Sopra Steria Retirement Benefits Scheme

Scheme Registration Number: 12012537

Trustee's Annual Report and Financial Statements for the Year Ended 31 December 2023

Contents

Appendices

Trustee, Principal Employer, Trustee's Advisers and Statutory and Other Bodies

Trustee:	Sopra Steria (Retirement Benefits Scheme) Trustees Limited (Company Number 12430851)
Principal Employer:	Sopra Steria Limited Three Cherry Trees Lane Hemel Hempstead Hertfordshire HP2 7AH
Directors of Trustee Company:	**Company appointed directors:** Independent Trustee Services Limited – currently represented by: Frank Oldham (Chair) Hilary Robertson Siva Niranjan Davinder Ahluwalia (appointed 1 January 2023) The Law Debenture Pension Trust Corporation p.l.c. – currently represented by: Keith Scott **Member nominated directors:** David Best Jan Pye Tim Laverick
Address for Enquiries:	Sopra Steria Retirement Benefits Scheme Capita Pension Solutions Limited PO Box 555 Stead House Darlington DL1 9YT
Administrator:	Capita Pension Solutions Limited
Actuarial Consultant:	Aon Solutions UK Limited (trading as Aon)
Scheme Actuary:	G Tucker FIA, Aon Solutions UK Limited
Employer Covenant Adviser:	Ernst & Young LLP
Independent Auditor:	Crowe U.K. LLP

Trustee, Principal Employer and Trustee's Advisers

Investment Managers:	*Manager of segregated investment funds in which the Scheme had interests during the year under review:* BlackRock Investment Management (UK) Limited *Managers of pooled investment funds in which the Scheme had interests during the year under review:* Barings Global Advisers Limited Christopherson, Robb & Company LLC DRC Capital LLP Global Investment Management LLC Harris Associates L.P. (removed August 2023) MFS Investment Management Limited (removed August 2023) Morgan Stanley Investment Management Limited (removed August 2023) Macquarie Legal and General (appointed July 2023) *Manager of the Steria Pooled Investment Fund in which the Scheme had interests during the year under review:* Schroder Investment Management Limited
Custodians:	*Custodians of segregated investment funds in which the Scheme had interests during the year under review:* The Bank of New York Mellon SA/NV London Branch The Bank of New York Mellon London Branch *Custodian in relation to the Scheme's bank account:* Capita Pensions Solutions Limited
Banker:	The Royal Bank of Scotland plc
Investment Adviser:	Aon Solutions UK Limited (trading as Aon)
Legal Adviser:	Gowling WLG (UK) LLP
AVC Providers:	*Managers of additional voluntary contribution funds in which the Scheme had interests during the year under review:* Aviva Life & Pensions UK Limited BlackRock Investment Management (UK) Limited Clerical Medical Investment Group Limited Phoenix Life Limited Standard Life Investments Limited Zurich Assurance Limited

Trustee’s Report

Introduction

The Trustee of the Sopra Steria Retirement Benefits Scheme (“the Scheme”) has pleasure in presenting its annual report and financial statements for the year ended 31 December 2023.

The Principal Employer

The Principal Employer under the Scheme is Sopra Steria Limited, the registered address of which is at Three Cherry Trees Lane, Hemel Hempstead, Hertfordshire, HP2 7AH (Registered number: 7414135) (“the Company”). The Company is vested with certain powers and duties in relation to the Trustee, such as the appointment of the Trustee and some of its Directors, as well as, more widely in relation to the Scheme under the Trust Deed and Rules.

Scheme Constitution

The Scheme

The purpose of the Scheme is to provide retirement benefits for Scheme members and, in the event of members’ deaths, to provide benefits to their spouses and dependants, as prescribed in the Scheme’s Rules.

The Scheme was established under a trust which is governed by a Definitive Trust Deed and Rules dated 18 February 2016 and subsequent amending deeds. The Scheme is a Registered Pension Scheme under the Finance Act 2004 and is therefore exempt from certain UK Income and Capital Gains taxes. The Scheme provides defined benefits for members, together with some defined contribution benefits under additional voluntary contribution (“AVC”) arrangements.

In three merger deeds dated 31 January 2020, three segregated sections were created into which all of the assets and liabilities were transferred in respect of three related Schemes: the Steria Retirement Plan (SRP), the Steria Management Plan (SMP) and the Steria Pension Plan (SPP) (collectively the Transferring Plans). The merger deeds provided for the transfer of SMP’s, SPP’s and SRP’’s assets into the Scheme’s SMP Section, SPP Section and SRP Section respectively, in exchange for those sections of the Scheme assuming responsibility for the respective liabilities of the Transferring Plans. Immediately before the date of the merger deeds, the Trust Deed and Rules of the Scheme was amended so that the Scheme was sectionalised for the purpose of allowing the transfers to take place.

These transfers took place in four separate tranches between 30 September 2020 and 2 August 2021, and the final transfer amounts constituted all of the remaining assets in the Transferring Plans.

Management of the Scheme

The Trustee and Trustee Directors

The Scheme is managed by a corporate Trustee, Sopra Steria (Retirement Benefits Scheme) Trustees Limited, whose registered address is at Three Cherry Trees Lane, Hemel Hempstead, Hertfordshire, HP2 7AH (Registered number: 12430851). This company was set up specifically for this purpose.

The Trustee Company’s articles of association provide for there to be up to six Company appointed directors (including two independent directors, one with special powers) and up to three (or, during a transitional year up to five) member nominated directors (MNDs). The Directors of the Trustee Company during the year under review and since then are listed on page 2.

The Principal Employer has the power to appoint and remove the Company appointed directors. On 1 January 2023, the Principal Employer appointed Davinder Ahluwalia as a Company appointed director.

MNDs must be either current pensioners of the Scheme or deferred members of the Scheme who are still employed by the Principal Employer or a participating employer or another group company with the agreement of the Principal Employer.

Trustee's Report

Management of the Scheme (continued)

Scheme Governance

During the year, the Board of Directors of the Trustee continued to hold quarterly joint meetings with the Board of Directors of the Trustees of the Steria Electricity Supply Pension Scheme. Meetings of the following joint committees of these trustees also took place as required:

- Joint Audit and Risk Committee
- Joint Communications Committee
- Joint Investment Committee
- Joint Valuation Committee

In addition, there is a Joint Dispute Resolution Committee, a Joint GMP Reconciliation/Data Cleanse Working Group, and an Administration and Operations Committee. Each Committee or working group has formal Terms of Reference which have been agreed by the trustees and are reviewed regularly.

Since COVID-19, the Board of Directors of the Trustee, along with the trustees of the Steria Electricity Supply Pension Scheme, has undertaken some meetings of the joint Committees online.

The Pensions Regulator is keen to promote the good governance of pension schemes and issues guidance for trustees including a number of Codes of Practice.

In order to facilitate good governance of the Scheme, the Trustee maintains appropriate internal controls and risk management processes including a formal Risk Register. Trustee Directors are required to undertake relevant training and receive written publications from their advisers on topical issues to help them keep abreast of relevant changes to legislation, regulation, and industry practice.

Scheme Advisers and Service Providers

The names of the professional advisers to the Trustee and other individuals and organisations, who have acted for, or were retained by, the Trustee during the year, are listed on pages 2 and 3.

Scheme Audit

The accounts have been prepared and audited in accordance with regulations made under sections 41 (1) and (6) of the Pensions Act 1995.

Events During the Year

Guaranteed Minimum Pension Benefits

As reported in the previous 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 that schemes should be amended to equalise pension benefits for men and women in order to address the inequalities inherent in guaranteed minimum pension benefits earned after 17 May 1990.

A further consequential ruling on 20 November 2020 means that there is likely to be an obligation to provide top up payments for members who transferred out of the Scheme in the period between 17 May 1990 and 26 October 2018, where they would have been entitled to extra benefits in the Scheme due to GMP equalisation. The Trustee is aware that this issue affects the Scheme and is taking advice on what should be done and what the financial impact is likely to be.

The Department for Work and Pensions, HMRC and an industry working group have been producing guidance on how this will work in practice. There have also been further High Court judgments that have provided additional clarity for pension schemes on how to deal with things that have happened in the past.

Trustee's Report

Events During the Year (continued)

Guaranteed Minimum Pension Benefits (continued)

The Trustee and the Principal Employer are working together to understand the impact of these developments on the Scheme. However, the equalisation of individual benefits is a complex matter, and it is likely that it will take some time to identify and update members who may be affected.

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 and therefore has not included a liability in respect of these matters in these financial statements. They will instead be accounted for in the year in which they are determined.

Going concern

The Scheme's financial statements have been prepared on a going concern basis. In making this assessment, the Trustee has assessed the ability of the Company to continue to meet its obligations to the Scheme and for the Scheme to meet its future obligations to pay member benefits as they fall due. The Trustee has reviewed information available to it from the Company and its advisers and therefore believes the Scheme is well positioned to manage its risks successfully. Considering this, the Trustee has a reasonable expectation that the Scheme will continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the Scheme's financial statements.

Russian War in Ukraine

The continued uncertainty, and the associated sanctions against Russia and Russian individuals, has resulted in continued volatility in investment markets. How those might develop, the scale of those developments and the wider impacts are hard to predict, though a period of heightened uncertainty seems inevitable. The amount of exposure to Russia is regarded as trivial to the Scheme. The Trustee has not identified any further material risks to the Scheme or employer, although the Trustee will continue to closely monitor the situation.

Steria Pooled Investment Fund (the SPIF)

During 2024, the Trustee decided to wind up the SPIF and to transfer the assets held in the SPIF to the respective sections of the Scheme. The beneficial ownership of the assets held in the SPIF were transferred to the respective sections of the Scheme on 28 March 2024 and the SPIF holds no remaining assets. The intention is to wind up the SPIF in the near future.

Changes to Scheme Rules

The following changes were made to the Scheme's Trust Deed and Rules during the year under review.

SPP Section

The Trustee, at the request of the Principal Employer, amended the basis for determining the annual increases to pensions in payment under this Section, replacing the reference index from RPI to CPIH. This amendment was effective from 1 May 2023 and applied to all tranches of pension for which increases were previously based on RPI. In recognition of this amendment, all affected pensioner members were granted an additional 1% discretionary pension increase on 1 May 2023. All deferred members will receive an additional 1% discretionary pension increase at the time that they receive their first pension increase after the pension comes into payment.

Trustee's Report

Events During the Year (continued)

Other Initiatives completed during the year under review

The Trustee introduced the following initiatives during the year under review, (in addition to the changes to the Scheme Rules referenced above).

SRP Section

During the year, all of the remaining active members of the SRP Section left active service of the Scheme. As such, the SRP Section closed to future accrual during the year.

The Trustee and the Principal Employer reached agreement to implement an asset backed funding (ABF) structure to provide security and contributions to the Section. In summary, the Company made a contribution to the Section, which the Trustee used to purchase an interest in a Scottish Limited Partnership (SLP), under the terms of an ABF that has been put in place. This interest entitles the Trustee to receive coupon payments of £4.5M per annum from the SLP (in 2023 terms), with future coupons subject to increase at 3.5% p.a. continuing for 15 years. These payments are subject to the terms of the ABF, including a mechanism for suspending those payments if the Section reaches an agreed funding level as set out in the ABF documentation.

SMP Section

The Trustee invited current pensioner members of the Section to elect to exchange certain non-statutory pension increases for a higher fixed annual pension – a 'pension increase exchange' or 'PIE' exercise. For the members who elected this option, the pensions were adjusted from 1 March 2023.

Capita Cyber Incident

Capita Pensions Solutions Limited (Capita) is the appointed administrator of the Scheme.

On 6 April 2023, the Trustee was informed by Capita it had experienced a cyber incident following an unauthorised access to Capita's systems on or around 22 March 2023, before being interrupted by Capita on 31 March 2023. The Trustee was notified by Capita on 5 June 2023 that personal data for Scheme members which Capita processes on behalf of the Trustee had been part of the data exfiltrated as a result of the cyber incident. The Trustee set up an Emergency Committee to deal with this issue, which continues to meet regularly, and has taken suitable action to comply with its regulatory obligations, including informing relevant regulators (including the Information Commissioners Office and the Pensions Regulator) and communicating regularly with the affected Scheme members and ex-Scheme members.

Further information is available at: https://www.ssrbs.co.uk/capita-cyber-incident

TCFD Reporting

The Trustee worked with its advisers to ensure that it complied with the requirement to prepare its first "Task force on Climate-related Financial Disclosures ("TCFD")" report within the prescribed deadline of 1 July 2023.

Since the year end the Trustee has prepared and published the Scheme's second TCFD report, see page 17 for further details.

The TCFD report discloses how the Trustee manages climate-related risks, plus explains the processes and metrics agreed by the Trustee to measure how well each investment manager is performing against the requirements.

Trustee’s Report

Financial Development

The main financial movements in the Scheme’s Fund Account during the year under review can be summarised as follows:

	£’000
Net assets at the start of the year	1,027,684
Contributions and other income	38,800
Benefits and expenses	(52,972)
Net returns on investments	60,521
Net assets at the end of the year	**1,074,033**

Trustee's Report

Summary of Contributions Payable

During the year ended 31 December 2023, contributions were payable to the Scheme as follows:

	£'000
Contributions payable under the Schedule of Contributions	
Employer	
Normal contributions	543
Deficit contributions	3,394
Expenses	1,836
Other - Levies	176
Flexible apportionment arrangement	148
Additional contributions in respect of asset backed fund	32,700
Total contributions payable under the Schedule of Contributions	**38,797**
Contributions payable per Fund Account (note 4)	**38,797**

Normal employer contributions relate to contributions in respect of the active members of the SRP Section, whose contributions were payable to the Scheme with effect from 1 February 2020 under the terms of the merger deed and calculated with reference to the rates stipulated in the Schedule of Contributions of the Steria Retirement Plan, certified by that Plan's Actuary on 29 June 2020. These were then superseded by the new Schedule of Contributions for the SRP Section of the Scheme, which was certified by the Scheme Actuary on 4 November 2022. During the year, all of the remaining active members of the SRP Section left the Scheme.

Schedules of Contributions for the SMP Section, relevant for the 2023 year, were certified by the Scheme Actuary on 17 May 2022 and 13 April 2023. A new Schedule of Contributions was signed on 15 May 2024 which requires a contribution of £2.246m to be paid to the SMP section on or before 31 March 2025.

The Schedule of Contributions for the SPP Section was certified by the Scheme Actuary on 13 September 2022.

Other contributions represent amounts paid by the Employer to reimburse the Scheme for the Pension Protection Fund (PPF) Levy and PPF Administration Levy.

In accordance with the Schedule of Contributions signed 29 June 2020, additional contributions of £1,780,000 were payable in equal monthly installments for the period from 1 April 2020 to 31 March 2023. These additional contributions have now ceased. This was in relation to a Flexible Apportionment Arrangement following the sale of Steria Recruitment Limited.

Under the terms of the three merger deeds, deficit repair and expense contributions received after 30 September 2020 by the three Transferring Plans under their respective Schedules of Contributions were treated as income received by the trustees of the Transferring Plans on trust for the corresponding Sections of the Scheme, in proportion in each case to the value of the member liabilities being transferred from the Transferring Plan in question to the corresponding Section of the Scheme. From July 2021 these were directly received into the Scheme in line with the Schedules of Contributions applicable for the legacy Plans. See note 4 to the Financial Statements.

The additional contributions are in relation to the asset backed fund, more information on this can be found on page 7 of the Trustee report.

Trustee's Report

Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, the Scheme, as a funded occupational pension scheme, is generally 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, assessed using the assumptions agreed between the Trustee and the Principal Employer and set out in each Section's Statement of Funding Principles, which is available to Scheme members on request.

The most recent full actuarial valuation of the Scheme was carried out as at 31 December 2020 and the results for each Section were as follows:

SMP Section Valuation Results

The value of the Technical Provisions was:	£213,000,000
The value of the assets at that date was:	£203,300,000
The funding level was therefore:	95.4%

SPP Section Valuation Results

The value of the Technical Provisions was:	£738,800,000
The value of the assets at that date was:	£701,400,000
The funding level was therefore:	94.9%

SRP Section Valuation Results

The value of the Technical Provisions was:	£633,500,000
The value of the assets at that date was:	£564,100,000
The funding level was therefore:	89.0%

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in each Section's Statement of Funding Principles):

Method

The actuarial method to be used in the calculation of the technical provisions is the Projected Unit Method.

Significant Actuarial Assumptions

Discount interest rate: derived from the Bank of England fixed interest gilts curve at the valuation date, with allowance for outperformance. For the valuation at 31 December 2020, the allowance for outperformance reflects a de-risking strategy with trigger points based on a funding levels of 80%, 90% and 100% (insofar as each Section's initial funding level was below each of these trigger points). The valuation of liabilities used for assessing whether this trigger point has been met uses assumptions consistent with those set out in the valuation, but with no allowance for outperformance in the discount rate or allowance for an inflation risk premium.

Trustee’s Report

Report on Actuarial Liabilities (continued)

Price inflation: the assumption for increases in the Retail Prices Index (RPI) is derived from the Bank of England RPI breakeven inflation curve at the valuation date less allowance for an inflation risk premium of 0.05% p.a. The difference between the long-term assumptions for RPI, Consumer Prices Index (CPI) inflation and, where relevant, Consumer Prices Index including Owner Occupiers’ Housing costs (CPIH) inflation will vary over time to reflect the actuary's changing views of long-term structural differences between the calculations of RPI, CPI and CPIH inflation at the date subsequent calculations are carried out. As at 31 December 2020, the assumption for increases in the CPI is derived from the RPI assumption less 1.0% p.a. before 2030 and 0.1% p.a. after 2030. For the SPP Section only, as at 31 December 2020, the assumption for increases in the CPIH is derived from the RPI assumption less 0.9% p.a. before 2030 and in line with the RPI assumption after 2030.

Pension increases: derived from the relevant price inflation assumption allowing for the maximum and minimum annual increases and the Scheme Actuary’s best estimate of future inflation volatility.

Post-retirement Mortality:

SMP Section

Standard table S3PMA Light (males) / S3PFA Light (females), adjusted to allow for individual years of birth, and scaling factors set using Aon's Demographic Horizons tool. The scaling factors are 99% for males and 98% for females.

SRP Section

Standard table S3PMA all amounts (males) / S3PFA middle amounts (females), adjusted to allow for individual years of birth, and scaling factors set using Aon's Demographic Horizons tool. The scaling factors are 98% for males and 99% for females.

SPP Section

Standard table S3PMA all amounts (males) / S3PFA middle amounts (females), adjusted to allow for individual years of birth, and scaling factors set using Aon's Demographic Horizons tool. The scaling factors are 94% for males and 100% for females.

Future improvements for all Sections are assumed to be in line with the CMI 2020 projection with a smoothing parameter of 7.0 and an initial addition to mortality improvements of 0.5%, with a long-term improvement rate of 1.50% p.a.

The latest actuarial certificate of the Schedule of Contributions for each Section is included on pages 51 to 53.

The actuarial valuations for each Section of the Scheme as at 31 December 2023 are underway.

Trustee's Report

Funding Guarantees

As part of the previous actuarial valuations of the SPP, SRP and SPP (prior to the transfer of assets and liabilities to the Scheme), in respect of each individual Section of the Scheme, Sopra Steria Group SA (SSGSA), the ultimate parent of the Sopra Steria Group, gave funding guarantees as described below. The guarantees anticipated the merger and were given in favour of not only the trustees of SPP, SRP and SMP but also the Trustee as trustee of the SPP Section, the SRP Section and the SMP Section of the Scheme. The guarantees also contain provisions with a view to protecting the interests of the trustees and the Trustee in the event of a corporate reorganisation within the Sopra Steria Group of companies.

SPP and the SPP Section

In connection with the actuarial valuation as at 31 December 2018 of SPP, a written undertaking signed in June 2020 was provided to the trustee of SPP, and to the Trustee as trustee of the SPP Section of the Scheme, by SSGSA, which guaranteed (a) the funding obligations of the Principal Employer under the Schedule of Contributions agreed as part of that valuation, covering the year to 31 December 2024, this being the end of the year covered by the Schedule of Contributions and (b) the obligations of the Principal Employer under the SPP Merger Deed.

SRP and the SRP Section

In connection with the actuarial valuation as at 31 March 2019 of SRP, a written undertaking signed in June 2020 was provided to the trustee of SRP, and to the Trustee as trustee of the SRP Section of the Scheme, by SSGSA, which guaranteed (a) the funding obligations of the Principal Employer under the Schedule of Contributions agreed as part of that valuation, covering the year to 31 March 2025, this being the end of the year covered by the Schedule of Contributions and (b) the obligations of the Principal Employer under the SRP Merger Deed. Since the implementation of the ABF during 2023, the funding guarantee is no longer in place for this Section.

SMP and the SMP Section

In connection with the actuarial valuation as at 31 March 2019 of SMP, a written undertaking signed in June 2020 was provided to the trustee of SMP, and to the Trustee as trustee of the SMP Section of the Scheme, by SSGSA, which guaranteed (a) the funding obligations of the Principal Employer under the Schedule of Contributions agreed as part of that valuation, covering the year to 31 May 2022, this being the end of the year covered by the Schedule of Contributions and (b) the obligations of the Principal Employer under the SMP Merger Deed. As 31 May 2022 has now passed, the funding guarantee is no longer in place for the SMP Section.

Trustee's Report

Membership

The movement in Scheme membership during the year is summarised as follows:

	Actives	Deferreds	Pensioners	Dependant Pensioners	Total
At 1 January 2023	**107**	**3,198**	**3,023**	**379**	**6,707**
Prior period adjustments (*)	(4)	(29)	19	16	2
Deferreds	(102)	102	-	-	-
Retirements	(1)	(197)	198	-	-
Cessation	-	(1)	-	(3)	(4)
Transfers out	-	(9)	-	-	(9)
Deaths	-	(3)	(51)	(9)	(63)
Dependant pensions	-	-	-	29	29
At 31 December 2023	**-**	**3,061**	**3,189**	**412**	**6,662**

(*) Prior period adjustments relate to timing of member movements post audit completion.

At 31 December 2023, the closing membership by Section, was as follows:

	Actives	Deferreds	Pensioners	Dependant Pensioners	Total
SMP Section	-	25	274	63	362
SPP Section	-	1,510	1,449	120	3,079
SRP Section	-	1,526	1,466	229	3,221
Scheme Total	**-**	**3,061**	**3,189**	**412**	**6,662**

At the year-end 182 deferred members (31 December 2022: 201) were employed by the Employer.

Pensioners includes 20 beneficiaries (31 December 2022: 20) in receipt of dependants' pensions which are paid directly by insurance companies under policies effected to provide benefits in the event of members' deaths in service.

Trustee's Report

Pension Increases

Information relating to pension increases in respect of each Section of the Scheme is as follows, based on the pension increases paid during the year under the respective Transferring Plans, as set out below:

Steria Pension Plan

Pensions in payment are reviewed on 1 May each year in accordance with the Plan Rules and statutory requirements.

Guaranteed Minimum Pensions (GMPs) are generally increased in line with statutory requirements. The Trustee has agreed to switch the rate of pension increases from the Retail Prices Index (RPI) to the Consumer Prices Index including owner occupiers' housing costs (CPIH) from the 1 May 2023 increase. Pensions in excess of GMP are generally increased in line with the change in the Consumer Prices Index (including owner occupiers' expenses) (CPIH) over the year to the previous September subject to a cap of 5%.

This is subject to the exceptions that:

(a) in the case of any member who joined the Plan before 1 May 1993, the entire pension (including any GMP) is increased in line with the increase in the CPIH subject to a cap of 5%; and

(b) the cap is 3.5% rather than 5% in the case of any pension element earned after 5 April 2006 at an accrual rate of 1/80th by a Category 3 member of the Plan.

Over the year to September 2022, the CPHI increased by 10.1%. On 1 May 2023, an increase of 5.0% was accordingly applied to pensions, in excess of, GMP accrued before 6 April 2006, and also to pensions including GMPs referred to in (a) above. An increase of 3.5% was applied to pensions accrued after 5 April 2006 in line with (b) above.

A discretionary increase of 1% was awarded to all pensioner members on 1 May 2023, in addition to the above increases. In addition, deferred members will receive an additional 1% increase to their first pension increase after their pension is put into payment.

Steria Retirement Plan

Pensions in payment are reviewed on 1 April each year in accordance with the Plan Rules and statutory requirements.

Guaranteed Minimum Pensions (GMPs) are generally increased in line with statutory requirements. Pensions in excess of GMP are generally increased in line with the change in the Retail Prices Index (RPI) over the year to the previous September subject to a cap of 5%, except that:

(a) the cap is 2.5% in relation to pensions earned after 31 March 2006 other than for members of the AXA, LGPS, Lloyds and PCSPS sections of the Plan;

(b) the cap is 3.5% in relation to pensions earned after 31 March 2006 for members of the AXA section of the Plan;

(c) pensions earned by members of the LGPS section of the Plan, who transferred to the Plan on or after 1 February 2011, are increased in line with the change in the Consumer Prices Index (CPI) over the year to the previous September subject to a cap of 5%;

(d) pensions earned on or after 1 January 2011 by members of the PCSPS section of the Plan, who transferred to the Plan on or after 1 October 2009, are increased in line with the change in the Consumer Prices Index (CPI) over the year to the previous September subject to a cap of 5%; and

Trustee’s Report

Pension Increases (continued)

Steria Retirement Plan (continued)

(e) pensions earned after 31 March 2013 by members of the LGPS section of the Plan, who transferred to the Plan before 1 February 2011, and members of the PCSPS section of the Plan, who transferred to the Plan before 1 October 2009, are increased in line with the change in the Consumer Prices Index (CPI) over the year to the previous September subject to a cap of 5%.

Over the year to September 2022, the RPI and the CPI increased by 12.6% and 10.1% respectively. On 1 April 2023, pensions in excess of GMP were increased accordingly by 5.0%, apart from the pensions that fall into any of sections (a)-(e) above. Pensions as described in section (a) were increased by 2.5%. Pensions to which section (b) applies were increased by 3.5%. Pensions as defined in sections (c), (d) and (e) were increased by 5.0%.

Steria Management Plan

Pensions in payment are reviewed on 1 April each year in accordance with the Plan Rules and statutory requirements.

Guaranteed Minimum Pensions (GMPs) are generally increased in line with statutory requirements.

Pensions in excess of GMP are generally increased in line with the change in the Retail Prices Index (RPI) over the year to the previous September subject to a cap of 5%, except that the cap is 2.5% in relation to pensions earned after 5 April 2006.

Over the year to September 2022 the RPI increased by 12.6%. On 1 April 2023, pensions, in excess of, GMP accrued before 6 April 2006 were increased accordingly by 5.0%. Pensions accrued after 5 April 2006 were increased by 2.5%.

No discretionary increases were awarded during the year under review.

Trustee's Report

Revaluation in Deferment

Information relating to the revaluation of pensions in deferment in respect of each Section of the Scheme is as follows:

SPP Section

Pensions coming into payment during the year under review were revalued in relation to the year of deferment in accordance with statutory requirements, except that under the Rules of the SPP Section of the Scheme the statutory cap of 2.5% per annum in relation to benefits earned after 5 April 2009 has been replaced by a cap of 5% per annum in the case of members who ceased to accrue benefits by reason of the closure of the Steria Pension Plan to new accrual on 1 April 2010, so long as they remain employed by the Employer (or another Sopra Steria Group company designated by the Employer) and have not reached their normal retirement date.

SRP Section

Pensions coming into payment during the year under review were revalued in relation to the year of deferment in accordance with statutory requirements, except that under the Rules of the SRP Section of the Scheme the statutory cap of 2.5% per annum in relation to benefits earned after 5 April 2009 has been replaced by a cap of 5% per annum in the case of:

(a) certain members who are entitled to benefits comparable with those of the PCSPS or the LGPS; and

(b) certain members who ceased to accrue benefits by reason of the closure of the Steria Retirement Plan to new accrual on 1 April 2010, so long as they remain employed by the Employer (or another Sopra Steria Group company designated by the Employer) and have not reached their normal retirement date.

SMP Section

Pensions coming into payment during the year under review were revalued in relation to the year of deferment in accordance with statutory requirements, except that under the Rules of the SMP Section of the Scheme the statutory cap of 2.5% per annum in relation to benefits earned after 5 April 2009 has been replaced by a cap of 5% per annum in the case of members who ceased to accrue benefits by reason of the closure of the Steria Management Plan to new accrual on 1 April 2010, so long as they remain employed by the Employer (or another Sopra Steria Group company designated by the Employer) and have not reached their normal retirement date.

Trustee's Report

Investment Management

General Objective

The Scheme is a sectionalised scheme consisting of three sections: the SMP Section, the SPP Section and the SRP Section (each a "Section" and together "the Sections").

The Trustee aims to invest the assets of the Scheme prudently with a view to ensuring that the benefits promised to members are provided by each Section. In setting the investment strategy, the Trustee first considered the lowest risk asset allocation that it could adopt in relation to each Section's liabilities. The asset allocation strategy it has selected is designed to achieve a higher return than the lowest risk strategy whilst maintaining a prudent approach to meeting the Scheme's liabilities within each Section.

Investment managers

The names of the investment managers who have managed the Scheme's investments (whether under segregated mandates or in pooled investment funds) during the year under review are listed on page 3.

TCFD Report

In compliance with the legislative requirements, the Trustee published its second Taskforce on Climate-related Financial Disclosures ("TCFD") report in advance of the deadline of 1 July 2024. This report is available on the Scheme website and can be accessed using the following link:

https://www.ssrbs.co.uk/other-documents/tcfd-reporting

Trustee's Report

Investment Management (continued)

Statement of Investment Principles

In accordance with section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles (SIP) dated September 2020 and adopted by the Trustee at their meeting on 23 September 2020.

A revised SIP has been drafted. This was considered and was adopted in principle by the Trustee at their meeting on 26 April 2024, subject to any further comments from the Employer, with whom the Trustee has consulted.

The SIP is appended to the Implementation Statement which forms part of the Trustee Report and included at Appendix 2. A copy of the Implementation Statement and the Statement of Investment Principles is available on request from the Scheme Administrator, which can be contacted at the Address for Enquiries shown on page 2.

The Implementation Statement summarises how the Trustee:

- sets its investment policy and chooses the most suitable types of investments for the Scheme,
- delegates buying and selling investments to the Scheme's investment managers, and
- monitors the performance of the Scheme's investments.

In accordance with section 35, the matters that the Statement must cover include:

a) the considerations (including climate change and other environmental, social and governance considerations) which the Trustee considers financially material over the Plan's funding time horizon in relation to the selection, retention, and realisation of investments;

b) the extent (if at all) to the views of the Plan's members and beneficiaries (including their ethical views and their views in relation to social and environmental impact and their future quality of life) are taken into account in the selection, retention and realisation of investments;

c) the Trustee's policy in relation to

    (i) the exercise of the rights (including voting rights) attaching to the Plan's investments; and

    (ii) undertaking engagement activities in respect of the Plan's investments; and

d) the Trustee's policy in relation to its arrangement with asset managers in a number of respects, including how they incentivise the managers to align their investment strategy and decisions with the Trustee's policies mentioned (a) and (b) above.

The Trustee's Policy on Responsible Investment and Related Matters and other relevant extracts from the Statement, which forms part of this Trustee's Report, is included as Appendix 1 to this Report and Financial Statements.

The Trustee's Engagement Policy Implementation Statement is included as Appendix 2 to this Report and Financial Statements, and also forms part of the Trustee's Report.

Trustee's Report

Investment Management (continued)

Strategy and allocation

The Trustee has worked with Aon to develop, in consultation with the Principal Employer, an investment strategy which is intended to meet the general objective. The Trustee has agreed to allocate the Scheme's assets to three portfolios for each Section; a Growth portfolio, a Credit portfolio and a Liability Matching portfolio (designed to move in line with a proportion of the Section's liabilities).

The fund managers of the Growth and Credit portfolios are mandated to out-perform various investment performance benchmarks, which themselves are expected to out-perform the Scheme's liabilities.

The Scheme's Growth portfolios for each section are intended to naturally de-risk over time, and allocations reduce, as illiquid assets within the Growth portfolio return capital to the Scheme. As such, following an Investment Strategy Review in 2023, the Trustee agreed to take a pragmatic approach the Scheme's asset allocation for each section, using initial allocations rather than strategic targets, and removing explicit rebalancing ranges.

As at 31 December 2023, the initial allocation and actual allocation of each Section's portfolio was as follows:

SMP section

Portfolio	Initial allocation	Actual (as at 31 Dec 2023)
Growth	**10.0%**	**17.6%**
Credit	**22.5%**	**16.2%**
Liability Matching	**67.5%**	**66.2%**

SPP section

Portfolio	Initial allocation	Actual (as at 31 Dec 2023)
Growth	**41.3%**	**36.9%**
Credit	**14.5%**	**14.7%**
Liability Matching	**44.2%**	**48.3%**

SRP section

Portfolio	Initial allocation	Actual (as at 31 Dec 2023)
Growth	**41.3%**	**41.1%**
Credit	**14.5%**	**14.7%**
Liability Matching	**44.2%**	**44.2%**

Trustee's Report

Investment Management (continued)

SMP strategic allocations

Following the increase in gilt yields in 2022, the Section is c.100% funded (economic basis), having reached this point earlier than previously anticipated. The Section's strategic asset allocation was agreed with an allocation to illiquid growth assets, which would mature as the Section reached full funding. As a result, the Section continues to have a material allocation to illiquid growth assets, which the Trustee is unable to readily sell and therefore cannot de-risk to its 100% funding level strategic asset allocation.

The illiquid investments are largely mature and will return capital back to the Section, the proceeds from which will be invested in the Liability Matching portfolio and will be used to reduce leverage within the portfolio. The Trustee has agreed to monitor the secondary market pricing for the Section's illiquid investments, in the event opportunities arise to sell the illiquid investments.

SRP and SPP strategic allocations

Following the increase in gilt yields in 2022, the SRP and SPP Sections' asset allocations had deviated from their strategic targets, in respect of their strategic allocations to illiquid assets (Property, Property Debt, Bank Capital Relief, and Infrastructure). Whilst the illiquid holdings have distributed significant cash over 2023, their allocations have increased due to strong performance and rises in yields in 2022 impacting the value of liability matching assets, thereby exacerbating the deviation for the section's strategic target. Illiquid assets will reduce in value over time, resulting from the distribution of cash from these investments, and therefore naturally de-risk the Sections' investment strategy as the Sections' approach their funding targets.

Development of strategy

It is the Trustee's intention, in consultation with the Employer in the longer term to reduce the Sections' allocations to return-seeking assets, and to maintain their target interest rate and inflation hedge ratios at 95% of assets for all 3 Sections. In 2023, the Trustee agreed to increase the SRP and SPP Sections' target interest rate and inflation hedge ratios to 95% of assets, limited to 95% of the total economic liabilities, in the second half of the year, due their improved funding position and match the SMP Section's hedge ratio target. Setting the target as a percentage of assets ensures continued alignment between the funding position and the size of the hedge, ensuring that, as the funding level increases, interest rate and inflation risk is reduced relative to the liabilities mechanistically.

The Trustee completed an investment strategy review for the SRP and SPP Sections in 2023, with the Trustee agreeing, in consultation with the Company, to update the strategic targets to reflect the higher allocations to illiquid assets and their natural de-risking effect.

Trustee's Report

Investment Management (continued)

Liability Matching portfolios

Within the Sections' Liability Matching portfolios, the Trustee's long-term strategy is to target a hedge ratio of at least 95% of assets on both inflation and interest rate risk. All analysis in the section below has been provided by the Sections' LDI manager, BlackRock.

SMP Section

As at 31 December 2023, as a percentage of liabilities calculated on a gilts flat basis, the SMP Section targeted a hedge ratio of 95% on both interest rates and inflation; the actual levels were 97.0% and 95.5% respectively.

Approximately 22% of the SMP Section's inflation risk was hedged through the use of swap contracts and the remainder through index-linked gilt holdings. This is based on BlackRock's analysis.

In addition, approximately 79% of the SMP Section's net interest rate risk had been hedged through holdings of corporate bonds (held in the Credit portfolio) and fixed and index-linked gilts, and the remainder through swap contracts.

SPP Section

As at 31 December 2023, as a percentage of liabilities calculated on a gilts flat basis, the SPP Section targeted a hedge ratio of 81.9% on both interest rates and inflation and the actual levels were 82.5% and 81.5% respectively.

Approximately 16% of the SPP Section's inflation risk was hedged through the use of swap contracts and the remainder through index-linked gilt holdings.

In addition, approximately 89% of the SPP Section's net interest rate risk had been hedged through holdings of corporate bonds (held in the Credit portfolio) and fixed and index-linked gilts, and the remainder through swap contracts.

Trustee's Report

Investment Management (continued)

SRP Section

As at 31 December 2023, as a percentage of liabilities calculated on a gilts flat basis, the SRP Section targeted a hedge ratio of 75.8% on both interest rates and inflation and the actual levels were 78.2% and 78.2% respectively.

Approximately 15% of the SRP Section's inflation risk was hedged through the use of swap contracts and the remainder through index-linked gilt holdings.

Approximately 90% of the SRP Section's net interest rate risk was hedged through holdings of corporate bonds (held in the Credit portfolio) and fixed and index-linked gilts, and the remainder through swap contracts.

Credit portfolios

Over the year, the Sections continued to invest in credit funds managed by BlackRock and Barings.

Growth portfolios

The Sections' Growth portfolios have been selected such that the overall asset allocation strategy of each Section aims to achieve a higher return than the lowest risk strategy whilst maintaining a prudent approach to meeting the Section's liabilities.

During the year to 31 December 2023 the Sections continued to be invested in pooled funds managed by Schroders, DRC Capital, Global Investment Partners and Christopherson, Robb and Company (in the case of all Sections) and Macquarie and Brookfield (in the case of the SRP Section and the SMP Section).

The SRP and SPP section transitioned their active equity managers (Harris, Morgan Stanley, and MFS) and invested into a new passively managed equity mandate, managed by Legal & General Investment Management ("LGIM"). Both sections now invest in the LGIM Future World Fund and the LGIM Developed Balanced Factor Equity Index Fund (hedged and unhedged).

Currency hedging

Over the year to 31 December 2023 no strategic changes were made to the currency hedging targets for the Sections, with each Section continuing to target a hedge of 75% of US dollar, Euro and Japanese yen exposure. However, with the transition from the active to passive managers within the Equity Portfolio, the currency hedging is now implemented, by 75% investment in the currency hedged share classes of the equity funds, with the remaining 25% invested in non-currency hedged funds. The objective of currency hedging is to reduce the volatility of both Section's equity holdings due to their exposure to the US dollar, Euro and Japanese yen.

Trustee's Report

Investment Management (continued)

Steria Pooled Investment Fund

Some of the assets of the Sections are held in the Steria Pooled Investment Fund (see note 13) to the Financial Statements).

During 2019, in order to reduce risk and diversify the return drivers of the Growth portfolios, the trustees of SPP and SRP agreed to redeem portions of the SRP's and the SPP's interests in commercial property within the Steria Pooled Investment Fund. Given the illiquid nature of the asset class, this process continued through 2020, 2021 and the year to 31 December 2022. During 2021 the Trustee instructed Schroders to redeem additional interests for the SRP Section and SPP Section in addition to a portion of the SMP Section's interest over a 2 year period. These disinvestments are ongoing.

To enable accurate performance attribution and maintain the integrity of the remaining assets within the Steria Pooled Investment Fund, the Trustee agreed to carve out the assets to be redeemed into a separate portfolio within the Steria Pooled Investment Fund.

During 2024, the Trustee decided to wind up the SPIF and to transfer the assets held in the SPIF to the respective sections of the Scheme. The beneficial ownership of the assets held in the SPIF were transferred to the respective sections of the Scheme on 28 March 2024 and the SPIF holds no remaining assets. The intention is to wind up the SPIF in the near future.

Employer-related investments

There were no employer related investments held at any time by the Scheme during the year under review.

Performance

Performance of each Section of the Scheme is measured by BNY Mellon on a quarterly basis using two key measures:

- The performance of the relevant assets excluding the performance of the Liability Matching portfolio against a combined benchmark (which comprises a weighted average of the individual managers' benchmarks based on the medium-term target allocations of each manager, reset on a quarterly basis). This provides the Trustee with an overview of the performance of the investment managers at a total Section level.
- The performance of the Scheme's assets including the performance of the Liability Matching portfolio. This is designed to outperform the Scheme's liabilities, so it is not possible to monitor this against a market index.

SMP Section

	Overall Performance	**Performance Excluding Liability Matching portfolio**	**Combined Benchmark Excluding Liability Matching portfolio**	**Outperformance Excluding Liability Matching portfolio**
	% per annum	% per annum	% per annum	% per annum
1 year to 31 December 2023	6.1%	7.0%	9.5%	-2.6%
3 years to 31 December 2023	-4.5%	3.9%	1.6%	2.3%
5 years to 31 December 2023	1.5%	5.6%	3.9%	1.7%

Trustee's Report

Investment Management (continued)

Performance (continued)

SPP Section

	Overall Performance	Performance Excluding Liability Matching portfolio	Combined Benchmark Excluding Liability Matching portfolio	Outperformance Excluding Liability Matching portfolio
	% per annum	% per annum	% per annum	% per annum
1 year to 31 December 2023	3.9%	7.9%	9.8%	-2.0%
3 years to 31 December 2023	-9.7%	3.2%	4.0%	-0.8%
5 years to 31 December 2023	-1.2%	5.5%	5.6%	-0.1%

SRP Section

	Overall Performance	Performance Excluding Liability Matching portfolio	Combined Benchmark Excluding Liability Matching portfolio	Outperformance Excluding Liability Matching portfolio
	% per annum	% per annum	% per annum	% per annum
1 year to 31 December 2023	5.2%	8.4%	9.7%	-1.3%
3 years to 31 December 2023	-8.4%	3.7%	4.1%	-0.3%
5 years to 31 December 2023	0.0%	5.9%	5.6%	0.2%

Note: numbers may not sum up due to rounding.

Nature, disposition, marketability, security and valuation of the Scheme's investments

The Trustee considers that the Scheme's investment portfolios are structured in accordance with the requirements of the Occupation Pension Schemes (Investment) Regulations 2005 in relation to the nature, disposition, marketability, security and valuation of the Scheme's investments.

Trustee's Report

Statement of Trustee's Responsibilities

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

- show a true and fair view of the financial transactions of the Scheme during the year under review and of the amount and disposition at the end of the year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year; and
- contain the information specified in the Schedule to 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 Statement of Recommended Practice 'Financial Reports of Pension Schemes'.

The Trustee has supervised the preparation of the financial statements and has agreed suitable accounting policies, to be applied consistently, making estimates and judgements on a reasonable and prudent basis. It is also responsible for:

- assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;

  using the going concern basis of accounting unless the Trustee either intends to wind up the Scheme, or has no realistic alternative but to do so; and
- making available each year, commonly in the form of a Trustee's annual report, information about the Scheme prescribed by pensions legislation, which the Trustee should ensure is consistent with the financial statements it accompanies.

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 to the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions are made to the Scheme by the employer in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and the members.

The Trustee is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 Scheme and to prevent and detect fraud and other irregularities.

Trustee's Report

Compliance Matters

The purpose of this section of the Report is to provide information, which is required to be disclosed in accordance with Schedule 3 to the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 or is disclosed voluntarily by the Trustee. The information deals with matters of administrative routine.

Changes in and other matters relating to the Scheme's advisers

There were no changes in relation to the Scheme's advisers during the reporting year.

Taxation

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore generally exempt from UK income tax and capital gains tax on its investments.

Transfer Values

Transfer values paid during the year under review from the Scheme to other arrangements were calculated and paid on a basis determined by the Trustee on the advice of the Scheme Actuary. The Trustee currently pays transfer values in full, rather than applying a reduction in accordance with regulation 8 (4) of the Occupational Pension Schemes (Transfer Value) Regulations (1996). The Scheme Actuary has confirmed that the Scheme's transfer value calculation basis for each Section satisfies the relevant legislation. Transfer values do not include any allowance for discretionary benefits.

MoneyHelper

MoneyHelper (formerly The Money and Pensions Service (MaPS)) was created in 2019 as a single body to bring together the services previously delivered by The Pensions Advisory Service (TPAS), the Money Advice Service and Pension Wise, providing information to the public on matters relating to workplace and personal pensions.

Telephone: 0800 011 3797

Email: pensions.enquiries@moneyhelper.org.uk
Website: https://www.moneyhelper.org.uk

Pensions Ombudsman

The Pensions Ombudsman will assist members and beneficiaries of the Scheme in connection with difficulties which they have failed to resolve with the Trustee or Administrator of the Scheme and may investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme.

The Pensions Ombudsman may be contacted at 1st Floor, 10 South Colonnade, Canary Wharf, London E14 4PU

Telephone: 0800 917 4487

Early resolution email: helpline@pensions-ombudsman.org.uk
Email: enquiries@pensions-ombudsman.org.uk

Pensions Regulator

The Pensions Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

The Pensions Regulator may be contacted at Telecom House, 125-135 Preston Road, Brighton, BN1 6AF. Telephone: 0345 600 7060

Trustee’s Report

Compliance Matters (continued)

Pension Tracing

A pension tracing service is carried out by the Department for Work and Pensions.

The Pension Tracing Service may be contacted at The Pension Service 9, Mail Handling Unit A, Wolverhampton, WV98 1LU. Telephone: 0800 731 0193

Queries or Complaints

Any enquiries or complaints about the Scheme, including requests from individuals for information about their benefits or Scheme documentation, should be sent to:

Sopra Steria Retirement Benefits Scheme
c/o Capita Pensions Solutions Limited
PO Box 555, Stead House
Darlington DL1 9YT

Email: steria@capita.com

Approval of the Trustee’s Report

The Trustee’s Report was approved by the Trustee of the Sopra Steria Retirement Benefits Scheme on 11 June 2024 and signed on its behalf by:

Frank Oldham (Jun 11, 2024 17:01 GMT+1)
....

Frank Oldham, Director, for Independent Trustee Services Limited, Chairman
on behalf of Sopra Steria (Retirement Benefits Scheme) Trustees Limited

Independent Auditor’s Report to the Trustee of the Sopra Steria Retirement Benefits Scheme

Opinion

We have audited the financial statements of the Sopra Steria Retirement Benefits Scheme (‘the Scheme’) for the year ended 31 December 2023 which comprise the Fund Account, the Statement of Net Assets and the related 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 Financial Reporting Standard 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 Scheme during the year ended 31 December 2023, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 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 year of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the Trustee of the Sopra Steria Retirement Benefits Scheme (continued)

Other information

The Trustee is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 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 the Trustee

As explained more fully in the statement of Trustee's responsibilities within the Trustee's Report, the Trustee is responsible for the preparation of the financial statements, 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 Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Scheme or 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken, on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We set out below the key areas which, in our opinion the financial statements are susceptible to material misstatement by way of irregularities including fraud and the extent to which our procedures are capable of detecting these.

Independent Auditor's Report to the Trustee of the Sopra Steria Retirement Benefits Scheme (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Management override of controls. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for bias.
- Misappropriation of investment assets. This is addressed by obtaining direct confirmation from the investment custodian and fund managers of investments reported at the Statement of Net Assets date.
- Non-receipt of contributions due to the Scheme from the employer. This is addressed by testing contributions due are paid to the Scheme in accordance with the Schedule of Contributions or other relevant agreements between the Employer and the Trustee.
- Payment of large transfers out to invalid schemes or members. This is addressed through testing that there is evidence the receiving scheme is valid, the member identity is verified and of the authorisation of the amount and approval of the payment of the transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion, or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 Scheme's Trustee, as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirement 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 Scheme'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 Scheme's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Date: 13/06/2024

Fund Account for the year ended 31 December 2023

	Note	2023 £'000	2022 £'000
Contributions and benefits			
Employer contributions	4	**38,797**	16,819
Other income	5	**3**	3
		38,800	16,822
Benefits paid or payable	6	**(47,420)**	(41,290)
Payments to and on account of leavers	7	**(2,507)**	(9,300)
Administrative expenses	8	**(3,045)**	(2,623)
		(52,972)	(53,213)
Net withdrawals from dealings with members		**(14,172)**	(36,391)
Returns on investments			
Investment income	9	**22,681**	31,723
Interest payable on repurchase agreements		**(48)**	(2,910)
Change in market value of investments	10	**41,164**	(509,106)
Investment management expenses	12	**(3,276)**	(7,986)
Net returns on investments		**60,521**	(488,279)
Net increase/(decrease) in the fund during the year		**46,349**	(524,670)
Net assets of the Scheme			
At the start of the year		**1,027,684**	1,552,354
At the end of the year		**1,074,033**	1,027,684

The notes on pages 33 to 50 are an integral part of these financial statements.

Statement of Net Assets available for benefits as at 31 December 2023

	Note	2023 £'000	2022 £'000
Investment assets:			
Bonds	10	**635,252**	552,251
Pooled investment vehicles	13	**449,292**	470,313
Derivatives	15	**19,359**	35,556
Steria Pooled Investment Fund	13	**69,392**	85,503
AVC investments	18	**5,346**	6,237
Cash and cash equivalents	10	**109,315**	92,730
Amounts receivable under repurchase agreements	16	**-**	35,285
Asset backed fund	14	**37,300**	-
Other investment assets	17	**2,852**	623
		1,328,108	1,278,498
Investment liabilities:			
Derivatives	15	**(20,743)**	(55,934)
Other investment liabilities	17	**(2,405)**	-
Amounts payable under repurchase agreements	16	**(239,144)**	(202,302)
		(262,292)	(258,236)
Total net investments	10	**1,065,816**	1,020,262
Current assets	21	**9,636**	8,661
Current liabilities	22	**(1,419)**	(1,239)
Net assets of the Scheme at end of year		**1,074,033**	1,027,684

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the reporting year. The actuarial position of the Scheme is dealt with in the Report on Actuarial Liabilities on pages 10 and 11 of the Annual Report and these financial statements should be read in conjunction with that report.

The accompanying notes on pages 33 to 50 are an integral part of these financial statements.

These financial statements were approved by the Trustee of the Sopra Steria Retirement Benefits Scheme

On 11 June 2024 and signed on its behalf by:

Frank Oldham (Jun 11, 2024 17:01 GMT+1)

Frank Oldham

Director

David Best

David Best (Jun 11, 2024 18:13 GMT+1)

David Best

Director

Notes to the Financial Statements

1. Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and the guidance set out in the Statement of Recommended Practice (Revised 2018).

2. Identification of the financial statements

The Scheme is established as a trust under English law. The address of the Scheme is c/o Sopra Steria Limited, Three Cherry Trees Lane, Hemel Hempstead, Hertfordshire, HP2 7AH.

3. Accounting policies

The principal accounting policies of the Scheme are as follows:

Contributions

Normal contributions are accounted for on an accrual basis in the month employee contributions are deducted from the payroll.

Employer deficit funding, additional employer and other contributions are accounted for in the year to which they relate in accordance with the Schedule of Contributions, or earlier if agreed by the Trustee and the Principal Employer.

Payments to members

Benefits are accounted for on the later of the year in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, and the date of retiring or leaving. If there is no member choice, benefits are accounted for on the date of retiring, leaving or notification of death.

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

Group transfers in or out are accounted for in accordance with the terms of the transfer agreement.

Other income

Other income is accounted for on an accrual basis or in accordance with the terms of the agreement under which it is receivable.

Administrative and investment management expenses

Expenses are accounted for on an accrual basis, net of any recoverable VAT.

Investment income

Income from pooled investment vehicles which distribute income is accounted for when declared by the fund manager. Pooled investment vehicles which are accumulation funds include their underlying income within the unit price which is reported within change in market value of investments.

Income from bonds is accounted for on an accrual basis and includes interest bought and sold on investment purchases and sales.

Income from cash and short-term deposits is accounted for on an accrual basis.

Receipts from the Asset Backed fund are included within investment income on a receipt basis.

Notes to the Financial Statements

3. Accounting policies (continued)

Investments

The change in market value of investments during the reporting year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Investments are included at fair value as described below:

Quoted securities in active markets are usually valued at the current bid prices at the reporting date.

Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager, except for pooled infrastructure funds which are valued in accordance with the guidelines of the British Venture Capital Association.

The investment in the Steria Pooled Investment Fund (SPIF) is valued at the price determined by the fund manager and the SPIF administrator on the year-end date.

With profit insurance policies are reported at the policy value provided by the insurance company based on the cumulative reversionary bonuses declared and the current terminal bonus.

The Sections of the Scheme hold a small number of annuity policies, but the value of these policies was not considered by the Trustee to be material for inclusion in the financial statements.

Over the counter (OTC) derivatives are valued using the following valuation techniques:

Swaps - current value of future expected net cash flows arising from the swap, determined using discounted cash flow models. The amounts included as “change in market value” are the realised gains and losses on closed contracts and the unrealised gains and losses on open contracts.

Collateral posted to the Scheme in respect of swaps to mitigate counterparty risk is not treated as forming part of the Scheme’s net assets. It would only be treated as an asset of the Scheme if the counterparty were to default on its obligations. Similarly, any collateral posted by the Scheme in respect of swaps which have a negative market value is treated as remaining an asset of the Scheme and is included in net assets reported in the financial statements.

Futures contracts - the unrealised gain or loss at the quoted bid price of the contracts at the year-end date. The amounts included as “change in market value” are the realised gains or losses on closed futures contracts and the unrealised gains or losses on open futures contracts.

Forward foreign exchange - the gain or loss that would arise if the outstanding contract was closed out at the year-end date by entering into an equal and opposite contract at that date.

Repurchase agreements are accounted for as follows:

Repurchase agreements (repo) - the Scheme continues to recognise and value the securities that are delivered out as collateral and includes them in the financial statements. The cash received is recognised as an asset and the obligation to repurchase the securities at an agreed price is recognised as a payable amount.

Interest payable or interest receivable on repurchase and reverse repurchase agreements is accounted for on an accrual basis.

The asset backed fund has been valued by the Scheme Actuary by discounting the expected future cashflows that will arise from the Scheme’s Interest in the fund, determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.

Notes to the Financial Statements

3. Accounting policies(continued)

Investments (continued)

Presentation currency

The Scheme functional and presentation currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rate at the Scheme year-end. Foreign currency transactions are recorded in sterling at the spot exchange rate at the date of the transactions.

Taxation

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

4. Contributions

	2023 £'000	2022 £'000
Employer		
Normal	**543**	1,419
Deficit contributions	**3,394**	12,581
Expenses	**1,836**	1,799
Expense contributions in respect of merger costs	**-**	72
Asset backed fund contributions	**32,700**	-
PPF Levies	**176**	355
Flexible apportionment arrangement	**148**	593
	38,797	16,819

The deficit repair and expense contributions are being received in accordance with the revised Schedules of Contributions, signed on 17 May 2022 and 13 April 2023 for the SMP Section, 13 September 2022 for the SPP Section, and 4 November 2022 for the SRP Section.

For the SPP section, in accordance with the Schedule of Contributions, additional contributions of £1,780,000 were payable in equal monthly instalments for the period from 1 April 2020 to 31 March 2023. These additional contributions have now ceased. This was in relation to a Flexible Apportionment Arrangement following the sale of Steria Recruitment Limited.

A new Schedule of Contributions for the SMP section was signed on 15 May 2024 and requires a contribution of £2,246,000 to be received on or before 31 March 2025.

Other contributions represent amounts paid by the Employer to reimburse the plan for the PPF Levy and PPF Administration Levy.

Additional expense contributions have also been paid during the year to cover the remaining costs of the merger.

During the year a deed was agreed between the SRP section of Sopra Steria Retirement Benefits Scheme and Sopra Steria ABC Scottish Limited Partnership to form a Limited partnership. The Employer made a one off contribution to the SRP section of the Scheme of £32,700,000 to fund the new asset backed fund. Further details are in note 14.

5. Other income

	2023 £'000	2022 £'000
Compensation	**3**	3

Notes to the Financial Statements

6. Benefits paid or payable

	2023 £'000	2022 £'000
Pensions	**39,139**	35,496
Commutations and lump sum retirement benefits	**8,014**	5,654
Income drawdown / UFPLS	**142**	88
Death benefits	**125**	52
	47,420	41,290

7. Payments to and on account of leavers

	2023 £'000	2022 £'000
Individual transfers to other schemes	**2,507**	9,300

8. Administrative expenses

	2023 £'000	2022 £'000
Administration	**397**	470
Actuarial	**278**	683
Audit	**71**	64
Legal and other professional	**456**	383
Trustee fees	**327**	328
Investment consultancy	**1,391**	312
Pension levies	**125**	383
	3,045	2,623

9. Investment income

	2023 £'000	2022 £'000
Income from bonds	**13,147**	25,303
Net receipts/(payments) in respect of derivatives	**(11,566)**	850
Income from pooled investments	**15,581**	5,595
Interest on cash deposits	**1,019**	(25)
Asset backed fund	**4,500**	-
	22,681	31,723

For further information on the Asset backed fund income please refer to page 7 of the Trustee report

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Notes to the Financial Statements

10. Reconciliation of investments

	Value at 31 December 2022	Purchases at cost and derivative payments	Sales proceeds and derivative receipts	Change in market value	Value at 31 December 2023
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Bonds	552,251	**358,793**	**(277,888)**	**2,096**	**635,252**
Pooled investment vehicles	470,313	**124,724**	**(173,759)**	**28,014**	**449,292**
Derivative contracts (net)	(20,378)	**989,256**	**(976,462)**	**6,200**	**(1,384)**
Steria Pooled Investment Fund	85,503	**-**	**(16,043)**	**(68)**	**69,392**
Asset backed fund	-	**32,700**	**-**	**4,600**	**37,300**
AVC investments	6,237	**-**	**(1,213)**	**322**	**5,346**
	1,093,926	**1,505,473**	**(1,445,365)**	**41,164**	**1,195,198**
Cash and cash equivalents	92,730			**-**	**109,315**
Net repurchase agreements	(167,017)			**-**	**(239,144)**
Other investment balances	623			**-**	**447**
Net investment assets	1,020,262			**41,164**	**1,065,816**

Transaction costs

Transaction costs are included in the cost of purchases and sale proceeds. Direct transaction costs include costs charged to the Scheme such as fees, commissions, and stamp duty. There were no such costs during the year.

Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and charges made within those vehicles, and also in the fixed income portfolio managed by BlackRock.

11. Concentration of investments

The following investments were valued in excess of 5% of the net assets of the Scheme at the year-end:

	2023 £'000	2023 %	2022 £'000	2022 %
UK Gilt 1.625% 22-10-2054	**-**	**-**	35,432	3.4
UK Gilt 3.25% 22-01-2044	**-**	**-**	22,423	2.2
BlackRock All Stocks Corporate Bond Fund	**94,580**	**8.8**	90,051	8.7
UK Gilt 3.5% 22-07-2068	**-**	**-**	27,383	2.7
UK Gilt 1.75% 22-07-2057	**-**	**-**	9,709	0.9
UK Inflation 0.125% 22-11-2036	**120,840**	**11.3**	-	-
UK Inflation 0.5% 22-03-2050	**63,371**	**5.9**	-	-
UK Inflation 0.625% 22-11-2042	**65,816**	**6.2**	-	-
Barings Global Loan Fund	**58,029**	**5.4**	55,523	5.4
Steria Pooled Investment Fund	**69,392**	**6.5**	85,503	8.3
ICS Liquidity	**88,288**	**8.3**	55,196	5.4
Global Infrastructure Partners IV-C L P	**66,834**	**6.2**	63,206	6.2

Notes to the Financial Statements

12. Investment management expenses

	2023 £'000	2022 £'000
Administration, management and custody	**3,276**	7,986

13. Pooled investment vehicles

The Scheme's investments in pooled investment vehicles, excluding the Steria Pooled Investment Fund, were comprised as follows:

	2023 £'000	2022 £'000
Equities	**107,553**	106,998
Global secured bank loans	**58,029**	55,523
Infrastructure	**133,977**	125,386
Bonds	**94,580**	90,051
Bank capital relief fund	**32,345**	63,632
Property debt	**22,808**	28,723
	449,292	470,313

Steria Pooled Investment Fund

The Scheme beneficially owns units in the Steria Pooled Investment Fund, a common investment fund which holds property investment funds, allocated to each Section as follows:

	2023 £'000	2022 £'000
Property Fund portfolio, managed by Schroder Investment Management Ltd		
SPP Section	**38,325**	43,886
SRP Section	**27,934**	33,827
SMP Section	**3,133**	7,790
	69,392	85,503

The percentage of the funds in the Steria Pooled Investment Fund under the beneficial ownership of the Scheme at 31 December 2023 was 100% (31 December 2022: 100%). The underlying assets of the Fund are property assets held by Schroder.

14. Asset Backed Fund

	2023 £'000	2022 £'000
Asset backed fund	**37,300**	-

Further information on the Asset backed fund can be found on page 7 of the Trustee report.

Notes to the Financial Statements

15. Derivatives

Objectives and policies

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

Swaps – the Trustee's aim is to match as far as possible the notional Liability Matching portfolios of the Scheme's long-term liabilities, in particular in relation to a proportion (corresponding to the Scheme's Sections' funding levels on a self-sufficiency i.e. gilts plus basis) of their sensitivities to movements in interest rates and changes in inflation expectations. The Trustee holds "over the counter" (OTC) and centrally cleared interest rate swaps that extend the duration of the fixed income portfolio to better match the long-term liabilities of the Scheme's Sections and inflation rate swaps to manage inflation risk.

Forward FX – in order to maintain appropriate diversification of investments within the portfolio and take advantage of overseas investment returns, proportions of the Sections' underlying investment portfolios are invested overseas. To balance the risk of investing in foreign currencies whilst having an obligation to settle benefits in sterling, a currency hedging program, using forward foreign exchange contracts, has been put in place to reduce the currency exposure of the Sections' overseas equity investments to the targeted level.

A summary of derivative holdings as at the year-end is as follows:

	2023 Assets £'000	**2023 Liabilities £'000**	**2022 Assets £'000**	**2022 Liabilities £'000**
Derivatives				
Swaps	**19,359**	**(20,743)**	34,389	(55,771)
Forward foreign currency contracts	**-**	**-**	1,167	(163)
	19,359	**(20,743)**	35,556	(55,934)
Net derivative contracts	**(1,384)**		(20,378)	

Collateral

The notional principal of a swap is the amount used to determine the swapped receipts and payments.

Collateral of £Nil (31 December 2022: £28,810,445) was held in respect of swaps at 31 December 2023.

Collateral of £24,942,787 (31 December 2022: £1,789,675) was pledged by the Scheme in respect of swaps at 31 December 2023. During the year the Scheme moved towards holding centrally cleared swaps, rather than bi-lateral OTC swaps, and therefore significantly less collateral is required to be pledged.

Notes to the Financial Statements

15. Derivatives (continued)

Swaps

Duration	Nature	Notional Principal £'000	2023 Assets £'000	2023 Liabilities £'000	2022 Assets £'000	2022 Liabilities £'000
Inflation rate swaps maturity						
0 to 10 years	Pay fixed for floating	**(36,271)**	**15,086**	**(234)**	**25,013**	**-**
10 to 20 years	Pay fixed for floating	**(46,969)**	**1**	**(465)**	**4,633**	**-**
20 to 30 years	Pay fixed for floating	**(19)**	**4**	**-**	**4**	**-**
			15,091	**(699)**	**29,650**	**-**
Interest rate swaps maturity						
0-10 years	Rec fixed for LIBOR	**61,451**	**1,892**	**(1,497)**	2,314	(1,454)
10-20 years	Rec fixed for LIBOR	**58,769**	**2,376**	**(241)**	1,844	(5,488)
20-30 years	Rec fixed for LIBOR	**-**	**-**	**-**	151	-
30 years or more	Rec fixed for LIBOR	**-**	**-**	**-**	430	(1,318)
Other swaps maturity						
0-10 years	Overnight Interest Rate for 6m LIBOR	**30,383**	**-**	**(7,922)**	-	(9,723)
10-20 years	Overnight Interest Rate for 6m LIBOR	**(6,424)**	**-**	**(10,352)**	-	(34,284)
20-30 years	Overnight Interest Rate for 6m LIBOR	**70**	**-**	**(30)**	-	(2,237)
30 years or more	Overnight Interest Rate for 6m LIBOR	**3**	**-**	**(2)**	-	(1,267)
			4,268	**(20,044)**	4,739	(55,771)
Total Swaps			**19,359**	**(20,743)**	34,389	(55,771)

Notes to the Financial Statements

15. Derivatives (continued)

Swaps (continued)

Forward Foreign Exchange (FX)

The Scheme had open FX contracts at the year-end relating to its currency hedging strategy as follows:

Contract	Settlement date	Currency bought	Currency sold	Aggregate asset £'000	Aggregate liability £'000
Forward OTCs	>3 Months	Various	Various	-	-
Total 31 December 2023				**-**	**-**
Total 31 December 2022				1,167	(163)

The open contracts at the year-end are held against a variety of currencies.

16. Repurchase agreements

At the year- end, amounts payable under repurchase agreements amounted to £239,144,000 (31 December 2022: £202,302,000), and amounts receivable under repurchase agreements amounted to £NIL (31 December 2022: £35,285,000). At the year-end index-linked and fixed interest bonds reported in Scheme assets and valued at £268,710,000 were held by counterparties under repurchase agreements (31 December 2022: £164,811,000).

Collateral is exchanged in respect of the movement in the valuation of the bonds sold under repurchase agreements, subject to minimum transfer levels. At the year-end collateral of £26,544,616 (31 December 2022: £6,236,655) was held by the Scheme and collateral of £NIL (31 December 2022: £9,723,498) was pledged by the Scheme to counterparties.

17. Other Investment assets and liabilities

	31 December 2023 £'000	31 December 2022 £'000
Investment assets		
Other investment assets	**2,852**	623

	31 December 2023 £'000	31 December 2022 £'000
Investment liabilities		
Other investment liabilities	**2,405**	-

Notes to the Financial Statements

18. AVC investments

The Trustee holds assets invested separately from the main Scheme investments to secure additional benefits on a money purchase basis for those members by or for whom Additional Voluntary Contributions were paid. Members participating in this arrangement each receive an annual statement confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments at the year-end are as follows:

	2023 **£'000**	**2022** **£'000**
Zurich Assurance Limited	**1,096**	1,183
BlackRock Investment Management	**692**	977
Clerical Medical Investment Group	**1,448**	1,679
Aviva	**72**	74
Phoenix Life Limited	**7**	7
Standard Life Investments	**2,031**	2,317
	5,346	6,237

Notes to the Financial Statements

19. Fair value determination

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

Level 1	The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the assessment dates.
Level 2	Inputs other than quoted prices included within Level 1 which are observable (i.e. developed) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

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

The Scheme's investment assets and liabilities fall within the above hierarchy levels as follows:

As at 31 December 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Bonds	-	635,252	-	635,252
Pooled investment vehicles	-	260,162	189,130	449,292
Derivatives	-	(1,384)	-	(1,384)
Steria Pooled Investment Fund	-	-	69,392	69,392
Asset backed fund	-	-	37,300	37,300
AVC investments	-	-	5,346	5,346
Cash and cash equivalents	8,710	100,605	-	109,315
Net repurchase agreements	-	(239,144)	-	(239,144)
Other investment balances	-	447	-	447
	8,710	755,938	301,168	1,065,816

As at 31 December 2022	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Bonds	-	552,251	-	552,251
Pooled investment vehicles	-	252,572	217,741	470,313
Derivatives	-	(20,378)	-	(20,378)
Steria Pooled Investment Fund	-	-	85,503	85,503
AVC investments	-	6,237	-	6,237
Cash and cash equivalents	26,663	66,067	-	92,730
Net repurchase agreements	-	(167,017)	-	(167,017)
Other investment balances		623	-	623
	26,663	690,355	303,244	1,020,262

Notes to the Financial Statements

20. Investment risk disclosures

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

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

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

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

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

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

Credit risk

The Scheme is subject to credit risk because the Scheme directly invests in bonds, and OTC derivatives, has cash balances and enters into repurchase agreements. The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the units it holds in the pooled investment vehicles.

Notes to the Financial Statements

20. Investment risk disclosures (continued)

Credit risk (continued)

As at 31 December 2023	Investment grade	Non-investment grade	Unrated	Total
	£'000	£'000	£'000	£'000
Bond securities	635,252	-	-	635,252
OTC derivatives	(1,384)	-	-	(1,384)
Pooled investment vehicles	* 207,871	-	341,740	549,611
Steria Pooled Investment Fund	-	-	69,392	69,392
Repurchase agreements	(239,144)	-	-	(239,144)
Asset backed fund	-	-	37,300	37,300
Cash and cash equivalents	9,146	-	-	9,146
	611,742	**-**	**448,432**	**1,060,174**

* The pooled investment vehicles value includes cash which is invested in the BlackRock liquidity funds. These funds are AAAm rated and so are classed as investment grade pooled funds.

The ABF is exposed to credit risk as the limited partnership holds unsecured loan notes issued by Sopra Steria Group SA. The ABF provides the SRP Section with an annual income which is funded by the loan notes. The ABF is exposed to the credit risk of Sopra Steria Group SA as its default would impair the ABF's ability to provide the agreed level of income to the Section.

Some credit risk arising on bonds held directly is mitigated by investing in government bonds where the credit risk is minimal. The Trustee manages credit risk associated with unrated securities by requesting the investment manager to diversify the portfolio to minimise the impact of default by any one issuer. Credit risk arising on other investments is mitigated by investment mandates requiring all counterparties to be at least investment grade credit rated. This is the position at the year-end.

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. The credit risk for OTC derivatives is reduced by collateral arrangements. Credit risk on repurchase agreements is mitigated through collateral agreements as disclosed in note 16.

Cash is held within financial institutions which are at least investment grade credit rated.

The Scheme's holdings in pooled investment vehicles are unrated. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled fund manager, the regulatory environments in which the pooled fund managers operate and diversification of investments amongst a number of pooled arrangements.

The Trustee carries out due diligence checks before investing in new pooled funds, receiving appropriate advice from the Investment Advisor before investment, and on an ongoing basis monitors any changes to the regulatory and operating environment of the pooled fund managers.

Notes to the Financial Statements

20. Investment risk disclosures (continued)

Credit risk (continued)

A summary of pooled investment vehicles by type of arrangements at the year-end was as follows:

	31 December 2023 £'000	31 December 2022 £'000
Open ended investment companies	252,928	319,279
Steria Pooled Investment Fund	69,392	85,503
Shares of limited liability partnerships	189,130	224,990
Unit linked pooled pension fund insurance policy	107,553	-
	619,003	629,772

Currency risk

The Scheme is subject to currency risk because some of the Scheme's investments are held in overseas markets, either as segregated investments or via pooled investment vehicles. The Trustee limits currency exposure from its global equity by targeting a hedge of approximately 75% of the US dollar, Euro and Japanese yen exposure respectively by investing in 75% of the equity assets in a currency hedged share class.

The Scheme's total exposure by major currency at the year-end was as follows:

	31 December 2023 £'000	31 December 2022 £'000
US Dollar	93,203	77,556
Japanese Yen	1,738	(362)
Euro	28,670	47,707
Other	29,856	37,601
	153,467	162,502

The above analysis includes the net exposure to foreign currency arising from the underlying investment in the pooled investment vehicles held by the Scheme as advised by the pooled investment managers.

Interest rate risk

The Scheme is subject to interest rate risk because some of the Scheme's investments are held in bonds, interest rate swaps, repurchase agreements, and cash.

As at 31 December 2023, the Trustee has set a benchmark for total investments in corporate bonds and bank loans (the Credit portfolios) these differ between the SRP and SPP Sections and the SMP Section due to their current stage in their respective funding and de-risking plans.

The Credit portfolio benchmark allocation for the SRP and SPP Sections is 14.5%, of which 7.5% is allocated to corporate bonds and 7% is allocated to bank loans. The SMP Section has a Credit portfolio benchmark allocation of 22.5%, of which 15% is allocated to corporate bonds and 7.5% is allocated to bank loans. The SMP section no longer allocates to bank loans, as the Trustee agreed to redeem the allocation as a further de-risking step.

The Trustee has also set a benchmark allocation for the Liability Matching portfolios (fixed and index-linked gilts and interest rate and inflation swaps) for each of the Sections based on their funding and de-risking plans, for the SRP and SPP this is 45.0% while the SMP is 67.5%.

Notes to the Financial Statements

20. Investment risk disclosures (continued)

Interest rate risk (continued)

In 2023, there were several Bank of England interest rate increases implemented to help control the rise in inflation. By the end of the year, inflation had eased significantly albeit still above the Bank of England's 2% target. The rate increases throughout the year drove interest rates up and decreasing the value of the Scheme's LDI assets and corresponding liabilities. However, toward the end of the year this was partially reversed, with gilt yields falling, driving an increase in both the value of the liabilities and LDI assets.

The Scheme's corporate bond, gilt and swap holdings are managed by BlackRock in order to hedge an agreed portion of the Scheme's liabilities, as measured on a self-sufficiency i.e. gilts flat basis.

Under this strategy, if interest rates fall, the value of Liability Matching investments will rise to help match the increase in actuarial (and self-sufficiency) liabilities arising from a fall in the discount rate (or gilt yields). Similarly, if interest rates rise the Liability Matching investments will fall in value as will actuarial (and self-sufficiency) liabilities because of an increase in the discount rate (or gilt yields).

At the year-end, the investments subject to direct interest rate risk comprised:

	31 December 2023 £'000	31 December 2022 £'000
Bonds	635,252	552,251
Interest Rate Swaps	(15,776)	(51,032)
Inflation Swaps	14,392	29,650
Pooled investment vehicles	285,273	276,995
Repurchase agreements	(239,144)	(167,017)
Cash and cash equivalents	9,146	28,814
	689,143	669,661

Other price risk

Other price risk arises principally in relation to the Scheme's growth portfolios which include equities held in pooled vehicles, infrastructure, property and bank capital relief assets. It also arises in the Scheme's Liability Matching portfolios though holdings in index-linked gilts and inflation swaps.

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

At the year-end, the Scheme's exposures to investments subject to other price risk were as follows:

	31 December 2023 £'000	31 December 2022 £'000
Bonds	400,314	216,552
Inflation Swaps	14,392	29,650
Infrastructure pooled investments	133,977	131,506
Equity pooled investment vehicles	107,553	106,997
Bank capital relief fund	32,345	64,714
Property equity and property debt	92,200	114,274
	780,781	663,693

Notes to the Financial Statements

21. Current assets

	2023 £'000	2022 £'000
Contributions due from employer	**471**	625
Cash balances	**6,385**	5,489
Prepayment of pensions	**2,717**	2,511
Other debtors	**63**	36
	9,636	8,661

22. Current liabilities

	2023 £'000	2022 £'000
Unpaid benefits	**222**	412
Accrued expenses	**1,188**	816
Other creditors	**9**	11
	1,419	1,239

23. Related party transactions

Other than those items disclosed elsewhere in the financial statements, there were no other related party transactions.

Fees payable by the Scheme to the Trustee are disclosed in Note 9. These include fees payable to Independent Trustee Services Limited, Law Debenture Pension Trustee Corporation plc and other Trustee Directors, plus fees payable for Trustee secretarial services during the year.

During the year, four directors of the Trustee of the Scheme were pensioner members of the Scheme. Pensions paid to them are made in accordance with the Scheme's Trust Deed and Rules.

Independent Trustee Services Limited and Hilary Robertson were also directors of the trustee of the Steria Electricity Supply Pension Scheme during the year.

The Steria Electricity Supply Pension Scheme is a pension scheme related to the Scheme due to sharing a common sponsoring employer.

Independent Trustee Services Limited, Hilary Robertson, and The Law Debenture Pension Trust Corporation p.l.c. were also directors of the trustee of the Steria Pooled Investment Fund, a common investment fund in which the segregated Sections of the Scheme hold unitised property related investments, as disclosed in note 13.

Notes to the Financial Statements

24. Capital commitments

At 31 December 2023, as a result of the acquisition of the beneficial ownership of investment assets held by SPP, SRP and SMP, the Scheme's sections held the following undrawn capital commitments:

	2023 £'000	2022 £'000
Steria Pension Section		
Global Infrastructure Partners II Fund	**3,058**	3,241
Global Infrastructure Partners IV Fund	**9,331**	12,351
DRC UK Whole Loan Fund	**2,348**	6,401
Steria Retirement Section		
Global Infrastructure Partners III Fund	**1,771**	1,913
Brookfield Infrastructure Fund III	**1,710**	3,899
DRC UK Whole Loan Fund	**1,862**	5,077
Global Infrastructure Partners IV Fund	**7,503**	9,932
Steria Management Section		
Global Infrastructure Partners III Fund	**741**	800
Brookfield Infrastructure Fund III	**715**	1,600
DRC UK Whole Loan Fund	**729**	1,987
Total capital commitments as at 31 December	**29,768**	47,201

25. Contingent liabilities

In the opinion of the Trustee the Scheme had no material contingent liabilities as at 31 December 2023 (31 December 2022: None).

Guaranteed Minimum Pensions and equalisation of benefits

As reported in the Trustee's Report on pages 5 and 6, the Trustee remains of the opinion that the financial impact of GMP equalisation is not material to these financial statements and as a result, no liability is recognised. The Trustee will account for the liabilities arising in the year in which they are determined.

Notes to the Financial Statements

26. Sectionalised net assets of the Scheme

At 31 December 2023, the net assets of the Scheme attributable to each of the three segregated sections were as follows:

	2023 £'000	2022 £'000
SPP Section	**480,192**	478,117
SRP Section	**442,213**	395,888
SMP Section	**151,628**	153,679
Total Scheme Net Assets	**1,074,033**	1,027,684

At 31 December 2023, the respective Section's net assets are represented as follows:

As at 31 December 2023	SPP Section £'000	SRP Section £'000	SMP Section £'000	Scheme Total £'000
Investments	**473,116**	**437,537**	**149,818**	**1,060,471**
AVC investments	**3,660**	**1,294**	**392**	**5,346**
Net current assets	**3,416**	**3,382**	**1,418**	**8,216**
	480,192	**442,213**	**151,628**	**1,074,033**

27. Subsequent events – the closure of the SPIF

During 2024, the Trustee decided to wind up the SPIF and to transfer the assets held in the SPIF to the respective sections of the Scheme. The beneficial ownership of the assets held in the SPIF were transferred to the respective sections of the Scheme on 28 March 2024 and the SPIF holds no remaining assets. The intention is to wind up the SPIF in the near future.

Actuary's Certification of the Schedule of Contributions

Sopra Steria Retirement Benefits Scheme (The Scheme) – SRP Section

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 December 2020 to be met by the end of the period specified in the recovery plan dated 04-Nov-2022

I also certify that any rates of contributions forming part of this schedule which the scheme requires me to determine are not lower than I would have provided for had I had responsibility for preparing or revising the schedule, the statement of funding principles and any recovery plan.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 04-Nov-2022

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

Signature	DocuSigned by: 2B2FD52735EA45B	Date	04-Nov-2022
Name	Greg Tucker	Qualification	
		Fellow of the Institute and Faculty of Actuaries	
Address	Parkside House Ashley Road Epsom KT18 5BS	Name of employer	Aon Solutions UK Ltd

Actuary's Certification of the Schedule of Contributions

Certification of schedule of contributions

Sopra Steria Retirement Benefits Scheme (The Scheme) – SMP Section

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 December 2020 to be met by the end of the period specified in the recovery plan dated May 15, 2024.

I also certify that any rates of contributions forming part of this schedule which the scheme requires me to determine are not lower than I would have provided for had I had responsibility for preparing or revising the schedule, the statement of funding principles and any recovery plan.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 17 May 2022.

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

DocuSigned by:

Signature [signature] 2B2FD52735EA45B...

Date May 15, 2024

Name Greg Tucker

Qualification

Fellow of the Institute and Faculty of Actuaries

Address 3rd Floor
Epsom Gateway
2 Ashley Avenue
Epsom
Surrey
KT18 5AL

Name of employer Aon Solutions UK Ltd

Actuary's Certification of the Schedule of Contributions

Certification of schedule of contributions

Sopra Steria Retirement Benefits Scheme (The Scheme) – SPP Section

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 December 2020 to be met by the end of the period specified in the recovery plan dated 13-Sep-2022

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 13-Sep-2022 .

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

Signature		Date	13-Sep-2022
Name	Greg Tucker	Qualification	
		Fellow of the Institute and Faculty of Actuaries	
Address	Parkside House Ashley Road Epsom KT18 5BS	Name of employer	Aon Solutions UK Ltd

Independent Auditor's Statement about Contributions to the Trustee of the Sopra Steria Retirement Benefits Scheme

Statement about contributions payable under the Schedule of Contributions

We have examined the summary of contributions payable to the Sopra Steria Retirement Benefits Scheme ("the Scheme"), for the year ended 31 December 2023 which is set out in the Trustee's report on page 9.

In our opinion contributions for the year ended 31 December 2023, as reported in the summary of contributions and payable under the Schedule of Contributions, have in all material respects been paid at least in accordance with the Schedules of Contributions certified by the Actuary for each Section of the Plan on 17 May 2022 and 13 April 2023 (SMP Section), 13 September 2022 (SPP Section) and 4 November 2022 (SRP Section).

Basis of opinion

Our objective is to obtain sufficient evidence to give reasonable assurance that contributions reported in the summary of contributions 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 Scheme and the timing of those payments under the Schedule of Contributions.

Responsibilities of the Trustee

As explained more fully in the Statement of Trustee's Responsibilities, the Scheme's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions which sets out the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the Schedule of Contributions.

Auditor's responsibilities for the statement about 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 Scheme's Trustee, as a body, in accordance with The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's Trustee as a body, for our work, for this statement, or for the opinion we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Date: 13/06/2024

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Relevant extracts from the Trustee's Statement of Investment Principles

Stewardship – Voting and Engagement

The Trustee recognises the importance of its role as a steward of capital and the need to ensure the highest standards of governance and promoting corporate responsibility in the underlying companies in which its investments reside. The Trustee recognises that ultimately this protects the financial interests of the Scheme and its beneficiaries.

The Trustee delegates all stewardship activities, including voting and engagement, to their appointed investment managers. The Trustee accepts responsibility for how the investment managers steward assets on its behalf, including the casting of votes in line with each manager's individual voting policies.

The Trustee expects the Scheme's investment managers to use their influence as major institutional investors to carry out the rights and duties as a shareholder, including exercising voting rights along with – where relevant and appropriate – engaging with underlying investee companies on ESG considerations and other relevant matters (such as the companies' performance, strategy, risks, capital structure, and management of conflicts of interest).

The Trustee reviews its managers' voting and engagement policies and activities on an annual basis. The Trustee reviews these factors to check they are aligned with expectations and can reasonably be considered to be in the Trustee's, and therefore the members', best interests. The Trustee expects that their investment managers will provide details of their stewardship activities on at least an annual basis and will monitor this with input from their investment consultant. The Trustee will engage with their investment managers where necessary for more information. Prospective managers are required to provide this information in advance of their appointment.

If the Trustee's monitoring reveals that an investment manager's voting or engagement policies, or its stewardship actions are not aligned with the Trustee's expectations, the Trustee will engage with the manager, via different medium such as emails and meetings, to seek a more sustainable position, but it may look to replace the manager.

From time to time, the Trustee will consider the methods by which, and the circumstances under which, it would monitor and engage with an issuer of debt or equity, an asset manager or another holder of debt or equity, and other stakeholders. The Trustee may engage on matters concerning an issuer of debt or equity, including their performance, strategy, risks, social and environmental impact and corporate governance, the capital structure, and management of actual or potential conflicts of interest.

Responsible Investment Policy

The purpose of this policy is to set out our Responsible Investment beliefs and principles, and to detail the approach we are taking to fulfil our commitments.

The effective date of this policy is March 2022.

Introduction

The assets of the Scheme are held on trust by the Sopra Steria (Retirement Benefits Scheme) Trustees Limited ("the Trustee"). Following consideration of the Trustee's core responsible investment beliefs in relation to the Scheme, the Trustee's commitment to Responsible Investment ("RI") is captured in this Policy and in the Statement of Investment Principles ("SIP"), this policy forms part of the SIP as a separate schedule.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Responsible Investment Policy (continued)

This Policy covers key aspects of the Scheme's RI approach including strategy, implementation and reporting. This Policy applies to all asset classes in which the Scheme invests and processes will be tailored, where applicable, to appropriately address the unique features and materiality of various asset classes.

The Scheme's principal employer is Sopra Steria Limited ("SSL"). The Trustee is aware of SSL's mission, values and stated environmental, social and governance responsibilities. As part of the Sopra Steria Group ("SSG"), SSL adopts SSG's corporate responsibility priorities, which are described Sopra Steria Group's Corporate Responsibility Report (https://www.soprasteria.com/about-us/corporate-responsibility/reports). The Trustee would like to align the Scheme's approach to RI more closely with SSL's corporate responsibility priorities on climate change and gender diversity.

Responsible Investment Principles

The Trustee has discussed and agreed consensus beliefs relating to RI. These high-level beliefs and principles form the basis of the policy and are set out below.

- Fiduciary duty: Consistent with their fiduciary duty to act in the financial interests of the members of the Scheme, the Trustee recognises the important role to play in incorporating ESG factors in investment decisions and enhancing the long-term value of the Scheme's assets through active ownership.
- Long-term outlook: The Scheme will invest in a manner that is consistent with the appropriate long-term outlook. Accordingly, service providers, including appointed asset managers are expected to make decisions with long term ESG factors in mind.
- ESG integration: Incorporating ESG factors in investment decisions will lead to better long-term risk adjusted returns and the Trustee accordingly monitor the ESG risks and opportunities relevant to their investment strategy.
- Climate Change: The stability of the Earth's climate is a key priority of the Trustee and the sponsoring employer. Climate change as a risk factor will feature with increasing prominence in investment strategy reviews and engagements with asset managers across all asset classes.
- Social and Environmental Impact: The Trustee believes they have a duty to seek a wider/additive societal and environmental impact with the Scheme's investments.
- Stewardship: Communicating opportunities for better strategies, processes, and resolutions at various levels in the investment chain will lead to better long-term risk adjusted returns. Accordingly, the Trustee monitors and engages with their service providers to positively influence engagement activity and outcomes.
- Exclusions: Where practical given the constraints of pooled funds, the Trustee will consider exclusions from certain asset classes or companies as part of an escalation strategy in the event engagement first approach does not yield / is not anticipated to yield sufficient progress.
- Transparency and Reporting: As ESG factors become increasingly material, the Trustee recognises that their members may have an interest in how RI is reflected through the Scheme's investment strategy. The Trustee publicly discloses Scheme stewardship activity on an annual basis and regularly review opportunities to improve reporting over time.
- Industry Initiatives: In order to help facilitate positive change within the investment industry, the Trustee will consider aligning itself with industry initiatives and supporting their recommendations where appropriate.
- Commitment: The transition to a low carbon economy, sustainability revolution and other megatrends will continue to be key themes of action in the future, the Trustee will seek to remain abreast of developments in this fast-moving area to facilitate better informed decision making.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Governance approach

This section sets out the high-level expectations and roles of different groups with respect to responsible investment, a feature of the wider governance framework of the Scheme.

Sponsoring Employer: Consulted on significant changes to the Scheme's Responsible Investment Strategy, for example, introducing new investment strategies into the portfolio.

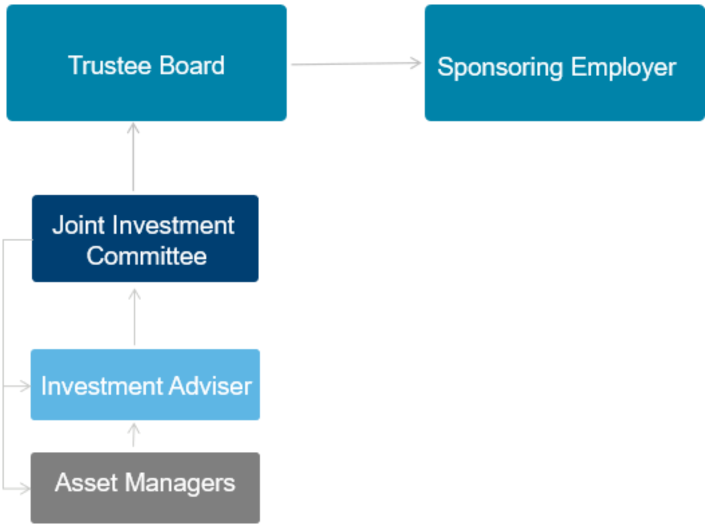
Trustee Board: Evaluate and ratify proposals on various responsible investment matters for final consultation with the sponsoring employer.

Joint Investment Committee (JIC): Responsible for working closely with the investment adviser to ensure the responsible investment strategy remains appropriate. This includes significant oversight of a number of items, such as the RI policy, ESG related monitoring, identification of risks, new investment and other opportunities, reporting and disclosures, engagements with asset managers.

Investment Adviser: Responsible for supporting the JIC and Trustee Board with training and disclosure needs, carrying out ESG related risk monitoring; supporting the implementation of the existing wider RI strategy and proposing new opportunities that align to the Scheme RI principles and priorities.

Asset managers: The Scheme's asset managers are expected to always take account of ESG considerations (including climate change) in the selection, retention and realisation of investments as well as be proactive stewards of capital through engagement activity with their investee companies/issuers.

Figure 1: Organisational Chart



The figure above illustrates the typical flow of discussion between the key groups on RI matters. In practice, the interactions are more flexible, an example is where the Investment Adviser and JIC may identify concerns as part of regular ESG related monitoring and request a joint discussion with the asset manager regarding the rationale for such processes and potential areas of improvement.

The following sections expand on the high-level RI principles and set out the processes in place to facilitate the Trustee's oversight in these key aspects of Responsible Investment. For ease, reference to the "Trustee" in the following section refers to both the JIC and Trustee Board in their varying capacities.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

ESG Integration

- The Trustee has discussed their own RI beliefs and periodically review and compare these to the RI policies and implementation processes of the appointed asset managers to ensure ongoing alignment.
- The Trustee expects the Scheme's asset managers to understand their RI beliefs and requirements. The Trustee periodically provides their Policy to advisers and asset managers and ask them to raise any areas of incongruence for discussion.
- When the Trustee looks to appoint a new manager, the Trustee requests and reviews ESG related information as part of the selection process to consider the prospective manager's ESG integration and stewardship standards alongside other evaluation. The Trustee reviews responses with support and input from the Scheme's investment advisers.
- The Trustee and Investment Adviser carry out a periodic review of the ESG profile of the Funds. The use of third-party data from MSCI, self-reported manager data from the PRI alongside commentary from the adviser, support the JIC in identifying areas of potential ESG risk and engagement opportunities.
- The Trustee and investment adviser monitors the Scheme's managers on an ongoing basis. Where available, this includes reviewing the investment adviser 'ESG rating', across all asset classes, which reflects the quality of and commitment to ESG integration.
- The investment adviser supports the Trustee with training sessions on best practice and industry developments in Responsible Investment as well as raising any significant concerns that may arise as a result of ad-hoc analysis.
- The Scheme's appointed asset managers have the delegated responsibility to take account of financially material ESG considerations (including climate change) in the selection, retention and realisation of investments.

Climate Change

- The Trustee recognises the importance of risk management and opportunities in relation to climate change, especially as there remains material risk that governments and regulation globally do not act quickly enough to facilitate a smooth transition to a low carbon economy.
- The Trustee supports the TCFD and will report publicly in line with the recommendations, including considering targets as appropriate.
- At least as part of each formal triennial investment strategy review, the JIC review climate scenario modelling as a risk management process.
- The Trustee will convey the importance of climate change risk mitigation to its investment managers and will monitor the quality of their asset manager policies, integration, and stewardship practices in relation to climate change to encourage better defined processes where possible.

Social and Environmental Impact

- The Trustee is concerned with the impact of investments; and may engage with their investment adviser and asset managers to encourage additive social and environmental impact through their engagement activity.
- The Trustee will consider Impact investment opportunities raised by the investment adviser.
- The Trustee may, on a case by case basis, where practical given the constraints of pooled funds, also consider excluding investments if there is a consensus view that there are significant negative effects on the community or environment and there is no expected significant financial detriment from divesting.
- The Trustee will consider aligning to pension scheme industry best practice guidelines where practical.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Stewardship – Voting and Engagement

- The Trustee will seek to ensure that the managers, or other third parties, use their influence to act consistently with the Trustee's policies and objectives as a responsible institutional investor. This will include voting and – where relevant and appropriate – engaging with underlying investee companies to promote good corporate governance, accountability and positive change.
- The Trustee reviews the stewardship activities of the Scheme's investment managers on an annual basis, in the form of the engagement policy implementation statement, covering both engagement and voting actions. The Trustee will review the extent to which the investment strategies, decisions policies and practices of the Scheme's investment managers are aligned with the Trustee's policies.
- Where possible, voting information should include details of voting actions and rationale with relevance to the Fund, in particular where: votes were cast against management; votes against management generally were significant and votes were abstained.
- Similarly, engagement activity disclosures should be of relevance to the Fund's investments and include information on the rationale and outcome of engagement activity.
- If any asset manager or service provider does not meet any of the expectations listed in this policy, the Trustee, or investment adviser, on behalf of the Trustee, will engage with the respective stakeholders to encourage improvements in processes, transparency or activity as required. These engagements may be through written dialogue or in face-to-face meetings. If the position continues to fall short of Trustee expectations, the Trustee may ultimately redeem holdings with the asset manager.

Initiatives and Industry Collaboration

- The Trustee recognises that collaboration and support of initiatives is a powerful tool to influence behaviour. The members of the Trustee's Joint Investment Committee are members of Aon's Responsible Investment Network, which provides access to regular updates on Responsible Investment market innovations and developments, Responsible Investment focused events, and research / focus groups for discussion of key issues concerning sustainable finance and Responsible Investment.
- The Trustee expects the Scheme's asset managers to consider collaboration with others, as permitted by relevant legal and regulatory codes, where collaboration is likely to be the most effective mechanism for encouraging issues to be addressed.

Disclosure and Reporting

- The Trustee recognises transparency and communication is important to acting in the best interests of members. In support of this belief, this policy is available to members.
- This policy supplements additional disclosures and information available as part of the engagement policy implementation statement (https://www.ssrbs.co.uk/).

Commitment

- The Trustee acknowledges that the Scheme's approach to Responsible Investment will need to evolve over time, both due to the changing landscape with respect to ESG issues as well as broader industry and regulatory developments. The Trustee is committed to making ongoing improvements to the Scheme's approach and the processes that underpin the delivery of this Policy to ensure that it remains relevant.
- The Policy will be reviewed as part of any strategic review of the Scheme's investment objectives and management of risk, or as required in response to changing regulations or broader governance issue.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Schedule 2: Policy in relation to the Scheme's arrangements with asset managers

Direct investments

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly, e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as direct investments.

Review of direct investments

The Trustee's policy is to review its direct investments and to obtain written advice about them at regular intervals. These include vehicles available for members' AVCs. When deciding whether or not to make any new direct investments the Trustee will obtain written advice and consider whether future decisions about those investments should be delegated to the fund manager.

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustee (or, to the extent delegated, by the fund manager) against the following criteria: The best interests of the members and beneficiaries, security, quality, liquidity, profitability, nature, and duration of liabilities, tradability on regulated markets, diversification, and use of derivatives.

Arrangements with Investment Managers

The Trustee monitors the Scheme's investments to consider the extent to which the investment strategy and decisions of the investment managers are aligned with the Trustee's policies, including those on non-financial matters. This includes the extent to which investment managers:

- make decisions based on assessments about medium- to long-term financial performance of an issuer of debt or equity; and
- engage with issuers of debt or equity in order to improve their performance in the medium- to long-term.

Reporting

The Trustee is supported in this monitoring activity by their investment adviser.

The Trustee receives regular reports and verbal updates from the investment adviser on various items including the investment strategy, performance, and longer-term positioning of the portfolio. The Trustee focuses on longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Scheme's objectives and assess the investment managers over the long-term.

Before appointment of a new investment manager, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies.

The Trustee believes that having appropriate governing documentation, setting clear expectations to the investment managers (where possible), and regular monitoring of investment managers' performance and investment strategy, is sufficient to incentivise the investment managers to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial performance.

Where investment managers are considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustee will typically first engage with the manager, but could ultimately replace the investment manager where this is deemed necessary.

There is typically no set duration for arrangements with investment managers, although the continued appointment for all investment managers will be reviewed periodically, and at least every five years. Where the Scheme holds closed ended vehicles, the duration may be defined by the nature of the underlying investments.

Appendix 1 – The Trustee's Policy on Responsible Investment and Related Matters

Evaluation of Investment Managers performance and remuneration

The Trustee evaluates the performance of their investment managers relative to their respective objectives on a regular basis via their investment monitoring reports and updates from the investment managers. The Trustee also reviews the remuneration of the Scheme's investment managers on at least an annual basis to ensure that these costs are reasonable in the context of the kind and balance of investments held.

Portfolio turnover costs

The Trustee is aware of the portfolio turnover costs, defined as the expected frequency with which each underlying investment managers' fund holdings change over a year. The Scheme's investment adviser monitors this on behalf of the Trustee as part of the manager monitoring, they provide to the Trustee and flags to the Trustee where there are concerns. The Trustee accepts that transaction costs will be incurred to drive investment returns and that the level of these costs varies across asset classes and by manager style within an asset class. In both cases, a high level of transaction costs is acceptable as long as it is consistent with the asset class characteristics, manager's style and historic trends. Where the Trustee's monitoring identifies a lack of consistency the mandate will be reviewed. The Trustee is supported in cost transparency monitoring activity by the investment adviser.

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

The purpose of the EPIS is for us, the Trustee of the Sopra Steria Retirement Benefits Scheme to explain what we have done during the year ending 31 December 2023 to achieve certain policies and objectives set out in the Statement of Investment Principles ("SIP"). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Scheme's investments have been followed during the year; and

2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the 'most significant' votes cast over the reporting year.

Our conclusion

Based on the activity we have undertaken during the year, we believe that the policies set out in the SIP have been implemented effectively.

In our view, most of the Scheme's material investment managers were able to disclose good evidence of voting and engagement activity, and the activities completed by our managers align with our stewardship expectations.

A few managers, as outlined below, did not provide any requested engagement information, and the information provided was limited and often not in line with the best practice Investment Consulting Sustainability Working Group ("ICSWG") industry standard engagement reporting template.

We will engage with these managers, as set out in our engagement plan, to encourage them to provide detailed and meaningful disclosures about their engagement and voting activities, and learn how they consider financially material Environmental, Social and Governance ("ESG") factors into their voting policies.

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

How voting and engagement policies have been followed

The Scheme is invested in pooled funds, and so the responsibility for voting and engagement is delegated to the Scheme's investment managers, which is in line with the policies set out in our SIP. The Scheme is invested in a segregated mandate in which the voting rights have been delegated to the investment manager (subject to our stewardship policy as set out in the SIP). We reviewed the stewardship activity of the material investment managers carried out over the Scheme year and in our view, most of the investment managers were able to disclose good evidence of voting and engagement activity. More information on the stewardship activity carried out by the Scheme's investment managers can be found in the following sections of this report.

Ongoing Monitoring

Over the reporting year, we monitored the performance of the Scheme's investments on a quarterly basis and received updates on important issues from our investment adviser, Aon Investments Limited ("Aon"). In particular, we received quarterly Environment Social Governance ("ESG") ratings from Aon for the funds the Scheme is invested in where available. Aon's ESG rating system is for 'buy' rated investment strategies and is designed to assess whether investment managers integrate responsible investment and more specifically ESG considerations into their investment decision making process. The ESG ratings are based on a variety of qualitative factors, starting with a proprietary due diligence questionnaire, which is completed by the fund manager. Aon's researchers also conduct a review of the managers' responsible investment related policies and procedures, including a review of their responsible investment policy (if they have one), active ownership, proxy voting and/or stewardship policies. After a thorough review of the available materials, data and policies, as well as conversation with the fund manager, the lead researcher will award an ESG rating, which is subjsect to peer review using an agreed reference framework. Ratings will be updated to reflect any changes in a fund's level of ESG integration or broader responsible investment developments.

TCFD reporting

The Trustee completed and submitted its first TCFD report in 2023. The Trustee is now progressing towards meeting the requirements set out in the TCFD for its second report. The TCFD framework establishes a set of eleven clear, comparable, and consistent recommended disclosures about the risks and opportunities presented by climate change. The increased transparency encouraged through the TCFD recommendations is intended to lead to decision-useful information and therefore better informed decision-making on climate-related financial risks. Aligning the Scheme to the TCFD can be a long process and requires careful planning. The Trustee has an action plan in place and is working with its advisors to meet its obligations.

Each year, we review the voting and engagement policies of the Scheme's investment managers to ensure they align with our own policies for the Scheme and help us to achieve them.

The Scheme's stewardship policy can be found in the SIP: https://www.ssrbs.co.uk/other-documents/statement-of-investment-principles

What is stewardship?

Stewardship is investors using their influence over current or potential investees/issuers, policy makers, service providers and other stakeholders to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

This includes prioritising which Environmental Social Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

Our Engagement Action Plan

Based on the work we have done for the EPIS, we have decided to take the following steps over the next 12 months:

1. Brookfield Infrastructure Partners ("BIP") and Global Infrastructure Partners ("GIP") provided comprehensive ESG reports with some information on their engagement practices however detailed engagement examples specific to the fund in which we are invested, as per Investment Consultants Sustainable Working Group (ICSWG) industry standard were not provided. They also did not provide firm level engagement information. Aon will continue to engage with these managers as part of the research and monitoring of the managers, to better understand their engagement practices and discuss the areas which are behind peers.

2. Christofferson Robb & Co ("CRC") did not provide any fund level engagement information. As they primarily invest in synthetic transactions tied to very large pools of loans originated by large, highly regulated banks and therefore have little scope for fund level engagement. To the extent that we remain invested in the fund, we will engage with these managers, as part of Aon's research and monitoring process, to better understand the manager's engagement practices and discuss any areas which are behind those of its peers.

3. Legal & General Investment Management ("LGIM") provided fund-level engagement information for its funds but not in the industry standard ICSWG template. Aon will continue to engage with LGIM as part of the research and monitoring of the managers.

4. We will continue to invite each of our investment managers to meetings on a regular basis, where we can get a better understanding their voting and engagement practices, and how these help us fulfil our Responsible Investment policies.

5. We will undertake detailed ESG monitoring of our managers and will continue to review our investment managers' Responsible Investment policies to ensure they are in line with our own.

Our managers' voting activity

Good asset stewardship means being aware and active on voting issues, corporate actions and other responsibilities tied to owning a company's stock. We believe that good stewardship is in the members' best interests to promote best practice and encourage investee companies to access opportunities, manage risk appropriately, and protect shareholders' interests. Understanding and monitoring the stewardship that investment managers practice in relation to the Scheme's investments is an important factor in deciding whether a manager remains the right choice for the Scheme.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Scheme's equity-owning investment managers to responsibly exercise their voting rights. Over the year, the Scheme transitioned from legacy equity managers (Morgan Stanley, MFS and Harris) to Legal & General Investment Management ("LGIM"). Given this transition, the Trustee has chosen to only include voting activity from LGIM on the basis of materiality.

Why is voting important?

Voting is an essential tool for listed equity investors to communicate their views to a company and input into key business decisions. Resolutions proposed by shareholders increasingly relate to social and environmental issues.

Source: UN PRI

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

Voting statistics

The table below shows the voting statistics for each of the Scheme's material funds with voting rights for the year to 31 December 2023.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
LGIM - Developed Factor Index Fund (Hedged and Unhedged)	12,217	99.9%	21.3%	0.1%
LGIM - Future World Equity Index Fund	6,404	99.7%	6.3%	0.0%

Source: Manager. Please note that the 'abstain' votes noted above are a specific category of vote that has been cast, and are distinct from a non-vote.

Use of proxy voting advisers

Many investment managers use proxy voting advisers to help them fulfil their stewardship duties. Proxy voting advisers provide recommendations to institutional investors on how to vote at shareholder meetings on issues such as climate change, executive pay and board composition. They can also provide voting execution, research, record keeping and other services.

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations. The table below describes how the Scheme's manager uses proxy voting advisers.

Why use a proxy voting adviser?

Outsourcing voting activities to proxy advisers enables managers that invest in thousands of companies to participate in many more votes than they would without their support.

Manager	Description of use of proxy voting adviser *(in the managers' own words)*
LGIM	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions. For more details, please refer to the Voting Policies section of this document.

Source: Manager.

Significant voting examples

To illustrate the voting activity being carried out on our behalf, we asked the Scheme's investment managers to provide a selection of what they consider to be the most significant votes in relation to the Scheme's funds. A sample of these significant votes can be found in the appendix.

Appendix 2 – Engagement Policy Implementation Statement (“EPIS”)

Our managers’ engagement activity

Engagement is when an investor communicates with current (or potential) investee companies (or issuers) to improve their ESG practices, sustainability outcomes or public disclosure. Good engagement identifies relevant ESG issues, sets objectives, tracks results, maps escalation strategies and incorporates findings into investment decision-making.

The table below shows some of the engagement activity carried out by the Scheme’s material managers. The managers have provided information for the most recent calendar year available. Some of the information provided is at a firm-level i.e., is not necessarily specific to the funds invested in by the Scheme.

Funds	Number of engagements		Themes engaged on at a fund/ firm level
	Fund level	Firm level	
Barings - Global Loan Fund	276	536	Strategy, Financial & Reporting - Reporting; Strategy/Purpose; Risk Management Environment - Climate Change; Natural Resource Use/Impact
Blackrock - UK Credit Fund	108	3,768	Environment - Climate Risk Management Social - Human Capital Management Governance - Corporate Strategy; Remuneration; Sustainability Reporting
BIP III	Not provided	Not provided	Environment* - Climate Change and Resilience, Biodiversity Social* - Occupational Health and Safety, Human Capital Development, Governance*- Corporate Governance, Ethical Business Conduct, Cybersecurity
CRC - Single Investor Fund XV	Not provided	1	Environment* - Climate Change Social* - Inequality Strategy, Financial & Reporting* - Reporting Other* - Sustainable Investing
DRC - UK Whole Loan Fund	20	150	Social - Conduct, Culture and Ethics Strategy, Financial & Reporting - Capital Allocation; Financial Performance; Reporting; Strategy/Purpose
GIP III	Not provided	Not provided	Environment* - Climate Risk Management, Net Zero Alignment, Energy Efficiency Social* - Supply Chain Management, Governance* - Diversity and Inclusion
GIP IV	Not provided	Not provided	Environment* - Climate Risk Management, Net Zero Alignment, Energy Efficiency Social* - Supply Chain Management, Governance* - Diversity and Inclusion
LGIM - Developed Factor Index Fund (Hedged and Unhedged)	296	2,500	Governance - Remuneration; Board Composition Social - Gender Diversity Environment - Climate Impact Pledge; Climate Change
LGIM - Future World Equity Index Fund	287	2,500	Governance - Remuneration Social - Ethnic Diversity Environment - Climate Change; Climate Impact Pledge Other - Corporate Strategy
Schroders Property - Multi Manager	16	6,724	Environment - Climate Change; Natural Resource Use/Impact; Pollution, Waste Social - Conduct, Culture and Ethics; Human and Labour Rights

*Source: Managers. *The following managers did not provide fund level themes; themes provided are at a firm-level:*

- *BIP*
- *CRC*
- *GIP*

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

Data limitations

At the time of writing, the following managers did not provide all the information we requested:

- BIP and GIP did provide firm level engagement themes but not in the industry standard template. Additionally, the manager did not provide fund level engagement information.
- CRC did not provide any fund level engagement information.
- LGIM provided fund-level engagement information for its funds but not in the industry standard template.

This report does not include commentary on certain asset classes such as liability driven investments and cash because of the limited materiality of stewardship to these asset classes. Further, this report does not include the additional voluntary contributions ("AVCs") due to the relatively small proportion of the Scheme's assets that are held as AVCs.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Scheme's manager. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

LGIM - Developed Factor Index Fund (Hedged and Unhedged)	**Company name**	Alphabet Inc.
	Date of vote	02-Jun-2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.7
	Summary of the resolution	Resolution 18 - Approve Recapitalization Plan for all Stock to Have One-vote per Share
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Shareholder Resolution - Shareholder rights: A vote in favour is applied as LGIM expects companies to apply a one-share-one-vote standard.
	Outcome of the vote	Fail
	Implications of the outcome e.g. were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM will continue to monitor the board's response to the relatively high level of support received for this resolution.
	On which criteria have you assessed this vote to be most significant?	High Profile meeting: This shareholder resolution is considered significant due to the relatively high level of support received.

Appendix 2 – Engagement Policy Implementation Statement ("EPIS")

LGIM - Future World Equity Index Fund	**Company name**	Shell Plc
	Date of vote	23-May-2023
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	4.6
	Summary of the resolution	Approve the Shell Energy Transition Progress
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website the day after the company meeting, with a rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an AGM as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Climate change: A vote against is applied, though not without reservations. We acknowledge the substantial progress made by the company in meeting its 2021 climate commitments and welcome the company's leadership in pursuing low carbon products. However, we remain concerned by the lack of disclosure surrounding future oil and gas production plans and targets associated with the upstream and downstream operations; both of these are key areas to demonstrate alignment with the 1.5C trajectory.
	Outcome of the vote	Pass
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	LGIM continues to undertake extensive engagement with Shell on its climate transition plans
	On which criteria have you assessed this vote to be most significant?	Thematic - Climate: LGIM is publicly supportive of so called "Say on Climate" votes. We expect transition plans put forward by companies to be both ambitious and credibly aligned to a 1.5C scenario. Given the high-profile of such votes, LGIM deem such votes to be significant, particularly when LGIM votes against the transition plan.

Source: Manager

Sopra Steria Retirements Benefits Scheme Accounts (final)

Final Audit Report 2024-06-13

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