

THE J MURPHY GROUP PENSION PLAN

YEAR ENDED 31 MAY 2020

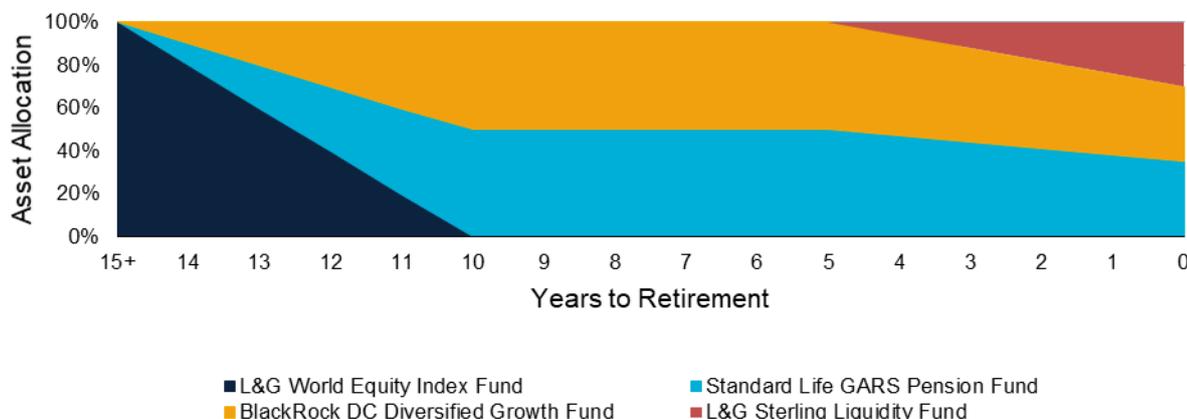
THE CHAIR'S STATEMENT REGARDING DC GOVERNANCE: 1 JUNE 2019 – 31 MAY 2020

This statement is produced pursuant to Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996, as amended by subsequent legislation. It explains how the J Murphy Group Pension Plan ("the Plan") is meeting the governance standards that apply to occupational pension schemes that provide money purchase benefits (i.e. Defined Contribution schemes – DC). In accordance with the Administration Regulations, the Trustees have appended the latest copy of the Statement of Investment Principles (the 'SIP') prepared for the Plan in compliance with Section 35 of the Pensions Act 1995 (the '1995 Act') and regulation 2 and regulation 2A of the Occupational Pension Plans (Investment) Regulations 2005 (the 'Investment Regulations') to the financial statements. This Statement and the Plan's Statement of Investment Principles ('SIP') will be published online at a publicly available website.

Default arrangement

Members of the Plan who do not make an explicit choice regarding the investment of their funds will be invested in the default strategy arrangement chosen by the Trustees with the advice of their Investment Consultant. The Plan's assets are held on an investment platform provided by Mobius Life Limited and the Investment Consultant is Mercer Ltd. The Plan is not used for auto-enrolment purposes.

At the Scheme Year End, the default strategy is the J Murphy Drawdown Lifestyle, and its objective is to provide exposure to higher risk assets (which offer greater growth potential) when members are further from retirement and then gradually reduce exposure to risk as members approach retirement. Under this strategy, members' investments are fully invested in the L&G World Equity Index Fund, a passively managed global equity fund, up to 15 years from retirement. This fund will expose assets to a relatively high level of investment risk in order to generate investment growth at a time when members can endure higher levels of volatility. Over the next 10 years, members' assets are gradually switched from this fund into two diversified growth funds (DGFs) – the Standard Life GARS Pension Fund and the BlackRock Life DC Diversified Growth Fund – until there is a 50:50 split between them. This move aims to reduce volatility while still exposing savings to growth opportunities. Over the final 5 years before retirement 30% of members' assets are moved into the L&G Sterling Liquidity Fund, a cash fund, in order to further reduce volatility as retirement approaches. This is shown below:



Members are also able to invest in a choice of two alternative lifestyle strategies targeting the purchase of an annuity at retirement or the withdrawal of the entire savings pot as a lump sum, as well as a range of additional self-select options. These options and the default arrangement are described in further detail in the Plan's Statement of Investment Principles ('SIP') appended to the financial statements.

The latest review of the default arrangement

The previous default lifestyle strategy (until April 2020) utilised the same funds as the current default strategy as well as the L&G Over 15 Years Gilts Index Fund, but targeted the purchase of an annuity at retirement. A review of the Plan's investment strategy was carried out during 2019. The Trustees undertook extensive investigations of the Plan's fund range (including price and performance) and membership, and received formal written investment advice from their investment consultant. The Trustees explicitly considered the demographics of the Plan, as well as the trade-off between risk and expected returns when establishing the balance between different kinds of investments. As a result, it was agreed by the Trustees at their meeting of 12 June 2019 that the new default strategy would be the J Murphy Drawdown Lifestyle, which would target income drawdown at retirement. Two alternative lifestyle paths would be introduced: J Murphy Annuity Lifestyle and J Murphy Cash Lifestyle, utilising funds already available within the Plan. Both strategies have the same construction at the Drawdown Lifestyle until 5 years before retirement, when they begin moving assets to a single fund for retirement, the L&G Over 15 Year Gilts Index Fund in the Annuity Lifestyle and the L&G Sterling Liquidity Fund in the Cash Lifestyle.

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These changes were implemented in March-April 2020, and all members were moved to the new default strategy. The investment strategy will be reviewed at least every three years and therefore the next review of the investment strategy is due to be carried out in 2022, or as soon as any significant developments in investment policy or member demographics take place.

The Trustees continually monitor the performance of the Plan's investments throughout the year and receive quarterly performance reports from their advisers. We are happy with the performance over the period covered by this statement and we believe the Plan's investment strategy remains on track to meet our aims and objectives.

The Trustees have set up processes to publish relevant information on the default arrangement online and will notify members about this in their annual benefit statements.

Processing Plan transactions

The Trustees have a specific duty to ensure that core financial transactions relating to the DC section are processed promptly and accurately. These include the investment of contributions, transfer of member assets into and out of the Plan, transfers between different investments within the Plan and payments to and in respect of members.

These transactions are undertaken on the Trustees' behalf by the Plan's administrator and investment manager, Mercer Ltd. The Trustees periodically review the processes and controls implemented by those organisations, and consider them to be suitably designed to achieve these objectives. The Trustees have a service level agreement (SLA) in place with the Plan administrator which covers the accuracy and timeliness of all core transactions and receive regular administration reports to monitor the performance against those service levels. The processes adopted by the Plan administrator to help meet the SLA include; daily monitoring of bank accounts, a dedicated contribution processing team, four eyes checking of investment and banking transactions, dynamic checklists, a central financial control team separate to the admin team as well as authoriser and releaser process for investment and bank transactions.

Mercer have confirmed that the percentage of tasks completed within the agreed service levels over the period 1 May 2019-31 July 2020 was approximately 85%, which is considered to be below standard. This can be largely ascribed to the Plan administrator's strategic decision to restructure its operation to transition all DC work to a central office location in Bracknell, as well as the impact of the COVID-19 pandemic on the day-to-day running of services. We will continue to monitor performance against the SLA on a regular basis and receive an annual Assurance Report on Internal Controls (AAF 01/06) from Mercer.

We also perform periodic assessments of methods and efficiency of the Plan's administrators and challenge them in terms of their efficiency when necessary. The Plan's administrator has confirmed that there were some complaints received during the year; complaints are handled and resolved in line with the Plan's Internal Disputes Resolution Procedure, and are documented and discussed at each Trustee meeting.

Aside from the deterioration of the service level, an issue relating to the implementation of a revised default investment strategy was raised by the Administrator during the Plan year which also resulted in the February, March and April 2020 contributions being invested outside of the service standard. This was brought to the attention of the Trustees, who have discussed it in detail and taken appropriate action. The most significant issue presented during the year was a delay to the bulk asset switch in March 2020; this is currently being investigated and rectified. Aside from this, the Trustees consider that the requirements for processing core financial transactions specified in the Administration Regulations (The Occupational Pension Schemes (Scheme Administration) Regulations 1996) have been met.

Charges and transaction costs – default arrangement and additional funds

The law requires the Trustees to disclose the charges and transaction costs borne by DC scheme members and to assess the extent to which those charges and costs represent good value for money for members. These transaction costs are not limited to the ongoing charges on member funds, but should also include trading costs incurred within such funds. We have taken account of statutory guidance when preparing this section of the report.

Transaction costs have been provided by the Plan's investment manager and they are calculated using slippage methodology. That is, the transaction costs represent the difference between the expected trading price of a security within a fund and the price at which the trade is actually executed at (as typically a trade is executed a few working days after an order is placed). Therefore, in a buy order, for example, if the execution price is less than the expected price, a transaction cost may be negative.

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Details of the Total Expense Ratios (TERs) payable for each fund as well as the transaction costs within the default arrangement are as follows:

Fund	TER (%)	Transaction Cost (%)
L&G World Equity Index Fund	0.180	0.004
Standard Life Global Absolute Return Strategies Pension Fund	0.735	0.460
BlackRock DC Diversified Growth Fund	0.634	0.441
L&G Sterling Liquidity Fund	0.133	-0.037

Source: Mobius. TERs as at 31 May 2020, transaction costs for the year to 31 May 2020

All TERs are lower than the maximum fee allowed of 0.75% for default arrangements. The Trustees recognise that the fees for the two diversified growth funds (DGFs) in the table above might appear relatively high but these prices are in line with other similar funds in their investment sector. These funds have been selected as they are well diversified, actively managed and operate within return and volatility (risk) targets. They therefore offer good growth potential with reduced downside risk compared to equities and so we consider them to be worth the higher investment fees. The Trustees' assessment of value for members is discussed in more detail later in this statement.

The Trustees also make available a range of funds which may be chosen by members as an alternative to the default arrangement. These funds allow members to take a more tailored approach to managing their own pension investments and attract annual charges and transaction costs as follows:

Fund	TER (%)	Transaction Cost (%)
L&G World Equity Index Fund	0.180	0.004
Standard Life Global Absolute Return Strategies Pension Fund	0.735	0.460
BlackRock DC Diversified Growth Fund	0.634	0.441
L&G Over 15 Year Gilts Index Fund	0.098	0.047
L&G Sterling Liquidity Fund	0.133	-0.037
L&G UK Equity Index Fund	0.099	0.062
L&G Pre-Retirement Fund	0.130	-0.008
L&G Active Corporate Bond — Over 10 Year — Fund	0.255	0.155
L&G Over 15 Year Index-Linked Gilts Index Fund	0.098	-0.012

Source: Mobius. TERs as at 31 May 2020, transaction costs for the year to 31 May 2020.

We are comfortable that the costs for the default arrangement and self-select funds are reasonable both in terms of the outcomes the funds are targeting and the fees in the wider market applicable to similar investment strategies. The Trustees' assessment of value for members is discussed later in this statement.

Cumulative effect of charges

Using the charges and transaction cost data provided by Mobius, and in accordance with regulation 23(1)(ca) of the Administration Regulations, the Trustees have prepared illustrations detailing the impact of the costs and charges typically paid by a member of the Plan on their retirement savings pot. The statutory guidance has been considered when providing these examples.

In order to represent the range of funds available to members, we are required to show the effect on a member's savings of investment in the following (with the DC section's relevant funds/strategies listed in brackets):

- The fund or strategy with the most members invested (*the default strategy – J Murphy Drawdown Lifestyle*)
- The most expensive fund (*Standard Life Global Absolute Return Strategies*)
- The least expensive fund (*L&G Over 15 Year Index-Linked Gilts Index*)
- The fund with the highest expected return (*L&G UK Equity Index*)
- The fund with the lowest expected return (*L&G Sterling Liquidity*)

(It should be noted that the Aviva Cash Fund, provided in the AVC section of the Plan, has a higher charge than the L&G Sterling Liquidity and therefore constitutes the fund with the lowest expected return after charges; this fund is shown in the illustrations provided by Aviva, included in the Appendix of this document).

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The compounding effect of charges on an active member's fund can be illustrated as follows:

Illustrations for an "Average" member										
Years from now	Default Strategy <i>(the most popular option)</i>		Standard Life Global Absolute Return Strategies <i>(most expensive fund)</i>		L&G Over 15 Year Index-Linked Gilts Index <i>(cheapest fund)</i>		L&G UK Equity Index <i>(highest expected return fund)</i>		L&G Sterling Liquidity <i>(lowest expected return fund)</i>	
	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted
1	£39,820	£39,749	£39,192	£38,706	£38,149	£38,112	£39,823	£39,781	£38,016	£37,965
3	£62,504	£62,220	£59,969	£58,115	£55,933	£55,796	£62,515	£62,346	£55,432	£55,247
5	£86,590	£85,830	£81,508	£77,739	£73,256	£72,989	£86,921	£86,565	£72,262	£71,902
10	£146,478	£139,925	£138,880	£127,764	£114,633	£113,915	£156,310	£155,159	£111,898	£110,945
15	£208,917	£191,889	£201,664	£179,192	£153,390	£152,061	£239,553	£237,011	£148,280	£146,543
19 (retirement)	£256,287	£230,484	£256,130	£221,373	£182,620	£180,704	£317,965	£313,744	£175,224	£172,746
Illustrations for a "Young" member										
Years from now	Default Strategy <i>(the most popular option)</i>		Standard Life Global Absolute Return Strategies <i>(most expensive fund)</i>		L&G Over 15 Year Index-Linked Gilts Index <i>(cheapest fund)</i>		L&G UK Equity Index <i>(highest expected return fund)</i>		L&G Sterling Liquidity <i>(lowest expected return fund)</i>	
	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted	Before costs	After costs deducted
1	£28,917	£28,865	£28,479	£28,126	£27,751	£27,723	£28,919	£28,888	£27,658	£27,620
3	£49,076	£48,860	£47,188	£45,774	£44,178	£44,073	£49,084	£48,956	£43,804	£43,663
5	£70,754	£70,283	£66,585	£63,619	£60,181	£59,970	£70,772	£70,493	£59,407	£59,123
10	£132,368	£130,786	£118,249	£109,106	£98,403	£97,808	£132,433	£131,491	£96,154	£95,365
15	£206,257	£202,691	£174,787	£155,870	£134,205	£133,077	£206,405	£204,280	£129,885	£128,409
20	£291,630	£283,390	£236,658	£203,947	£167,739	£165,951	£295,147	£291,137	£160,848	£158,538
25	£367,085	£341,083	£304,367	£253,375	£199,149	£196,592	£401,609	£394,782	£189,268	£186,009
30	£442,948	£393,680	£378,464	£304,191	£228,571	£225,152	£529,329	£518,460	£215,357	£211,056
33 (retirement)	£481,653	£419,905	£426,237	£335,362	£245,321	£241,349	£617,896	£603,863	£229,970	£225,011

It could be helpful to provide the context for the investment returns and charges presented above. If savings were not invested at all (i.e. there were no investment returns or fees) then, according to our modelling, the value of the "Average" and "Younger" members' pots at retirement would be £161,450 and £202,771 respectively in today's money.

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Assumptions	
<p>The above illustrations have been produced for an “average” active member and a “young” active member of the Plan based on the Plan’s membership data. The “Default Strategy” illustration assumes the member’s asset allocation remains fully invested in the current default strategy. The individual fund illustrations assume 100% of the member’s assets are invested in that fund up to the Plan retirement age. The results are presented in real terms, i.e. in today’s money, to help members have a better understanding of what their pension pot could buy in today’s terms, should they invest in the funds above as shown.</p>	
Age	
<ul style="list-style-type: none"> • “Average” member • “Young” member 	<p>46 (<i>the average age of the Plan’s active membership</i>)</p> <p>32 (<i>the average age of the youngest 10% of active members</i>)</p>
Plan Retirement Age	65
Starting Pot Size	
<ul style="list-style-type: none"> • “Average” member • “Young” member 	<p>£29,082 (<i>the median pot size of the Plan’s active membership</i>)</p> <p>£19,374 (<i>the median pot size for the youngest 10% of active members</i>)</p>
Starting Salary	
<ul style="list-style-type: none"> • “Average” member • “Young” member 	<p>£67,875 (<i>the median salary of the Plan’s active membership</i>)</p> <p>£62,000 (<i>the median salary for the youngest 10% of active members</i>)</p>
Inflation	2.5% p.a.
Rate of Salary Growth	2.5% p.a.
Total annual contributions (including employer and employee contributions)	14% p.a. (<i>the median rate of the Plan’s active membership</i>)
Expected future nominal returns on investment:	
<ul style="list-style-type: none"> • Default Strategy <ul style="list-style-type: none"> ○ L&G World Equity Index Fund ○ Standard Life GARS Fund ○ BlackRock DC Diversified Growth Fund ○ L&G Sterling Liquidity Fund • Standard Life GARS Fund • L&G Over 15 Year Index-Linked Gilts Index Fund • L&G UK Equity Index • L&G Sterling Liquidity Fund 	<p>3.7% p.a. above inflation</p> <p>1.3% p.a. above inflation</p> <p>1.3% p.a. above inflation</p> <p>1.7% p.a. below inflation</p> <p>1.3% p.a. above inflation</p> <p>1.3% p.a. below inflation</p> <p>3.7% p.a. above inflation</p> <p>1.7% p.a. below inflation</p>
<p>Assumed charges (TERs) for each fund are as described earlier in this Statement. Assumed transaction costs are based on historic transaction costs within five years of the Plan’s year end, as required by the Regulations.</p>	

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Value for members

The Trustees have a good understanding of the membership demographics of the Plan and as such have a view as to what good member outcomes should look like for the Plan's members in aggregate and monitor value for members on an ongoing basis.

Whether something represents "good value" is not capable of being precisely defined, but for these purposes, the Trustees consider that charges and transaction costs may be viewed as representing "good value" for members where the combination of costs and the quality of what is provided in return for those costs is appropriate for the Plan membership as a whole, when compared to other options available in the market.

We understand that value for money does not necessarily mean selecting the cheapest offer and in our ongoing reviews of value for money we consider many factors including quality of customer service, member communications and support, the efficiency of administration services, the robustness of scheme governance, fund management and performance of the funds.

Most of the funds used by the Plan are highly rated by the Plan's investment advisers as having good prospects of achieving their objectives, and the performance of funds is reviewed and discussed at least quarterly. The Trustees also take into account forward looking considerations such as market outlook and the adviser's expectations of manager performance. The same applies with the efficiency of administration services, which are also discussed quarterly. With this in mind, the Trustees have assessed the fees disclosed above and are satisfied that the available funds represent good value for money in the context of the outcomes targeted by such funds and the current market rates for similar investments levied on members of schemes with a similar membership profile.

The Trustees carried out a formal value for members assessment for the 12-month period to 31 May 2020. The assessment considered a range of factors including investment costs, scheme governance, scheme design, administration, costs and communication. The assessment concluded that overall the Plan generally provides **good** value for members; from an investment governance perspective fees are competitive, generally the funds have performed in line with expectations and remain highly rated by Mercer, and wider factors such as Plan governance and management further support the Plan's value for members. The assessment also included recommended actions for the Plan going forward, such as a formal AVC review to determine the AVC policies' value for members in more detail, and monitoring closely funds which have underperformed over the three year period.

The Trustees have set up processes to publish relevant information on the costs and charges of the default arrangement and self-select funds online and will notify members about this in their annual benefit statements.

Additional Voluntary Contributions (AVCs)

The Trustees also make available a facility to members to pay in additional contributions to boost Defined Benefit section benefits. These arrangements are provided by Phoenix Life and Aviva Investors.

The Trustees have requested charges and transaction costs for these investments. Below are the funds provided by Aviva currently invested in by members of the Plan, together with associated fees:

Fund	TER (% p.a.)	Transaction Cost (% p.a.)
Av BlackRock (50:50) Global Equity Index (Aquila C)	0.55%	0.023%
Av BlackRock UK Equity Index (Aquila C)	0.55%	0.168%
Av Cash	0.55%	0.008%
Av Managed	0.55%	0.093%
Av Pre-Retirement Fixed Interest	0.55%	0.193%
Av Stewardship Income	0.55%	0.193%
Av Stewardship International	0.55%	0.238%
Av Stewardship Managed	0.55%	0.154%

Source: Aviva; TERs as at 31 May 2020, transaction costs for the year to 31 March 2020.

Aviva have provided illustrations showing the impact of charges and costs on a member's investment in the Aviva fund range, which can be found in the Appendix of this document.

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Members invested with Phoenix Life are invested in unit linked contracts in the Deposit Administration fund, which operates as a with-profit fund (as interest is applied each year to each individual policy). There are no explicit charges applied to each policy, as the Annual Management Charge (1.00% for 2019) is built into the unit fund prices, and therefore exact charges and costs for investment in the policy cannot be provided.

Trustees' knowledge and understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as trustees properly. This requirement is underpinned by guidance in the Pension Regulator's Codes of Practice 07 and 13.

The Trustees have put in place arrangements for ensuring that they take personal responsibility for keeping themselves up-to-date with relevant developments and carry out a self-assessment of training needs. The Secretary to the Trustees reviews the self-assessments and arranges for training to be made available to individual Trustees or to the Trustee body as appropriate. In addition, the Trustees receive advice from professional advisers, and the relevant skills and experience of those advisers is a key criterion when evaluating adviser performance or selecting new advisers. The Trustees also include legislative updates and Trustee Knowledge and Understanding on the agenda for each meeting.

All the Trustees are required to familiarise themselves with the Plan's trust deed, rules and governing documents. Where professional advice on the Trust deed and rules is required, this is obtained from DLA Piper LLP; for example, over the year covered by the statement, the Trustees obtained advice around changing the Plan's renewal date for DC contributions to align with the practices of the Plan administrator. During the year, the Trustees have demonstrated a working knowledge of the Trust Deed & Rules dealing with specific issues as they arose, including consideration of partial transfers and settlement of death benefits.

The Trustees reviewed the Statement of Investment Principles (SIP) in September 2019 and also reviewed the Plan's default strategy on 12 June 2019. This review considered the objectives of the fund in light of the member demographics and fund size and taking account of the latest information regarding member benefit decisions. As a result of the review, the Trustees made changes to the default strategy to now target income drawdown at retirement.

The Trustees have also received training on their investment duties in respect of Environmental, Social and Governance matters and this was incorporated into the September 2019 review of the SIP. The Trustees therefore believe they have demonstrated a working knowledge of the SIP and the principles relating to the funding and investment of occupational schemes

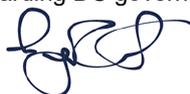
Over the year covered by the statement, the Trustees reviewed and updated the Plan's risk register, business plan and data strategy policy. The Trustees are therefore satisfied that they have demonstrated a working knowledge of documents setting out the Trustees' current policies.

All of the existing Trustees have completed the Pension Regulator's Trustee Toolkit and new Trustees are required to complete this within six months of taking up office. The Trustees ensure that they receive appropriate training on new areas of regulation, such as Environmental, Social and Governance investing which they were trained on during their Trustee meeting on 12 June 2019. The Trustee board also includes an experienced professional independent trustee who has familiarised themselves with these relevant documents to ensure they have adequate knowledge of the Plan. Taking account of actions taken individually and as a Trustee body, and the professional advice available to them, the Trustees consider that they have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational schemes.

Considering all the points raised above, the Trustees believe they are enabled properly to exercise their functions as Trustees of the Plan.

In addition, while most schemes simply focus on trustee training and use of advisers, we believe that knowledge and understanding should also be extended to awareness of member demographics and member behaviour otherwise trustees cannot be certain that a scheme remains fit for purpose.

The Chair's statement regarding DC governance was approved by the Trustees and signed on their behalf by:



Lynne Stewart-Brindle
Chair of the Trustees

Date: 22nd December 2020

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Appendix A

Additional illustrations

The following illustrations have been provided by Aviva to demonstrate the impact of charges and costs on a member's investment in the Aviva AVC fund range over time.

Illustration of effect of cost and charges for typical funds within your scheme – J Murphy Group Pension Plan New Generation Group AVC Pension Scheme										
	Av Managed-FPMANA_P		Av Cash-FPCASH_P		Av Pre-retirement Fixed Interest-FPANNP_P		Av Stewardship International-FPSTINTP		Av BlackRock UK Equity Index (Aquila C)-FPEQIX_P	
	Assumed growth rate 4.3%		Assumed growth rate 1.5%		Assumed growth rate 2.5%		Assumed growth rate 5%		Assumed growth rate 5%	
	Assumed costs and charges 0.63%		Assumed costs and charges 0.58%		Assumed costs and charges 0.78%		Assumed costs and charges 0.79%		Assumed costs and charges 0.78%	
At end of year	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken
1	£1,200	£1,190	£1,180	£1,180	£1,190	£1,180	£1,200	£1,200	£1,200	£1,200
2	£2,420	£2,400	£2,350	£2,330	£2,370	£2,350	£2,430	£2,410	£2,430	£2,410
3	£3,660	£3,620	£3,510	£3,480	£3,560	£3,520	£3,700	£3,650	£3,700	£3,650
4	£4,920	£4,860	£4,650	£4,600	£4,750	£4,670	£4,990	£4,910	£4,990	£4,910
5	£6,200	£6,100	£5,790	£5,700	£5,930	£5,820	£6,310	£6,180	£6,310	£6,190
10	£13,000	£12,600	£11,300	£11,000	£11,900	£11,400	£13,400	£12,900	£13,400	£12,900
15	£20,400	£19,400	£16,500	£15,900	£17,800	£16,800	£21,500	£20,200	£21,500	£20,200
20	£28,400	£26,600	£21,500	£20,400	£23,700	£22,000	£30,500	£28,000	£30,500	£28,100
25	£37,200	£34,200	£26,300	£24,600	£29,700	£27,000	£40,700	£36,600	£40,700	£36,600
30	£46,800	£42,300	£30,800	£28,400	£35,600	£31,700	£52,300	£45,900	£52,300	£45,900
35	£57,200	£50,800	£35,100	£32,000	£41,500	£36,400	£65,300	£55,900	£65,300	£56,000
40	£68,600	£59,800	£39,200	£35,300	£47,500	£40,800	£79,900	£66,800	£79,900	£66,900
45	£81,100	£69,300	£43,200	£38,400	£53,400	£45,000	£96,500	£78,600	£96,500	£78,800
50	£94,700	£79,400	£46,900	£41,200	£59,300	£49,200	£115,000	£91,400	£115,000	£91,700

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THE CHAIR'S STATEMENT REGARDING DC GOVERNANCE: 1 JUNE 2019 – 31 MAY 2020 (CONTINUED)

Illustration of effect of costs and charges for funds with different growth rates and charges within your scheme – J Murphy Group Pension Plan New Generation Group AVC Pension Scheme								
	Av BlackRock Institutional Sterling Liquidity-FPBGIC_P		Av BlackRock Over 15 Year Gilt Index (Aquila C)-FPILGXAP		Av HSBC Islamic Global Equity Index-FPAGEI_P		Av JPM Natural Resources-FPJPNR_P	
	Assumed growth rate 1.5%		Assumed growth rate 2.5%		Assumed growth rate 5%		Assumed growth rate 5%	
	Assumed costs and charges 0.56%		Assumed costs and charges 0.53%		Assumed costs and charges 0.89%		Assumed costs and charges 1.98%	
At end of year	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken	Projected value assuming no charges are taken	Projected value after costs and charges are taken
1	£1,180	£1,180	£1,190	£1,180	£1,200	£1,200	£1,200	£1,190
2	£2,350	£2,340	£2,370	£2,360	£2,430	£2,410	£2,430	£2,380
3	£3,510	£3,480	£3,560	£3,530	£3,700	£3,640	£3,700	£3,580
4	£4,650	£4,600	£4,750	£4,690	£4,990	£4,900	£4,990	£4,790
5	£5,790	£5,710	£5,930	£5,850	£6,310	£6,170	£6,310	£6,000
10	£11,300	£11,000	£11,900	£11,600	£13,400	£12,800	£13,400	£12,100
15	£16,500	£15,900	£17,800	£17,100	£21,500	£20,000	£21,500	£18,400
20	£21,500	£20,400	£23,700	£22,500	£30,500	£27,800	£30,500	£24,800
25	£26,300	£24,600	£29,700	£27,800	£40,700	£36,100	£40,700	£31,300
30	£30,800	£28,500	£35,600	£32,900	£52,300	£45,100	£52,300	£38,000
35	£35,100	£32,100	£41,500	£37,900	£65,300	£54,900	£65,300	£44,800
40	£39,200	£35,400	£47,500	£42,700	£79,900	£65,400	£79,900	£51,700
45	£43,200	£38,500	£53,400	£47,500	£96,500	£76,700	£96,500	£58,900
50	£46,900	£41,300	£59,300	£52,100	£115,000	£88,900	£115,000	£66,100

Notes

1. Values shown are estimates and are not guaranteed.
2. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
3. Assumptions are based on membership and fund data as at 31 March 2020.
4. The starting pot size is assumed to be nil, and contributions are assumed to be paid £100 monthly increasing in line with inflation. Inflation is assumed to be 2.5% per annum.
5. Aggregate transaction costs may not have been included where data was not available from the fund managers.