



Benenden Healthcare Pension Plan

Annual DC Chair's Governance Statement

14 October 2020

Annual DC Chair's Governance Statement – year ended 31 March 2020

This statement is being made by the Chair of the Trustees of the Benenden Healthcare Pension Plan (the Plan), in order to comply with the requirements of the Pensions Regulator and in accordance with the Occupational Pension Schemes (Scheme Administration) Regulations 1996. This statement is provided to meet the requirement that all relevant Occupational Trust Based Pension Schemes that offer money purchase benefits, produce an annual governance statement demonstrating how governance standards relating to DC arrangements within the Plan have been assessed and met.

This statement will be included in the annual report and will be made available online at www.benenden.co.uk/pensions

Based on our review and assessment of our systems and controls, the Trustee Board believes that we have adopted the standards of practice set out in the DC code and DC regulatory guidance.

These help demonstrate the presence of DC quality features, which we believe will help deliver better outcomes for members at retirement.

The statement covers the Plan year ended 31 March 2020.

Since the Plan year end, Colin Richardson of PTL Governance Limited has been appointed as Chair. Colin replaced Karein Davie in July 2020 following her resignation from PTL Governance Limited.

Colin Richardson

Colin Richardson
Chair of the Trustees

14 October 2020

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1. Introduction

This statement has been prepared by the Trustees of the scheme in accordance with regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations ("the Administration Regulations") 1996 (as amended).

It describes how the Trustees have met the statutory governance standards in relation to:

- The default investment strategy
- Requirements for processing financial transactions
- Assessment of charges and transaction costs; and
- The requirement for trustee knowledge and understanding

This statement also contains a 'Value for Members Assessment' - an assessment of the Plan in terms of whether and how it represents value for Members, along with details of charges and transaction costs borne by members and illustrations of the cumulative impact of those charges and costs on member funds.

Historically, Scheme members have been able to make Additional Voluntary Contribution (AVC) payments to the Plan's external AVC providers, Equitable Life (Utmost Life and Pensions with effect from 1 January 2020) and Countrywide Assured PLC, both of which are closed to contributions, but which retain existing holdings. Where relevant, the content of this statement therefore encompasses these AVC facilities. It does not cover the conversion of members 'with-profit' to non with-profit investments and transfer of all Equitable Life investments to Utmost Life and Pensions, effective 1 January 2020. The Trustees have communicated separately with members impacted by this change.

2. Default investment strategy

The Plan is used as a Qualifying Scheme for auto-enrolment and is therefore required to operate a 'default investment strategy' – a strategy that will automatically apply to a member's ongoing contributions, in the absence of a member making active investment decisions. The default investment strategy is designed and monitored by the Trustees, after having taken suitable investment advice.

The investment options made available to members, including the default lifestyle investment strategy was fully reviewed in May 2017 and the main outcomes set out in the 2017 DC Governance Statement. As part of the review, the Trustees considered both the demographic profile of the Plan's membership, Plan 'experience' to date in terms of the actual benefit outcomes selected by members and future expectations for benefit outcomes. The Trustees also carried out a high-level review of the default investment strategy in May 2019.

Since the last full review took place in the 2017/18 Plan Year, the main points are repeated below in this Plan year's statement.

Under the May 2017 review the Trustees agreed changes to the investment options which were intended, in conjunction with the member communication strategy, to encourage members to personalise and take responsibility for the investment of their own accumulated Plan savings.

The default investment strategy is a ten-year lifestyle strategy which targets a 25% tax-free cash and 75% annuity benefit outcome at retirement. Up to 10 years before the member's retirement age (the 'Growth Phase'), funds are invested in the Legal & General (L&G) Diversified Fund and over the 10 years to retirement (the 'Consolidation Phase'), funds are gradually switched to the L&G Pre-Retirement Fund and the L&G Cash Fund. This default strategy was considered suitable for the membership at the time given their profile.

During the Growth Phase, the aim of the default strategy is to invest in a manner that seeks to maximise returns over the long term at a level of risk that is considered appropriate for and is acceptable to members. During the 10-year Consolidation Phase, the aim is to invest in a manner that seeks to both reduce risk whilst also investing in assets that target an annuity and tax-free cash benefit outcome at retirement, by progressively switching from growth assets into annuity and cash matching assets.

Members also have the option to choose one of two alternative lifestyle strategies and a range of self-select funds. The range of self-select funds is deliberately constrained to maximise member engagement.

The specific changes following the May 2017 review were as follows:

- The addition of the L&G Pre-Retirement Fund within the default lifestyle investment strategy in place of the L&G Over 15 Year Gilts Fund and L&G Over 5 Year Index-Linked Gilts Index Fund
- The addition of two new ten-year alternative lifestyle strategies for members which target encashment and continued investment benefit outcomes at retirement
- The addition of the L&G Pre-Retirement Fund as a self-select option

These measures are designed to offer good investment returns consistent with the level of risk chosen by the member and to provide members with more choice to suit their personal circumstances and preferences.

The range of lifestyle strategies offered is intended to more easily allow members to understand and switch between the different lifestyle strategies as and when their own circumstances change, particularly in terms of their retirement goals. Consequently, as well as the default lifestyle strategy which targets a benefit outcome of annuity and tax-free cash the Plan now offers:

- An Encashment strategy which is geared towards members planning to encash their funds in full at retirement

- A Continued Investment (Flexible) strategy designed for members expecting to leave their funds invested at retirement and perhaps draw an income down rather than buy an annuity

The Trustees will periodically, and on no less than a three-yearly cycle, review the appropriateness of the default investment strategy.

During the high-level review carried out in May 2019, it was noted by the Trustees that trends in retirement choices indicate that, generally, individuals are more likely to opt for an Encashment, or Flexible benefit outcome at retirement rather than an annuity outcome. This, coupled with the change in membership of the DC section following the closure to accrual of the DB Section with effect from 31 December 2018, indicates that a further and more detailed review of the default investment strategy may be appropriate. This will be considered over the remainder of the 2020/21 Plan year.

The Trustees monitor the performance of the default strategy lifestyle arrangements and all the funds available under the wider fund range supported by quarterly performance monitoring reports which are prepared by the Trustees investment adviser and provided by each investment manager. Performance of each fund is compared not just against its benchmarks but also more importantly against its objectives. Such performance reviews of the default strategy and other investment options were carried out throughout the Plan year ending 31 March 2020 with the Trustees concluding that the default investment strategy is performing broadly as expected and is consistent with the Trustees aims and objectives as set out within the Statement of Investment Principles.

Further detail on the default investment strategy and alternative investment options are set out within the most recent Statement of Investment Principles dated 20 September 2019, a copy of which is attached in Appendix D. The statement explains the Trustees approach to investment governance, objectives and strategy and provides detailed information on the default investment strategy and alternative self-select investment options available to members. The statement was last updated to take account of the Trustees views on Social, Environmental Governance ('ESG') considerations.

Details of the investment reviews undertaken, including evidence, rationale and recommendations are available on request. This is also covered in the Value for Members assessment and statement, which can be found in Appendix A.

3. Requirements for processing financial transactions

The Trustee Board strives to make continual improvements in order to meet its regulatory requirements and help deliver better outcomes for our members. A large proportion of our DC administration services are outsourced to a third-party administration service provider Capita Employee Solutions (Capita).

The Trustees are satisfied that the core financial transactions, including investment of contributions, transfers in and out of the Scheme to members and / or their beneficiaries, and transfers / switches of assets between different investments in the Plan, have generally been processed promptly and accurately as evidenced by

regular administration reporting, provided by Capita Employee Solutions, the Plan administrator.

Agreed service levels (SLAs) are in place between the Trustees and Capita, with each administration report providing a full reconciliation of work undertaken and timescales achieved against agreed service levels for each 'job type'. These typically cover, but are not limited to, ensuring that the following activities and financial transactions are processed promptly and accurately:

- Contribution receipts and subsequent investment of contributions;
- Benefit / retirement settlements;
- Transfers in / out of the Scheme;
- Investment switches;

For activities completed outside of the agreed service level, specific details of cause, actions taken, and resolution are reviewed, and remedial action taken where required.

Average performance against agreed SLAs for the period covered by this year's statement stood at 95% (this covers all DC related administration activities including the activities outlined above). Importantly, all contributions were received within the regulatory timescales prescribed and were invested in a timely manner.

In last year's statement we explained a sub-committee had been established and regular calls were taking place between representatives of Capita, the Trustees and the employer to monitor the service levels more closely and to address any concerns more promptly. Whilst service levels have improved, regular meetings continue to take place between the Trustees and Capita to review ongoing and future planned administration activities and administration performance, along with any matters that require attention.

In accordance with the ongoing administration reporting arrangements, controls are in place with Capita to monitor and ensure that core financial transactions are and continue to be processed promptly and accurately. This includes daily monitoring of bank accounts, a dedicated contribution processing team (contributions received, and the amounts invested are reconciled on a monthly basis), and four eyes checking of investments and banking transactions.

These controls, along with Capita administration reports, service levels and any service issues are reviewed at each Trustee meeting. Ongoing controls include utilisation of a workflow management system to monitor Plan and member related activities and related performance against service levels and forward planning of regular annual activities and events.

The monitoring of administration and core financial transactions is also reflected in the Trustees Risk Register, whilst the Trustees annually review Capita's most recent Internal Controls report (AAF 01/06). The Trustees' annual report and accounts (including financial transactions) are independently audited by Deloitte acting as the Plan's auditor on an annual basis.

In support of the administrator being able to correctly calculate and process member benefits, the Trustees regularly assess the quality of the Scheme's data, by reference to the Pension Regulator's 'common' data requirements. This activity was last undertaken in February 2020. Where data gaps are identified, the Trustees have taken appropriate remedial action.

The Trustee Board is confident that the processes and controls in place with the administrator are robust and will ensure that the financial transactions which are important to members are dealt with properly. The Trustees continue to focus on the monitoring of this area, to ensure tight adherence to service expectations.

4. Assessment of charges and transaction costs

The Trustees are required to set out the on-going charges borne by members in this statement, which are annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs; this is also known as the 'total expense ratio' (TER). This is reflected in the unit price of the funds that members invest in.

The Trustees are also required to separately disclose transaction cost figures that are borne by members. In the context of this statement, the transaction costs shown are those incurred when the Plan's fund managers buy and sell assets within investment funds.

Aside from investment management charges and investment transaction costs, all other costs associated with running the Plan, are borne by the employer and therefore have no bearing on the charges borne by members. However, for completeness we have referred to these as part of our assessment of Value for Members, which can be found in Appendix A.

The charges and transaction costs for each fund that comprise the default investment strategy, alternative lifestyle strategies and for each fund which members are able to select and in which assets relating to members are invested during the Plan year are recorded in Appendices A and B. Examples of the cumulative effect of costs and charges on member funds are set out in Appendix C.

In preparing appendices A to C of this statement, the Trustees have had regard to statutory guidance published by the Department for Work and Pensions and have not deviated from that guidance.

Appendices A to C do not currently include details of charges and transaction costs that relate to AVC funds invested with Equitable Life (Utmost Life and Pensions with effect from 1 January 2020) and Countrywide Assured PLC as relevant details were not available. The Trustees are reviewing this position and where required will look include relevant information in next year's statement.

The Annual Management Charges applicable to the funds that comprise the default investment arrangement fall below the cap of 0.75% required by pension scheme regulations. The charges for all other funds are also below the 0.75% charge cap, whilst transaction costs are generally negative or minimal.

All charges and transaction cost details have been provided by Legal & General Investment Management Limited (LGIM) and cover the period 1 April 2019 to 31 March 2020. In preparing this statement, we were able to obtain all relevant charge and transaction cost information.

The Trustees are comfortable that the member borne charges are competitive, offer value for money and are kept under a continuous review.

5. Trustee knowledge and understanding

The Trustees spend an appropriate and considerable amount of time running the Plan and in doing so are also required to maintain an appropriate level of knowledge and understanding, which together with professional advice enables them to properly exercise their functions and duties in relation to the Plan. During the period covered by the statement, the Trustees held seven Board meetings.

To maintain an appropriate level of knowledge and understanding, each Trustee 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 Trustees relating to the administration and management of the Plan. The Trustees will refer to the Trust Deed and Rules as part of considering and deciding to make any changes to the Plan and, where relevant, deciding individual member cases.
- Have, to the degree that is appropriate for the purposes of enabling the individual to properly exercise his or her functions as a Trustee, knowledge and understanding of the law relating to pensions and trusts and the principles relating to the investment of assets within occupational pension schemes.

To help achieve the above, each Trustee is also expected to ensure that he or she meets the Pension Regulator's (TPR) Trustee Knowledge and Understanding requirements. This includes completing TPR's Trustee Toolkit. The Trustee Toolkit is an online learning program aimed at trustees of occupational pension schemes. It contains modules and resources on the law relating to pensions and trusts, and the principles relating to the funding and investment of occupational pension schemes. It is designed to help trustees meet the minimum level of knowledge and understanding required under the Pensions Act 2004.

At the time of publication of this statement, each Trustee has completed all relevant Toolkit modules.

Additional training is provided based on the individual and collective needs of the Trustee Board with the intention of ensuring the Trustee board always has enough understanding overall to operate the Plan in an effective manner.

All individual and collective training activities are recorded on a Trustee training log.

The Trustees periodically undertake a self-assessment of knowledge and understanding to recognise strengths and enable a targeted approach to training where areas for improvement are identified. This will help maintain a bespoke training programme. Together with further assessments the Trustees will evaluate training and knowledge needs as they continue to properly exercise their duties and look after

member interests in changing environments.

The employer has also appointed a Professional Trustee, PTL Governance Limited, currently represented by Colin Richardson. Colin replaced Karein Davie in July 2020 following her resignation from PTL Governance Limited. The Trustees subsequently appointed Colin as Chair of the Board.

Colin is a qualified actuary with 25 years' experience as a pensions consultant. Colin sits on a number of trustee boards, including DC master trusts and 5 schemes with DC sections. He regularly attends industry training sessions and can also draw on the wider knowledge within PTL to assist the Trustees with training requirements. Colin is a member of the committee which have created standards for professional trustees and is himself accredited as a professional trustee by the Association of Professional Pension Trustees.

Overall, the Trustees are satisfied there is sufficient knowledge and understanding of all subject areas within the Board.

Finally, the Trustees employ a number of advisers including Capita, to provide advice and to ensure that Scheme governance, controls, skills and knowledge are current and meeting the expectations of the Pension Regulator and Plan members. Capita (and where required other advisers) also attend each Trustee meeting and where appropriate, training is provided within Trustee meetings. Current and potential upcoming changes in pension legislation, regulation and industry best practice that affect the Plan are also covered in detail with support from the Trustees advisers.

Value for Members Assessment

The Trustees are committed to ensuring that members receive value for money from the Plan.

The Trustees, in association with the employer, undertook a value for money assessment in August 2020 and will continue to monitor this. The Trustees continue to conclude that the Plan's overall benefits and options represent reasonable value for money which include (but which may not be restricted to) the following reasons:

- Administration charges applicable to the Plan (including administration costs, governance costs and the cost of advice) are borne by the employer;
- Members do not pay for the costs of Plan administration, professional adviser costs or indeed any costs (other than investment management) associated with running the Plan;
- The investment management costs (annual management charges – AMCs) are within the 0.75% pa charge cap which applies to funds that comprise the default investment strategy;
- The Trustees are satisfied, based on advice received, that the investment charges and transaction costs borne by members are competitive for the types of funds available to members and compare favourably with similar schemes;
- Members have access to various asset classes, all of which have competitive fund management charges;
- The investment choices offered to scheme members are subject to regular review and reflect the specific demographic profile of the Scheme's membership and Scheme 'experience' in terms of the actual benefit

- outcomes selected by members and future expectations.
- The annual newsletter and other communications issued to members provide all the Plan news and highlights from the Trustees' report and accounts, as well details of all legislative or regulatory changes;
 - Member communications provide a clear explanation of the available investment strategies and options, along with the benefits and risks of each option, to enable members to assess their own situation and therefore make an appropriate and informed investment choice;
 - The Trustees regularly review member communications to ensure that they continue to be appropriate, based on their understanding of the membership of the Plan. Further communications and member support are developed where this is deemed necessary to ensure members have the appropriate information to enable them to make appropriate and informed investment decisions that reflect their ability and willingness to take risk, to manage investment decisions and to select investment strategies and options that reflect members target benefit outcome at retirement;
 - The Plan website allows members to access Plan documents, obtain current fund valuations and make changes to investment choices;
 - More broadly, member communications provide a clear explanation of the available investment strategies and options, along with the benefits and risks of each option, to enable members to assess their own situation and therefore make appropriate and informed investment choices;

The Trustees have also taken into account the Pensions Regulator's Code of Practice No.13 (Governance and administration of occupational trust-based schemes providing money purchase benefits (DC benefits)).

Signed for an on behalf of the Trustees of the Benenden Healthcare Pension Plan.

Signed *Colin Richardson* Date: 14 October 2020

Colin Richardson, Chair of Trustees

Appendix A: Assessing member borne costs on behalf of Plan members

The Trustees have obtained from Legal & General Investment Management Limited (LGIM) details of ongoing charges and transaction costs that applied (or may have potentially applied) to the investment funds available to members. Actual and potential transaction costs disclosed by LGIM include:

- Transaction taxes
- Broker commission
- Implicit costs
- Entry/exit charges
- Other transaction costs
- Indirect transaction taxes
- Indirect broker commission
- Indirect implicit costs
- Indirect entry/exit charges
- Indirect other transaction costs
- Indirect transaction costs - external funds
- Anti-dilution offset (anti-dilution provisions protect an investor's equity stake from dilution, where a company issues new shares)
- Indirect anti-dilution offset

Details of the ongoing charges and transaction costs disclosed by Legal & General Investment Management Limited are set out in Appendix B. Appendix C shows the cumulative effect of costs and charges on member funds.

Costs borne by the employer

As mentioned previously in this statement, in carrying out this assessment, the Trustees have taken the view that costs borne by the employer on behalf of members will have a positive effect on Value for Members. The employer-borne costs which have been taken into consideration are as follows:

1. Administration costs
2. Governance costs e.g. the Trustee Board
3. Cost of advice

Appendix B: Member Charges and Transaction Costs

Charges and transaction costs for funds within the default investment strategy for the year ending 31 March 2020:

Fund	Total Expense Ratio (TER)*	Transaction costs**
L&G Diversified Fund	0.317%	-0.017%
L&G Pre-Retirement Fund	0.151%	-0.020%
L&G Cash Fund	0.125%	0.003%

Charges and transaction costs for funds within the alternative investment strategies (Encashment and Flexible Investment) for the year ending 31 March 2020:

Fund	Total Expense Ratio (TER)*	Transaction costs**
L&G Diversified Fund	0.317%	-0.017%
L&G Over 5 Year Index-Linked Gilts Fund	0.100%	0.123%
L&G Active Corporate Bond - All Stocks - Fund	0.256%	0.034%
L&G Cash Fund	0.125%	0.003%

Charges for all funds members can invest in, on a self-select basis, for the year ending 31 March 2020:

Fund	Total Expense Ratio (TER)*	Transaction costs**
L&G Diversified Fund	0.317%	-0.017%
L&G Pre-Retirement Fund	0.151%	-0.020%
L&G Cash Fund	0.125%	0.003%
L&G Over 5 Year Index-Linked Gilts Fund	0.100%	0.123%
L&G Active Corporate Bond - All Stocks - Fund	0.256%	0.034%
L&G Global Equity Fixed Weights 50:50 Index Fund	0.184%	0.012%
L&G Ethical Global Equity Fund	0.302%	0.002%
L&G Over 15 Year Gilts Index Fund	0.100%	0.047%

Notes

* Includes the AMC, plus various other expenses including index licensing fees, legal fees, administration, marketing, regulation, auditing. Due to the size and purchasing power of LGIM's index funds, the AMC and TERs are effectively the same.

** Transaction costs that applied (or may have potentially applied) to the investment funds available to members, based on charges outlined within Appendix A. Note

that a negative transaction cost can refer to things like anti-dilution measures put in place by the manager to protect existing investors. It is effectively a 'saving' to existing members and reduces the impact of other charges. As it is an implicit, calculated cost, it would ordinarily be reflected within the unit price.

Transaction costs quoted is the average cost incurred over the year as a necessary part of buying and selling. LGIM capture these costs using the implicit cost methodology set out in the Financial Conduct Authority (FCA) rules and the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulations. Implicit transaction costs have been calculated as the difference between the price at which a deal was struck and the mid-market price of an asset at the time the order was placed in the market. Where the arrival price was not available, the implicit cost was calculated as the difference between the price at which a deal was struck and the mid-market opening price on the day of the trade. Where the mid-market opening price was not available, the mid-market previous closing price was used. Where the previous mid-market closing price was not available, a fixed fee was used to estimate the implicit costs of each trade.

Indirect transaction costs have been calculated assuming a static fund structure as at 31 March 2020.

For any funds which hold an investment managed by a third party, the transaction costs provided by the third-party manager are represented as an indirect external fund transaction cost. Where transaction cost information was not made available by the third party, transaction costs incurred by the externally managed fund have not been included.

All charges and transaction costs have been provided by Legal & General Investment Management Limited.

Appendix C: Projected Values

Default investment strategy - projected pension pot showing effect of charges and transaction costs produced in accordance with DWP guidance

<p>Projected pension fund in today's money – we have assumed a starting value of £8,000, and a 35-year-old member, but other ages can be assessed using the following table</p>		
<p>Default Investment Strategy</p>		
Years	Before costs and charges	After charges deducted
1	£11,084.80	£11,060.86
3	£17,352.84	£17,252.60
5	£23,754.47	£23,538.90
10	£40,361.82	£39,677.88
15	£57,868.22	£56,440.11
20	£76,322.34	£73,849.67
25	£94,432.80	£90,784.39
30	£109,077.18	£104,572.05

Notes (for the above and the following tables)

1. Projections are based on a 35-year-old member, but other ages can be assessed using the table
2. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation
3. The starting pot size is assumed to be £8,000 - approximately the average value within the scheme
4. The salary assumption is £30,000, broadly the average for the scheme's membership
5. A contribution rate of 10% has been used (6% from the employer and 4% from the member, resulting in a contribution of £3,000 in this example) – this is the default rate for the scheme
6. Inflation is assumed to be 2.5% each year

Values shown are estimates and are not guaranteed.

Alternative Investment Strategy (Encashment)		
Years	Before costs and charges	After charges deducted
1	£11,084.80	£11,060.86
3	£17,352.84	£17,252.60
5	£23,754.47	£23,538.90
10	£40,361.82	£39,677.88
15	£57,868.22	£56,440.11
20	£76,322.34	£73,849.67
25	£94,007.15	£90,274.66
30	£105,658.95	£101,040.04

Alternative Investment Strategy (Flexible Investment)		
Years	Before costs and charges	After charges deducted
1	£11,084.80	£11,060.86
3	£17,352.84	£17,252.60
5	£23,754.47	£23,538.90
10	£40,361.82	£39,677.88
15	£57,868.22	£56,440.11
20	£76,322.34	£73,849.67
25	£94,996.47	£91,201.68
30	£111,980.19	£106,748.54

Self-select funds - funds that members can self-select (including individual funds that comprise the default investment strategy) are shown below;

Projected pension fund in today's money		
L&G Diversified Fund		
(Gross Accumulation Rate = 3.56%)		
Years	Before costs and charges	After costs and charges deducted
1	£11,084.80	£11,060.86
3	£17,352.84	£17,252.60
5	£23,754.47	£23,538.90
10	£40,361.82	£39,677.88
15	£57,868.22	£56,440.11
20	£76,322.34	£73,849.67
25	£95,775.48	£91,931.56
30	£116,281.73	£110,711.73

Projected pension fund in today's money		
L&G Pre-Retirement Fund (Gross Accumulation Rate = 2.04%)		
Years	Before costs and charges	After costs and charges deducted
1	£10,963.20	£10,952.71
3	£16,848.77	£16,805.88
5	£22,680.32	£22,590.05
10	£37,026.08	£36,753.97
15	£51,044.91	£50,504.18
20	£64,744.27	£63,852.79
25	£78,131.42	£76,811.51
30	£91,213.49	£89,391.75

Projected pension fund in today's money		
L&G Cash Fund (Gross Accumulation Rate = 0.90%)		
Years	Before costs and charges	After costs and charges deducted
1	£10,872.00	£10,861.70
3	£16,478.88	£16,437.52
5	£21,907.77	£21,822.23
10	£34,737.96	£34,490.27
15	£46,574.06	£46,100.49
20	£57,493.09	£56,741.24
25	£67,566.11	£66,493.45
30	£76,858.67	£75,431.33

Projected pension fund in today's money		
L&G Over 5 Year Index-Linked Gilts Fund (Gross Accumulation Rate = 0.90%)		
Years	Before costs and charges	After costs and charges deducted
1	£10,872.00	£10,854.18
3	£16,478.88	£16,407.40
5	£21,907.77	£21,760.02
10	£34,737.96	£34,310.84
15	£46,574.06	£45,758.73
20	£57,493.09	£56,200.61
25	£67,566.11	£65,724.88
30	£76,858.67	£74,412.19

Projected pension fund in today's money		
L&G Active Corporate Bond - All Stocks - Fund (Gross Accumulation Rate = 2.70%)		
Years	Before costs and charges	After costs and charges deducted
1	£11,016.00	£10,992.77
3	£17,066.11	£16,970.19
5	£23,140.44	£22,936.81
10	£38,432.89	£37,806.23
15	£53,878.88	£52,608.56
20	£69,479.95	£67,344.10
25	£85,237.66	£82,013.16
30	£101,153.57	£96,616.03

Projected pension fund in today's money		
L&G Global Equity Fixed Weights 50:50 Index Fund (Gross Accumulation Rate = 4.90%)		
Years	Before costs and charges	After costs and charges deducted
1	£11,192.00	£11,176.38
3	£17,807.66	£17,740.76
5	£24,744.69	£24,597.79
10	£43,597.53	£43,107.70
15	£64,823.94	£63,750.04
20	£88,722.76	£86,770.46
25	£115,630.44	£112,442.92
30	£145,925.78	£141,072.95

Projected pension fund in today's money		
L&G Ethical Global Equity Fund (Gross Accumulation Rate = 4.91%)		
Years	Before costs and charges	After costs and charges deducted
1	£11,192.80	£11,168.47
3	£17,811.09	£17,707.00
5	£24,752.23	£24,523.81
10	£43,622.78	£42,862.33
15	£64,879.51	£63,214.87
20	£88,824.14	£85,802.60
25	£115,796.57	£110,871.02
30	£146,179.66	£138,692.56

Projected pension fund in today's money		
L&G Over 15 Year Gilts Index Fund (Gross Accumulation Rate = 0.90%)		
Years	Before costs and charges	After costs and charges deducted
1	£10,872.00	£10,860.22
3	£16,478.88	£16,431.62
5	£21,907.77	£21,810.04
10	£34,737.96	£34,455.06
15	£46,574.06	£46,033.34
20	£57,493.09	£56,634.88
25	£67,566.11	£66,342.07
30	£76,858.67	£75,230.36

Appendix D: Statement of Investment Principles

See separate document

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Pension scheme Reference Number: 1014106