

THE PILKINGTON SUPERANNUATION SCHEME

ANNUAL REPORT – YEAR ENDED 31 DECEMBER 2024

THE PILKINGTON SUPERANNUATION SCHEME

Contents	Page Nos.
Trustee's Report	
1 Chair's Statement	3
2 Trustee and Advisers	5
3 Membership	7
4 Deeds Executed During 2024	8
5 Actuarial Liabilities	8
6 Increases in Pensions	9
7 Transfer Payments	10
8 Pensions Act Compliance and Governance	10
9 Scheme Developments	11
10 Strategy Update	11
11 Performance	13
12 Custodianship	13
13 Self Investment	13
14 Additional Voluntary Contributions	13
15 GMP Equalisation	14
16 Macro-Economic Events	14
Statement of Trustee's Responsibilities	15
Independent Auditors' Statement about Contributions to the Trustee	17
Summary of Contributions payable in the year	18
Independent Auditors' Report	19
Financial Statements	22
Schedule of Contributions	39
Certification of Schedule of Contributions	41
Certificate of Technical Provisions	42
Implementation Statement	43

THE PILKINGTON SUPERANNUATION SCHEME

Trustee's Report

1. Chair's Statement

2024 has involved reviewing the outcome of the actuarial valuation of the funding position of the Pilkington Superannuation Scheme (the "Scheme") as at 31 December 2023. This was finalised in January 2025 ahead of the March 2025 deadline. By the time of reporting, members should have received a Summary Funding Statement detailing the outcome of the valuation. This is also available on request from the administrators.

In other governance matters, two of our member-nominated Trustee Directors resigned during the year as detailed in the Report to the accounts. We retain one third member-nominated Trustee Directors, but the two vacancies remained unfilled subject to the member-nominated Director appointments planned for 2025.

Investments

The Trustee has established a portfolio which aims to hedge against the most significant financial risks of changing interest rates and inflation. There remain some growth assets intended to improve the funding position. This investment strategy is now well established and, while kept under review, is not expected to change substantially in the near term.

Task Force on Climate-Related Financial Disclosures 'TCFD' report

The Scheme has published its latest TCFD report as a supplementary report to accompany these accounts. The report sets out how the Trustee considers climate-related risks and opportunities, and provides a framework for monitoring progress towards carbon reduction targets. The TCFD Report is published on <https://www.pilkington.com/en-gb/pilkington-superannuation-scheme/financials/tcfd>

Guaranteed Minimum Pension ("GMP") Equalisation

There have been many communications to members regarding the High Court judgement of 26 October 2018 involving the Lloyds Banking Group's defined benefit pension schemes. During 2023 the Trustee completed a bulk exercise to uplift pensions where required and paid arrears where historic pensions would have been higher to a member of the opposite sex. There were some members who could not be equalised as part of the main exercise. The vast majority of these outstanding members were paid arrears and had their pensions uplifted as applicable in March 2025. The cost of arrears was £736,000 but is not recognised in these accounts because it is not considered material. They will be included in the accounts for 2025.

On 20 November 2020 the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group's pension schemes. This latest judgment confirms that defined benefit pension schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The impact of this court case will be considered by the Trustee and decisions will be made as to the next steps. It is not possible to estimate the cost of any rectification adjustments at this time.

THE PILKINGTON SUPERANNUATION SCHEME

Concluding remarks

The funding level as monitored on a roll-forward basis continued to improve through 2024. There was some economic uncertainty towards the end of 2024, with new governments both in the UK and elsewhere. The Scheme is considered to be in a strong position to withstand any shocks, and to improve the security and value of members' benefits.

R Tranter
BESTrustees Limited
Chair of Pilkington Brothers Superannuation Trustee Limited

THE PILKINGTON SUPERANNUATION SCHEME

2. **Trustee and Advisers**

Trustee Company Pilkington Brothers Superannuation Trustee Limited ('the Trustee')

Registered Office NSG European Technical Centre, Hall Lane, Lathom,
Nr. Ormskirk, Lancashire L40 5UF

The Trustee is not a subsidiary of the Principal Employer (see below) or any of its subsidiaries. The shares in the Trustee are registered in the names of various Directors of the Trustee. There is no provision for the removal of the Trustee.

The Principal Employer ("the Company") is Pilkington Group Limited.

At 31 December 2024 the Allied Companies with employees contributing to the Scheme were:-
Pilkington Automotive Limited
Pilkington Retirement Services Limited
Pilkington Technology Management Limited
Pilkington United Kingdom Limited

There are currently 10 Directors on the Board of the Trustee Company and two vacancies.

There are currently 6 Employer Directors and 4 Employee Directors, the latter being elected by the membership – 3 by the active members (including 2 current vacancies) and 3 by the pensioner members.

Directors of the Trustee during the year to 31 December 2024:

Employer Directors

BESTrustees 2 (an independent trustee director represented by R Tranter and/or R Brougham)(chair)
R. Meredith ^ (appointed 1/1/24)
S. Gange* 1
R.P. Hemingway* 1,2
J. McKenna* 1
P. Wilkinson 2

Employee Directors

Directors elected by active members

M. Arnold 1 (resigned 1/12/24)
K. McKenna 1,2 (resigned 30/9/24)
K. Whittaker

Directors elected by pensioner members

S.J. Beesley* 1
D. Corf* 1, 2
B. Bonney* 1, 2

Secretary to the Trustee Company

J. Miller

The Directors asterisked are in receipt of pensions from the Scheme calculated in accordance with the Rules. All the Employee Directors elected by the active members and the Employer Director marked ^ are contributors accruing pension in accordance with the Scheme Rules.

The suffix '1' denotes the Director was a member of the Audit and Risk Committee; and '2' a member of the Investment Committee, in each case at the year end. Any two or more Directors (being at least one Employer and one Employee) can constitute an Ill Health or Discretions Committee.

The Trustee's Articles of Association provide that the Trustee Board is to comprise Employer Directors and Employee Directors, with the latter to include those nominated and if necessary

THE PILKINGTON SUPERANNUATION SCHEME

elected to serve defined terms by each of the active member and pensioner member constituencies. Employer Directors are elected by the existing Employer Directors.

Changes to the Board

Mr K. McKenna and Mr M. Arnold resigned as an Employee Director as at 30 September 2024 and 1 December 2024 respectively. The positions remained vacant pending the routine member-nominated Director appointments due in 2025.

Consulting Actuaries Aon Solutions UK Limited

Scheme Actuary J. Curtis FIA of Aon Solutions UK Limited

Investment Consultant Towers Watson Limited

Investment and Insurance Managers

Alpha Real Capital LLP ('ARC')
Aviva Investors Global Services Limited ('Aviva')
AXA Investment Managers UK Limited ('AXA')
Insight Investment Management (Global) Limited ('Insight')
Legal & General Assurance (Pensions Management) Limited ('LGIM')
Legal & General Assurance Society Limited ('LGAS')
Pension Insurance Corporation plc ('PIC')

AVC Providers Utmost Life and Pensions Limited
Prudential

Financial Advisers Cardano Solutions Limited

Legal Advisers Hogan Lovells International LLP

Medical Adviser Dr D. B. Shackleton

Independent Auditors PricewaterhouseCoopers LLP

Bankers National Westminster Bank plc

Custodian The Northern Trust Company

Administration Group Pensions Department, Pilkington Group Limited

Enquiries about the Scheme should be addressed to:

Group Pensions Department
Pilkington Group Limited
European Technical Centre
Hall Lane
Lathom L40 5UF

or by email to: Pensions.Administration@nsg.com

Additional information relating to the Scheme can also be found on the Scheme website at www.superpilk.com

THE PILKINGTON SUPERANNUATION SCHEME

Director Attendance at Meetings

Attendance of the Directors at the Board and other meetings in 2024 together with the maximum possible attendance was as follows:

Name	Board meetings	Investment Committee	Audit & Risk Committee	Investment Management Presentations
BESTrustees	5/5	2/2	n/a	1/1
M. Arnold	1/4	n/a	0/3	0/1
S. Beesley	5/5	n/a	3/3	1/1
B. Bonney	5/5	2/2	3/3	1/1
D. Corf	5/5	2/2	3/3	1/1
S. Gange	4/5	n/a	2/3	1/1
R. Hemingway	4/5	2/2	3/3	1/1
J. McKenna	5/5	n/a	3/3	1/1
K. McKenna	4/4	1/2	2/3	1/1
K. Whittaker	4/5	2/2	3/3	1/1
P. Wilkinson	5/5	2/2	n/a	1/1
R. Meredith	5/5	2/2	2/3	1/1

3. Membership

	Active	Deferred	Member Pensioners	Dependent Pensioners
At 1 January 2024	391	2,025	6,293	2,204
Adjustments	-	(15)	7	20
	391	2,010	6,300	2,224
Deaths	-	(2)	(299)	(178)
Retirements/New Dependants	(15)	(105)	120	131
Leavers - exited	-	(8)	(10)	(36)
Members leaving pensionable service prior to retirement	(12)	12	-	-
At 31 December 2024	364	1,907	6,111	2,141

Adjustments to the opening membership numbers occur when there is a time lag from the date a member joins or leaves the Scheme and the date the information is received by the Administrators and updated in the membership numbers.

The Scheme received income from two buy-in policies with PIC equal to the value of pensions in respect of 1,447 pensioners (2023: 1,474) and 915 dependants (2023: 966). This income, although directly linked to the pensions of individual members, is Scheme income from the investment in the buy-in policies. The Scheme had longevity insurance through Legal & General to cover the mortality risk for a further 4,327 pensioners (2023: 4,598) and 898 dependants (2023: 1,001).

THE PILKINGTON SUPERANNUATION SCHEME

4. **Deeds Executed During 2024**

There were no Deeds of Amendment during 2024.

5. **Actuarial Liabilities**

Valuation of the Scheme as at 31 December 2023

As required by Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits.

Under section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions, which represent the present value of benefits to which members are entitled based on pensionable service to the valuation date. This is assessed at least every 3 years using assumptions agreed between the Trustee and the Company and set out in the Statement of Funding Principles, a copy of which is available to Scheme members on request.

The most recent triennial actuarial valuation of the Scheme was carried out as at 31 December 2023. The principal assumptions used in the valuation were as follows:

Discount rate	Gilt yield curve + 0.5% p.a.
RPI inflation	RPI inflation curve derived from gilt market
CPI inflation	RPI inflation less 0.9% p.a. over the period to 2030 and 0.1% thereafter
Pensionable Salary Increases	0.0% p.a.
Post-retirement mortality assumption	105% of standard tables S3P[M/F] with allowance for improvements in mortality rates from 2013 in line with the CMI2022 Core Projections assuming a long-term rate of improvement of 1.5% p.a. and an S_k parameter of 7.0 and A of 0.5.

These assumptions were consistent with previous valuations. The only change was an update to reflect the latest version of the CMI projections model.

The valuation disclosed a surplus of £104m on this Technical Provisions basis.

The Technical Provisions (or liabilities) were valued at £1,121m not including any allowance for Non-Statutory Increases to pensions in payment. The liabilities associated with non-statutory increases will only be recognised at the point they are awarded and therefore guaranteed. The liabilities do include an estimate for the cost of equalising GMP (Guaranteed Minimum Pensions). The assets were valued at £1,225m at the valuation date giving a funding ratio of 109%.

Due to a significant change in gilt yields over the period since the last valuation, the value of liabilities fell significantly, which was also reflected in the value of matching assets. Although the absolute surplus fell from £112m at the date of the 2020 valuation, the funding ratio continued to improve from 106%.

There is no Recovery Plan required following the outcome of the Valuation. The Company has ring-fenced further funds which will be for the benefit of the Scheme if it is not funded on the Secondary Funding Target ('SFT') basis at the time of the 2026 Valuation; the SFT uses a more prudent, 'gilts flat', discount rate but is otherwise the same as the Technical Provisions basis. It

THE PILKINGTON SUPERANNUATION SCHEME

is anticipated that investment returns will contribute to achieving this target and at 31 December 2023 this target was achieved with a funding level in excess of 100% on a gilts flat basis.

The Trustee and Company have agreed to maintain a Final Funding Target ("FFT") which is designed to further improve the security of members benefits eg by ensuring the guaranteed benefits could be met by an insurer if needed. The Scheme is expected to reach the FFT solely by investment returns rather than from any further funding from the Company.

The Company and Trustee continue to work together towards stability and self-sufficiency for the Scheme. The composition of the investment portfolio including interest and inflation rate hedging means that the funding position remains largely stable and avoids much of the market volatility.

The funding position is monitored between valuations by comparing the asset values from the fund managers to the 'roll forward' of the liabilities modelled by the Scheme Actuary which reflects the impact of changes in the economic circumstances but not membership changes. There has continued to be a gradual improvement in funding levels through 2024 with the funding position on a roll-forward basis at 31 December 2024 being 111%.

The Scheme Actuary also carries out a valuation on the solvency or buy-out basis looking at how much additional money would be required to buy-out the obligations of the Scheme with an insurance company. On this basis at the actuarial valuation date, the funding position was 101% funded with a small surplus of £9m. This measure may be more volatile as it is subject to the market prices available in the insurance market for buy-in/buy-out products.

6. **Increases in Pensions**

During 2024 only statutory increases to pensions in payment were awarded. The increase on different elements of pension is shown in the table below.

	Basis	Increase
Pension accrued between 5 April 1997 and 30 April 2005	Consumer Price Index ("CPI") to March 2024 capped at 5%	3.2%
Pension accrued after 30 April 2005	CPI to March 2024 capped at 2.5%	2.5%
Post 5 April 1988 guaranteed minimum pension ('GMPs')	The Guaranteed Minimum Pension Increase Order 2024	3%
Other pensions in payment	Non-Statutory Increase under the provisions of the Trust Deed only where 'in the opinion of the Actuary the financial state of the Scheme so permits'	0%
Pre 1997 CPI increasing GMP converted benefit	CPI to March 2024 capped at 3%	3%
Pre 1997 non-increasing GMP converted benefit	No increase	0%

Paid up pensions, when becoming payable, are revalued in accordance with annual Revaluation Orders as required by legislation. In the case of paid up pensions coming into payment from 1 January 2015 this was by reference to the increases in the Retail Price Index ("RPI") up to September 2009 and increases in the CPI thereafter over the number of complete years in deferment subject to a maximum. The maximum is 5% per annum over the entire revaluation

THE PILKINGTON SUPERANNUATION SCHEME

period for pension accrued before 6 April 2009 and 2.5% in the case of pension accrued after 5 April 2009.

7. Transfer Payments

Transfer payments made to other occupational schemes, qualifying recognised overseas pension schemes, deferred annuity policies or personal pension contracts on behalf of members withdrawing from the Scheme during 2024 were calculated in accordance with the requirements of Section 97 of the Pension Schemes Act 1993. There were no discretionary benefits. 9 payments were made during the year totalling £2m in value (2023: 13, £3m).

8. Pensions Act Compliance and Governance

A copy of the Actuarial Certificate dated 9 January 2025 confirming the adequacy of the contribution rates is included at page 41.

The Financial Statements forming part of this Report (at pages 22-38) have been prepared and audited in accordance with regulations made under Sections 41(1) and 41(6) of the Pensions Act 1995.

The Trustee has a formal Internal Disputes Resolution Procedure, which is available on request from the Group Pensions Department and is on the website (www.superpilk.com).

The Trustee retains Cardano Solutions Limited to monitor the strength of the Company covenant and to report formally to the Trustee twice a year on this issue. During the 2023 valuation discussions the information protocol was renewed and remains in place between the Company and Trustee to ensure that the Trustee and its covenant adviser have access to the information required to make a full assessment of the financial position of the sponsor. The Trustee continues to receive a presentation of full and half year results from a senior member of the Finance Function of the Company.

The Trustee has adopted and implemented a Governance Policy together with a Business Plan as recommended by the Pensions Regulator. It regularly assesses the performance of its advisers and of itself and makes changes where this is considered appropriate. The Board and advisers also assess the performance of the Chair and the Scheme Secretary.

The Trustee Directors undertake regular training throughout the year on issues relevant to the Scheme and potential future developments. A register of all training received is maintained. The advisers also brief the Trustee on developments within the pensions industry as appropriate.

The Trustee has a Conflict of Interests Register and a Conflict of Interests Policy that is reviewed at least annually and has adopted a policy to identify and deal with any notifiable events or reportable breaches that might need to be reported to the Pensions Regulator.

The Trustee has developed and continues to review and update a Risk Register. Responsibility for this Register has been delegated to the Audit and Risk Committee; this is reviewed regularly with Group Internal Audit. These parties, together with Group Pensions Department, have developed a more detailed risk and assurance mapping process to ensure there is adequate assurance that the controls are in place and operating fully.

A full pensioner existence check is carried out monthly on UK based pensioners and approximately every 3 years for pensioners who are based overseas, most recently in 2024.

THE PILKINGTON SUPERANNUATION SCHEME

9. Scheme Developments

This table records the movements in various key Scheme values in the period from 2020 to 2024, to illustrate the Scheme's development.

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
Contributions and benefits					
Contributions receivable	3,072	3,092	4,154	5,608	4,578
	3,072	3,092	4,154	5,608	4,578
Benefits	74,838	81,292	73,774	74,031	73,731
Payments to and on account of leavers	1,882	3,104	16,670	13,780	23,352
	76,720	84,396	90,444	87,811	97,083
Net withdrawals from dealings with members	(73,648)	(81,304)	(86,290)	(82,203)	(92,505)
Returns on investments					
Investment income*	30,918	39,407	35,473	41,474	40,876
Change in market value of investments	(92,224)	10,583	(591,286)	(94,634)	157,682
Net investment management expenses	(791)	(689)	(1,561)	(1,501)	(1,488)
Net returns on investments	(62,097)	49,301	(557,374)	(54,661)	197,070
Net change in the Scheme value during the year	(135,745)	(32,003)	(643,664)	(136,864)	104,565
Net assets of the Scheme brought forward	1,225,466	1,257,469	1,901,133	2,037,997	1,933,432
Net assets of the Scheme carried forward	1,089,721	1,225,466	1,257,469	1,901,133	2,037,997

* No income is received from the managed funds held with SSgA, LGIM or Nephila. Investment returns from these funds are included in the change in market value.

10. Strategy Update

The Scheme targets an investment return of gilts +1% pa. This target has been set to move the Scheme towards its longer-term funding targets while limiting the Scheme's exposure to investment risk.

The UK inflation rate, as measured by the CPI, rose by 2.5% in the 12 months to December 2024. US inflation rose to 2.9%, while in the eurozone, inflation rose to 2.4% in the 12 months to December 2024. The Bank of England (BoE) implemented two base rate adjustments throughout the 12 months to December 2024. In August 2024, the BoE cut its base rate by 0.25% reducing it from a 16-year high of 5.25% to 5.00%. A further decrease of 0.25% in

THE PILKINGTON SUPERANNUATION SCHEME

November brought the base rate down to 4.75%, which has been maintained until the end of the fourth quarter.

Over the 12 months to 31 December 2024, sterling has depreciated against the US dollar by 1.8%. Sterling appreciated against the Euro and Yen by 4.8% and 9.5%, respectively.

Over the 12 months to 31 December 2024, equity markets returned positive performance across all regions other than Developed Asia Pacific (ex Japan) which returned negative performance. The FTSE All World Index returned 19.8% whilst the FTSE Emerging Index returned 14.8% (both in sterling terms). The FTSE All-Share Index returned 9.5% whilst North America was the best performing region with 26.9% (both in sterling terms).

UK government bond yields (which move inversely to bond price) increased over 12 months to 31 December 2024. Long maturity UK gilts have returned -10.6% over the period (as measured by FTSE-A Gilts Over 15 Years Index) and UK gilts all stocks returned -3.3%. Similarly, inflation-linked gilt yields increased over the 12-month period. Long maturity UK index-linked gilts returned -15.4% (as measured by FTSE-A Index-Linked Gilts Over 15 Years Index) and UK index-linked gilts all stocks returned -8.3%.

The Scheme uses interest rate and inflation rate hedging to limit volatility in funding ratios. The Scheme has a low-risk investment strategy in place and a diversified portfolio, so it is largely protected against market factors.

The Trustee meets active managers during the course of the year so that it can question their representatives about any aspect of the investment. The Trustee also undergoes training in topical and relevant areas of investment as part of its training programme. The Trustee monitors the Scheme's managers in relation to active ownership policy and practice, including how investment risks arising from environmental, social and corporate governance issues are addressed via annual sustainable investment reports provided by the Scheme's investment consultant. The Trustee expects its investment managers to operate in accordance with the revised Stewardship Code.

The Trustee continues to keep the investment strategy under review including the feasibility of further risk reduction actions.

The strategic allocation of assets at 31 December 2024 was as follows:

Asset Class and Investment Manager	Strategic Asset Allocation (%)	Tolerance Range
<i>Return-seeking assets</i>	<i>15.00</i>	<i>+/-2.5%</i>
Global Adaptive Capped ESG equities (LGIM)	10.00	+/-1.50%
Listed Infrastructure (LGIM)	5.00	+/-1.00%
<i>Liability matching assets</i>	<i>85.00</i>	<i>+/-2.5%</i>
Buy & maintain credit (AXA)	15.00	+/-2.50%
Cash	1.00	+/-1.00%
Secure Income Alternatives (ARC and Aviva)	5.00	+/-1.00%
Liability Driven Investment ("LDI") portfolio** (Insight) & Buy-in policies (PIC)	64.00*	+/-5.0%

* Target is set at 64% for the LDI portfolio and Buy-in policies combined. In practice, the Buy-ins cannot be rebalanced like other assets due to the terms of the arrangement, and as such would be likely to stray from any specific targets that might be set.

** Please note that the LDI portfolio includes an allocation to index-linked gilts as collateral for the Scheme's longevity swap transaction.

THE PILKINGTON SUPERANNUATION SCHEME

A small amount of venture capital investments previously managed by the in-house team and with no book value and a few pooled investment vehicles are still in the course of being liquidated.

The Trustee has produced a Statement of Investment Principles ('SIP') as required by Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004) and the Occupational Pension Schemes (Investment) Regulations 2005. The SIP in force at the year end was approved by the Trustee in September 2023. The SIP is regularly reviewed throughout the year and changes are approved by the Trustee, subject to or following consultation with the Company. A copy of the SIP is publicly available at www.superpilk.com and is available on request from the Group Pensions Department, Pilkington Group Limited.

Towers Watson Limited is the investment consultant of the Trustee.

11. **Performance**

The value of the Scheme assets at 31 December 2024 was £1,090m compared to £1,225m the previous year. Within the change in value of the Scheme are the cash withdrawals to pay benefits and transfers out together with the monthly contributions in respect of active members.

The one, three and five year performance figures are as follows:-

	Scheme	Scheme Benchmark	Difference
	%	%	%
1 year	(5.7)	(5.4)	(0.3)
3 year pa	(11.8)	(12.4)	0.6
5 year pa	(4.7)	(6.4)	1.7

The Scheme benchmark is the movement on Scheme liabilities on a 'gilts flat' basis.

12. **Custodianship**

The Trustee has appointed a single custodian, The Northern Trust Company, for the Scheme's assets managed on a segregated basis (rather than in pooled funds) to separate investment settlement procedures from the managers' decisions to make or realise investments.

The assets that are managed in pooled funds have the following custodians all of whom have been appointed by the investment managers:

LGIM managed funds	Citibank
Nephila managed funds	Bank of New York Mellon

13. **Self investment**

There was no direct employer-related investment at the year-end (2023: none). The Scheme had no indirect holdings in NSG through its pooled investment vehicles at 31 December 2024 or 2023.

14. **Additional Voluntary Contributions**

The Scheme offered contributory members the following choices regarding the payment of Additional Voluntary Contributions (AVCs) during 2024:

THE PILKINGTON SUPERANNUATION SCHEME

- to purchase additional service according to a formula determined in accordance with the provisions of Rule 21(a) of the Scheme's Rules, and/or
- to have contributions invested in with profits and/or unit linked funds offered by Prudential.

As at 31 December 2024 the number of contributors to each of the AVC options was:

- | | |
|----------------------|---|
| • Additional service | 9 |
| • Prudential | 2 |

From 6 April 2006 the maximum contribution to the Scheme AVC option, whichever is selected, has been 10% of Pensionable Salary.

Some members retain an investment with Utmost Life and Pensions Limited but this is no longer offered as an option for those investing in AVCs.

15. GMP Equalisation

During 2023 the Trustee completed a bulk exercise to uplift pensions where required in accordance with the High Court judgement of 26 October 2018 involving the Lloyds Banking Group's defined benefit pension schemes and paid arrears where historic pensions would have been higher to a member of the opposite sex. There were some members who could not be equalised as part of the main exercise. The vast majority of those outstanding members were paid arrears and had their pensions uplifted as applicable in March 2025. The cost of arrears was £736,000 but is not recognised in these accounts because it is considered immaterial. It will be included in the accounts for 2025.

On 20 November 2020 the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group's pension schemes. This latest judgment confirms that defined benefit schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The impact of this court case will be considered by the Trustee and decisions will be made as to the next steps. It is not possible to estimate the cost of any rectification adjustments at this time.

16. Macro-Economic Events

During 2024, geopolitical issues (such as Russia's ongoing war in Ukraine, the conflict in Gaza and elections in many countries) have had an impact on domestic and global economies, with disruption and volatility in the financial markets. The Trustee, in conjunction with its advisers, monitors the situation closely and determines any actions that are considered to be necessary. This includes monitoring the Scheme's investment assets, the operational impact on the Scheme and the covenant of the Company. The extent of the impact on the investment assets, including financial performance, will depend on future developments in financial markets and the overall economy, all of which are uncertain and cannot be predicted.

THE PILKINGTON SUPERANNUATION SCHEME

Statement of Trustee's responsibilities

The Trustee's responsibilities in respect of the financial statements

The financial statements, which are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), are the responsibility of the Trustee. Pension scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Scheme will continue as a going concern.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustee has a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is also responsible for the maintenance and integrity of the superpilk.com website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's responsibilities in respect of contributions

The Trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the Scheme by or on behalf of employers and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Scheme in accordance with the schedule of contributions.

Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

THE PILKINGTON SUPERANNUATION SCHEME

The Trustee's report was approved by the Trustee on June 2025 and signed on its behalf by:

Director	Company Secretary
Pilkington Brothers Superannuation Trustee Limited	
Trustee of the Pilkington Superannuation Scheme	

THE PILKINGTON SUPERANNUATION SCHEME

Independent auditors' statement about contributions to the Trustee of The Pilkington Superannuation Scheme

Statement about contributions

Opinion

In our opinion, the contributions required by the schedule of contributions for the Scheme year ended 31 December 2024 as reported in The Pilkington Superannuation Scheme's summary of contributions have, in all material respects, been paid in accordance with the schedule of contributions certified by the Scheme actuary on 12 July 2021.

We have examined The Pilkington Superannuation Scheme's summary of contributions for the Scheme year ended 31 December 2024 which is set out on the following page.

Basis for opinion

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions have, in all material respects, been paid in accordance with the relevant requirements. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme under the schedule of contributions, and the timing of those payments.

Responsibilities for the statement about contributions

Responsibilities of the Trustee in respect of contributions

As explained more fully in the statement of Trustee's responsibilities, the Scheme's Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the Scheme by employers in accordance with relevant requirements.

Auditors' responsibilities in respect of the statement about contributions

It is our responsibility to provide a statement about contributions and to report our opinion to you.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
[DD-MM-YYYY]

THE PILKINGTON SUPERANNUATION SCHEME

Summary of Contributions payable in the year

	Employer £'000	Employee £'000
During the year, the contributions required by the schedule of contributions as reported on by the Scheme auditors were as follows:		
Normal contributions	2,851	41
Required by the schedule of contributions as reported on by the Scheme auditors	2,851	41
Other contributions payable		
Augmentations of individual members' benefits	180	-
Total contributions received (as per Fund Account)	3,031	41

Employer normal contributions include £926,000 in respect of contributions paid under the Company's salary exchange arrangement; without which arrangement these would have been Employee contributions.

Signed on behalf of the Trustee

June 2025

THE PILKINGTON SUPERANNUATION SCHEME

Independent auditors' report to the Trustee of The Pilkington Superannuation Scheme

Report on the audit of the financial statements

Opinion

In our opinion, The Pilkington Superannuation Scheme's financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 December 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of net assets available for benefits as at 31 December 2024; the Fund Account for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to, or in respect of, the Scheme.

We have provided no non-audit services to the Scheme in the period under audit.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Scheme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

THE PILKINGTON SUPERANNUATION SCHEME

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Scheme's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements, our auditors' report thereon and our auditors' statement about contributions. The Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustee for the financial statements

As explained more fully in the statement of Trustee's responsibilities, the Trustee is responsible for ensuring that the financial statements are prepared in accordance with the applicable framework and for being satisfied that they show a true and fair view. The Trustee is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, the Trustee is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Scheme, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

THE PILKINGTON SUPERANNUATION SCHEME

Based on our understanding of the Scheme and its environment, we identified that the principal risks of non-compliance with laws and regulations related to the administration of the Scheme in accordance with the Pensions Acts 1995 and 2004 and regulations made under them, and codes of practice issued by the Pensions Regulator; and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered the direct impact of these laws and regulations on the financial statements. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, by the Trustee and those responsible for, or involved in, the preparation of the underlying accounting records and financial statements, and determined that the principal risks were related to posting inappropriate journals to conceal misappropriation of assets. Audit procedures performed by the engagement team included:

- Testing journal entries where we identified particular fraud risk criteria.
- Obtaining independent confirmations of material investment valuations and cash balances at the year end.
- Reviewing meeting minutes, any correspondence with the Pensions Regulator, and significant contracts and agreements.
- Holding discussions with the Trustee to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations.
- Assessing financial statement disclosures, and agreeing these to supporting evidence, for compliance with the Pensions Acts 1995 and 2004 and regulations made under them.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustee as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
[DD-MM-YYYY]

THE PILKINGTON SUPERANNUATION SCHEME

Fund Account for the year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Contributions and benefits			
Employer contributions		3,031	3,047
Employee contributions		41	45
Total contributions	5	3,072	3,092
Benefits	6	(74,838)	(81,292)
Payments to and on account of leavers	7	(1,882)	(3,104)
		(76,720)	(84,396)
Net withdrawals from dealings with members		(73,648)	(81,304)
Returns on investments			
Net investment income	9	30,918	39,407
Change in market value of investments	11	(92,224)	10,583
Investment management expenses	10	(791)	(689)
Net returns on investments		(62,097)	49,301
Net decrease in the fund		(135,745)	(32,003)
Opening net assets		1,225,466	1,257,469
Closing net assets		1,089,721	1,225,466

The notes to the financial statements on pages 24 to 38 form a part of these financial statements.

THE PILKINGTON SUPERANNUATION SCHEME

Statement of net assets available for benefits as at 31 December 2024

	Notes	2024 £'000	2023 £'000
Investment assets			
Bonds		737,927	838,085
Pooled investment vehicles	12	293,041	282,421
Derivatives	13	68,521	72,874
Buy-in policies		244,500	280,700
AVC investments	14	466	542
Cash		4,854	9,004
Other investment assets		5,867	6,682
		1,355,176	1,490,308
Investment liabilities			
Derivatives	13	(76,870)	(72,890)
Insurance policy		(37,800)	(28,500)
Repurchase agreement amounts payable		(153,985)	(167,908)
		(268,655)	(269,298)
Total net investments	11	1,086,521	1,221,010
Current assets	18	5,129	6,522
Current liabilities	19	(1,929)	(2,066)
Total net assets available for benefits		1,089,721	1,225,466

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations, is dealt with in the Actuarial Liabilities on pages 8 to 9 of the Annual Report, and these financial statements should be read in conjunction with this report.

The notes to the financial statements on pages 24 to 38 form a part of these financial statements.

The financial statements on pages 22 to 38 were approved by the Trustee on June 2025 and signed on their behalf by:

Director	Company Secretary
Pilkington Brothers Superannuation Trustee Limited	
Trustee of the Pilkington Superannuation Scheme	

THE PILKINGTON SUPERANNUATION SCHEME

Notes to the Financial Statements for the year ended 31 December 2024

1 General Information

The Scheme is a defined benefit scheme established under English law in 1965 by the combination of the Pilkington Superannuation Fund, the Augmentation Fund and the Chance Superannuation Fund. The registered office of the Trustee is European Technical Centre, Hall Lane, Lathom L40 5UF.

In accordance with the provisions of paragraph 1(1)(a) of Schedule 36 of the Finance Act 2004 the Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004. Its Pension Scheme Tax Reference number is 00274753RW and Pension Schemes Registry number is 10110999. The Scheme closed to new members in 2008 but is still open to future accrual. As the Scheme is a registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 it is therefore exempt from income tax and capital gains tax.

2 Statement of Compliance

The individual financial statements of The Pilkington Superannuation Scheme have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (“FRS 102”) and the guidance set out in the Statement of Recommended Practice “Financial Reports of Pension Schemes” (revised June 2018) (“the SORP”).

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Contributions

- (a) Employee contributions, including AVCs, are accounted for by the Trustee when they are deducted from pay by the Employer.
- (b) Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as the employees’ contributions, in accordance with the Schedule of Contributions in force during the year.
- (c) Employer augmentation contributions are accounted for in accordance with the agreement under which they are being paid.
- (d) Additional contributions are accounted for when received.
- (e) Contributions paid under the Salary Sacrifice scheme are accounted for as normal employer contributions.

(ii) Benefits

- (a) Pensions in payment are accounted for in the period to which they relate.
- (b) Benefits are accounted for in the period in which the member notifies the Trustee of his decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.
- (c) Taxation paid on behalf of a member who exceeds their lifetime or annual allowance is accounted for as an expense when paid.

THE PILKINGTON SUPERANNUATION SCHEME

(iii) Transfers to other plans

Individual transfers out of the Scheme are accounted for when member liability is discharged which is normally when the transfer amount is paid.

(iv) Investment income

- (a) Income from bonds is accounted for on an accruals basis and includes interest bought and sold on investment purchases and sales.
- (b) Income from pooled investment vehicles is accounted for when declared by the fund manager.
- (c) Income from cash and short term deposits is accounted for on an accruals basis.
- (d) Net income from derivatives is accounted for when received.
- (e) Income from the buy-in policies is recognised when the corresponding pension is paid.

(v) The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year. For pooled investment vehicles which do not distribute income the change in market value includes any income which is reflected in the unit price.

(vi) Valuation of investments

Investments are included at fair value as described below:

- (a) Quoted securities in active markets are usually valued at the bid prices at the reporting date.
- (b) Unquoted securities are included at fair value estimated by the Trustee using appropriate valuation techniques. Bonds are valued at Bloomberg End of Day prices.
- (c) Accrued interest is excluded from the market value of bonds and is included in investment income receivable.
- (d) Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV), determined in accordance with fair value principles, provided by the pooled investment manager.
- (e) Exchange traded futures are valued as the sum of the daily mark-to-market, which is a calculated difference between the settlement prices at the reporting date and the inception date.
- (f) Over the counter (OTC) derivatives are valued using the following valuation techniques:
 - Swaps – current value of future cash flows arising from the swap determined using discounted cash flow models and market data at the reporting date.
 - Forward foreign exchange (Forward FX) – the gain or loss that would arise from closing out the contract at the reporting date by entering into an equal and opposite contract at that date.
- (g) The AVC with profit insurance policies are reported at the policy value provided by the insurance company based on the cumulative reversionary bonuses declared and the current terminal bonus.
- (h) Repurchase agreements (repo) and short bond positions – the Scheme continues to recognise and value the securities that are delivered out as collateral, and includes them in the financial statements. The cash received is recognised as an asset and the obligation to pay it back is recognised as a payable amount.
- (i) The longevity insurance policy is valued as the difference between the projected payments on the fixed and variable legs discounted using assumptions advised by the Scheme Actuary and agreed by the Trustee, and accordingly the risk premium built into the product is effectively expensed on inception through the change in market value rather than spread over the potential life of the product, which is itself uncertain.

THE PILKINGTON SUPERANNUATION SCHEME

Future variations in the value of the longevity swap will be credited or expensed as they arise.

- (j) The buy-in policies held by the Scheme are valued at the net present value of the pensions secured under the policies. Policies entered into are initially recognised as a Scheme asset at the value of the assets ceded to the insurance company at the date of inception. Subsequent revaluations are calculated on a technical provisions basis using assumptions advised by the Scheme Actuary.

(vii) Currency

The Scheme's functional and presentation currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rates at the Scheme year-end. Foreign currency transactions are recorded in sterling at the spot exchange rate at the date of the transaction. Gains and losses on currency valuation are recognised in the change in market value.

(viii) Investment Management Expenses

Investment management expenses are accounted for on an accruals basis and include rebates received and the contribution towards expenses received from Pilkington Group Limited.

4 Critical assumptions used in calculating the fair value of investments

In calculating the fair value of certain investments within level 3 of the fair value hierarchy the Trustee Directors, with support from their advisers, make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- (i) Longevity insurance policy
The longevity insurance policy is valued at the net present value of the fixed (payable) and floating (receivable) legs. In calculating the value of each leg, assumptions on inflation, interest rates and the future levels of mortality are made. As the inflation and interest rate assumptions affect both legs of the contract there is little overall impact on the net present value of the contract. Future levels of mortality, however, only impact the floating leg of the contract and accordingly an increase in the expected longevity of members will increase the value of the longevity insurance policy and vice versa.
- (ii) Buy-in policies
The buy-in policies are valued at the net present value of the amounts payable to the pensioners secured under the policies. In arriving at the fair value a number of assumptions are made in order to estimate the future cost of pensions, including inflation, interest rates and mortality.
- (iii) Key assumptions
The key assumptions used in arriving at the net present value of the investments referred to above are:

THE PILKINGTON SUPERANNUATION SCHEME

Discount rate	Gilt yield curve + 0.5% p.a.
RPI inflation	RPI inflation curve derived from gilt market
CPI inflation	RPI inflation less 0.9% p.a. over the period to 2030 and 0.1% thereafter
Pensionable Salary Increases	0.0% p.a.
Post-retirement mortality assumption	105% of standard tables S3P[M/F] with allowance for improvements in mortality rates from 2013 in line with the CMI2019 Core Projections assuming a long-term rate of improvement of 1.5% p.a. and an S_k parameter of 7.0 and A of 0.5.

5 Contributions

	2024	2023
	£'000	£'000
Employer contributions		
Normal	2,851	3,047
Augmentations	180	-
	3,031	3,047
Employee contributions		
Normal	41	45
	41	45
Total contributions	3,072	3,092

Included within Employer normal contributions is £926,000 in respect of contributions paid under the Company's salary exchange arrangement (2023: £977,000).

Contributions were made by the employer in respect of augmentations of certain benefits to individuals.

Members are permitted to make Additional Voluntary Contributions into money purchase type arrangements under which contributions received are invested on behalf of the individuals concerned to provide additional benefits within the overall limits laid down by the Scheme's Rules (see also note 14). Members are also entitled to purchase additional defined benefits under the provisions of the Scheme.

6 Benefits

	2024	2023
	£'000	£'000
Pensions	68,434	75,589
Commutations of pensions and lump sum retirement benefits	5,656	4,924
Lump sum death benefits	748	779
	74,838	81,292

THE PILKINGTON SUPERANNUATION SCHEME

The 2023 pensions payable figure included £7,500,000 in respect of back dated payments for GMP equalisation (2024: Nil)

The commutation of pensions figure includes £528,000 in respect of full commutation of trivial pensions (2023: £387,000).

7 Payments to and on account of leavers

	2024 £'000	2023 £'000
Individual transfers out to other plans	1,882	3,104
	1,882	3,104

8 Administrative expenses

All costs of administration, other than Scheme investment expenses, were borne by Pilkington Group Limited in 2024 and 2023.

9 Net investment income

	2024 £'000	2023 £'000
Income from bonds	24,372	23,682
Income from pooled investment vehicles	3,170	3,524
Income from the buy-in policies	18,605	18,100
Interest on cash deposits	169	592
(Cost)/ Income from derivatives	(7,821)	411
	38,495	46,309
Other income and financing cost	(7,577)	(6,902)
	30,918	39,407

10 Investment management expenses

Investment management expenses include rebates received and the contribution towards expenses received from Pilkington Group Limited.

	2024 £'000	2023 £'000
External Investment Managers	856	844
Custodial Fees	99	130
Subsidy from Pilkington Group Limited towards expenses	(538)	(693)
Investment advice	234	256
Irrecoverable VAT	140	152
	791	689
Net expenses	791	689

External investment manager fees do not include any performance related fees (2023: £Nil).

THE PILKINGTON SUPERANNUATION SCHEME

11 Reconciliation of net investments

	Market value at 1 Jan 2024	Purchases at cost and derivative payments	Sales proceeds and derivativ e receipts	Change in market value	Market value at 31 Dec 2024
	£'000	£'000	£'000	£'000	£'000
Bonds	838,085	102,487	(134,482)	(68,163)	737,927
Pooled investment vehicles	282,421	113,075	(124,337)	21,882	293,041
Derivatives	(16)	35,216	(44,298)	749	(8,349)
Insurance policy	(28,500)	1,730	(457)	(10,573)	(37,800)
Buy-in policies	280,700	-	-	(36,200)	244,500
AVC investments	542	6	(116)	34	466
	<u>1,373,232</u>	<u>252,514</u>	<u>(303,690)</u>	<u>(92,271)</u>	<u>1,229,785</u>
Cash and cash equivalents	9,004			(26)	4,854
Amounts due under repurchase agreements	(167,908)			-	(153,985)
Other investment assets	6,682			73	5,867
	<u>1,221,010</u>			<u>(92,224)</u>	<u>1,086,521</u>

Transaction costs are included in the cost of purchases and deducted from sale proceeds. Direct transaction costs include costs charged to the Scheme such as fees, commissions, dilution levies and stamp duty. There were no transaction costs incurred during the year or prior year. Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles.

At the year-end £150,281,000 of bonds reported in Scheme assets are held by counterparties under repurchase agreements (2023: £177,627,000). The Scheme held no collateral in respect of repo margins (2023: £7,642,000) and had posted £5,846,000 collateral in the form of bonds (2023: £nil).

The key techniques used and assumptions made in valuing the buy-in policies are disclosed in note 4. The buy-in policies have been executed with PIC. The Trustee took advice at the time of the transactions about the counterparty risk and was content that this risk is at an acceptable level.

The initial buy-in, which was valued at approximately £243 million of liabilities, was completed in 2017. A second buy-in worth approximately £167 million was transacted in July 2022.

The longevity insurance, which was established in 2011, remains in place covering approximately £426 million of the liabilities.

The majority of the Government bonds are easily bought or sold with the exception of £32m of bonds held in a segregated account as collateral for the longevity insurance policy. The unitised vehicles in which the Scheme invests, with the exception of the reinsurance, secure income alternative and property funds, deal regularly and are easily bought or sold. The reinsurance, secure income alternative and property funds are recognised as being less liquid. These funds amounted to £71,270,000 as at 31 December 2024 or 6% of the Scheme assets (2023: £72,713,000; 6%).

THE PILKINGTON SUPERANNUATION SCHEME

12 Pooled investment vehicles

The Scheme's investments in pooled investment vehicles at the year-end were invested in:

	2024	2023
	£'000	£'000
Equities	217,329	206,774
Property	398	417
Reinsurance	2,172	2,485
Secure Income Alternatives	68,700	69,811
Cash and cash equivalents	4,442	2,934
	293,041	282,421

All pooled investment vehicle managers are registered in the UK with the exception of Nephila, who manage the reinsurance fund, which is registered in Bermuda.

13 Derivatives

Objectives and Policies

The Trustee has authorised the use of derivatives by its investment managers as part of its investment strategy for the Scheme as follows:

Swaps and gilt futures– the Trustee's aim is to match as far as possible the Scheme's long-term liabilities, in particular in relation to their sensitivities to interest rate movements. The Trustee has entered into interest rate swaps that extend the duration of the fixed income portfolio to better match the long-term liabilities of the Scheme. The LDI manager also has the power to use swaps and futures for efficient portfolio management.

The loss on derivatives during the year is due to the change in market value of the swaps.

Forward FX – The policy is to hedge 100% of the value of the reinsurance fund and 50% of the value of European and North American equity funds through FX contracts.

At the year-end the Scheme had the following derivatives:

	2024			2023		
	Assets	Liabilities	Total	Assets	Liabilities	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Over the counter swaps	68,417	(76,823)	(8,406)	72,704	(71,728)	976
Gilt futures	48	(47)	1	170	(1,127)	(957)
Forward FX contracts	56	-	56	-	(35)	(35)
	68,521	(76,870)	(8,349)	72,874	(72,890)	(16)

A summary of the Scheme's outstanding derivative contracts at the year-end aggregated by key characteristics is set out below:

THE PILKINGTON SUPERANNUATION SCHEME

(i) OTC swaps

Nature	2024 Principal	Expires	Fair Value	
			Asset	Liability
	£'000		£'000	£'000
Interest rate swaps	810,097	2027-2071	62,098	(67,434)
Total return swaps	11,000	2025-2025	-	(1,492)
Inflation swaps	117,000	2025-2065	6,319	(5,480)
Currency swaps	25,443	2025-2050		(2,417)
Total 2024	963,540		68,417	(76,823)
Total 2023	1,195,435		72,704	(71,728)

At the end of the year the Scheme held collateral in the form of bonds and cash of £24,172,000 in respect of OTC Swaps (2023: £18,788,000) and had posted collateral in the form of bonds of £31,395,000 (2023: £15,175,000)

(ii) Gilt futures

Contract	2024 Nominal £'000	expires within	Net Asset £'000	Net Liability £'000
UK Fixed income futures	2,587	3 months	-	(47)
Overseas fixed income futures	4,515	3 months	48	-
Total 2024			48	(47)
Total 2023			170	(1,127)

(iii) Forward FX

Currency Forward exchange contracts entered into for the purpose of hedging				
Contract	Number of contracts	GBP Nominal £'000	Net Asset £'000	Net Liability £'000
Sell GBP for USD	1	4,578	56	-
Total 2024			56	-
Total 2023			-	(35)

14 AVC Investments

The Trustee holds assets invested separately from the main Scheme to secure additional benefits on a money purchase basis for those members electing to pay Additional Voluntary Contributions.

Members participating in this arrangement each receive an annual statement made up to 31 December confirming the amounts held to their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

THE PILKINGTON SUPERANNUATION SCHEME

	2024	2023
	£'000	£'000
Utmost Life and Pensions Limited	70	122
Prudential	396	420
	466	542

15 Fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities which the entity can access at the assessment date.

Level 2 Inputs other than quoted prices included within Level 1 which are observable (i.e. developed for the asset or liability either directly or indirectly).

Level 3 Inputs which are unobservable (i.e. for which market data is unavailable) for the asset or liability.

A fair value measurement is categorised in its entirety on the basis of the lowest input which is significant to the fair value measurement in its entirety.

The value of other pooled investment vehicles which are unquoted or not actively traded on a quoted market is estimated by the Trustee. Where the value of the pooled investment vehicle is primarily driven by fair value of its underlying assets, the net asset value advised by the fund manager is normally considered a suitable approximation to fair value unless there are restrictions or other factors which prevent realisation at that value, in which case adjustments are made. No such adjustments have been made to the valuations at 31 December 2024 or 31 December 2023.

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

	At 31 December 2024			
	Level (1)	Level (2)	Level (3)	Total
	£'000	£'000	£'000	£'000
Bonds	-	737,927	-	737,927
Pooled investment vehicles	-	223,943	69,098	293,041
Derivatives	1	(2,362)	(5,988)	(8,349)
Insurance policy	-	-	(37,800)	(37,800)
Buy-in policies	-	-	244,500	244,500
AVC investments	-	466	-	466
Cash	4,854	-	-	4,854
Other investment balances	6	(148,124)	-	(148,118)
	4,861	811,850	269,810	1,086,521

THE PILKINGTON SUPERANNUATION SCHEME

	At 31 December 2023			
	Level (1)	Level (2)	Level (3)	Total
	£'000	£'000	£'000	£'000
Bonds	-	838,085	-	838,085
Pooled investment vehicles	-	212,193	70,228	282,421
Derivatives	(957)	(1,711)	2,652	(16)
Insurance policy	-	-	(28,500)	(28,500)
Buy-in policies	-	-	280,700	280,700
AVC investments	-	542	-	542
Cash	9,004	-	-	9,004
Other investment balances	177	(161,403)	-	(161,226)
	8,224	887,706	325,080	1,221,010

16 Investment risk disclosures

FRS 102 requires the disclosure of information in relation to certain investment risks.

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustee determines its investment strategy after taking advice from a professional investment adviser. The Scheme has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustee manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustee by regular review of the investment portfolio.

	Total		Nature of risk			
	2024	2023	currency	credit	interest	other
	£'000	£'000				
Bonds	737,927	838,085	P	S	S	X
Pooled investment vehicles	293,041	282,421	P	P	S	S
Derivatives	(8,349)	(16)	S	P	S	P
Insurance policy	(37,800)	(28,500)	X	S	X	S
Buy-in policies	244,500	280,700	X	S	X	S
AVC investments	466	542	X	P	X	P
Cash	4,854	9,004	P	S	X	X
Other investment balances	(148,118)	(161,226)	X	P	X	X

THE PILKINGTON SUPERANNUATION SCHEME

In the above tables, the risk noted affects the asset class

S Significantly

P Partially

X Hardly/ not at all.

Further information on the Trustee's approach to risk management, credit and market risk is set out below.

(i) Investment strategy

The investment objective of the Scheme is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the Scheme payable under the Trust Deed and Rules as they fall due.

The Trustee sets the investment strategy taking into account considerations such as the strength of the employer covenant, the long-term liabilities of the Scheme and the funding agreement with the Employer. The investment strategy is set out in its Statement of Investment Principles (SIP).

The current strategy is to hold:

- 83% in investments that move in line with the long-term liabilities of the Scheme. This is referred to as LDI and comprises UK Government bonds, pooled investment vehicles, buy-in policies, interest and inflation rate swaps and secure income alternatives, the purpose of which is to hedge against the impact of interest rate and inflation movements on long-term liabilities.
- 17% in return seeking investments comprising pooled investment vehicles to give exposure to global equities and infrastructure equity.

(ii) Credit risk

The Scheme is subject to credit risk because the Scheme directly invests in bonds and OTC derivatives, has cash balances and enters into repurchase agreements. The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

A summary of exposures to credit risk is given in the following table and the notes below explain how this risk is managed and mitigated for the different classes:

	2024	2023
	£000	£000
Bonds	737,927	838,085
Pooled investment vehicles (direct risk only)	293,041	282,421
Derivatives – assets	68,521	72,874
Derivatives – liabilities	(76,870)	(72,890)
Insurance policy	(37,800)	(28,500)
Buy-in policies	244,500	280,700
AVC investments	466	542
Repurchase agreements	(153,985)	(167,908)
Cash	4,854	9,004
Accrued investment income	5,867	5,935

Credit risk arising on bonds held directly is mitigated by investing in government bonds where the credit risk is minimal, or quasi-governmental bonds.

THE PILKINGTON SUPERANNUATION SCHEME

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter. OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. The credit risk for OTC swaps is reduced by collateral arrangements (see note 13(i)). Credit risk also arises on forward foreign currency contracts. There are no collateral arrangements for these contracts but all counterparties are required to be at least investment grade. This is the position at the year-end and at the previous year-end.

Cash is held within financial institutions which are at least investment grade credit rated. This is the position at the year-end and at the previous year-end.

Credit risk on repurchase agreements and the longevity insurance policy are mitigated through collateral arrangements.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustee carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitors any changes to the operating environment of the pooled manager.

A summary of pooled investment vehicles by type of arrangement is as follows:

	2024	2023
	£'000	£'000
Unit Linked insurance	217,329	206,774
Authorised unit trusts	33,851	34,396
Open ended investment companies	37,021	37,900
Close or semi-open ended	398	417
Exchange traded fund	4,442	2,934

The Scheme is also subject to direct credit risk arising from its investment in buy-in policies with PIC. This is mitigated by the fact that PIC is regulated by the Prudential Regulation Authority and the payments due under the policies are protected 100% by the Financial Services Compensation Scheme.

The information about exposure to and mitigation of credit risk above applied at the current and previous year end.

(iii) Currency risk

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets, either as segregated investments or via pooled investment vehicles. This risk is mitigated by the purchase of forward foreign currency contracts and by investing in a fund which is hedged back to sterling. The net currency exposure at the current and previous year-ends was:

	Direct exposure	Indirect exposure	hedging	2024	2023
	£'000	£'000	£'000	Net exposure after hedging	Net exposure after hedging
	£'000	£'000	£'000	£'000	£'000
Euros	499	35,179	(17,800)	17,878	50,142
US dollars	2,217	95,633	(29,127)	68,723	118,151
Other currencies	-	73,569	(20,956)	52,613	96,555
Total	2,716	204,381	(67,883)	139,214	264,848

THE PILKINGTON SUPERANNUATION SCHEME

(iv) Interest rate risk

The Scheme is subject to interest rate risk because some of the Scheme's investments are held in bonds and interest rate swaps (either as segregated investments or through pooled vehicles) and cash. The Trustee has set a benchmark for total investment in bonds, buy-in, secure income alternatives and interest rate swaps of 83% of the total investment portfolio, as part of its LDI investment strategy. Under this strategy, if interest rates fall, the value of LDI investments will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the LDI investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate. At the year end the LDI portfolio represented 79.8% of the total investment portfolio (2023 82.8%). The proportion of liabilities hedged is higher than the proportion of assets allocated to hedging due to the use of derivatives.

(v) Other price risk

Other price risk arises principally in relation to the Scheme's return seeking portfolio which includes equities, property and reinsurance held in pooled vehicles. The Scheme has set a target asset allocation of 17% of investments being held in return seeking investments. The actual allocation at the year-end was 20.2% (2023: 17.2%).

The Scheme manages this exposure to overall price movements by constructing a diverse portfolio of investments across various markets.

Longevity risk arises on the pricing of the longevity swap and buy-in policies. These policies are designed to mitigate the longevity risk arising on the liabilities.

17 Self investment

There was no direct employer-related investment as at 31 December 2024 or 2023. The Scheme had no indirect holdings in NSG through its pooled investment vehicles at 31 December 2024 or 2023.

18 Current assets

	2024	2023
	£'000	£'000
Contributions due from employer	-	51
Cash balances	5,109	6,455
Other debtors	20	16
	5,129	6,522

19 Current liabilities

	2024	2023
	£'000	£'000
Unpaid benefits	1,402	1,543
Investment management expenses	463	441
Other accrued expenses	64	82
	1,929	2,066

THE PILKINGTON SUPERANNUATION SCHEME

20 Related party transactions

i) Transactions relating to Trustee Directors

The Scheme has received contributions (included in note 5) in respect of 4 Directors of the Trustee who are also contributing members of the Scheme (2023: 3).

The Scheme has paid benefits (included in note 6) to 6 Directors of the Trustee who are also beneficiaries of the Scheme (2023: 6).

All of the above transactions are in accordance with the Rules of the Scheme.

The Trustee Directors received total fees of £97,000 (2023: £86,000) from Pilkington Group Limited for their services to the Scheme.

ii) Transactions with other related parties

Administration and accountancy services were provided and paid for by Pilkington Group Limited. Pilkington Group Limited also contributed £538,000 (2023: £693,000) towards investment management expenses.

The Scheme has received contributions (included in note 5) in respect of the company secretary of the Trustee who is a contributing member of the Scheme.

21 Concentration of investments

The following investments represent more than 5% of the net assets of the Scheme at the year end or prior year end:

	2024	2023
LGIM managed – Adaptive Cap Equity	13.2%	11.3%
LGIM managed – Infrastructure Equity	6.7%	5.6%
PIC – annuity policies	22.4%	22.9%

22 Contingencies and commitments

Other than the liability to pay future pensions and GMP (see below), there were no material contingent liabilities of the Scheme at 31 December 2024 or at 31 December 2023.

During 2023 the Trustee completed a bulk exercise to uplift pensions where required in accordance with the High Court judgement of 26 October 2018 involving the Lloyds Banking Group's defined benefit pension schemes and paid arrears where historic pensions would have been higher to a member of the opposite sex. There were some members who could not be equalised as part of the main exercise. The vast majority of those outstanding members were paid arrears and had their pensions uplifted as applicable in March 2025. The cost of arrears was £736,000 but is not recognised in these accounts because it is considered immaterial. It will be included in the accounts for 2025.

On 20 November 2020 the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group's pension schemes. This latest judgment confirms that defined benefit schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The impact of this court case will be considered by the Trustee and decisions will be made as to the next steps. It is not possible to estimate the cost of any rectification adjustments at this time.

THE PILKINGTON SUPERANNUATION SCHEME

23 Macroeconomic events

During 2024, geopolitical issues (such as Russia's ongoing war in Ukraine, the conflict in Gaza and elections in many countries) have had an impact on domestic and global economies, with disruption and volatility in the financial markets. The Trustee, in conjunction with its advisers, monitors the situation closely and determines any actions that are considered to be necessary. This includes monitoring the Scheme's investment assets, the operational impact on the Scheme and the covenant of the Company. The extent of the impact on the investment assets, including financial performance, will depend on future developments in financial markets and the overall economy, all of which are uncertain and cannot be predicted.

THE PILKINGTON SUPERANNUATION SCHEME

PILKINGTON SUPERANNUATION SCHEME

SCHEDULE OF CONTRIBUTIONS

Introduction

This schedule of contributions is required by section 227 of the Pensions Act 2004. It comes into effect on the date of its certification by the Scheme Actuary and covers the period to the fifth anniversary of the date of certification. The Trustee is responsible for preparing a revised schedule no later than 31 March 2028.

Participating Employers

This schedule covers contributions to the Scheme from all employers who participate in the Scheme from time to time.

Employer Contributions

The participating employers will contribute to the Scheme as follows:

Type	Amount
Regular	<ul style="list-style-type: none">16.0% of Pensionable Salaries in respect of Higher Accrual Members12.5% of Pensionable Salaries in respect of Lower Accrual Members <i>Note: The above contributions are payable in respect of all members (including PEPS members, for whom the contributions below are payable in addition).</i>
PEPS top-up	Over the period to 31 December 2024: <ul style="list-style-type: none">11.9% of Salaries in respect of PEPS Members Over the period from 1 January 2025: <ul style="list-style-type: none">16.7% of Salaries in respect of PEPS Members

The participating employers will ensure that the Trustee receives the above contributions within 19 days of the end of the calendar month to which the contributions relate.

Employee Contributions

Employees who are active members of the Scheme will contribute to the Scheme as follows (see "Salary Sacrifice Arrangement" below):

Type	Amount
Regular	<ul style="list-style-type: none">8.0% of Pensionable Salaries in respect of Higher Accrual Members5.5% of Pensionable Salaries in respect of Lower Accrual Members

These amounts do not include members' Additional Voluntary Contributions.

The employers will ensure that the Trustee receives the contributions payable by their employees within 19 days of the end of the calendar month in which the contributions were deducted from the employees' salaries.

Salary Sacrifice Arrangement

Active members who participate in the Salary Sacrifice arrangement will not pay contributions to the Scheme (except possibly AVCs). Instead participating employers will contribute an additional amount to the Scheme on the members' behalf equal to the contributions the members would have paid had they not participated in the Salary Sacrifice Arrangement.

THE PILKINGTON SUPERANNUATION SCHEME

Expenses

The costs of administration, professional fees, the Pension Protection Fund levy and other levies are met directly by the employers and do not appear on this schedule.

Signed on behalf of Pilkington Brothers Superannuation Trustee Limited

Name: Joanne Miller



Brian Bonney



Position: Secretary

Trustee

Date: 9 January 2025

9 January 2025

Signed on behalf of Pilkington Group Limited

Name: Iain Smith



Position: Director

Date: 9 January 2025

Note: Pilkington Group Limited has been nominated as the employers' representative for this purpose.

THE PILKINGTON SUPERANNUATION SCHEME

Certification of schedule of contributions

Pilkington Superannuation Scheme

Adequacy of rates of contributions

I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 December 2023 to continue to be met for the period for which the schedule is to be in force.

Adherence to statement of funding principles

I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles effective from 8 January 2025.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature



Date

9 January 2025

Name

Jane Curtis

Qualification

Fellow of the Institute and Faculty of Actuaries

Address

Verulam Point
Station Way
St Albans
AL1 5HE

Name of employer

Aon Solutions UK Limited

THE PILKINGTON SUPERANNUATION SCHEME

Certificate of technical provisions


Actuarial certificate given for the purposes of Regulation 7(4)(a) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005

Name of scheme: Pilkington Superannuation Scheme

Calculation of technical provisions

I certify that, in my opinion, the calculation of the scheme's technical provisions as at 31 December 2023 is made in accordance with regulations under section 222 of the Pensions Act 2004.

The calculation uses a method and assumptions determined by the Trustee of the Scheme and set out in the statement of funding principles effective from 8 January 2025.

Signature	<div><div>Signed by:</div><div></div><div>99934163C6F246D...</div></div>	Date 9 January 2025
Name	Jane Curtis	
Employer	Aon Solutions UK Limited	
Qualification	Fellow of the Institute & Faculty of Actuaries	
Address	Aon Solutions UK Limited Verulam Point Station Way St Albans Hertfordshire AL1 5HE	

THE PILKINGTON SUPERANNUATION SCHEME

Implementation Statement for year 31 December 2024

1) Overview

This document is the Annual Implementation Statement (the "statement") prepared by the Trustee of the Pilkington Superannuation Scheme (the "Scheme") covering the Scheme year to 31 December 2024.

The purpose of this statement is to:

- set out the extent to which, in the opinion of the Trustee, the engagement policy under the Scheme's Statement of Investment Principles ("SIP") has been followed during the year
- describe the voting behaviour by, or on behalf of, the Trustee over the year.

A copy of this statement will be made available on the following website alongside the most recent SIP, which was formally adopted by the Trustee in September 2023. The SIP was later reviewed in June 2024 in accordance with the Trustee's policy of reviewing the SIP on an annual basis although no changes were made.

<https://www.pilkington.com/en-gb/pilkington-superannuation-scheme/key-documents>

2) Adherence to the Trustee's engagement and voting policies

The Trustee has agreed a funding plan with the Company and developed a consistent de-risking investment strategy. The Scheme has achieved full funding on the Technical Provisions basis (gilts + 0.5% pa) and no recovery plan is needed at the present time. The Trustee and the Company have also agreed a Secondary Funding Target (achieving a funding ratio of 100% on a gilts flat basis) with the intention to achieve this within the period of 2021-2026. As at 31 December 2024, this funding target has been reached with a funding level in excess of 100% attained on the gilts flat basis.

The investment policy is structured to support this objective. The Trustee maintains a diversified allocation portfolio with 5 components; Equity, Alternative Beta, high-quality long-term Credit, Illiquids and LDI (Liability Driven Investments).

The Trustee believes that the Scheme's assets have been invested in line with these objectives over the year.

Engagement policy

The Trustee's policies in relation to engagement are set out in the SIP and are as follows:

- The selection, retention and realisation of the Scheme's underlying investments will, where applicable, be delegated to the Investment Managers, this includes relevant matters including capital structure of investee companies, actual and potential conflicts, other stakeholders and ESG impact of underlying holdings. Matters of corporate governance in general, and voting in particular, are integral parts of that delegation.
- The Trustee encourages the Investment Managers to (where practical) vote on all resolutions at annual or extraordinary general meetings of companies in which the Scheme invests. Investment Managers should exercise any voting power with the objective of preserving and enhancing long-

THE PILKINGTON SUPERANNUATION SCHEME

term shareholder value. The Trustee accepts that, in general, Investment Managers may often choose to support and vote with incumbent company management; therefore "exception reporting" is expected.

- The Trustee has asked Investment Managers to report exceptions to the Stewardship Code. The Stewardship Code should be followed in so far as it is possible to do so without restricting the investment decisions being taken. Significant shareholder action other than voting against incumbent management (for example, the acceptance of a hostile take-over bid) should also be reported. An immediate report to the Trustee may be appropriate where an issue is particularly contentious or topical.

In September 2021, the Trustee carried out a Sustainable Investment beliefs exercise which aimed to better understand the Trustee's views on the significance of ESG factors, including climate, in investment. These beliefs are due to be reviewed during 2025.

In September 2023 the SIP was updated to include the Trustee's stewardship priorities that were identified during the beliefs exercise. These priorities are set out in the next section.

The Trustee conducts formal reviews of the Scheme's Investment Managers at least annually to ensure that their investment approach is robust, long-term focussed and sustainable – the last such review took place in November 2024. The Trustee informs Investment Managers of the Trustee's Stewardship and Engagement policy when they are first appointed and provides updates to them as required.

A periodic Sustainable Investment report is produced by the Investment Consultant and enables the Trustee to monitor the Investment Managers' considerations of ESG factors and stewardship. The last such report was delivered in November 2024. Should the Trustee's monitoring process reveal that a manager's portfolio is not aligned with the Trustee's policies, the Trustee will engage with the manager further to encourage alignment.

Through its monitoring processes, the Trustee has not identified any significant non-adherence to the policies outlined in the SIP, and therefore no remedial actions have been required in the year.

Stewardship priorities

The Trustee has selected two stewardship priorities against which they will assess the voting and engagement activities relating to their investments. The Trustee aims to understand and review all voting activity undertaken on its behalf; however, it is felt that focusing on these areas in greater detail is consistent with the Trustee's beliefs and ensures Scheme resources are used in the most effective and efficient way possible. These priorities are:

- 1.1 Climate change action which would support sustainable investment outcomes over the longer term.
- 1.2 Board effectiveness through instilling an ethical culture considering both human capital and human rights.

Whilst these priorities have been identified, the Trustee reiterates that its primary duty is to pay member benefits as they fall due.

3) Voting information and portfolio turnover

Voting is delegated to the Scheme's investment managers, in particular to LGIM who manage the equity and listed infrastructure mandates. Voting data has been provided below for all applicable funds that were held at some point during the Scheme year, including those that have since been terminated.

The Scheme's investment managers have their own voting policies which determine their approach to voting, and the principles they follow when voting on investors' behalf. The Scheme's investment

THE PILKINGTON SUPERANNUATION SCHEME

managers also use voting proxy advisors which aid in their decision-making when voting. Details are summarised in the table below:

Manager	Use or proxy advisor services:
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services' (ISS) 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. To ensure their proxy provider votes in accordance with their position on ESG, they have put in place a custom voting policy with specific voting instructions.

The below table sets out the voting activity of the Scheme's equity investment managers, on behalf of the Trustee, over the year (unless stated otherwise):

Fund	Voting activity
LGIM - MSCI ACWI Adaptive Cap with ESG Index Fund	<p>Number of meetings at which the manager was eligible to vote: 3,106</p> <p>Number of resolutions on which manager was eligible to vote: 35,924</p> <p>Percentage of eligible votes cast: 99.66%</p> <p>Percentage of votes with management: 78.39%</p> <p>Percentage of votes against management: 20.21%</p> <p>Percentage of votes abstained from: 1.39%</p> <p>Percentage of meetings voted at least once against management: 68.70%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 13.78%</p>
LGIM – Infrastructure Equity MFG Fund -GBP Currency Hedged	<p>Number of meetings at which the manager was eligible to vote: 94</p> <p>Number of resolutions on which manager was eligible to vote: 1,174</p> <p>Percentage of eligible votes cast: 98.55%</p> <p>Percentage of votes with management: 72.60%</p> <p>Percentage of votes against management: 26.53%</p> <p>Percentage of votes abstained from: 0.86%</p> <p>Percentage of meetings voted at least once against management: 89.36%</p> <p>Of the resolutions where the manager voted, the percentage where the manager voted contrary to the recommendation of the proxy adviser: 22.56%</p>

Totals may not sum due to rounding.

THE PILKINGTON SUPERANNUATION SCHEME

The following table outlines how the investment managers define significant votes and details on significant votes cast by the Scheme's investment managers on the Trustee's behalf over the Scheme year.

Manager	Definition of significant vote	Most significant votes cast
LGIM	<p>In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA) guidance. This includes but is not limited to:</p> <ul style="list-style-type: none"> • High profile vote which has such a degree of controversy that there is high client and/or public scrutiny; • Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote; • Sanction vote as a result of a direct or collaborative engagement; • Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes. 	<p>Target Corporation</p> <p>Date: 12 June 2024</p> <p>% of Fund: 0.2% (MSCI ACWI Adaptive Cap with ESG Index Fund)</p> <p>Proposal: Establish a Company Compensation Policy of Paying a Living Wage</p> <p>Instruction: For</p> <p>Rationale: LGIM state a vote in favour is applied as they would encourage the company to establish a compensation policy that ensures employees earn a living wage. LGIM note that paying a living wage may reduce the potential negative financial impacts that stem from low worker morale, poor health, absenteeism, presenteeism, high staff turnover etc.</p> <p>Broadcom Inc.</p> <p>Date: 22 April 2024</p> <p>% of Fund: 0.3% (MSCI ACWI Adaptive Cap with ESG Index Fund)</p> <p>Proposal: Elect Director Henry Samueli</p> <p>Instruction: Against</p> <p>Rationale: LGIM state that a vote against is applied as the company is deemed to not meet minimum standards with regard to climate risk management.</p> <p>National Grid Plc</p> <p>Date: 10 July 2024</p> <p>% of Fund: 3.0% (Infrastructure Equity MFG Fund)</p> <p>Proposal: Approve Climate Transition Plan</p> <p>Instruction: For</p>

THE PILKINGTON SUPERANNUATION SCHEME

		Rationale: LGIM is voting in favour of the National Grid Climate Transition plan. They state that they commend the company's efforts in committing to net-zero emissions across all scopes by 2050 and setting 1.5C-aligned near term science-based targets. They also appreciate the clarity provided in the 'Delivering for 2035 report' and look forward to seeing the results of National Grid's engagement with SBTi regarding the decarbonisation of heating.
--	--	---

The following table outlines the level of turnover for each of the Scheme's investments where data is available. Managers were asked to provide this information for the 12 months to 31 December 2024 using the SEC's preferred methodology (Lesser of: the value of purchases or the value of sales /Average annual market value).

The Trustee has reviewed this information and overall is comfortable that the level of turnover is in line the expected ranges for the relevant asset classes and there are no significant deviations.

Fund	Portfolio Turnover 2024
LGIM – MSCI ACWI Adaptive Cap with ESG Equity Fund*	26.1%
LGIM – Infrastructure Equity MFG Fund - GBP Currency Hedged*	26.6%
Insight Liability Driven Investment Portfolio	0.4%
AXA Buy & Maintain Credit Portfolio	2.3%
Aviva Lime Property Fund	5.6%
Alpha Real Index Linked Income Fund	0.0%

*LGIM data is reported for the period 01/10/2023 – 30/09/2024.

4) Summary

The Trustee believes that the Scheme's engagement and voting policies, as outlined in the SIP, have been adhered to over the Scheme year.

Following monitoring of the Scheme's investment manager over the year, and reviewing the voting information outlined in this statement, the Trustee is satisfied the Scheme's investment managers are acting in the best interest of the Scheme's members and are effective stewards of the Scheme's assets.

The Trustee will continue to monitor the investment managers' stewardship practices on an ongoing basis.