/a	n/a
Virgin Money Long Corporate Bonds	GB00BMDFG290	0.11	1.10	100.00% BlackRock Aquila Connect Corporate Bond Index Over 15 Years Fund (GB00B00CMP49)	n/a	n/a
Virgin Money Index Linked	GB00BMDFG415	0.09	0.90	100.00% (BlackRock) iShares Index Linked Gilt Tracker Fund (GB00B83RX604)	-0.02	-0.20
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20

Source: Fidelity

Other investment options

2c Self-select lifestyle options

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year used in the Cash Withdrawal and Annuity self-select lifestyle options were:

Cash Withdrawal Lifestyle

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Defensive Bonds Fund	GB00BMDFG522	0.40	4.00	100.00% M&G Sustainable Total Return Credit Investment Fund (LU2360509983)	0.14	1.40
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a.

Annuity Lifestyle

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested

Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Pre-Retirement Targeting Annuity	GB00BMDFG308	0.12	1.20	100.00% L&G Future World Annuity Aware Fund (GB00B6V70Q77)	-0.05	-0.50
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a.

2d Self-select funds

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year for the self-select funds were:

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money Growth Fund	GB00BMDFF664	0.19	1.90	50.00% L&G Future World Global Equity Index (GBP hedged) Fund (GB00BHFMRD16) 33.35% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179) 16.65% L&G Future World Global Equity Index Unhedged Fund (GB00BHFMRD09)	0.06	0.60
Virgin Money Diversified Fund	GB00BMDFF557	0.29	2.90	100.00% L&G Future World Multi Asset Fund (GB00BHFPPG95)	0.04	0.40
Virgin Money Pre-Retirement Targeting Drawdown	GB00BMFWWF34	0.40	4.00	100.00% L&G Retirement Income Multi-Asset Fund (GB00B8ZTNG45)	0.44	4.40

Virgin Money Defensive Bonds Fund	GB00BMDFG522	0.40	4.00	100.00% M&G Sustainable Total Return Credit Investment Fund (LU2360509983)	0.14	1.40
Virgin Money Pre-Retirement Targeting Annuity	GB00BMDFG308	0.12	1.20	100.00% L&G Future World Annuity Aware Fund (GB00B6V70Q77)	-0.05	-0.50
Virgin Money Cash Fund	GB00BMDFF888	0.12	1.20	100.00% L&G Cash Fund (GB00B6V6T565)	0.02	0.20
Virgin Money Sustainable Passive Equity Fund	GB00BMFWQC84	0.16	1.60	50.00% L&G Future World Global Equity Index Fund (GB00BHFMR09) 50.00% L&G Future World Global Equity Index GBP Hedged Fund (GB00BHFMRD16)	0.00	0.00
Virgin Money Sustainable Active Equity Fund	GB00BMDFG183	0.22	2.20	100.00% Schroder Life Sustainable Multi Factor Equity Fund (GB00BF785179)	0.14	1.40
Virgin Money Islamic Equity Fund	GB00BMDFFZ59	0.30	3.00	100.00% HSBC Islamic Global Equity Index Fund (LU1092475968)	0.00	0.00
Virgin Money Index-linked Fund	GB00BMDFG415	0.09	0.90	100.00% (BlackRock) iShares Index Linked Gilt Tracker Fund (GB00B83RX604)	-0.02	-0.20
Virgin Money Property Fund	GB00BMDFF771	0.67	6.70	100.00% L&G Managed Property Fund (GB00B8ZC7P04)	-0.56	-5.60

Source: Fidelity

Prior to 30 May 2024 charges on the Virgin Money Growth and Virgin Money Diversified Funds were 0.27% p.a. and 0.36% p.a. and charges on the Virgin Money Sustainable Active Equity Fund were 0.34% p.a.

The funds' charges (as "Total Expense Ratios") and transaction costs in the last year for the self-select funds that were closed during the Plan Year were:

Fund name	ISIN	Charges		Underlying Fund	Transaction Costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Virgin Money UK Equity	GB00BMDFFW29	0.09	0.90	100.00% BlackRock ACS UK Equity Fund (GB00BYX7SS90)	n/a	n/a
Virgin Money World ex UK Equity	GB00BMDFFX36	0.11	1.10	100.00% BlackRock ACS World ex UK Fund (GB00BYV1TY67)	n/a	n/a

Virgin Money World ex UK Equity Currency Hedged	GB00BMDFGD05	0.14	1.40	100.00% L&G World (ex UK) Developed Equity Index - GBP Currency Hedged Fund (ISIN GB00BHFQ5N96)	n/a	n/a
Virgin Money Emerging Markets	GB00BMDFFY43	0.23	2.30	100.00% BlackRock Emerging Markets Fund (GB00B658GJ14)	n/a	n/a
Virgin Money Long Gilts	GB00BMDFG076	0.09	0.90	100.00% (BlackRock) iShares Over 15 Years Gilts Index Fund (GB00B5B12Z56)	n/a	n/a
Virgin Money Long Corporate Bonds	GB00BMDFG290	0.11	1.10	100.00% BlackRock Aquila Connect Corporate Bond Index Over 15 Years Fund (GB00B00CMP49)	n/a	n/a

Source: Fidelity

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

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

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

Appendix 3 - Tables illustrating the impact of charges and costs

The following tables show the potential impact of the costs and charges borne by members on projected values at retirement in today's money for typical members joining at a range of ages and opening fund values/contribution levels:

3a For the default arrangement

Member Aged 42

Years to retirement	Drawdown Lifestyle	
	Before costs & charges (£)	After all costs & charges (£)
23	£78,534	£78,534
20	£111,327	£110,626
15	£174,706	£172,083
10	£241,863	£235,956
5	£303,128	£292,433
3	£329,198	£315,920
1	£356,205	£338,785
0	£370,069	£349,923

Member Aged 24

Years to retirement	Drawdown Lifestyle	
	Before costs & charges (£)	After all costs & charges (£)
41	£8,729	£8,729
30	£52,595	£51,730
25	£79,231	£77,387
20	£111,155	£107,795
15	£149,344	£143,766
10	£187,889	£179,227
5	£219,922	£207,426
3	£233,521	£219,067

1	£247,592	£230,139
0	£254,808	£235,430

Source: Hymans Robertson

3b For the Other lifestyle option

Member Aged 42

Years to retirement	Cash Lifestyle	
	Before costs & charges (£)	After all costs & charges (£)
23	£78,534	£78,534
20	£111,327	£110,626
15	£174,706	£172,083
10	£241,863	£235,956
5	£303,128	£292,433
3	£327,713	£314,647
1	£349,292	£333,736
0	£358,570	£341,775

Member Aged 24

Years to retirement	Cash Lifestyle	
	Before costs & charges (£)	After all costs & charges (£)
41	£8,729	£8,729
30	£52,595	£51,730
25	£79,231	£77,387
20	£111,155	£107,795
15	£149,344	£143,766
10	£187,889	£179,227
5	£219,922	£207,426
3	£232,458	£218,176
1	£242,722	£226,659

0	£246,766	£229,855
---	----------	----------

Source: Hymans Robertson

3c For a selection of the self-select funds: (Highest and lowest Charging)

Member Aged 42

Years to retirement	Virgin Money Property Fund	
	Before costs & charges (£)	After all costs & charges (£)
23	£78,534	£78,534
20	£111,327	£111,018
15	£174,706	£173,547
10	£250,730	£248,180
5	£341,737	£337,081
3	£382,939	£377,193
1	£427,173	£420,172
0	£450,493	£442,798

Years to retirement	Virgin Money Index-linked Fund	
	Before costs & charges (£)	After all costs & charges (£)
23	£78,534	£78,534
20	£114,161	£113,961
15	£185,598	£184,814
10	£275,241	£273,445
5	£387,479	£384,068
3	£439,880	£435,603
1	£497,155	£491,861
0	£527,756	£521,891

Member Aged 24

Years to retirement	Virgin Money Property Fund	
	Before costs & charges (£)	After all costs & charges (£)
41	£8,729	£8,729
30	£52,595	£52,213
25	£79,231	£78,414
20	£111,155	£109,662
15	£149,344	£146,859
10	£194,955	£191,067
5	£249,353	£243,535
3	£273,926	£267,156
1	£300,277	£292,437
0	£314,158	£305,734

Years to retirement	Virgin Money Index-linked Fund	
	Before costs & charges (£)	After all costs & charges (£)
41	£8,729	£8,729
30	£56,220	£55,957
25	£87,130	£86,548
20	£125,877	£124,775
15	£174,349	£172,448
10	£234,890	£231,803
5	£310,401	£305,603
3	£345,576	£339,907
1	£383,979	£377,313
0	£404,481	£397,263

Source: Hymans Robertson

Assumptions

As each member has a different amount of savings within the Plan 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 below:

- The “before costs” figures represent the savings projection assuming an investment return with no deduction of member borne fees or transaction costs.
- The “after costs” figures represent the savings projection using the same assumed investment return but after deducting member borne fees and an allowance for transaction costs.
- The transaction cost figures used in the illustration are based on those provided by the managers over the Plan year.
- The opening DC pot size is £8,729, which was the average pot size for members age 24 at 30 September 2024 and £78,534, which was the average pot size for members age 42 at 30 September 2024
- The starting salary is assumed to be £24,770 for members age 24 at 30 September 2024 and £49,954 for members age 42 at 30 September 2024
- Annual salary growth and inflation is assumed to be 3.0% p.a. and 2.5% p.a..
- A contribution of 12%p.a. and 17%p.a., which was the average contribution for members age 24 and 42 at 30 September 2024
- The level of costs and charges is to remain fixed throughout the illustration period.
- The gross investment return, TERs and transaction costs for each fund was:

Table 10 Assumptions

Fund name	Gross investment return (p.a.)	Total Expense Ratio (% p.a.)	Transaction Costs (% p.a.)
Virgin Money Growth Fund	6.00%	0.19%	0.06%
Virgin Money Diversified Fund	4.00%	0.29%	0.04%
Virgin Money Pre-Retirement Targeting Drawdown	4.00%	0.40%	0.44%
Virgin Money Property Fund	6.00%	0.67%	-0.56%
Virgin Money Pre-Retirement Targeting Annuity	6.00%	0.12%	-0.05%
Virgin Money Cash Fund	2.00%	0.12%	0.02%
Virgin Money Index-linked Fund	7.00%	0.09%	-0.02%
Virgin Money Defensive Bonds Fund	2.00%	0.40%	0.14%

- The assumptions as used in the Statutory Money Purchase Illustrations included with members' benefit statements as at 30 September 2024 have otherwise been used.

Please note that:

- These illustrations take account of both the Total Expense Ratios and transaction costs of the funds. The transaction cost figures used in the illustration are those provided by the managers over the last 12 months.

Please also note that these illustrated values:

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

Appendix 4 - Investment performance

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

For the arrangements where returns vary with age, such as for the default strategy, returns are shown over various periods for a member aged 25, 45, 55, 63 and 65 at the end of the period the returns are shown below.

- Drawdown Lifestyle Strategy net returns over periods to Plan year end
- Annuity Lifestyle Strategy net returns over periods to Plan year end
- Cash Withdrawal Lifestyle Strategy net returns over periods to Plan year end
- Legacy Annuity Lifestyle Strategy net returns over periods to Plan year end

These net returns make an approximate allowance for the basis on which Provider collects its charges specific to our Plan

When looking at the following figures it should be borne in mind that major stock markets rose significantly in 2024 continuing the recovery in 2023 after the difficult period in 2022 which saw significant falls in equity and bond markets. Bond markets also performed positively in 2024.

Default arrangements

The investment performance of the funds used in the default arrangements during periods up to 30 September 2024 net of all costs and charges expressed as an annual geometric compound percentage were:

Drawdown Lifestyle Arrangement

Member Age	1 year		3 years (p.a.)		5 years (p.a.)	
	Fund	Fund	Fund	Fund	Fund	Fund
25	23.5%		5.5%		8.1%	
45	23.5%		5.5%		8.1%	
55	15.4%		1.5%		4.9%	
63	13.6%		0.5%		2.6%	
65	12.9%		0.7%		2.7%	

Source Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes.

Cash Withdrawal and Annuity Lifestyle Arrangements

Member Age	1 year	3 years (p.a.)	5 years (p.a.)
	Fund	Fund	Fund
25	23.6%	5.5%	8.1%
45	23.6%	5.5%	8.1%
55	15.4%	1.5%	4.9%
63 (Cash Withdrawal Lifestyle)	13.4%	1.1%	2.9%
65 (Cash Withdrawal Lifestyle)	11.2%	1.8%	3.3%
63 (Annuity Lifestyle)	12.0%	-1.3%	1.5%
65 (Annuity Lifestyle)	9.5%	-4.1%	-1.3%

Source Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes.

Legacy Annuity Lifestyle Arrangement

Member Age	1 year	3 years (p.a.)	5 years (p.a.)
	Fund	Fund	Fund
25	21.7%	7.6%	9.8%
45	21.7%	7.6%	9.8%
55	21.7%	7.6%	9.8%
63	12.9%	-6.5%	-1.3%
65	10.2%	-8.8%	-3.6%

Source Fidelity

Assuming retirement age of 65

Performance prior to November 2020 uses the performance of the former Yorkshire and Clydesdale Bank DC Scheme arrangements for illustrative purposes. Performance estimated to end of Plan Year as funds closed during Plan Year.

Other investment options

The investment performance of the funds used in the other investment options during periods up to 30 September 2024 net of all costs and charges expressed as an annual geometric compound percentage were:

Other lifestyle options

See section above.

Self-select funds

The investment performance of the available self-select funds during periods up to 30 September 2024 net of all costs and charges expressed as an annual geometric compound percentage were:

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020 (p.a.)
Virgin Money Growth Fund	23.5%	5.5%	8.7%
Virgin Money Diversified Fund	14.4%	0.8%	2.6%
Virgin Money Pre-Retirement Fund Targeting Drawdown	12.8%	N/A	N/A
Virgin Money Defensive Bonds	10.6%	5.5%	5.2%
Virgin Money Pre-Retirement Fund Targeting Annuity	10.4%	-8.1%	-7.8%
Virgin Money Cash	5.3%	3.2%	2.5%
Virgin Money Sustainable Active Fund	17.4%	2.4%	6.0%

Virgin Money Sustainable Passive Fund	25.9%	N/A	N/A
Virgin Money Islamic Equity Fund	27.3%	12.4%	14.0%
Virgin Money Index-Linked Gilt Fund	6.5%	-14.3%	-11.5%
Virgin Money Property Fund	9.2%	5.3%	5.8%

Source Fidelity (Performance shown since inception of arrangements with Fidelity)

Self-select funds closed during the Plan Year

Fund Name	1 Year	3 Years (p.a.)	Since 30 November 2020
Virgin Money UK Equity Fund	11.7%	6.3%	9.3%
Virgin Money World ex UK Equity	21.5%	8.8%	11.4%
Virgin Money World ex UK Equity (Currency Hedged)	30.7%	9.2%	12.2%
Virgin Money World Emerging Markets	14.8%	-0.0%	0.8%
Virgin Money Long Gilts	9.9%	-15.2%	-14.4%
Virgin Money Long Corporate Bonds	14.5%	-10.5%	-9.1%

Source Fidelity (Performance shown since inception of arrangements with Fidelity)