THE PEOPLE’S DISPENSARY FOR SICK ANIMALS
RETIREMENT BENEFITS PLAN (1978)

Annual Report
31 December 2025

Scheme Registration Number: 10133971

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PRINCIPAL EMPLOYER

The People's Dispensary for Sick Animals (PDSA) ('the Employer' / 'the Society')

TRUSTEE

Whitechapel Associates Limited

TRUSTEE DIRECTORS

Robert Beck (Member nominated Director from 18 June 2025)
Ian Phoenix (Chair, PDSA appointed)
Dan Shrimpton (Member-nominated) (resigned 12 June 2025)
Lloyd Hughes (PDSA appointed) (appointed 5 June 2025 and resigned 27 March 2026)
Richard Crowe (PDSA appointed) (appointed 27 March 2026)

ADDRESS FOR GENERAL AND BENEFIT ENQUIRIES

Karen Waters-Hewitt
PDSA
Whitechapel Way
Priorslee
Telford
Shropshire
TF2 9PQ
waters-hewitt.karen@pdsa.org.uk

PLAN ACTUARY

Peter Carver
Hymans Robertson LLP
One London Wall
London
EC2Y 5EA

ADMINISTRATION SERVICES

Hymans Robertson LLP
One London Wall
London
EC2Y 5EA

INVESTMENT ADVISERS

Barnett Waddingham LLP
St James' House
St James' Square
Cheltenham
GL50 3PR

SOLICITORS

Eversheds Sutherland (International) LLP
One Callaghan Square
Cardiff
CF10 5BT

INVESTMENT MANAGERS

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London
EC2N 2DL

Insight Investment Management (Global) Limited
160 Queen Victoria Street
London
EC4V 4LA

Pictet Asset Management Limited
Moor House
120 London Wall
London
EC2Y 5ET

Barings International Fund Managers (Ireland) Limited
Brown Brothers Harriman & Co
50 Post Office Square
Boston
MA
02100

Arcmont Asset Management Limited
77 Grosvenor Street
London
W1K 3JR

Janus Henderson Investors
PO Box 9023
Chelmsford
CM99 2WB

BUY-IN PROVIDER

Aviva
PO Box 3331
Norwich
NR1 3WH

AVC INVESTMENT MANAGERS

Prudential
Lancing Business Park
Lancing
BN15 8GB

ReAssure Life
Windsor House
Telford Centre
Overdale
Telford
TF3 4NB

BANKERS

Barclays Bank Plc
Leicester
LE87 2BB

AUDITOR

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

CUSTODIANS*

Custodian of the assets held with BlackRock Dynamic Diversified Growth Fund is:
J.P. Morgan Administration Services (Jersey) Limited
4th Floor, Ensign House
29 Seaton Place
Jersey
JE23QL

Custodian of the assets held with BlackRock iShares Emerging Market Index Fund is:
J.P. Morgan Administration Services (Ireland) Limited
J.P. Morgan 200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2
Ireland
D02 RK57

Custodian of the assets held with Insight Investment Management (Global) Limited and in the BlackRock ACS World ESG Equity Tracker Fund is:
Northern Trust
50 Bank Street
Canary Wharf
London
E14 5NT

CUSTODIANS* (continued)

Custodian of the assets held with Pictet Asset Management Limited is:
Pictet & Cie (Europe) SA
6th Floor
5 Stratton Street
London
W1J 8LA

Custodian of the assets held with Arcmont Asset Management Limited and Janus Henderson Investors is:
BNP Paribas
Waterloo Court
37 Waterloo Street
Birmingham
B2 5TB

Custodian of the assets held with Barings Global Special Situations Credit 3 and Barings Global Special Situations Credit 4 is:
Brown Brothers Harriman (Luxembourg) S.C.A.
80 Route d'Esch,
L-1470
Luxembourg

*These are not directly appointed by the Plan.

The Trustee of The People's Dispensary For Sick Animals Retirement Benefits Plan (1978) ('RBP'/'Plan') presents its report and the audited financial statements for the year ended 31 December 2025, together with reports from the Plan's Actuary and Investment Managers. The financial statements have been prepared and audited in accordance with regulations made under Section 41 (1) and (6) of the Pensions Act 1995. The purpose of the report is to describe how the Plan and its investments have been managed during the year.

INTRODUCTION

Constitution of the Plan

The Employer provides a defined benefit scheme governed by a Trust Deed dated 18 June 1979, as amended from time to time for members who joined the Plan or were categorised as Eligible Employees on or before 4 June 2006. On 5 June 2006, the Plan closed to new joiners and on 5 April 2019, the Plan closed to future accrual. All new employees are now automatically enrolled into the Employer's Group Personal Pension Plan, if eligible.

The Plan is registered with HM Revenue & Customs. The Trustee knows of no reason why the status should be withdrawn or compromised.

The Plan is registered with The Pensions Regulator and prior to 6 April 2016 members were contracted out of the State Second Pension ('S2P'), formerly the State Earnings Related Pension Scheme ('SERPS').

Management of the Plan

The Trustee is a Corporate Trustee Company, Whitechapel Associates Limited ('the Trustee'). The Trustee Directors of Whitechapel Associates Limited can be found on page 2 of this report.

Under the Rules of the Plan, as well as a deed dated 10 October 2017 between PDSA and Whitechapel Associates Limited, Trustee Directors are appointed and may be removed by the Society, subject to the relevant Sections of the Pensions Act 2004 in respect of Member Nominated Trustees.

PDSA appointed Trustee Directors can serve as a Trustee Director until such time as he or she resigns, leaves the service of PDSA or retires from Council.

At least one third of the Trustee Directors are nominated by the Plan members. Member Nominated Trustee Directors (MND) may, subject to the agreement of the other Trustee Directors, remain in office until such a time as he or she resigns or leaves the service of PDSA. The exception to this is if the Member Nominated Trustee Director leaves active service due to retirement and becomes an immediate pensioner member of the Plan. A MND may be removed if all the other Trustee Directors agree that this is the best course of action.

During the period, Dan Shrimpton resigned as a Member Nominated Trustee Director effective from 12 June 2025 due to leaving the service of PDSA. Prior to Dan's resignation, the Trustee wrote to the members asking for nominations for the vacant position. No nominations were received and as a result the Trustee resolved on 18 June 2025 that Robert Beck would step down as a PDSA appointed Trustee and be appointed in the vacant Member Nominated Trustee role. Additionally, Lloyd Hughes was appointed as a PDSA Trustee Director of Whitechapel Associates Limited on 5 June 2025 and he was replaced by Richard Crowe on 27 March 2026.

During the year the Trustee met four times for scheduled board meetings. All decisions are taken by simple majority with the Chair having the casting vote.

Guaranteed Minimum Pension ('GMP') Equalisation

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded that schemes should be amended to equalise pension benefits for men and women in relation to GMP benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. Under the ruling schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

The above judgment did not address transfers out which were subject to a second hearing which took place in May and October 2020. The judgment was handed down on 20 November 2020 and concluded the schemes should apply equalisation to historical transfers out. The scheme has experienced historical transfers out which may be subject to adjustment.

The Trustee of the Plan underwent training on the implications and next steps in November 2023 and held further discussions during 2024. The Trustee held its initial meeting to discuss the GMP Equalisation project on 29 January 2025 and agreed the equalisation methodology with the Society in the meeting held on 4 December 2025, subject to legal review.

Based on an initial assessment of the likely backdated amounts and related interest, the Trustee does not expect these to be material to the financial statements. They will be accounted for in the year they are determined.

Virgin Media

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023 considered the implications of section 37 of the Pension Schemes Act 1993. Section 37 of the Pension Schemes Act 1993 only allowed the rules of contracted-out schemes in respect to benefits, to be altered where certain requirements were met. The court decision was subject to appeal which was subsequently heard on 25 July 2024 and the original decision upheld.

On 5 June 2025, the Department for Work & Pensions indicated that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

Whilst the further legislation is awaited, based on a high-level review only (and their understanding of the current position), the Trustee has concluded from the guidance received from its Plans advisors, that there does not appear to be any adverse implications for the Plan.

Transfers

All transfer values paid to other pension schemes during the year were calculated and verified by the Plan's Actuary or calculated in accordance with instructions prepared by him, in accordance with statutory regulations. No discretionary payments were taken into account in calculating cash equivalents for transfer purposes. No transfers were reduced lower than their cash equivalent value.

An agreement was made by the Trustee, as of November 2007, to cease acceptance of transfers in from other schemes.

MEMBER COMMUNICATION

Member Update and Summary Funding Statement

During the year, the Trustee produced a member update covering the year ended 31 December 2024 in recognition of the importance of good member communication. It was designed to keep members up to date with events affecting the Plan and its financial development. It also included a Summary Funding Statement.

KNOWLEDGE AND UNDERSTANDING

The Pensions Act 2004 requires the Trustee Directors to have knowledge and understanding of pensions legislation, investments, the Plan's Trust Deed and Rules, the Statement of Investment Principles, the Statement of Funding Principles and other documentation which sets out administration policy in relation to the Plan. The Pensions Regulator has issued a Code of Practice in respect of this.

The Trustee Directors regularly assess their knowledge in the areas required under the Act and of the skills required for effective Trusteeship.

Trustee Directors are encouraged to complete the on-line training programme, "The Trustee Toolkit", managed by The Pensions Regulator. Trustee training is also delivered in a number of other ways. Training activity includes: formal training courses run by various providers, attendance at pension conferences, and training by the Plan's adviser(s) at, or ahead of, each Trustee meeting.

The Trustee actively seeks to ensure its management of the Plan complies with "best practice" as expressed in the Code of Practice.

SCHEME EVENTS CALENDAR

The Trustee maintains a Scheme Events Calendar for the Plan which details the key tasks or events planned to take place each year. This assists the Trustee in the on-going management of the Plan and in monitoring the activities of its advisers. The Scheme Events Calendar was reviewed regularly during the year and updated where necessary.

COVENANT OF THE EMPLOYER

The Trustee undertook a formal review of the employer covenant in November 2021, and the Trustee concluded the employer was tending to strong. This review was supported by FRP Covenant Advisory. The Trustee continues to monitor the Covenant of the Employer by reviewing the Society's monthly financial reporting, with the latest assessment at December 2025 being 'tending to strong'.

The Trustee is aware of The Pensions Regulator's Defined Benefit Funding Code of Practice, which came into force in November 2024 and applies to actuarial valuations with effective dates on or after 22 September 2024.

The Code provides guidance on how trustees should comply with statutory funding requirements, including the establishment of a long-term funding and investment strategy. The Trustee will take account of the requirements of the Code in future actuarial valuations and funding discussions.

GENERAL CODE OF PRACTICE

The Pensions Regulator's (TPR) general code of practice came into force on 28 March 2024. The code contains new governance requirements and sets out TPR's expectations of how occupational pension schemes should be managed and the policies, practices and procedures that should be in place. The Trustee Board has undertaken a gap analysis to ensure that all requirements of the general code are satisfied in future. The Trustee continues to carry out a regular formal risk assessment and management review of internal controls. The Risk Register was formally reviewed during the year by the Trustee. The Trustee has adopted a policy of reviewing a category of risk in detail at each Trustee meeting in conjunction with its advisers and updating and refining the register as a result of these reviews. The Trustee is on track to complete its Own Risk Assessment by 31 December 2026.

ANTI-BRIBERY & CORRUPTION

Following the introduction of the Bribery Act 2010, which came into force on 1 July 2011, and the Trustee risk assessment, which indicates that there is a low risk of bribery and corruption associated with the Plan, the Trustee has put measures to counter bribery and corruption in place. A statement on the Trustee's approach to the Policy has been developed and is contained within the Conflicts of Interest Policy. The Trustee reviewed this policy in October 2025. The next review is due in September 2026.

CONFLICTS OF INTEREST POLICY

The Trustee has a Conflicts of Interest Policy which is reviewed and monitored regularly. This was last reviewed in October 2025. The next review is due in September 2026. A log of conflicts is maintained as part of the governance procedure.

DISPUTE RESOLUTION PROCEDURE

The Trustee has devised and published a dispute resolution procedure to consider complaints from members or their representatives. Details of the procedure are available from Karen Waters-Hewitt (the Pensions Manager), address as noted on page 2.

DATA CLEANSING EXERCISE

From December 2012, the Pensions Regulator introduced new guidance for pension schemes, regarding member data. All common data such as name, address, date of birth, National Insurance number, membership dates etc. must be present and accurate for 95% of the 'legacy' data (i.e. data created before June 2010) and 100% of 'new' data (i.e. data created after June 2010), or it must be shown that 'reasonable endeavours to resolve inaccurate or missing data are being taken.

The Trustee assess compliance against this guidance and the score as at February 2026 was 99.18% for common data and 53.99% for scheme specific data. The majority of the missing data is available but not held electronically as it is not deemed critical for member calculations.

MEMBERSHIP

The membership of the Plan as at 31 December 2025 was made up as follows:

	2025	2024
Early leavers with deferred benefits	950	1,022
Pensioners (including beneficiaries receiving pensions)	868	834
Total	1,818	1,856

Included within the pensioner figures are 380 (2024: 433) annuitants for whom the Plan has purchased annuity policies in respect of their pension payments.

FINANCIAL REVIEW

The 2025 financial statements, set out later in this Annual Report, provide an overview of the Plan's income, expenditure and its investments.

Details of the performance of the Plan's investments are set out on pages 17 and 18.

FINANCIAL DEVELOPMENT OF THE SCHEME

The fund account shows that the net assets of the Plan increase from £93,617,986 at 31 December 2024 to £99,019,925 at 31 December 2025. Over the year, continued contributions from the Society paired with strong returns on the Plan's growth assets has led to an improvement in the Plan's asset value.

The increase in net assets is accounted for by:

	Total 2025 £	Total 2024 £
Member related income	3,850,000	3,851,833
Member related payments	(5,157,956)	(5,157,220)
Net withdrawals from dealings with members	(1,307,956)	(1,305,387)
Net return on investments	6,709,895	(4,652,450)
Net increase/(decrease) in fund	5,401,939	(5,957,837)
Net assets at start of year	**93,617,986**	**99,575,823**
Net assets at end of year	**99,019,925**	**93,617,986**

PENSION INCREASES

As at July 2025, the pensions in payment were increased in line with the Plan's Rules. All increases were in accordance with the Rules of the Plan or legislative requirements. There were no discretionary increases during the year.

Where appropriate pensions in excess of the Guaranteed Minimum Pension ('GMP') were increased as follows:

- Non GMP accrued prior to 6 April 1997 were increased by 3.2%
- Pensions accrued between 6 April 1997 and 5 April 2006 were increased by 3.2%
- Pensions accrued on or after 6 April 2006 were increased by 2.5%
- Post 1988 GMP pension was increased by 1.7%
- No increase was applied to pre-1988 GMPs.

ACTUARIAL REVIEW

The Fund Account and Statement of Net Assets on pages 26 to 27 do not take account of the liabilities to provide pension benefits which fall due after the year end. In respect of the Plan, these liabilities are considered by the Plan Actuary who carries out an actuarial valuation of such liabilities every three years. This valuation considers the funding position of the Plan and the level of contributions payable.

The most recent actuarial valuation was carried out as at 31 December 2023. In consultation with the Plan Actuary, the Society has agreed to pay deficit funding contributions of £3.4 million per annum with effect from 1 December 2024 to 31 December 2030.

As protection against any downside experience, the Society shall continue to pay £3.4 million per annum from 1 January 2031, payable in equal monthly instalments, until the earlier of:

- 31 August 2032 and
- The end of the month immediately following the event that the Technical Provisions funding level of the Plan has been 100% or greater for two consecutive months (assessed as at the last day of each month).

These contributions will not become payable if the Technical Provisions funding level of the Plan is measured to be 100% or greater on 31 December 2030.

In addition, the Society will also pay a fixed contribution of £450,000 per annum to cover Plan expenses plus the Pension Protection Fund (PPF) and Pensions Regulator levies.

The Plan also has two charges over Society property, which helps support the length of the recovery plan.

The formal actuarial certificate required by statute to be included in this Annual Report from the Scheme Actuary appears on page 43. In addition, as required by FRS 102, the Trustee has included the report on Actuarial Liabilities below.

REPORT ON ACTUARIAL LIABILITIES

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. The technical provisions represent the present value of the benefits members are entitled to, based on pensionable service to the valuation date. This is assessed using the assumptions agreed between the Trustee and the Society and set out in the Statement of Funding Principles, which is available to Plan members on request.

The most recent full actuarial valuation of the Plan was carried out as at 31 December 2023, see below updated figures for 31 December 2024 and 2025.

	31 December 2025	**31 December 2024**	**31 December 2023**
The value of the Technical Provisions was:	£107.9m	£109.5m	£123.5m
The value of the assets at that date was:	£98.2m	£92.9m	£98.1m
Deficit	(£9.7)m	(£16.6)m	(£25.4)m
Funding level	91%	85%	79%

Method

The actuarial method used in the calculation of the expected cost members' past service benefits is an accrued benefits funding method which takes full account of expected future salary growth.

A summary of the key assumptions is shown below.

Financial Assumptions

Discount rate pre and post retirement	Market implied gilt yield curve plus 0.8% pa
RPI increases	Market implied gilt yield curve
CPI increases	RPI curve less 1% p.a. pre 2030 RPI curve less 0% p.a. post 2030
Salary increases	Nil since pensionable salaries have been frozen since June 2016 except for a small handful of non-responders who maintain a salary link. We assume that statutory revaluation is greater than salary increases for these members, so no salary increase assumption is required.
Pension increases	LPI Pension Increases curves derived from RPI, adjusted for the impact of the cap and the floor

REPORT ON ACTUARIAL LIABILITIES (continued)

Demographic Assumptions

Post-retirement longevity base tables	2023 VITA Tables
Pre-retirement longevity base tables	Standard S3NXA tables
Future improvements in longevity	Core CMI 2023 model with an initial addition to improvements ("A parameter") of 0.25% and a long-term rate of improvement of 1.5% p.a. for males and 1.25% p.a. for females.
Early retirements	Allowance is made for early retirement between ages 55-65, broadly in line with observed experience. Benefits are reduced on early retirement in line with the current factors.
Late retirement	No allowance is made for late retirement, although to the extent that members can take some of their benefits unreduced from age 60, a late retirement uplift is applied to those benefits for an assumed retirement age of 65. The benefits that are unreduced from age 60 are service from 17/5/1990 to 5/5/1993 for males who joined pre 1/1/1991 and pre 5/5/1993 service for females who joined pre 1/1/1991. Post 1/1/1991 joiners cannot take any benefits unreduced prior to age 65. Members above normal retirement age are assumed to retire immediately.
Ill health retirements	No allowance
Transfers out	No allowance
Cash commutation	Members are assumed to exchange 70% of the maximum allowable amount of their pension for a cash lump sum at retirement on current commutation terms.
Expenses	The Society contributes £450k pa towards Plan expenses.
Dependants	In line with the analysis from Club VITA: 87% of male members and 53% of females are assumed to have a dependant at retirement or earlier death. Male members are assumed to be 4 years older than their female partners and female members are assumed to be 2 years younger than their male partners.
GMP equalisation	0.70% loading is added to the liabilities for GMP equalisation
Underpin benefit	A separate reserve is calculated for future Underpin biting

Statement of Funding Principles

The latest Statement of Funding Principles was agreed as part of the 31 December 2023 funding valuation and was signed on 29 November 2024. The Statement of Funding Principles sets out the assumptions used for calculating the technical provisions and future contribution requirements for the Plan; this document is available to members on request.

Recovery Plan

A plan to fund the deficit revealed as at 31 December 2023 has been agreed with the Employer and, assuming the assumptions are borne out in practice, the deficit is expected to be removed by 31 August 2032.

Schedules of Contributions

Contributions payable to the Plan during the year ended 31 December 2025 have been received in accordance with the Schedule of Contributions certified on 29 November 2024.

A Schedule of Contributions was agreed as part of the 31 December 2023 funding valuation and was completed and certified by the Plan Actuary on 29 November 2024.

The actuarial certificate certifying the adequacy of the Schedule of Contributions is shown on page 43.

INVESTMENT MANAGEMENT

The Trustee delegates the day-to-day management to professional external investment managers. The Trustee sets the investment strategy for the Plan after taking advice from the Plan's Investment Adviser. The Trustee has put mandates in place with their investment managers which implement this strategy.

In accordance with s35 of the Pensions Act 1995, a Statement of Investment Principles has been prepared by the Trustee which incorporates the investment strategy. A copy of the Statement may be obtained from the Pensions Manager or online: https://pdsarbp.co.uk/resources/. An implementation statement is also produced in line with the regulations and is included at page 44.

INVESTMENT STRATEGY

The investment objective of the Plan 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 Plan 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 Society's covenant, the long-term liabilities of the Plan and the funding agreed with the Society.

Statement of Investment Principles

The Plan's investment policy is set out in the Statement of Investment Principles (SIP), dated July 2023, prepared by the Trustee in accordance with the requirements of section 35 of the Pensions Act 1995, as amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005, as amended by the Occupational Pension Schemes (Investment) (Amendment) Regulations 2010; the Occupational Pension Schemes (Charges and Governance) Regulations 2015; and the Occupational Pension Schemes (Investment) (Amendment) Regulations 2018. A copy of the Statement has been made publicly available at the following address:

https://pdsarbp.co.uk/media/yyyal3ah/statement-of-investment-principles-2023.pdf

More detailed information regarding the Plan's investment strategy is set out in the Statement of Investment Strategy (SIS), which was last reviewed and updated in November 2025.

INVESTMENT STRATEGY (continued)

At the end of the year the investments held were out of line with the SIP, with Alternatives and Multi-Asset Credit being above the strategic allocation and Cash and LDI holdings being below the strategic allocation. The Trustee has put in place a plan to reduce the level of investment risk in the strategy over time as the Plan matures and the cashflow requirements change. From January 2026 to December 2030, the portfolio is expected to gradually move towards a long-term allocation target which is represented in the Statement of Investment Strategy. This will be regularly reviewed against the Plan's funding position.

The allocation to the LDI portfolio will vary as market levels change and the key monitoring the Trustee undertakes is on its overall level of protection. Given the use of leverage within the LDI portfolio the actual allocation (as a % of total assets) can move significantly with market movements, however the aim of the LDI portfolio is to provide hedging versus a specified level of the funded liabilities. The collateral allocation is used as needed when cash is required to be paid in, or is distributed out of, the LDI portfolio due to market movements leading to re- or de-leveraging events. Therefore, the collateral allocation will typically be overweight when the LDI allocation is underweight, as was the case at the accounting date.

Strategy as at 31 December 2025

In September 2025, the Trustee received advice on de-risking the portfolio in light of the Plan reaching its 85% funding trigger, as per the de-risking framework agreed in March 2022. This resulted in the Plan's strategic asset allocation being updated to reduce the target allocation to equities from 15% to 10%, the proceeds of which were invested across the Janus Henderson Multi Asset Credit Fund and the Insight Liquidity Plus Fund.

The Trustee has a strategy to gradually move the Plan's assets towards a defined long-term target portfolio. As at 31 December 2025, the Plan's strategy was to hold:

- 50% in investments that move broadly in-line with the value of the Plan's liabilities. This investment is in LDI and comprises of UK government bonds (gilts), gilt repurchase agreements, interest rate swaps and cash instruments. The purpose of these assets is to hedge against the impact of interest rate and inflation movement on long-term liabilities. As at 31 December 2025, the LDI portfolio had a target to hedge 95% of the Plan's funded liabilities against movements in interest rates and inflation.

- 10% in credit assets, including absolute return bonds and asset backed securities.

- 40% in return-seeking investments comprising UK and overseas equities, diversified growth funds, multi-asset credit and alternative investments.

The Plan has set out target investment allocations in its Statement of Investment Strategy (SIS). The Trustee recognises that the actual allocation will vary over time as a result of market movements.

ESG Investing

The Trustee believes that environmental, social, and governance factors are financially material and therefore has a policy to consider these, alongside other factors, when selecting or reviewing the Plan's investments. Given the maturity profile of the Plan and the objective to fund future member benefits from the Plan's assets as they fall due, the Trustee has a long-term time horizon over which they take into account the financial materiality of ESG factors (including climate change).

INVESTMENT STRATEGY (continued)

ESG Investing (continued)

The Trustee believes it would be good governance to try, wherever reasonably practicable, to ensure their manager selection and existing manager monitoring process can identify investment approaches that can have a positive material impact on both risk and returns allowing for ESG issues.

For the Plan's holdings in the BlackRock ACS World Equity Tracker Fund, the Trustee has chosen to implement a Socially Responsible Investment ("SRI") focused third party proxy voting policy and votes are cast in accordance to this policy using BlackRock's voting infrastructure. This allows the Plan to incorporate a pre-defined voting policy that better reflects the Trustee's beliefs.

The deployment of assets, excluding the insurance policy and AVC investments, over the period is shown in the table below:

Asset Class	**31/12/25 (%)**	**31/12/24 (%)**
BlackRock ACS World ESG Equity Tracker Fund	9.4	15.8
BlackRock iShares Emerging Market Index Fund	1.0	1.8
Insight LDI Portfolio	31.6	31.7
Longer Nominal Fund	7.1	*7.7*
Longer Real Fund	10.7	*11.9*
Shorter Nominal Fund	1.1	*1.2*
Shorter Real Fund	1.7	*2.0*
LDI Partially Funded Gilts 2021-2030	0.2	-
LDI Partially Funded Gilts 2031-2040	0.7	*0.4*
LDI Partially Funded Gilts 2041-2050	2.0	*2.0*
LDI Partially Funded Gilts 2051-2060	2.0	*0.9*
LDI Partially Funded Gilts 2061-2070	0.7	*0.2*
LDI Partially Funded Index Linked Gilts 2021-2030	-	*0.1*
LDI Partially Funded Index Linked Gilts 2031-2040	1.5	*2.1*
LDI Partially Funded Index Linked Gilts 2041-2050	2.2	*1.3*
LDI Partially Funded Index Linked Gilts 2051-2060	1.5	*1.2*
LDI Partially Funded Index Linked Gilts 2061-2070	0.4	*0.7*
Insight ILF GBP Liquidity Plus Fund	5.1	-
Insight Bonds Plus Fund	4.6	4.7
Insight Global ABS Fund	7.2	7.4
Insight Liquid ABS Fund	7.2	7.4
BlackRock Dynamic Diversified Growth Fund	9.0	8.8
Pictet Dynamic Asset Allocation Fund	9.0	8.6
Barings Global Credit Fund 3	2.1	2.4
Barings Global Credit Fund 4	6.4	7.2
Arcmont Direct Lending Fund III	2.7	4.1
Janus Henderson Multi Asset Credit Fund	4.6	-
Cash	0.1	0.1
Total	**100.0**	**100.0**

Source: respective investment managers   Figures may not sum due to rounding.

INVESTMENT STRATEGY (continued)

The day-to-day investment management decisions are made by the investment managers appointed by the Trustee. The table below shows the proportion of the overall portfolio that each manager was responsible for as at 31 December 2025:

Manager	Proportion of portfolio (%)
BlackRock Investment Management (UK) Limited ("BlackRock")	19.5
Insight Investment ("Insight")	55.8
Pictet Asset Management ("Pictet")	9.0
Barings International Fund Managers (Ireland) Limited	8.4
Arcmont Asset Management Limited ("Arcmont")	2.7
Janus Henderson	4.6
Total	**100.0**

The general investment strategy of the investment managers is to achieve steady growth over the medium to long term, subject to an acceptable level of risk. The managers reduce the level of risk by investing in a range of different securities within each investment market.

The Trustee holds an insurance policy of £15.35m (2024: £16.2m) to secure the pensions payable to specified beneficiaries.

Performance

The below table outlines the performance of the Plan's investments for the one-, three- and five-year periods to 31 December 2025. Performance for Insight is shown gross of fees, whilst Pictet, BlackRock, Barings, Arcmont and Janus Henderson performance is net of management fees.

	Last Twelve Months		Last Three Years		Last Five Years	
Investment Sector Fund	**Fund %**	**Index %**	**Fund % p.a.**	**Index % p.a.**	**Fund % p.a.**	**Index % p.a.**
Insight Longer Nominal Fund	1.2	2.0	-11.0	-11.9	-48.8	-50.9
Insight Longer Real Fund	-5.2	-4.8	-14.1	-14.3	-47.1	-47.4
Insight Shorter Nominal Fund	9.2	7.9	-4.5	-7.9	-49.2	-49.4
Insight Shorter Real Fund	-4.8	-4.6	-8.1	-8.8	-43.2	-44.1
Insight LDI Partially Funded Gilts 2021-2030*	5.1	5.0	n/a	n/a	n/a	n/a
Insight LDI Partially Funded Gilts 2031-2040	8.7	9.0	-5.3	-5.4	n/a	n/a
Insight LDI Partially Funded Gilts 2041-2050	2.2	2.5	n/a	n/a	n/a	n/a
Insight LDI Partially Funded Gilts 2051-2060	-0.3	0.0	-15.2	-15.2	n/a	n/a
Insight LDI Partially Funded Gilts 2061-2070	-3.2	-3.0	-17.6	-17.6	n/a	n/a
Insight LDI Partially Funded Index Linked Gilts 2021-2030**	3.7	3.7	n/a	n/a	n/a	n/a
Insight LDI Partially Funded Index Linked Gilts 2031-2040	-7.4	-7.2	-9.0	-9.1	n/a	n/a
Insight LDI Partially Funded Index Linked Gilts 2041-2050	-5.8	-5.6	-14.0	-14.0	n/a	n/a

Insight LDI Partially Funded Index Linked Gilts 2051-2060	-5.1	-5.0	-17.8	-17.8	n/a	n/a
Insight LDI Partially Funded Index Linked Gilts 2061-2070	-4.5	-4.4	-21.1	-21.0	n/a	n/a
Insight Bonds Plus Fund	5.6	4.4	7.1	4.8	5.0	3.2
Insight Global ABS Fund	6.5	4.4	8.4	4.8	4.6	3.2
Insight Liquid ABS Fund	5.3	4.4	5.9	4.8	n/a	n/a
Insight Sterling Liquidity Plus Fund***	0.7	n/a	n/a	n/a	n/a	n/a
BlackRock Dynamic Diversified Growth Fund	12.0	7.6	9.7	7.9	4.2	6.2
Pictet Dynamic Asset Allocation Fund	13.7	8.7	10.4	9.0	6.5	7.3
BlackRock iShares Emerging Market Index Fund	24.0	25.1	n/a	n/a	n/a	n/a

	Last Twelve Months		Last Three Years		Last Five Years	
Investment Sector Fund	**Fund %**	**Index %**	**Fund % p.a.**	**Index % p.a.**	**Fund % p.a.**	**Index % p.a.**
BlackRock ACS World ESG Equity Tracker Fund	19.1	17.9	21.2	20.4	n/a	n/a
Barings Global Credit Fund 3	-2.0	13.0	0.6	13.0	7.5	13.0
Barings Global Credit Fund 4	10.4	13.0	9.3	13.0	n/a	n/a
Arcmont Direct Lending Fund III	11.1	8.0	11.7	8.0	10.2	8.0
Janus Henderson Multi Asset Credit Fund****	0.6	0.8	n/a	n/a	n/a	n/a

** The Plan invested into the Insight LDI Partially Funded Gilts Fund 2021-2030 on 3 October 2025, so performance is shown over the period from 30 September 2025 to 31 December 2025.*
*** The Plan disinvested from the Insight LDI Partially Funded Index Linked Gilts 2021-2030 Fund on 4 March 2025, so performance is shown over the period up to this date.*
****The Plan invested in the Insight Liquidity Plus Fund on 5 November 2025, so performance is shown over period from this date to 31 December 2025. A change in unit price calculation has been used; therefore benchmark performance is not available over this period.*
*****The Plan invested in the Janus Henderson Multi Asset Credit Fund on 28 November 2025, so performance is shown over the period from 30 November 2025 to 31 December 2025.*

Over the course of 2025, the Plan's investments returned 10.3%. Performance over the three years to 31 December 2025 was 1.9% p.a..

INVESTMENT STRATEGY (continued)

Custodian arrangements

The Plan does not have an appointed custodian. Custodial services are provided by the custodians of the pooled funds in which it invests:

- Northern Trust act as the custodian for the Plan's holdings with Insight and in the BlackRock ACS World ESG Equity Tracker Fund;
- J.P Morgan act as the custodian for the Plan's holdings in the BlackRock Dynamic Diversified Growth Fund and the BlackRock iShares Emerging Market Index Fund;
- Bank Pictet & Cie (Europe) AG, succursale de Luxembourg act as the custodian for the Plan's holdings with Pictet;
- BNP Paribas act as the custodian for the Plan's holdings with Arcmont and Janus Henderson; and
- Brown Brothers Harriman acts as the custodian for the Plan's holdings with Barings.

The custodians are responsible for the safe keeping, monitoring and reconciliation of documentation relating to the ownership of listed holdings. Investments are held in the name of the custodians' nominee companies, in line with common practice for pension scheme investments.

Economic and market conditions over the year to 31 December 2025

Economic Environment

In the 12-month period to 31 December 2025, market focus shifted towards heightened economic and geopolitical uncertainty after Donald Trump's second term as president began in January 2025. Amidst this uncertainty, the Bank of England and European Central Bank continued their rate cutting cycles, while the Federal Reserve paused until their September 2025 meeting, as they assessed the impact of tariffs on the US economy.

Over the year to 31 December 2025, all major central banks loosened monetary policy

- The Bank of England reduced the base rate from 4.75% to 3.75%. In September 2025, the Bank announced that it would reduce its stock of gilts by £70 billion per year, a reduction from the previous £100 billion.
- The European Central Bank reduced its deposit rate from 3.00% to 2.00%.
- The Federal Reserve reduced the Federal Funds Rate range from 4.25%-4.50% to 3.50%-3.75%. In March 2025 the Fed announced a decrease in the pace at which it will reduce the stock of treasuries held on its balance sheet from a cap of $25bn to $5bn per month

Falling interest rates, coupled with strong earnings growth, helped global equities to rise by 20.5% in local currency terms over the year to 31 December 2025. This marked the third consecutive year in which equities returned over 20%. This performance was linked to the ongoing strength of AI-linked stocks across all markets.

Economic and market conditions over the year to 31 December 2025 (continued)

Economic Environment (continued)

Over the first quarter of 2025, global markets began to focus on rising geopolitical uncertainty as President Trump announced significant import tariffs on key US trading partners China, Canada, and Mexico. On 2 April, the president announced a 10% global baseline tariff on imports from all countries and additional large 'reciprocal' tariffs. Retaliation from China sparked a brief trade war, before all additional tariffs beyond the 10% baseline were paused for 90 days. In response, global yields rose and global equities fell, before quickly rebounding following the pause. By August, the US had signed trade deals with most large economies and were continuing negotiations with China. These deals generally led to lower tariff rates than announced on 2 April, although the US average tariff rate is at its highest level since the 1930s. Uncertainty over US policy led investors to reconsider their exposure to the Dollar, which has fallen 7.4% against sterling over the year.

During Q2 2025, legislation in the US was introduced to renew and extend Trump's 2017 tax cuts, which is expected to moderately boost growth in the short term but raise US debt by $4.1tn by 2034. Anticipation of the US government's worsening fiscal position contributed to the rise in long-term yields globally.

Market Performance

The 12 months to 31 December 2025 saw positive returns for equities and most bonds as short-term government bond yields fell over the year. Property produced a positive return over the period.

- **Equities:** Global equities produced positive returns across all major regions. The FTSE All World rose by 20.5% over the year to 31 December 2025. The best performing region, in local currency terms, was the Developed Asia ex Japan equities (+35.2%) and the worst performing region was North America (+18.4%).
- **Bonds:** Over the year to 31 December 2025, UK gilt yields fell at the shorter terms. Therefore, UK fixed interest gilts (all stocks) produced a positive return (+5.0%). UK Index-Linked gilts (all stocks) returned (+1.3%) despite implied inflation falling over the year. UK corporate bond spreads (all stocks) decreased (-0.1%) over the year.
- **Property:** The MSCI UK All Property Index rose by 6.8% over the year to 31 December 2025.

The Plan had no direct exposure to property as at 31 December 2025.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The financial statements, which are prepared in accordance with UK 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 Plan during the Plan year and of the amount and disposition at the end of the Plan year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Plan 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 a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above 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 the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Plan will not be wound up.

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

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

The Trustee is responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary, revising a schedule of contributions showing the rates of contributions payable towards the Plan by or on behalf of the Employer and the active members of the Plan 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 Plan and for adopting risk-based processes to monitor whether contributions are made to the Plan by the Employer in accordance with the schedule of contributions. Where breaches of the Plan occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

Signed on behalf of the Trustee

IP

Ian Phoenix
Director of Whitechapel
Associates Limited

Date: 14/07/26

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE PEOPLE'S DISPENSARY FOR SICK ANIMALS RETIREMENT BENEFITS PLAN (1978)

Opinion

We have audited the financial statements of The People's Dispensary for Sick Animals Retirement Benefits Plan (1978) for the year ended 31 December 2025 which comprise the fund account, the statement of net assets (available for benefits) and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the Plan during the year ended 31 December 2025, and of the amount and disposition at that date of its assets and liabilities, other than the 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; 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, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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.

Our responsibilities and the responsibilities of the Scheme's trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Scheme's trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 21, the trustee is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Plan'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 liquidate the Plan or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the environment, including the legal and regulatory frameworks that the Plan operates in and how the Plan is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Act 1995 and 2004 and regulations made under them and FRS 102, including the Financial Reports of Pension Schemes 2018 (the Pensions SORP). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

Use of our report

This report is made solely to the Plan's trustee, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Plan's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan and the Plan's trustee, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
Date 14/07/26

INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS, UNDER REGULATION 4 OF THE OCCUPATIONAL PENSION SCHEMES (REQUIREMENT TO OBTAIN AUDITED ACCOUNTS AND A STATEMENT FROM THE AUDITOR) REGULATIONS 1996, TO THE TRUSTEE OF THE PEOPLE'S DISPENSARY FOR SICK ANIMALS RETIREMENT BENEFITS PLAN (1978)

Statement about contributions payable under schedule of contributions
We have examined the summary of contributions payable to The People's Dispensary for Sick Animals Retirement Benefits Plan (1978) on page 43, in respect of the Plan year ended 31 December 2025.

In our opinion the contributions for the Plan year ended 31 December 2025 as reported in the summary of contributions on page 43 and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions certified by the actuary on 29 November 2024.

Scope of work on statement about contributions
Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported on page 43 have in all material respects been paid at least in accordance with the schedule of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Plan and the timing of those payments under the schedule of contributions.

Respective responsibilities of the Trustee and auditor
As explained more fully on page 21 in the Statement of Trustee's Responsibilities, the Plan's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates and due dates of certain contributions payable towards the Plan by or on behalf of the Employer and the active members of the Plan. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Plan and for monitoring whether contributions are made to the Plan by the Employer in accordance with the schedules of contributions.

It is our responsibility to provide a statement about contributions paid under the schedule of contributions and to report our opinion to you.

Use of our statement
This statement is made solely to the Plan's Trustee as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Plan's Trustee those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan and the Plan's Trustee as a body, for our audit work, for this statement, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: 14/07/26

THE PEOPLE'S DISPENSARY FOR SICK ANIMALS
RETIREMENT BENEFITS PLAN (1978)
FUND ACCOUNT
YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Contributions and benefits			
Contributions – employer		3,850,000	3,851,833
Total contributions	2	3,850,000	3,851,833
Benefits paid or payable	3	(4,423,301)	(4,542,563)
Payments to and on account of leavers	4	(31,349)	(36,789)
Administrative expenses	5	(703,306)	(577,868)
		(5,157,956)	(5,157,220)
Net withdrawals from dealings with members		(1,307,956)	(1,305,387)
Returns on investments			
Investment income	6	5,352,663	4,162,277
Change in market value of investments	8	1,674,190	(8,379,184)
Investment management expenses	8	(316,958)	(435,543)
Net return on investments		6,709,895	(4,652,450)
Net increase/(decrease) in the Plan during the year		5,401,939	(5,957,837)
Net assets of the Plan			
At 1 January		93,617,986	99,575,823
At 31 December		99,019,925	93,617,986

The accounting policies and notes on pages 28 to 42 form part of these financial statements.

THE PEOPLE'S DISPENSARY FOR SICK ANIMALS
RETIREMENT BENEFITS PLAN (1978)
STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS)
YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
INVESTMENT ASSETS			
Pooled investment vehicles		82,427,510	75,617,190
Insurance policies		15,350,000	16,200,000
AVC investments		678,802	730,414
Cash deposits		32,490	67,215
	8	98,488,802	92,614,819
CURRENT ASSETS	10	976,413	1,473,275
CURRENT LIABILITIES	11	(445,290)	(470,108)
NET ASSETS OF THE PLAN AT 31 DECEMBER		99,019,925	93,617,986

The accounting policies and notes on pages 28 to 42 form part of these financial statements.

The financial statements summarise the transactions of the Plan and deal with the net assets available for benefits 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 Plan year. The actuarial position of the Plan, which does take into account of such obligations, is dealt with in the report on actuarial liabilities on pages 12 to 13 of the Annual Report and these financial statements should be read in conjunction with this report.

These financial statements were approved and authorised for issue on 14 July 2026 and were signed on its behalf by:

Ian Phoenix
Director of Whitechapel
Associates Limited

Date: 14/07/26

1. ACCOUNTING POLICIES

Plan information
The Plan is established as a trust under English law. The address for enquiries to the Plan is included in the Trustee's Report.

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

Basis of preparation
The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 (FRS 102) – The Financial Reporting Standard applicable in the United Kingdom 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" (2018) ("the SORP").

Going concern

The Trustee believes that the Plan has adequate resources to realise its assets and meet benefit payments in the normal course of affairs (continue to operate) for at least the next twelve months after the date of signing these financial statements. In reaching this conclusion, the Trustee considered plausible downside scenarios, including the financial strength of the Employer and the longer-term viability of the Plan. This assessment gives the Trustee confidence to prepare the financial statements on a going concern basis.

Contributions and benefits
Employer's deficit funding contributions are recognised in the period they relate to as stated in the Schedule of Contributions.

The Employer also pays a fixed contribution of £450,000 per annum in monthly instalments to cover the Plan's administration expenses which is recognised on an accruals basis.

Benefits and withdrawal payments are accounted for as they fall due for payment. Where members have a choice, benefits are accounted for in the period in which the member notified the Trustee of its decision on the type and/or amount of benefit to be taken or on retirement if later or, if there is no member choice, on the date of retirement or leaving.

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

Administration and investment management expenses
Administration and investment management expenses are accounted for on an accrual basis.

1. ACCOUNTING POLICIES (continued)

Investment income
Annuity income is accounted for in the period it relates to rather than at the date received.

Pooled investment vehicle income is accounted for on an accrual basis.

Interest income on cash deposits is included on an accrual basis.

Investments
Investments are included at fair value as described below:

For pooled investment vehicles, the market value of unit trusts and managed fund units is taken as the bid price at the accounting date as advised by the investment managers. Shares in other pooled arrangements have been valued at either the latest available net asset value (NAV), bid or single prices for funds as provided by the investment manager.

The insurance policies are valued by the Plan Actuary as the present value of the future benefits that are covered by the policies. The valuation is determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.

AVC funds are stated at bid prices for funds with bid/offer spreads as provided by the investment managers.

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 and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, where income is reinvested within the fund without issue of further units, change in market value also includes such income.

Functional currency
The functional and presentational currency of the Plan is Pounds Sterling. Balances denominated in foreign currency are translated into sterling at the rate ruling at the year-end date. Transactions denominated in foreign currencies are translated at the rate ruling at the date of the transaction. Monetary amounts in these financial statements are rounded to the nearest £.

Judgements and key sources of estimation uncertainty
In the application of the Scheme's accounting policies, the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

1. ACCOUNTING POLICIES (continued)

Judgements and key sources of estimation uncertainty (continued)
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Valuation of investments classified in Level 3 of the fair-value hierarchy
Explanation of the key assumptions underpinning the valuation of investments are included within accounting policy above. Level 3 investments include the insurance policy, with key assumptions detailed in Note 8(g) below.

2. CONTRIBUTIONS

	2025 £	2024 £
Employer contributions		
Administration expenses	450,000	450,000
Deficit funding	3,400,000	3,401,833
Total	3,850,000	3,851,833

Contributions payable to the Plan during the year ended 31 December 2025 have been received in accordance with the Schedule of Contributions as certified by the Plan Actuary on 29 November 2024.

The Schedule of Contributions updated on 29 November 2024, the Society shall now pay deficit reduction contributions of £3.4m per annum, payable in equal monthly instalments, with effect from 1 December 2024 to 31 December 2030.

The Society will continue to pay a fixed contribution of £450,000 per annum, payable in equal monthly instalments, to contribute towards the Plan's administration expenses, unless an alternative amount is agreed for this purpose by the Trustee and Society. The pensions manager will monitor Plan expenses and liaise with the Trustee's advisers to manage Plan expenses against this budget.

The Society also included contingent contributions as protection against future downside experience from 1 January 2031, further details are provided on page 11.

During the year ended 31 December 2024, contributions payable were based on the Schedule of contributions dated 17 December 2021 and 29 November 2024. Under the 17 December 2021 scheme of contributions, to eliminate the funding shortfall, the Trustee and the Society have agreed that additional contributions (i.e., contributions above those needed to cover benefits being earned in the future) will be paid by the Society at £3.402m per annum, payable in equal monthly instalments, with effect from 1 January 2022 to 30 November 2024.

3. BENEFITS PAID OR PAYABLE

	2025 £	2024 £
Pensions	3,368,468	3,084,663
Commutations of pensions and lump sum benefits on retirement	1,045,511	1,423,204
Lump sum death benefits	9,322	34,696
	4,423,301	4,542,563

4. PAYMENTS TO AND ON ACCOUNT OF LEAVERS

	2025 £	2024 £
Individual transfers out to other schemes	31,349	36,789

5. ADMINISTRATIVE EXPENSES

	2025 £	2024 £
Administration	479,607	342,716
Actuarial fees	137,220	149,587
Professional fees	65,479	65,565
Audit fees	21,000	20,000
	703,306	577,868

6. INVESTMENT INCOME

	2025 £	2024 £
Income from pooled investment vehicles	3,783,174	2,518,020
Annuity income	1,534,382	1,587,365
Interest on cash deposits	35,107	56,892
	5,352,663	4,162,277

7. TAX

The People's Dispensary for Sick Animals Retirement Benefits Plan (1978) is a registered pension scheme for tax purposes under the Finance Act 2004. The Plan is therefore exempt from taxation except for certain withholding taxes relating to overseas investment income.

8. INVESTMENTS

(a) Market value of investments

	Value at 31 December 2024 £	Purchases £	Sales proceeds £	Change in Market value £	Value at 31 December 2025 £
Pooled investment vehicles	75,617,190	27,115,708	(22,771,506)	2,466,118	82,427,510
Insurance policies	16,200,000	-	-	(850,000)	15,350,000
AVC investments	730,414	-	(109,684)	58,072	678,802
	92,547,604	27,115,708	(22,881,190)	1,674,190	98,456,312
Cash deposits	67,215				32,490
	92,614,819				98,488,802

Purchases and sales of pooled investment vehicles include switches of £Nil (2024: £6,497,831).

Investment transaction costs
There are no direct transaction costs borne by the Plan.

Indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles. These indirect transaction costs are not separately reported and therefore not available to disclose.

(b) Investment management expenses

	2025 £	2024 £
Administration and management	316,958	435,543

8. INVESTMENTS (continued)

(c) Analysis by investment type

	2025 £	2024 £
Pooled investment vehicles:		
LDI and Cash	30,340,543	24,095,472
Credit	15,629,318	14,736,616
Diversified Growth	14,836,708	13,149,848
Private Markets	9,208,425	10,354,179
Equities	8,609,804	13,281,075
Multi-Asset Credit	3,802,712	-
	82,427,510	75,617,190

In the prior year, the Scheme changed its estimation technique for the categorisation of pooled investment vehicles, however the presentation in the financial statements remained the same previously as applied.

The comparatives have been restated to align with the categorisation applied by the Scheme to track and assess it's investment portfolio. This does not impact the overall value of investments reported by the Scheme.

While there are individual variances, generally the revised estimation of classification aligns as:

Global Asset Backed Securities and Bonds have been combined and reanalysed as **LDI and Cash.**

Multi-Asset has been reanalysed as **Credit**.

Private Equity has been reanalysed as **Private Markets**.

UK Equities has been reanalysed as **Equities.**

In addition, £14.7m previously reported within **Global Asset Backed Securities and Bonds** has been reanalysed across other investment categories to reflect the underlying nature of the investments, with £6.5m allocated to **Diversified Growth**, £1.0m to **Credit** and £7.3m to **Private Markets**.

The comparative information has been reanalysed accordingly. This reanalysis affects presentation only and has no impact on the total value of investments reported by the Scheme.

8. INVESTMENTS (continued)

(d) Summary of pooled investment vehicles by type

	2025 £	2024 £
Authorised unit trusts	11,186,847	7,820,410
Open ended investments companies	26,223,829	24,210,999
Private equity	45,048,158	43,653,090
	82,458,834	75,684,499

(e) Cash deposits

	2025 £	2024 £
BlackRock Cash Account	1,167	1,123
Insight LDI PF	31,272	30,000
Insight BD Plus PF	51	36,092
	32,490	67,215

(f) AVC investments

	2025 £	2024 £
Prudential	172,443	193,525
ReAssure	506,359	536,889
	678,802	730,414

AVC contributions received from Plan members are invested with a number of providers recommended by the Trustee at various times in the life of the Plan. The current recommended provider for the contributors are with Prudential and ReAssure.

AVCs are invested separately from the Plan's main investments to secure additional benefits on a money purchase basis for those members electing to pay AVCs. Members participating in this arrangement receive an annual statement made up to 1 January each year, confirming the amounts held in their account and the movement during the year.

The AVC funds operated for Plan members by the two providers are as follows:

Prudential
- an AVC with profits scheme with funds invested in a wide range of deposit, equity, interest, index linked and property assets

ReAssure
- a unit linked scheme

8. INVESTMENTS (continued)

(g) Insurance policies

The Trustee holds annuity policies with Aviva to provide future benefits for certain members of the Plan.

	2025 £	2024 £
Aviva Buy-in policy	15,200,000	16,000,000
Aviva annuities	150,000	200,000
	15,350,000	16,200,000

The buy-in policy with Aviva transacted in 2014, insuring the benefits in payment at the time. Income is received from the insurer to meet the pension and lump sum benefits due to insured members. Benefits relating to retirements since the transaction are not covered by the insurance policy. The policy was designed to match the benefits perfectly for most of the insured members, with a few known mismatches due to complex benefits that are considered immaterial in relation to the Plan's cashflows. Any changes in benefits since the transaction (such as those resulting from GMP rectification or equalisation, or because of Underpin benefits becoming payable) are not covered by the insurer and will therefore need to be reconciled if the Plan eventually winds up.

The buy-in policy is valued annually by the Schemes actuarial for statutory accounts disclosures. The financial assumptions used to calculate the valuation of the annuity policies are as per those set out in the agreed Technical Provisions, updated for market conditions as at 31 December 2025. The demographic assumptions are in line with those adopted by the Trustee as part of the 31 December 2023 actuarial valuation of the RBP. A summary of these is provided below:

Financial assumptions

Discount rate	Market implied gilt yield curve plus 0.8% pa
RPI inflation	Gilt-implied RPI inflation curve

Pension increases	In line with the increases insured for each member, but broadly:
	• No increases (or 3% pa) for the historic pre 2014 annuity policies
	• Pre 97 pension is either:
	  o increasing in line RPI with a cap of 5%; or
	  o non-increasing if the member elected to exchange their non-statutory increases for higher pension at retirement.
	• 97-06 pension is increasing in line with RPI capped at 5% pa.
	• Post 2006 pension in increasing in line with RPI capped at 2.5% pa.
	• GMP is increasing in line with statutory increases.

8. INVESTMENTS (continued)

(g) Insurance policies (continued)

Demographic assumptions

Longevity base tables	Individual mortality tables provided by Club VITA based on observed mortality rates during 2020-2023.
Longevity future improvements	CMI 2023 model with an initial addition to improvements (A parameter) of 0.25% and a long-term rate of improvement of 1.5% pa for males and 1.25% pa for females.
Proportion married	87% of male members and 53% of female members assumed to have dependents at date of retirement.
Age difference	Male members are assumed to be 4 years older than their female partners and female members are assumed to be 2 years younger than their male partners.

Concentration of investments

The following investments account for more than 5% of the Plan's net assets:

	2025 £	2025 % of net assets	2024 £	2024 % of net assets
Aviva insurance policies	15,350,000	15.5	16,200,000	17.3
Insight LDI Enhanced Selection Longer Real Fund	8,802,240	8.9	9,020,504	9.6
Blackrock Aquila ACS WL ESG EQ TR X2 GBP Hedge	7,780,534	7.9	11,953,948	12.8
Blackrock Diversified Growth Fund	7,452,573	7.5	6,656,565	7.1
Pictet PS II Dynamic Asset Allocation Fund	7,384,135	7.5	6,493,283	6.9
Insight BD Plus Inside Liquid ABS Fund Class B	5,938,028	6.0	5,599,366	6.0
Insight BD Plus IIFI Global ABS fund Class S	5,934,887	6.0	5,598,589	6.0
Insight LDI Enhanced Selection Longer Nominal Fund	5,855,028	5.9	5,838,318	6.2
Barings Global special situations credit fund 4	5,245,778	5.3	5,474,931	5.8

9. INVESTMENT FAIR VALUE HIERARCHY

The fair value of financial instruments has been determined 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 measurement date
- Level 2: Inputs other than quoted prices included within Level 1 which are observable (i.e. developed using market data) 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

The Plan's invested assets and liabilities have been fair value using the above hierarchy categories as follows:

As at 31 December 2025

	Level (1) £	Level (2) £	Level (3) £	Total £
Pooled investment vehicles	-	73,219,085	9,208,425	82,427,510
AVC investments	-	-	678,802	678,802
Insurance policies	-	-	15,350,000	15,350,000
Cash deposits	32,490	-	-	32,490
Total	32,490	73,219,085	25,237,227	98,488,802

As at 31 December 2024

	Level (1) £	Level (2) £	Level (3) £	Total £
Pooled investment vehicles	-	65,263,011	10,354,179	75,617,190
AVC investments	-	-	730,414	730,414
Insurance policies	-	-	16,200,000	16,200,000
Cash deposits	67,215	-	-	67,215
Total	67,215	65,263,011	27,284,593	92,614,819

9. INVESTMENT FAIR VALUE HIERARCHY (continued)

Investment risks

FRS102 requires the disclosure of information in relation to certain investment risks as follows:

- **Credit risk –** 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 –** comprises the following three types of risk:

  - Interest rate risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market interest rates.
  - Currency risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in foreign exchange rates.
  - Other price risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market prices (other than those due to interest rates and currency).

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

Further information on the Trustee's approach to risk management, credit and market risk is set out below. This does not include the AVC investments the Plan holds, as these are not considered significant in relation to the overall investments of the Plan.

Credit risk

The pooled investment arrangements used by the Plan comprise of authorised unit trusts and open-ended investment companies. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled managers, the regulatory environments in which the pooled managers operate and the ongoing due diligence of the pooled managers.

The Trustee monitors the performance of each of the Plan's investment managers on a regular basis in addition to having meetings with each manager from time to time as necessary, usually on an annual basis. The Trustee has a written agreement with each investment manager, which contains a number of restrictions on how each investment manager may operate.

9. INVESTMENT FAIR VALUE HIERARCHY (continued)

Credit risk (continued)

The Plan also has indirect exposure to credit risks from the underlying investments held by the pooled investment vehicles. This risk is mitigated as follows:

- The credit risk arising on bonds is mitigated by placing restrictions on the assets that may be held within the bond portfolio, which are invested to track indices;
- Some funds, such as the diversified growth funds (2025: c.£14.8m, 18.0% of total invested assets; 2024: c£13.2m, 17.4% of total invested assets), the asset backed securities funds (2025: c.£11.9m, 14.4% of total invested assets; 2024: c.£11.2m, 14.8% of total invested assets), the multi-asset credit fund (2025: c.£3.8m, 4.6% of total invested assets) and the absolute return bonds (2025: c.£3.8m, 4.6% of total invested assets; 2024: c.£3.5m, 4.7% of total invested assets), may have an allocation to securities that give rise to credit risk. Credit risk associated with these securities is mitigated through active management and avoiding excessive concentrations in bonds from any given issuer;
- The LDI holdings (2025: c.£26.1m, 31.6% of total invested assets, 2024: c.£24.1m, 31.8% of total invested assets) invest in UK government bonds (which are deemed to be low risk) and derivative contracts. Credit risk mitigation for the derivative contracts includes daily collateralisation, central clearing of swaps and diversifying exposure across counterparties (who are monitored for their creditworthiness on an ongoing basis); and
- Cash is held within financial institutions which are at least investment-grade rated and are considered to have low indirect credit risk given the short-term nature of the assets held, their credit rating, diversification of exposure and the manager's active management of this risk.

The Plan has purchased insurance policies. Through these it is directly exposed to credit risk in respect of the ongoing solvency of the provider.

The pension annuity policies are also subject to direct credit risk. However, in the event of default by the annuity provider, the Plan's assets are protected by the Financial Compensation Scheme. This relates to both the annuity policies and the investment funds.

The annuities regulated by the FCA, and to some extent the PRA, and maintain separate funds for their policy holders.

Market risk: Interest rates

The Plan is subject to interest rate risk because some of the Plan's investments are held in bonds, leveraged gilt repos, interest rate swaps, and cash through pooled investment vehicles. The Trustee has set a benchmark for total investment in these instruments of 73% of their total investment portfolio as at 31 December 2025. Under this strategy, if interest rates fall, the value of these investments will rise to help offset the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, these investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

9. INVESTMENT FAIR VALUE HIERARCHY (continued)

Market risk: Interest rates (continued)

The Plan has exposure to this risk through its investments in Insight's LDI, Bonds Plus, Liquid Asset Backed Securities, Global Asset Backed Securities, Pictet Dynamic Asset Allocation, BlackRock Dynamic Diversified Growth Fund and the Janus Henderson Multi Asset Credit Fund.

The valuation of the insurance policies is subject to interest rate risk as the valuation model is sensitive to movement in interest rates. There is no further mitigation for this risk since any changes to the asset value will be offset by the same movements in liabilities.

Market risk: Currency

The Plan is exposed to currency risk because some of its investments are held in overseas markets. The Plan's liabilities are denominated in sterling and currency hedging is employed to manage the impact of exchange rate fluctuations on some of the Plan's investments. In particular, the Plan's investment in the BlackRock ACS World ESG Equity Tracker Currency Hedged Fund aims to hedge the non-sterling exposure within the Fund.

The Plan has additional exposure to currency risk through its investments in Pictet, Barings, Arcmont, BlackRock Dynamic Diversified Growth Fund and the BlackRock iShares Emerging Markets Index Fund. The Trustee considers the overseas currency exposure in the context of the overall investment strategy and believes that the currency exposure that exists diversifies the strategy and is appropriate.

Market risk: Other price

Other price risk arises principally in relation to the Plan's return-seeking portfolio invested in diversified growth funds c.£14.8m (18.0% of total invested assets), equities c.£8.6m (10.4% of total invested assets) and multi-asset credit funds c.£3.8m (4.6% of total invested assets) held in pooled vehicles as at 31 December 2025.

The Plan manages this exposure by investing in a pooled fund that invests in a diverse portfolio of instruments across various markets. According to the Plan's Statement of Investment Principles (SIP), each investment manager is expected to manage broadly diversified portfolios and to spread assets across a number of individual shares and securities. In addition, the asset allocation is detailed in the Statement of Investment Strategy dated November 2025 and is monitored on a regular basis by the Trustee.

The Plan is subject to interest rate risk from the insurance policies which it holds. The value placed on the annuities from the insurance policies is based on long term government bond yields.

The pension annuity policies are also subject to direct credit risk. However, in the event of default by the annuity provider, the Plan's assets are protected by the Financial Compensation Scheme.

This relates to both the annuity policies and the investment funds. The annuities regulated by the FCA, and to some extent the PRA, and maintain separate funds for their policy holders.

10. CURRENT ASSETS

	2025 £	2024 £
Cash at bank	714,649	1,231,420
Prepaid pensions	235,612	224,089
Amounts due from Employer	24,850	17,766
Other debtors	1,302	-
	976,413	1,473,275

11. CURRENT LIABILITIES

	2025 £	2024 £
Prepaid annuity income	122,695	122,472
Other creditors	101,647	118,036
Unpaid benefits	220,948	229,600
	445,290	470,108

12. RELATED PARTY TRANSACTIONS

The Trustee Directors were paid fees and expenses amounting to £2 during the year (2024: £Nil) from the Plan.

The balance due from the Employer includes VAT of £24,850 (2024: £17,766).

The Society pays on behalf of the Plan, the Pension Protection Fund levy, the Pension Protection Fund administration levy and the Pension Regulator's general levy in line with the current Schedule of Contributions.

The Plan holds security against certain freehold assets owned by the Employer. At 31 December 2025 the net book value of these assets was £6,416,000 (2024: £6,639,000).

The following Trustee Directors of the Plan are also members of the Plan: R Beck and D Shrimpton (resigned 12 June 2025). They will receive benefits in accordance with the Plan's Trust Deed and Rules.

13. CONTINGENCIES AND COMMITMENTS

The Plan may have a liability in respect of payments due to HM Revenue and Customs in respect of the GMP reconciliation. Work is currently ongoing on the reconciliation, but it is too early for any liability to be estimated.

As explained on page 7 of the Trustee's Report, on 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. Under the ruling schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

The above judgment did not address transfers out which were subject to a second hearing which took place in May and October 2020. The judgment was handed down on 20 November 2020 and concluded the schemes should apply equalisation to historical transfers out. The scheme has experienced historical transfers out which may be subject to adjustment.

The Trustee of the Plan underwent training on the implications and next steps in November 2023 and held further discussions during 2024. The Trustee held its initial meeting to discuss the GMP Equalisation project on 29 January 2025 and agreed the equalisation methodology with the Society in the meeting held on 4 December 2025, subject to legal review.

Based on an initial assessment of the likely backdated amounts and related interest, the Trustee does not expect these to be material to the financial statements. They will be accounted for in the year they are determined.

14. VIRGIN MEDIA

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023 considered the implications of section 37 of the Pension Schemes Act 1993. Section 37 of the Pension Schemes Act 1993 only allowed the rules of contracted-out schemes in respect to benefits, to be altered where certain requirements were met. The court decision was subject to appeal which was subsequently heard on 25 July 2024 and the original decision upheld.

On 5 June 2025, the Department for Work & Pensions indicated that the Government will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

Whilst the further legislation is awaited, based on a high-level review only (and their understanding of the current position), the Trustee has concluded from the guidance received from its Plans advisors, that there does not appear to be any adverse implications for the Plan.

15. EMPLOYER RELATED INVESTMENTS

There were no Employer-related investments at 31 December 2025 or 31 December 2024 or at any time during the year ended 31 December 2025.

SUMMARY OF CONTRIBUTIONS
YEAR ENDED 31 DECEMBER 2025

During the year ended 31 December 2025, the contributions payable to the Plan were as follows:

Regular contributions payable under the Schedule of Contributions	**£**
Contributions from Employer:	
Deficit funding	3,400,000
Administration expenses	450,000
Total payable under the Schedule of Contributions	3,850,000
Total contributions reported in the financial statements	**3,850,000**

Contributions payable to the Plan during the year ended 31 December 2025 have been received in accordance with the Schedule of Contributions as certified by the Plan Actuary on 29 November 2024.

Signed on behalf of the Trustee

IP

Ian Phoenix
Director of Whitechapel
Associates Limited

Date: **14/07/26**

Schedule of Contributions – Actuarial Certificate

Adequacy of contributions

In my opinion, the contributions shown in this schedule are such that the statutory funding objective on 31 December 2023 can be expected to be met by the end of the period specified in the recovery plan dated 29 November 2024.

Consistency with statement of funding principles

In my opinion, this schedule of contributions is consistent with the statement of funding principles dated 29 November 2024.

Please note that the adequacy of contributions statement in this certificate relates to the scheme's statutory funding objective. For the avoidance of doubt this certificate does not mean that the contributions shown in this schedule would be enough to secure the scheme's full liabilities with annuities if the scheme were to wind up.

Signature	Peter Carver
Date	29-Nov-2024 | 10:47 GMT
Name	Peter Carver
Qualification	Fellow of the Institute and Faculty of Actuaries
Name of Employer	Hymans Robertson LLP
Address	One London Wall, London, EC2Y 5EA

This certificate is provided to meet the requirements of regulation 10(6) of The Occupational Pension Schemes (Scheme Funding) Regulations 2005.

Implementation Statement

PDSA Retirement Benefits Plan

Purpose of this statement

This implementation statement has been produced by the Trustee of the PDSA Retirement Benefits Plan ("the Plan") to set out the following information over the year to 31 December 2025:

- how the Trustee's policies on exercising rights (including voting rights) and engagement activities have been followed over the year; and
- the voting activity undertaken by the Plan's investment managers on behalf of the Trustee over the year, including information regarding the most significant votes.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force as at 31 December 2025 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in July 2023 and has been made available online here: Statement of Investment Principles (pdsarbp.co.uk).

The Plan's Sponsor, PDSA, has a policy in place to only work with companies and individuals who are demonstrably reputable and whose activities are not in conflict with PDSA's values or objectives. Explicitly, but exclusively, PDSA makes a conscious decision and effort to not work with companies or individuals involved in 1) invasive testing on animals for cosmetic and other non-medical purposes or 2) any aspect of the fur trade. PDSA recognises the impact that its purchasing activities can have on reducing modern slavery in the UK and around the world. In order to further develop their approach to modern slavery, a Project Group has been established by the Sponsor's Executive Leadership Team. A copy of the Modern Slavery and Human Trafficking Statement can be found here: **https://www.pdsa.org.uk/terms-conditions/modern-slavery**.

Considering the above, the Trustee has set a policy on animal testing. This states that the Trustee wishes to avoid companies that carry out animal testing on cosmetic and non-pharmaceutical products within the Plan's investment portfolio. The Trustee acknowledges that there are some constraints in implementing this within pooled funds. However, the Trustee is committed to actively engaging with the Plan's investment managers, through their investment advisors, in order to gain insight into the underlying holdings and encourage them not to invest in companies which carry out testing on animals where possible.

For the Plan's holdings in the BlackRock ACS World Equity Fund, the Trustee has chosen to implement a Socially Responsible Investment ("SRI") focused third party proxy voting policy and votes are cast in accordance with this policy using BlackRock's voting infrastructure. This allows the Plan to incorporate a pre-defined voting policy that better reflects the Trustee's beliefs.

At this time, the Trustee has not set any formal stewardship priorities within the investment portfolio, noting that it has a separate Ethical Policy. The Trustee will review this decision on a regular basis, in line with its consideration of the Plan's other risks. The Trustee understands that they are constrained by the policies of the managers.

How voting and engagement/stewardship policies have been followed

Based on the information provided by the Plan's investment managers, the Trustee believes that its policies on voting and engagement have been met in the following ways:

- The Plan invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Plan's fund managers.
- The Trustee receives and reviews voting information and engagement policies from the asset managers at the end of each calendar year, which the Trustee reviews to ensure alignment with its own policies. This exercise is being undertaken via this Implementation Statement.
- As part of ongoing monitoring of the Plan's investment managers, the Trustee uses ESG rating information provided by its investment consultant, to assess how the Plan's investment managers take account of ESG issues. The Trustee undertook their most recent review of the stewardship and engagement activities of the current managers at the meeting in March 2026, and were satisfied that their policies were reasonable, and no remedial action was required at that time.
- Having reviewed the above, the Trustee is comfortable that the actions of the fund managers are in alignment with the Plan's stewardship policies.

Prepared by the Trustee of the PDSA Retirement Benefits Plan
April 2026

Voting data

This section provides a summary of the voting activity undertaken by the investment managers within the Plan's growth portfolio on behalf of the Trustee over the year to 31 December 2025. The Insight credit, LDI and cash funds have no voting rights and there is limited ability to engage with key stakeholders given the nature of these mandates.

For the Plan's holdings in the BlackRock ACS World Equity Fund, the Trustee has chosen to implement a Socially Responsible Investment ("SRI") focused third party proxy voting policy. BlackRock have provided voting information for this Fund based on PDSA's chosen voting proxy, which is shown below. BlackRock have noted that for markets that do not support pass-through voting, client shares are voted according to BlackRock's voting policy.

Manager	BlackRock			Pictet	Janus Henderson
Fund name	Dynamic Diversified Growth Fund	ACS World ESG Equity Tracker Fund	iShares Emerging Market Index Fund	Dynamic Asset Allocation Fund	Multi-Asset Credit Fund
Structure	Pooled				
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour. For the BlackRock ACS Equity Fund, the Trustee has influenced voting behaviour by choosing to implement a Socially Responsible Investment proxy voting policy.				
No. of eligible meetings	559	469	2,530	471	1
No. of eligible votes	7,268	7,309	22,542	7,113	2
% of resolutions voted	94%	93%	99%	99%	100%
% of resolutions abstained	0%	0.3%	3%	1%	0%
% of resolutions voted with management[1]	95%	84%	85%	92%	100%
% of resolutions voted against management[1]	4%	9%	14%	7%	0%
% of resolutions voted against proxy voter recommendation	0%	n/a	0%	1%	n/a

Source: information provided by the managers over the year to 31 December 2025. The proportion of resolutions that were voted on or abstained from may not add up to 100%. This can be due to how investment managers or local jurisdictions define voting and abstentions. The Janus

[1] As a percentage of the total number of resolutions voted on

Henderson Fund invests in debt instruments rather than equity and therefore does not have voting rights attached because they are creditors, not owners, of the companies. Hence the voting figures provided are low for this fund.

Proxy advisory services

As noted above, for the Plan's holdings in the BlackRock ACS World Equity Fund votes are cast according to the SRI proxy voting policy, where pass-through voting is both legally and operationally viable. For the Plan's holdings in the BlackRock Dynamic Diversified Growth Fund, BlackRock iShares Emerging Market Index Fund, Pictet Dynamic Asset Allocation Fund and Janus Henderson Multi Asset Credit Fund, the managers use Institutional Shareholder Services' (ISS) electronic platform to execute their vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting.

In certain markets, BlackRock work with proxy research firms who apply their proxy voting guidelines to filter out routine or non-contentious proposals and refer to them any meetings where additional research and possibly engagement might be required to inform their voting decision.

Pictet's proxy voting policy is based on generally accepted standards of best practice in corporate governance including board compensation, executive remuneration, risk management and shareholder rights.

Significant votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. The guidance does not currently define what constitutes a "significant" vote. However, recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme's stewardship priorities. As noted earlier, the Trustee has implemented a voting policy for the BlackRock ACS World ESG Equity Tracker Fund holdings and has also engaged with the investment managers to communicate its policy on animal testing. However, the Plan does not have any agreed stewardship priorities so for this Implementation Statement, the Trustee has asked the investment managers to determine what they believe to be a "significant vote".

BlackRock and Pictet have provided a selection of votes which they believe to be significant. To represent the most significant votes, the votes of the largest holdings from the selection of significant votes provided by the managers are shown below. Where information on the size of the holdings was not made available (as was the case for the BlackRock funds), the votes shown have been selected to represent a variety of themes. Janus Henderson, Arcmont, Barings and Insight were not able to provide significant votes due to not having a formal voting policy or process to track voting activities, or proxy voting not being applicable to the funds due to the nature of the respective asset classes.

A summary of the significant votes provided is set out below.

BlackRock Funds

	Dynamic Diversified Growth Fund	iShares Emerging Market Index Fund	ACS World ESG Equity Tracker
Company name	SIG Plc	PT Bank Central Asia Tbk	Citigroup Inc.
Date of vote	May 2025	March 2025	April 2025
Approximate size of fund's holding as at the date of the vote (as % of portfolio)		Data not provided	
Summary of the resolution	Re-elect Alan Lovell as Director	Approve changes in the boards of the Company	Disclose board oversight regarding material risks associated with animal welfare

	Dynamic Diversified Growth Fund	iShares Emerging Market Index Fund	ACS World ESG Equity Tracker
How the manager voted	Against	Against	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	BlackRock endeavour to communicate to companies when they intend to vote against management, either before or just after casting votes in advance of the shareholder meeting.		n/a
Rationale for the voting decision	BlackRock voted against the re-election of Alan Lovell to the board due to failure to adequately account for diversity on the board.	BlackRock believe that greater climate-related disclosure, including relevant metrics and targets, would enable investors to better assess climate-related investment risks and opportunities.	BlackRock voted for this as additional disclosure would help strengthen the company's stated animal welfare policies and practices. In addition, the disclosure would enable shareholders to better assess the effectiveness of the company's animal welfare efforts and its management and oversight of related risks.
Outcome of the vote	The resolution passed	The resolution passed	Data not provided
Implications of the outcome	BlackRock do not see engagement as one conversation. They claim to have ongoing direct dialogue with companies to explain their views and how they evaluate their actions on relevant ESG issues over time. Where concerns are raised either through voting or during engagement, BlackRock monitor developments and assess whether the company has addressed their concerns.		Data not provided
Criteria on which the vote is considered "significant"	BlackRock publish Vote Bulletins on key votes at shareholder meetings to provide insight into details on certain vote decisions.		The vote was considered significant by the Trustee given the Trustee's policy on animal welfare.

Pictet Dynamic Asset Allocation Fund

	Vote 1	Vote 2	Vote 3
Company name	Bank Hapoalim BM	Amazon.com, Inc.	Chubb Ltd
Date of vote	August 2025	April 2025	May 2025
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	0.01%	0.01%	0.01%
Summary of the resolution	Elect Claudio Yarza as External Director	Adopt a mandatory policy separating the roles of CEO and Board Chair	Report on GHG emissions associated with underwriting, insuring, and investment activities
How the manager voted	Abstain	For	For
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	No	No	No

	Vote 1	Vote 2	Vote 3
Rationale for the voting decision	Considering that only one candidate may be elected to serve on the board, and without providing a negative assessment of the candidate's' skills and qualifications, or his ability to effectively serve as a director, Pictet abstained from voting.	Pictet voted for this resolution as they believe that shareholders would benefit from a policy requiring more independent oversight of management in the form of an independent chairman.	Pictet voted for this resolution, because it would help shareholders better understand the company's climate-related risks from its underwriting, investment, and insurance activities.
Outcome of the vote	The resolution was rejected	The resolution was rejected	The resolution was rejected
Implications of the outcome	Pictet noted the outcome of the vote. Where they believe the subject of the vote could present a material concern from an ESG perspective, they will continue to monitor and engage with the company. If warranted, Pictet will consider actions as part of their escalation strategy, including future voting decisions.		
Criteria on which the vote is considered "significant"	Pictet consider a vote to be significant due to the subject matter of the vote. For example, a vote against management, if the company is one of the largest holdings in the portfolio, and/or they hold an important stake in the company.		

Fund level engagement

The investment managers may engage with investee companies on behalf of the Trustee. The table below provides a summary of the engagement activities undertaken by each manager during the year for the relevant funds.

Engagement activities are limited for the Insight LDI and cash holdings due to the nature of the underlying holdings. Engagement information for these assets has therefore not been shown.

Manager	BlackRock			Pictet
Fund name	Dynamic Diversified Growth Fund	ACS World ESG Equity Tracker Fund	iShares Emerging Market Index Fund	Dynamic Asset Allocation Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	1,060	428	146	292
Number of engagements undertaken at a firm level in the year		2,362		578

Manager	**Insight**			**Arcmont**	**Barings**		**Janus Henderson**
Fund name	Global ABS Fund	Bonds Plus Fund	Liquid ABS Fund	Direct Lending Fund III	Global Special Situations Credit Fund 3	Global Special Situations Credit Fund 4	Multi Asset Credit Fund
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes	Yes	*Yes*	*Yes*
Number of engagements undertaken on behalf of the holdings in this fund in the year	c.70	58	c.70	4 engagements to date (2 active engagements) *	1**		32
Number of engagements undertaken at a firm level in the year		954		*Data not provided**	394		540

**As a private debt asset manager Arcmont has limited influence over portfolio companies. To overcome this, in April 2021 Arcmont began offering new primary borrowers margin discounts to meet specific pre-agreed sustainability performance targets ('sustainability-linked margin ratchets'). The engagement data provided by Arcmont are therefore specifically in relation to the sustainability-linked margin ratchets that have been agreed and documented with portfolio companies. Data was not provided at the firm level.*

***The Global Capital Solutions ('GCS') market can be characterised as having a lower level of available ESG data than some asset classes, so Barings' GCS team typically targets improved ESG-related disclosure in its engagements. The GCS team records engagements and progress in Barings' ESG systems. The manager's engagement platform is available for analysts to record their previous engagements with investee companies. Therefore, the number of engagements reported may be updated if analysts log or alter additional engagements on the platform after the report is published.*

Examples of engagement activity undertaken over the year to 31 December 2025

Manager and Fund(s)	**Engagement themes and examples of engagements undertaken with holdings in the Fund**

BlackRock Passive Equity Funds and Dynamic Diversified Growth Fund	BlackRock's main engagement topics have remained broadly consistent throughout 2025. Their Investment Stewardship Engagement Priorities include the following: • Board quality and effectiveness • Climate and natural capital • Strategy, purpose and financial resilience • Incentives aligned with financial value creation • Company impacts on people Shell plc (Shell) is an energy company headquartered in the UK, with operations in more than 70 countries around the world. Shell noted that global demand for liquified natural gas (LNG) is expected to rise by approximately 60% by 2040, driven by economic growth in Asia, emissions reductions in heavy industry and transport, and the impact of artificial intelligence. Shell has stated its ambition to deliver more value with fewer emissions as it works to become a net zero emissions business by 2050. BlackRock engaged with members of the company's board and management in November 2024 and April 2025 to better understand Shell's approach to managing climate-related risks and opportunities. The team sought further clarity on the company's strategy and, in particular, Shell's assumptions around LNG, given its increased strategic emphasis on integrated gas and LNG as a driver of long-term growth. On the agenda at Shell's May 2025 AGM was a shareholder proposal requesting that Shell discloses "whether and how its demand forecast for liquified natural gas (LNG); LNG production and sales targets; and new capital expenditure in natural gas assets; are consistent with its climate commitments, including its target to reach net zero emissions by 2050." At the time of the meeting, funds and SMAs that directed BlackRock to apply the Guidelines to their holdings collectively held less than 1% of the company's total shares available for voting. The dedicated team supported the shareholder proposal. Engagement discussions and BlackRock's proprietary insights informed the team's assessment of how the company's business model and LNG assumptions aligned with its climate commitments. The team concluded that enhanced transparency would help investors better understand the relationship between Shell's LNG outlook and its net zero commitments. The shareholder proposal received approximately 21% support.
Pictet Dynamic Asset Allocation Fund	Pictet engaged with DSM Firmenich to enhance the monitoring and disclosure of biodiversity restoration and regeneration projects via the Restor platform. The company hosted its ESG Expert Investor Day in March 2025, where Pictet had multiple opportunities to engage one-on-one with key decision-makers on improving their reporting and assessment of biodiversity restoration projects using the Restor platform. This is particularly relevant as the company's ESG leaders have agreed to reignite discussions on this topic following a constructive engagement dialogue. Pictet used this engagement to finalise questions for DSM Firmenich on navigating challenges, integrating sustainability, implementing Corporate Sustainability Reporting Directive (CSRD), addressing materiality and assurance, and discussing industry classification changes. In May 2025, through the Nature & Biodiversity Peer Group (400 members) Pictet introduced Restor to the company, insisting on the importance to enhance biodiversity reporting and earning recognition for restoration efforts. In December 2025, Pictet held a call with the company on their nature program, biodiversity targets, climate mitigation, lifecycle assessment challenges and (Taskforce on Nature-related Financial Disclosures) TNFD reporting. Pictet suggested a further call to discuss compensation and ESG target integration in detail, meanwhile emphasising that they will monitor their progress with TNFD reporting, biodiversity metrics development, RSPO certification coverage and look forward to their next integrated report.

	Pictet will continue to monitor the company's next round of social impact disclosures to see if depth-based impact metrics will be included on top of scale-based metrics.
Arcmont Direct Lending Fund III	Arcmont maintain an active engagement with Kids Planet, a leading nursery group for children 0-4 years old. The engagement objective is to encourage the company to reduce its greenhouse gas (GHG) emissions intensity per child, in line with the Paris Agreement. Arcmont's Responsible Investment Policy states: "ESG factors have the potential to impact financial performance. They are sources of investment risk and drivers of investment value. Therefore, understanding, and minimising ESG risks and promoting better ESG performance is essential to delivering absolute risk-adjusted returns to our investors." Hence Arcmont believe climate change is a systemic issue affecting every business and GHG emissions are relevant, core and material to every company. With climate-related regulations increasingly coming into force, appropriately managing, and reducing emissions is of high strategic significance to every company's current and future operations. Discussions began in January 2022, which included a direct dialogue with the portfolio company and sponsor and a collaborative process involving a number of emails and calls. A sustainability linked-ratchet was agreed in October 2022 and was documented in December 2022. To date, the company has met its FY23, FY24 and FY25 targets. Therefore, it has been awarded a 0.075% margin discount. To achieve the discount the company acknowledged the concern as a serious matter worthy of a response; developed a credible strategy to achieve the engagement objective or stretching targets were set to address the concern; and implemented a strategy or measures to address the concern. Arcmont will continue to monitor the company's progress towards achieving the targets set.
Barings Global Special Situations Credit Fund 3 & 4	Barings invested in the Baking Company in April 2024 and the funding was used to refinance existing indebtedness and support the business after a fire destroyed one of its sites. The Company is a family owned and managed business that had grown successfully pre-fire into a ~£200mm revenue operation; however, it was clear as part of the underwrite that governance needed to be bolstered. Barings worked closely with the management team to arrive at an appropriate Board / Governance structure that included the following: • inclusion of Non-Executive Director (NED) chosen by Barings, who carried the deciding vote on any Reserved Matters, • hiring of a finance director to support the existing CFO, and; • enhanced reporting that covered, inter alia, Health & Safety, site KPIs, and other operational metrics. The engagement started prior to completing funding as it involved educating the existing management team on the benefits of the enhanced governance and reporting regime. Shortly after completion, Barings interviewed a series of NED candidates and quickly chose an appropriate candidate who they felt could drive behavioural change. This process involved active engagement with the CEO & CFO. The Barings deal team also worked closely with the CFO and new Finance Director to finalise the new reporting packs & procedures for how this should be disseminated to the Board & Barings. The Barings deal team have frequent interactions with management, including an in-person meeting at Barings' offices in February 2026, and regular calls to discuss operational improvements. Additionally, Barings receives minutes from these minutes so that it can track and test management on progress vis-à-vis capex & cost-out plans. Following the constructive engagement over the past 18 months, Barings continues to see improvements in the Company's governance. In addition, reporting standards have increased significantly. With the support of Barings, the finance function of the company has been able to expand monthly reporting to track KPIs around individual sites regarding productivity and efficiency. Barings continues to further refine governance through improvement in reporting, further bolstering

	of the finance function, and incorporation of a new Steering Committee and a stronger executive team. The Company, as suggested by Barings, has also engaged a third-party financial advisor, Interpath, to assist with an assessment of strategic options which will ultimately give the Board more options in the future. Regarding next steps, Barings have a call arranged with Interpath and Management at the end of February to discuss forward looking performance.
Insight Bonds Plus Fund Global ABS Fund Liquid ABS Fund	Insight engaged with Pepper, a significant issuer in Australian markets, on ESG considerations in their loan origination and underwriting process. ESG had previously not formed part of their loan origination process, so Insight identified them as an issuer to engage with to raise this as an area of concern. Engagement first occurred in Q4 2022, in a meeting between Insight and the Deputy Head of Treasury at Pepper. Subsequent engagement was held in Q2 2023 relating to a new product range and EPC data analysis, resulting in the Issuer now showing borrowers the potential EPC improvements they can make to their properties and linking into new business. Engagement continued in Q4 2024, Q1 2025 and Q4 2025 surrounding new issuance patterns and the progress of lending patterns into the Iberian market. Further discussions were also held surrounding their inaugural CMBS issuance, focus on governance. Pepper confirmed that ESG considerations were not a significant part of their loan origination and underwriting processes. Furthermore, ESG had not, to date, been part of their disclosures at either a corporate or issuer level. Insight raised this as an area of concern and Pepper agreed that disclosures needed to improve and would be looking to build on a number of ESG metrics in their annual reports. Insight also raised the issue of loan origination practices and Pepper agreed that this was something they were reviewing, although had no immediate plans to amend their origination policies. Insight finds the outcome as positive in terms of disclosures, however note that loan level disclosures and loan practices need continued engagement.
Janus Henderson Multi Asset Credit Fund	Beauparc is an Irish waste management and resource recovery company, with a footprint in the UK and the Netherlands. The company manages over 4.3 million tonnes of waste annually and has a 95% recycling and recovery rate. Beauparc has a 2040 net zero target, which we feel is sufficiently detailed with intermittent targets. Janus Henderson asked Beauparc about the challenges it faces in improving the circularity of the business. The company is well positioned to play a crucial role in harvesting and processing materials for return to the circular economy. However, management explained that progress was being hindered by a lack of legislation around the eco-design of some products and packaging. Many materials are not technically recyclable, or the costs involved in recycling far exceed the costs of producing equivalent products from raw materials. Janus Henderson discussed the need for engagement with regulatory bodies to address these issues to ensure that recycling outputs have stable and sufficient end markets. Janus Henderson also explored the specific issues around textile waste; here, circularity is hindered by the mass presence of polymers in the supply chains of textile manufacturers. As a result, significant investment in specialised equipment is needed. Janus Henderson views Beauparc's continued investment in recycling technologies positively, for example, the firm recently invested in a plastic mining facility at one of its flagship sites. The goal was to separate plastics effectively from the waste stream to maximise recycling efficiency and minimise landfill use. Nevertheless, management explained that overcoming the economic hurdles involved in recycling is more of a challenge than technological advancement. Beauparc was acquired by Macquarie Asset Management in 2021. Janus Henderson were pleased to hear that Macquarie has played an integral part in Beauparc's ESG strategy since the acquisition. Most notably, Macquarie's sustainability team has been instrumental in the planning and execution of Beauparc's commitment to achieving net zero by 2040. This engagement confirmed Janus Henderson's impression that the company has a strategy to address both circularity and carbon emissions and were encouraged to hear of Beauparc's strong working relationship with Macquarie.