



Schneider Pension Plan

Trustee's Annual Report and Financial Statements for the year ended 5 April 2025

Registration Number - 101985915

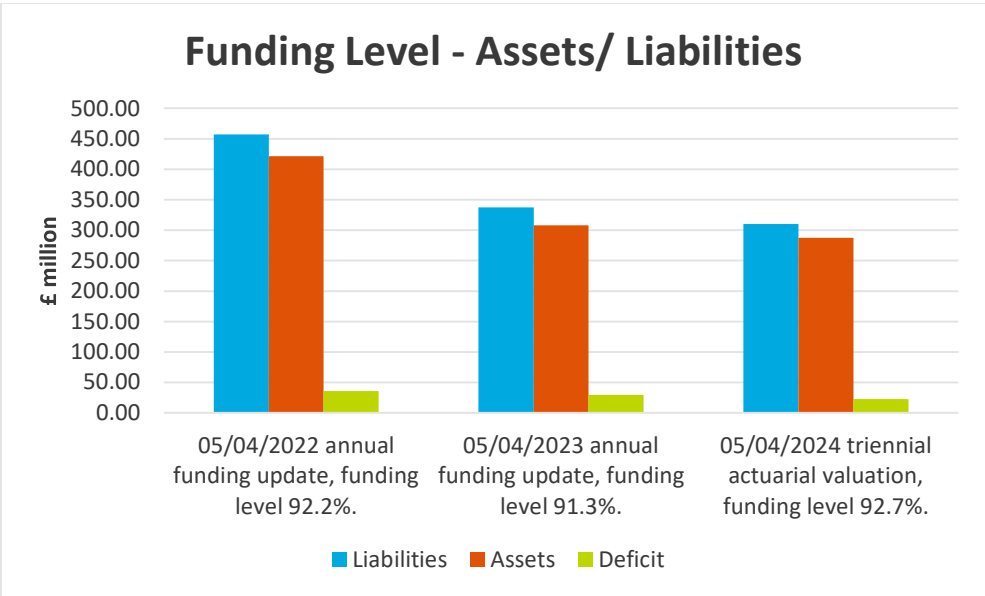
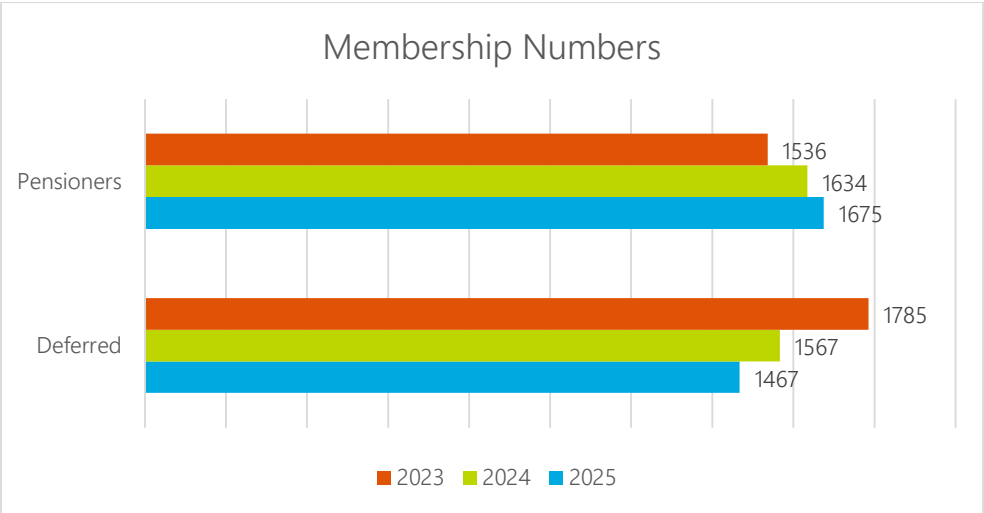
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Key Highlights

Trustee Responsibilities

- > Act in accordance with the Trust Deed and Rules of the Plan and within the framework of the law;
- > Act prudently, conscientiously and honestly, and with the utmost good faith;
- > Act in the best interest of beneficiaries and strike a fair balance between the interests of different classes of beneficiary;
- > Safeguard members’ benefits by managing the Plan’s assets effectively;
- > Take advice on technical matters, and other matters where appropriate;
- > Keep proper accounting records which accurately disclose the financial position of the Plan; and
- > Deliver a high level of service to all members.



Trustee's Report for the year ended 5 April 2025

Introduction

The Trustee is pleased to present the Annual Report and Financial Statements of the Schneider Pension Plan ('the Plan') for the year ended 5 April 2025.

Constitution of the Plan

The Plan is designed to provide salary related benefits for employees of Schneider Electric Limited (referred to as "the Employer").

The Plan is administered in accordance with the Definitive Trust Deed and Rules dated 30 October 2002 and subsequent amendments.

The Plan was closed to future accrual after 31 May 2010. Employees who were active contributory members of the Plan as at this date continued to retain a link to final pensionable salary for as long as they remained in employment. The link to final pensionable salary ceased after 31 March 2019.

The Plan was contracted out of the additional component of the State Second Pension.

Management of the Plan

The Trustee is a corporate body, Schneider Trustees Limited "STL", consisting of both Employer appointed and Member nominated Directors. The formal appointment or removal of the Trustee Directors rests with Schneider Electric Limited.

The Directors of the Trustee company during the year to 5 April 2025 are detailed in Appendix 1.

The responsibilities and duties of the Trustee are to act as custodian of the Plan's assets and to ensure that the Plan is administered in accordance with the formal Trust Deed and Rules.

To allow the Trustee to achieve this, professionals are employed to handle the day-to-day management of the Plan and to pursue the most appropriate investment strategy for the Plan's funds. During the year, relevant elements of the administration of the Plan were undertaken on behalf of the Trustee by XPS Pensions Group. Since 31 May 2019 the whole of the Plan's assets have been under the management of Aon Investments Limited.

The Trustee's advisers are listed in Appendix 1.

Activities and Developments in 2024/25

The governance structure of Schneider Trustees Limited "STL" encompasses the full Trustee board, the administrative and governance committee, the funding and investment committee, and a dedicated guaranteed minimum pension (GMP) working group. During the Plan year, there were 4 Trustee Board meetings, 4 Funding and Investment Committee meetings, 4 Administration and Governance committee meetings, and 12 GMP working group meetings.

Training was provided to the Trustee on Cyber Security and General Data Protection Regulations ("GDPR"), preparation for buyout and insurer due diligence, and risk management looking to help prepare the Plan's long-term strategy.

The STL Administration and Governance Committee and the STL Funding and Investment Committee have delegated authority as detailed in the appropriate Terms of Reference, and any decisions and discretions exercised are ratified with the Trustee Board at the next full Trustee Board Meeting.

Trustee's Report for the year ended 5 April 2025

Activities and Developments in 2024/25 (continued)

The following developments occurred during the Plan year:

- The Trustee completed a GMPE exercise for one tranche of members and expects to conclude equalisation for the remaining members in August 2025.
- The Trustee completed a PIE exercise for one tranche of members and expects to conclude PIE for all members in December 2025.
- A newsletter was issued in March 2025.
- The Trustee has implemented and has a schedule in place for reviewing their policies in relation to the Effective System of Governance. These reviews take place either quarterly, annually or biannually.
- In line with The Finance Act 2024, Lifetime Allowance Percentages have been converted to a Lump Sum Allowance/Lump Sum and Death Benefit Allowance (for existing pensioners). As required by the Act one-off Lifetime Allowance Certificates have been issued to any members (or their Legal Personal Representative), who took part of their benefits from the Plan between 6 April 2006 and 5 April 2024 but who are not currently receiving a pension from the Plan and still have benefits remaining.

Financial Development of the Plan

The audited Financial Statements record the financial transactions of the Plan during the year. During the year, the value of the Plan's assets decreased from £287,442,994 as at 5 April 2024 to £284,397,634 as at 5 April 2025. The Financial Statements have been prepared and audited in accordance with the regulations made under Sections 41 (1) and (6) of the Pensions Act 1995. Further details of the financial developments of the Plan may be found in the audited Financial Statements on pages 21 to 35.

Internal Controls

Risk Register

The Trustee maintains a Risk Register to document the risks that the Plan faces and to evaluate the effectiveness of the internal control processes that are in place.

As the nature of the risks that the Plan faces (as well as the likelihood of their occurrence) will change over time, a section of the Risk Register is reviewed at each quarterly Administration and Governance committee meeting on an ongoing basis.

Conflicts of Interest

The Trustee continues to ensure compliance with guidance issued by the Pensions Regulator regarding conflicts of interest.

The disclosure of conflicts of interest is formally reviewed on an annual basis and is also included as a standing agenda item at the commencement of all Trustee meetings, with any disclosures recorded on a Register of Interests.

Trustee's Report for the year ended 5 April 2025

Actuarial Review

The last formal actuarial valuation was completed at 5 April 2024. This revealed a funding shortfall (Technical Provisions minus value of assets) of £22.7m. To eliminate the funding shortfall the Employer agreed with the Trustee a Recovery Plan aimed at eliminating the shortfall by 5 April 2025. The Recovery Plan provides for the following contributions payable from April 2024:

- > £850,000 per month, from April 2024 to 30 September 2024 inclusive
- > £17.6m on or before 5 April 2025, which was paid on the 22 October 2024 and 22 November 2024.

The Recovery Plan will be reviewed at the next valuation which will be undertaken at 5 April 2027.

Increases in Pensions

Pensions excluding GMP benefits are increased by 5% per annum or the equivalent rise in the Retail Price Index, if lower, for members and dependants. For Pensionable Service from 6 April 2005, pension increases are limited to 2.5% rather than 5%. Pensions are increased on 6 April each year.

GMP benefits are increased in line with statutory requirements.

Benefits for members transferred in from a legacy scheme, with Transfer Credits in respect of Pensionable Service, are increased in accordance with the Rules of those legacy schemes.

There were no discretionary increases during the year.

Preserved pensions were increased in accordance with the Plan rules and statutory requirements.

Transfer Values

All transfer values are calculated in accordance with the requirements of The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 using assumptions determined by the Trustee on advice provided by the Plan Actuary.

No discretionary increases are included in the calculation of transfer values. No transfers were reduced to less than their cash equivalent value.

Additional Voluntary Contributions

Members were able to make Additional Voluntary Contributions (AVCs) into the Plan subject to HMRC limitations. With effect from 31 May 2010 no further AVCs were paid into the Plan. Further details of AVC funds held are given in the note 10 of Financial Statements.

Trustee's Report for the year ended 5 April 2025

Membership

The membership of the Plan at the beginning and end of the year and changes during the year are set out below:

	Membership
Deferred Members	
Deferred Members as at 6 April 2024	1,567
Adjustments*	(14)
Retirements	(77)
Trivial commutations	(3)
Deaths	(6)
Deferred Members as at 5 April 2025	1,467
Pensioners	
Pensioner Members as at 6 April 2024	1,634
Adjustments*	(7)
Retirements	77
Deaths	(51)
New Dependent or Child's pensions	23
Trivial commutations	(1)
Pensioner Members as at 5 April 2025	1,675
Total Membership as at 5 April 2025	3,142

*Membership adjustments relate to the late notification of changes in member status as follows: -

	Membership
Deferred members	
Deferred members who retired in previous year	(7)
Deferred members who died in previous years	(6)
Deferred members who trivially commuted their pension before 5 April 2024	(1)
Net adjustment	(14)
Pensioner members	
Pensioners who died in previous years	(21)
Pensioner from deferred status	7
Dependants who became pensioners before 5 April 2024	8
Pensioners who trivially commuted their pension before 5 April 2024	(1)
New Pensioner record	1
Pensioners who died in previous years	(1)
Net adjustment	(7)

Trustee's Report for the year ended 5 April 2025

Investment Report

Investment Management

The Trustee has delegated the investment of the Plan's assets to the Fiduciary Investment Manager, Aon Investments Limited ("AIL"), with the Bank of New York Europe Limited appointed to act as Custodian of the relevant portfolio of assets.

The Custodian is responsible for ensuring the safe keeping of share certificates and other documents relating to the ownership of listed securities. The Trustee is responsible for ensuring that the Plan's assets continue to be held securely.

A Statement of Investment Principles (SIP) has been produced as required by Section 35 of the Pensions Act 1995 and is available online at www.pensions.schneider-electric.co.uk/documents or on request from the Plan Administrators at the address shown in Appendix 1.

Arrangements with Investment Managers

The Trustee has appointed AIL as its Fiduciary Investment Manager, who they consider to be its asset manager. References to 'underlying asset managers' refers to those asset managers which AIL in turn appoints to manage investments on behalf of the Trustee.

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

Socially Responsible Investment & Corporate Governance

The Trustee considers investment risk to include environmental, social and governance (ESG) factors and climate change. These risks could negatively impact the Plan's investments. The Trustee considers these risks by taking advice from its Fiduciary Investment Manager.

AIL invests in a range of underlying investment vehicles.

As part of AIL's management of the Plan's assets, the Trustee expects AIL to:

- Where relevant, assess the integration of ESG factors in the investment process of underlying managers
- Use its influence to engage with underlying managers to ensure the Plan's assets are not exposed to undue risk; and
- Report to the Trustee on its ESG activities as required.

Fiduciary Investment Manager's fee structure

The AIL fiduciary management fees are charged as a fixed fee in addition to a percentage of assets under management. This fee covers the cost of any underlying managers and the majority of regular investment advisory services provided by AIL.

For significant areas of advice, which the Trustee would like AIL to provide, which are agreed to be outside of the scope, the Trustee will endeavour to agree a project budget.

The Trustee considers this structure and fee to be appropriate given the services rendered.

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

Portfolio Turnover

The Trustee acknowledges that portfolio turnover costs are necessary to generate investment returns and that the level of these costs varies across asset classes and manager. The Fiduciary Manager monitors the level of portfolio turnover (defined broadly as the amount of purchases plus sales) of all the investment managers appointed on behalf of the Trustee.

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 promotion of corporate responsibility in the underlying companies and assets in which the Plan invests, as ultimately this creates long-term financial value for the Plan and its beneficiaries.

The Trustee's Fiduciary Management oversight provider, IC Select Ltd, has been appointed to support the Trustee with an annual review of the stewardship activity of the Fiduciary Manager to ensure the Plan's stewardship policy is being appropriately implemented in practice. The Trustee receives annual reports on stewardship activity carried out by its Fiduciary Manager, these reports include detailed voting and engagement information from underlying asset managers.

As part of the Fiduciary Manager's management of the Plan's assets, the Trustee expects the manager to:

- Ensure that (where appropriate) underlying asset managers exercise the Trustee's voting rights in relation to the Plan's assets; and
- Report to the Trustee on stewardship activity by underlying asset managers as required.

The Trustee will engage with its Fiduciary Manager as necessary for more information, to ensure that robust active ownership behaviours, reflective of its active ownership policies, are being actioned. This will take the form of annual reporting which will be made available to Plan members on the website.

Where possible, the transparency for voting should include voting actions and rationale with relevance to the Plan, in particular where: votes were cast against management; votes against management generally were significant; votes were abstained.

Where voting is concerned, we would expect our underlying asset managers to recall stock lending, as necessary, in order to carry out voting actions.

The Trustee recognises that its collaborative behaviours can further work to mitigate the risks for the Plan that we have identified above.

The Trustee may engage with its Fiduciary Manager, who in turn is able to engage with underlying asset managers, investee company or other stakeholders, on matters including the performance, strategy, risks, social and environmental impact, corporate governance, capital structure, and management of actual or potential conflicts of interest, of the underlying investments made. Where a significant concern is identified, the Trustee will consider, on a case-by-case basis, a range of methods by which they would monitor and engage so as to bring about the best long-term outcomes for the Plan.

Members' Views and Non-Financial Factors

In setting and implementing the Plan's investment strategy the Trustee does not explicitly consider the views of Plan members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors").

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

Investment Objectives and Strategy

The Trustee's long-term objectives are:

- > The acquisition of suitable assets of appropriate liquidity which will generate income and capital growth to meet, together with contributions from the Employer, the cost of the current and future benefits payable from the Plan;
- > To limit the risk of the assets failing to meet the liabilities over the long-term, in particular in relation to the Technical Provisions, by considering the liability profile of the Plan when setting the asset allocation policy;
- > To minimise the long-term costs of the Plan by maximising the return on the assets whilst having regard to the objectives stated above; and
- > To acquire suitable assets to achieve the above objectives while controlling volatility and the long-term costs of the Plan.

In setting the Plan's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Plan and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk.

The Trustee's investment objective is to outperform a gilts-based measure of the Plan's liabilities by 0.75% per annum (measured over rolling three year periods). The Trustee's investment simultaneously seeks to mitigate against funding level movements caused by interest rate and inflation risk arising from the Plan's liability – this is measured against an appropriate Liability Proxy Benchmark scaled to the market value of the Plan's assets.

In broad terms, the strategy aims to deliver asset growth in excess of the growth of the Plan's liabilities over the long term. This is achieved by holding a risk-reducing Matching portfolio which is designed specifically to mitigate against funding level movements caused by interest rate and inflation risk arising from the Plan's liabilities - this is measured against an appropriate Liability Proxy Benchmark scaled to the market value of the Plan's assets. The remaining assets are invested in a diversified portfolio of Growth investments designed to deliver sufficient investment return to improve the funding position over time.

The Trustee has delegated responsibility for achieving this objective in an appropriate, low risk manner, to its Fiduciary Investment Manager – AIL.

The Fiduciary Manager will manage the balance between Growth and Matching assets and as a result there is no formally agreed split. The previously agreed allocation between matching and growth assets was 60% and 40% respectively and it is expected that this split will move over time and it will be monitored by the Trustee at regular intervals. In line with the maximum allocations to asset classes as per the Statement of Investment Principles, at the year end the allocation between matching and growth assets was approximately 66% and 34% respectively.

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

Implementation Statement

The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 require an annual Implementation Statement to be prepared in which trustees set out how and the extent to which the SIP has been followed during the year. The Implementation Statement is included in Appendix 4 and available online at www.pensions.schneider-electric.co.uk/documents.

Matching assets

The matching assets are invested in leveraged gilts, leveraged swaps and cash and are expected to respond in the same way as the Plan's liabilities to changes in interest rates and inflation expectations. Investing in matching assets helps to reduce the volatility of the Plan's funding position.

Growth assets

The objective for the growth assets is to generate a long-term rate of return in excess of inflation. Over time the use of growth assets is expected to gradually improve the Plan's funding position.

Asset allocation as at 5 April 2025

The matching assets and growth assets are invested with AIL in AIL managed pooled investment vehicles where the underlying assets are held in a low-risk bond strategy, a managed growth strategy and a hedging component.

	Amount of investment (£'000)		Proportion of Plan's invested assets		In addition to the above, the Plan also had an un- invested cash
	2025	2024	2025	2024	
Matching assets	185,371	153,859	66.0%	54.7%	
Growth Assets	94,442	126,760	33.6%	45.0%	
Cash held with Custodian	1,159	873	0.4%	0.3%	
Grand total	280,972	281,492	100%	100%	

balance of £2,671,335 (2024: £5,340,053) at 5 April 2025.

Performance of the Plan's invested assets

The Plan's growth and matching assets are invested with AIL in the Bespoke S12 Fund. Performance of the investment strategy implemented for the year to 31 March 2025 and from inception on 31 May 2019 is shown below.

	1 Year %	3 Years %	5 Years %	Since Inception (p.a.) %
Portfolio	(6.2)	(13.5)	(6.8)	(5.9)
Benchmark	(6.8)	(13.2)	(8.1)	(6.4)
Relative to target	0.6	(0.3)	1.3	0.5

Source: Aon Investments Limited / Bank of New York Mellon. Returns are in GBP and quoted net of fees.

Note: The annual management charge is £300,000 p.a. increasing with RPI (capped at 3%) annually + 5 bps on total assets under management. Fees are met by the Plan by deduction from the invested assets.

Trustee’s Report for the year ended 5 April 2025

Investment Report (continued)

General Background (Aon Investments Limited)

Index Returns

Index returns from 31/03/2024 to 31/03/2025



Source: FactSet, MSCI (Equities*, Property), FTSE (Gilts), iBoxx (Credit). *MSCI Indices show LOC gross total returns throughout this report.

Global equity markets rose over the last twelve months. The MSCI ACWI rose 7.9% in local currency and 5.3% in sterling terms, with sterling generally appreciating against other major global currencies. Inflation remained rangebound across developed nations, with the global economy proving to be more resilient than previously anticipated. However, the likelihood of a global growth slowdown has recently increased amid rising trade tensions between the US and its trading partners.

Major political developments dominated the last 12 months, with the UK and US elections delivering a clear mandate to the respective Labour and Republican parties, and many European governments experiencing instability.

In July 2024, the Labour Party returned to government in the UK after 14 years, winning 412 seats with a vote share of 33.8%. The Conservative party came second, winning 121 seats with a vote share of 23.7%. Keir Starmer was appointed as the Prime Minister, Rachel Reeves was named as the Chancellor, and Liz Kendall was appointed as the Secretary of State for Work and Pensions.

The outcome of the US Presidential Election, which was held in November 2024, resulted in a decisive victory for the Republican Party candidate, Donald Trump, who secured 312 electoral college votes, surpassing the 270 needed to become President. The Republican Party gained a majority in the US Senate, holding 53 seats, and gained a majority in the House of Representatives, securing 220 seats.

In January 2025, Donald Trump was sworn in as the 47th President of the United States, marking the beginning of his second term. Shortly after taking office, he signed executive orders to withdraw the US from the Paris Climate Agreement and the World Health Organisation (WHO). According to Trump, the decision to leave the WHO was based on the administration’s view that the organisation mishandled the COVID-19 pandemic, that it urgently needs reforms, and that it is unable to demonstrate independence from inappropriate political influence by member states.

Political instability in Europe increased towards the end of 2024, as the French government led by Prime Minister (PM) Michel Barnier collapsed after being ousted in a parliamentary vote of no confidence.

France’s President Emmanuel Macron appointed François Bayrou, a centrist political veteran, as the new PM. The credit rating agency Moody’s downgraded France’s long-term issuer rating to Aa3 from Aa2, citing weakening public finances and political fragmentation.

In February 2025, French PM François Bayrou successfully survived a series of no- confidence votes and passed the 2025 budget using Article 49.3 of the constitution, which allowed him to implement budgetary measures without needing parliamentary approval. The fiscal package of the delayed budget, which

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

General Background (Aon Investments Limited (continued))

focuses on tax increases and spending cuts, was reduced from €60 billion to €50 billion. The French deficit is projected to decrease to 5.4% of GDP, which remains well above the EU's target of 3%.

In November 2024, the German coalition government comprising the Social Democratic Party (SPD), the Green Party, and the Free Democratic Party (FDP), collapsed when Chancellor Olaf Scholz dismissed Christian Lindner, the finance minister and Chairman of the FDP.

In the 2025 German federal election, the Christian Democratic Union (CDU), led by Friedrich Merz, emerged victorious, receiving 28.5% of the vote. The far-right Alternative for Germany (AfD) secured second place with 20.8%, while the ruling SPD saw its support decline to 16.4%. The Greens and the Left Party followed with 11.6% and 8.8%, respectively. In March 2025, the German Parliament approved reforms to the country's borrowing rules, under which defence spending exceeding 1% of GDP will become exempt from the debt brake rules and can be financed through the issue of new debt. They also announced a €500 billion special loan package which includes support for infrastructure and climate reform initiatives.

In the Labour Party's first Autumn budget in October 2024, Chancellor Rachel Reeves announced a sweeping set of changes to the UK's tax system amounting to £40bn of tax rises. The bulk of the increased tax revenue is set to be derived from Employer's National Insurance Contributions (NIC), with an estimated £25.7bn of revenue raised. The amount employers can claim back from their National Insurance bill was increased from £5,000 to £10,500. For Capital Gains Tax, the lower rate increased from 10% to 18%, while the higher rate rose from 20% to 24%.

In her Spring Statement in March 2025, UK Chancellor Rachel Reeves announced a reduction in welfare spending, estimated to save £4.8 billion by 2029/30. Cuts in departmental spending will reduce expenses by £3.6 billion, while tax compliance measures will add £2.2 billion to the government's income. The Office for Budget Responsibility (OBR) forecast annual UK Consumer Price Inflation (CPI) to be 3.2% in 2025 (vs 2.6% forecasted in October 2024) before falling to 2.1% in 2026 and 2% in 2027. The UK economy is projected to grow at 1% for 2025 (vs 2% predicted earlier) before rising to 1.9% in 2026 and 1.8% in 2027.

In February 2025, UK Prime Minister (PM) Keir Starmer announced that the country's defence spending will increase to 2.5% of GDP by 2027 (or 2.6% when including intelligence services). He aims to raise defence spending to 3% during the next parliament. This increase in defence spending, which is currently at 2.3%, will be financed by reducing Overseas Development Assistance from 0.5% to 0.3% of gross national income.

In Q3 2024, the US Department of State announced an amendment to International Traffic in Arms Regulations, reducing license restrictions on exports and the transfer of defence technologies between the AUKUS (Australia, United Kingdom, and United States) countries. The reform is estimated to impact £500 million of UK defence exports each year.

In October 2024, the UK and Germany signed a landmark defence agreement called the "Trinity House Agreement" which aims to enhance security, investment, and job creation. This pact includes increased coordination in mutual defence, allowing British and German troops to participate in joint military exercises along NATO's eastern border with Russia. Additionally, the agreement focuses on safeguarding vital underwater cables that transmit data beneath the North Sea. Britain's Defence Secretary, John Healey, described the deal as "a milestone moment in our relationship with Germany".

Trade and geopolitical tensions remained elevated over the past 12 months. In Q1 2025, in two separate proclamations under Section 232 of the Trade Expansion Act of 1962, US President Donald Trump imposed

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

General Background (Aon Investments Limited (continued))

25% additional tariffs on steel and aluminium globally, which came into effect on March 12th. These tariffs are expected to have a maximum impact on major exporters like Canada, Brazil, and Mexico. UK Trade Minister Douglas Alexander stated that the country would develop a measured and rational response based on its national interests. Around 5% of UK steel exports and 6% of aluminium exports go to the US.

The US President also signed a memorandum ordering the development of a comprehensive “fair and reciprocal” tariff plan, aimed at creating a “like for like” approach to trade. The plan seeks to determine an equivalent reciprocal tariff for each of the US’s trading partners and includes factors such as tax, non-tariff barriers, the deviation from the market- determined exchange rate and market competition policies in order to determine the level of reciprocity. However, the US has since announced a 90-day suspension of newly imposed “reciprocal” tariffs above a 10% baseline on all countries, excluding China.

In Q2 2024, the EU applied extra tariffs ranging from 17% to 38% on electric vehicles (EVs) imported from China, in addition to the existing 10% tariff. Chinese officials have criticised the tariffs as “blatant protectionism” and have vowed to take necessary measures to protect China’s interests. In Q4 2024, the US government imposed licensing restrictions on exporting essential semiconductor manufacturing tools to 140 Chinese companies. In retaliation, the Chinese government banned the export of certain minerals to the US which are critical for semiconductor manufacturing and military applications. The US government also increased tariffs on imports of certain Chinese-made tungsten products, and polysilicon and solar wafers, to 25% and 50% respectively.

During the year, the Bank of England (BoE) reduced its policy interest rate three times by 25bps each to 4.50%, with rate cuts coming in July 2024, November 2024 and February 2025. The central bank now projects GDP growth of 0.25% for Q1 2025, with inflation expected to rise to 3.7% by Q3 2025.

In its latest Financial Stability Report (FSR), released in Q4 2024, the BoE identified several key risks to the UK economy: global geopolitical uncertainty, high levels of government debt in major economies, and vulnerabilities in market-based finance. The FSR notes that a slowdown in economic growth or persistent inflation could lead to significant corrections in the valuations and premiums of risky assets, affecting the cost and availability of credit for businesses and households. While the UK banking sector remains resilient, vulnerabilities in market- based finance — such as leveraged positions and liquidity mismatches — could further increase volatility in financial markets.

Over the year, the US Federal Reserve (Fed) cut its benchmark interest rate by 1.0% to a range of 4.25%-4.50%. The latest Fed “dot plot” showed a majority of Federal Open Market Committee (FOMC) members still projecting a reduction of half a percentage point in interest rates for 2025, with the rate expected to decline to 3% beyond 2027. Additionally, the Fed announced plans to slow the pace of quantitative tightening by lowering the monthly cap on maturing US Treasuries rolling off its balance sheet, from \$25 billion to \$5 billion, starting 1 April 2025. The most recent FOMC projection forecasts 2025 GDP growth of 1.7%, down from the previous estimate of 2.1%, while PCE inflation is forecasted to rise to 2.7%, up from the previous estimate of 2.5%.

During the year, the European Central Bank (ECB) reduced its policy interest rate six times by 25bps each to 2.50%. The bank also revised its economic growth projections further downward from those made in December, now forecasting growth rates of 0.9% for 2025, 1.2% for 2026, and 1.3%

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

General Background (Aon Investments Limited (continued))

for 2027. Additionally, headline inflation is expected to accelerate to 2.3% in 2025, 1.9% in 2026, and 2.0% in 2027.

In July 2024, the Bank of Japan (BoJ) raised its policy interest rate by 0.15% to 0.25%. Then in January 2025, further increased its policy interest rate by 0.25% to around 0.5%, marking the highest level in 17 years. Over Q1 2025, Japanese 10-year bond yields repeatedly touched their multi-year highs (1.58%) before retreating. BoJ Governor Kazuo Ueda stated that the rising bond yields reflected market expectations regarding future interest rate hikes by the BoJ. Meanwhile, the BoJ plans to reduce its monthly purchase of Japanese government bonds by 400 billion yen each quarter, from the current 5.7 trillion yen to 2.9 trillion yen by Q1 2026.

To address the economic slowdown, in September 2024 the People's Bank of China (PBOC) decreased the reserve requirement ratio (RRR) for financial institutions by 50 basis points and reduced its 7-day reverse repo rate by 20 basis points to 1.5% from 1.7%. Additionally, in a move to bolster the property markets, the PBOC lowered mortgage down payments for second homes from 25% to 15%. In Q4 2024, the PBOC decreased the one-year and five-year loan prime rates — which serve as references for business loans and mortgages — by 25 basis points each to 3.1% and 3.6% respectively.

Brent crude oil prices fell by 14.6% to \$74.7/BBL over the last twelve months. Meanwhile, in Q4 2024, the OPEC+ members agreed to postpone the 2.2 million barrels planned increase in oil production until the end of March 2025, phasing out the adjustments gradually by the end of September 2026. In Q1 2025, seven OPEC+ countries agreed to cut oil production by 189,000 bpd to 435,000 bpd until June 2026, as compensation for increased oil production above the agreed levels.

Market Focus

UK equities were the best-performing market in sterling terms over the year, rising by 12.0%. The Financial sector, the largest sector in the MSCI UK Index (23.4% of the index weight), outperformed with a return of 41.4%. Consumer Staples and Industrials rose by 13.5% and 12.9% respectively.

US equities were the second best-performing market in local currency (8.2%) terms and delivered positive returns in sterling terms (5.9%) over the year. The Utilities sector outperformed, delivering 24.0% returns over the year. Information Technology, the largest sector in the MSCI US Index (29.5% of the index weight), returned 6.1% during the past 12 months. Among other heavyweight sectors, the Financials sector rose by 19.6%.

Emerging markets (EM) delivered the best returns in local currency (11.7%) and the second-best in sterling terms (6.3%) over the year. Chinese equities rose the most at 40.2% while Korean equities were the worst performer, falling by 13.1%. Taiwanese and Indian equities rose by 8.9% and 5.4% respectively. Brazilian equities fell by 0.8%. Meanwhile, JP Morgan added Indian government bonds to its GBI-EM index in June 2024 with a maximum weight threshold of 10%.

On a global sector level over the last twelve months, Financials (21.9%) and Utilities (18.7%) were the best performers in local currency terms. Materials (-4.1%) and Health Care (-0.6%) were the worst performing.

Global bond yields generally trended higher over the last twelve months. The JP Morgan Global Aggregate Bond Index rose 3.4% in local currency terms and 1.2% in sterling terms. In Q3 2024, bond yields did move lower but then resumed their upward trend in Q4 2024 amid a stronger-than-expected US economy. A divergence in yield movements was seen in Q1 2025, with UK and European bond yields rising but US yields falling.

Trustee's Report for the year ended 5 April 2025

Investment Report (continued)

Market focus (Aon Investments Limited (continued))

The UK nominal gilt curve mostly shifted upwards over the year, with yields rising across maturities, except for the short-term maturities where it fell. The 10-year nominal bond yield rose by 80bps to 4.77%. Overall, according to FTSE All-Stocks indices, UK fixed-interest gilts fell by 1.2% and index-linked gilts fell by 8.0% over the last twelve months.

The UK credit market performed positively over the past twelve months. UK investment-grade credit spreads (the difference between corporate and government bond yields), based on the iBoxx Sterling Non-Gilt Index, narrowed slightly by 6bps to 102bps. The index rose 2.4% over the year. Sterling ended the twelve months 2.8% higher on a trade-weighted basis. The MSCI UK property index returned 8.5% over the year. The income return was 5.9%, and the capital values rose by 2.5%. The industrial and retail sectors rose by 10.4% and 11.4%, respectively, while the office sector rose by 2.4%.

Trustee's Report for the year ended 5 April 2025

Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions. The Technical Provisions represent the present value of the benefits members are entitled to at the valuation date. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Plan members on request.

The most recent full actuarial valuation of the Plan was carried out as at 5 April 2024. This showed that on that date:

The value of the Technical Provisions was: £309,900,000

The value of the assets was: £287,200,000

The method and significant actuarial assumptions used to determine the Technical Provisions are as follows (all assumptions adopted are set out in the appendix to the 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 rate:** the Bank of England gilt yield curve plus an adjustment equal to 0.5% per annum.
- > **Future Retail Price inflation:** the Bank of England gilt RPI curve.
- > **Future Consumer Price inflation:** Pre-2030: the Future Retail Price Inflation assumption less 1.0%, Post-2030: equal to the Future Retail Price Inflation assumption.
- > **Pension increases:** calculated using the Institute and Faculty of Actuaries Model.
- > **Pay increases:** general pay increases per annum in line with the assumption for future Retail Price Inflation.
- > **Mortality:** SAPS S3PxA tables with a scaling factor of 102% for male members and 101% female members and CMI 2022 with the default smoothing parameter of 7 and an initial addition of 0.2%, default weighting parameters of 0% for 2020 and 2021 with a weighting of 25% in 2022 and with long term rates of improvement of 1.6% per annum for males and 1.25% for females. For dependants the base tables adopted for mortality assumptions are the SAPS S3DA tables with scaling of 101% for male and 105% for females.

Actuarial Review

The last formal actuarial valuation was completed at 5 April 2024. This revealed a funding shortfall (Technical Provisions minus value of assets) of £22.7m. To eliminate the funding shortfall the Employer agreed with the Trustee a Recovery Plan aimed at eliminating the shortfall by 5 April 2025. The Recovery Plan provides for the following contributions payable from April 2024:

- > £850,000 per month, from April 2024 to 30 September 2024 inclusive
- > £17.6m on or before 5 April 2025, which may be paid in one or more instalments.

The Recovery Plan will be reviewed at the next valuation which will be undertaken at 5 April 2027.

Trustee's Report for the year ended 5 April 2025

Statement of Trustee's Responsibilities in respect of the Financial Statements

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

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

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis, and for the preparation of the Financial Statements on a going concern basis unless it is inappropriate to presume that the Plan will not be wound up.

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

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

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

Trustee’s Report for the year ended 5 April 2025

Approval of the Trustee’s Report

The Trustee’s Report, which includes the Investment, Report, the Report on Actuarial Liabilities, the Statement of Trustee’s Responsibilities and the Implementation Statement was approved by the Trustee of the Schneider Pension Plan on:

Trustee Director	Signed by: 	Trustee Director	Signed by: 
	B1F0185E920B4AD...		4C851004772C4B5...
Date	24-Sep-2025		

Independent Auditor's Report to the Trustee of the Schneider Pension Plan

Opinion

We have audited the Financial Statements of the Schneider Pension Plan for the year ended 5 April 2025 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 Plan during the year ended 5 April 2025, 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 Plan 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 Plan's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

However, as we cannot predict all future events or conditions, and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Scheme will continue in operation.

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 Schneider Pension Plan

Other information

The Trustee is responsible for the other information. 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 Trustee

As explained more fully in the Statement of Trustee's responsibilities set out on page 16, 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 Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Plan 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.

- 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 and sample testing on the posting of journals.
- Misappropriation of investment assets owned by the Plan. This is addressed by obtaining direct confirmation from the investment fund managers of investments held at the Statement of Net Assets date

Independent Auditor's Report to the Trustee of the Schneider Pension Plan

Auditor's responsibilities for the audit of the Financial Statements (continued)

- Non-receipt of contributions due to the Plan from the employer. This is addressed by testing contributions due are paid to the Plan in accordance with the schedule of contributions agreed between the employer and Trustee.
- Diversion of assets through large investment transactions. Reviewing the AAF 01/20 / ISAE 3402 Assurance Reports on Internal Controls or similar for fund managers and testing investment transactions to the investment manager reports.
- We have identified relevant laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, as the Pensions Acts 1995 and 2004 (and regulations made thereunder), FRS 102, and the Pensions Statement of Recommended Practice (SORP). We considered the extent to which a material misstatement of the financial statements might arise as a result of non-compliance.
- Reviewing meeting minutes and any correspondence with the Pensions Regulator.
- Discussing whether there are any significant or unusual transactions and known or suspected instances of fraud or non-compliance with applicable laws and regulations."

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 Plan'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 Plan's Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan'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: 30 September 2025

Fund Account for year ended 5 April 2025

	Notes	2025 £	2024 £
Contributions and other income			
Employer contributions	4	22,700,000	15,350,000
Total contributions		22,700,000	15,350,000
Other income	5	-	6,623
		22,700,000	15,356,623
Benefits and other payments			
Benefits paid or payable	6	(16,462,216)	(13,732,759)
Payments to and on account of leavers	7	(214,260)	(1,727,044)
Administrative expenses	8	(5,202)	(1,427)
		(16,681,678)	(15,461,230)
Net additions/(withdrawals) from dealings with members		6,018,322	(104,607)
Returns on investments			
Investment income	9	323,950	355,284
Change in market value of investments	10	(9,388,980)	(21,121,671)
Investment management rebates & expenses	11	1,348	90,401
Net returns on investments		(9,063,682)	(20,675,986)
Net decrease in the fund during the year		(3,045,360)	(20,780,593)
Net assets of the Plan at start of the year		287,442,994	308,223,587
Net assets of the Plan at end of the year		284,397,634	287,442,994

The notes on pages 23 to 35 form part of these Financial Statements.

Statement of Net Assets (available for benefits) as at 5 April 2025

	Notes	2025 £	2024 £
Investment assets	10		
- Pooled investment vehicles		280,971,746	281,492,383
- AVC investments		186,527	273,372
Total investment assets		281,158,273	281,765,755
Current assets	12	3,540,937	6,172,308
Current liabilities	13	(301,576)	(495,069)
Total net assets of the Plan at 5 April		284,397,634	287,442,994

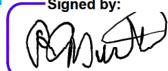
The Financial Statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year. The actuarial position of the Plan, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities on page 15 and these accounts should be read in conjunction with them.

The notes on pages 23 to 35 form part of these Financial Statements.

The Financial Statements on pages 21 to 35 were approved by the Trustee and signed on their behalf by:

Trustee Director

Signed by:



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Trustee Director

Signed by:



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Date 24-Sep-2025

Notes to the Financial Statements for the year ended 5 April 2025

1. Basis of Preparation

The Financial Statements have been prepared in accordance with the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1997, as amended by The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) (Amendment) Regulations 2016, Financial Reporting Standard 102 ("FRS 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) ("the Revised SORP").

The Financial Statements have been prepared on the going concern basis. At the date of signing these Financial Statements the Trustee believes that; due to its investments structure the Plan is able to comfortably cover its related outgoings until at least 12 months from signing. As a result, and together with the relatively strong position of the Principal Employer, the Trustee considers the preparation of the Financial Statements on a going concern basis to be appropriate.

2. Identification of the Financial Statements

The Plan is established as a trust under English law. The address for enquiries to the Plan is included within Appendix 1.

3. Accounting policies

The principal accounting policies of the Plan are as follows:

Contributions

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and Trustee.

Payments to members

Pensions in payment are accounted for in the period to which they relate.

Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.

Individual transfers out are accounted for when member liability is discharged which is normally when paid.

Expenses

Expenses are accounted for on an accruals basis.

Investment Income

Investment income from cash deposits and other investments are accounted for on an accruals basis. Dividends from quoted and unquoted investments are accounted for on the date the investment goes 'ex-dividend'.

Investment income is reported net of attributable tax credits but gross of withholding taxes which are accrued in line with the associated investment income.

Notes to the Financial Statements for the year ended 5 April 2025

3. Accounting policies (continued)

Investment Income (continued)

Investment income arising from the underlying investments of the pooled investment vehicles is reinvested within the pooled investment vehicles managed by Aon Investments Limited ("AIL") and reflected in the unit price. It is reported within 'Change in Market Value'. Income that is distributed by pooled investment vehicles is accounted for on an accruals basis.

Income from annuity policies is accounted for on an accruals basis.

Insurance Policies

Individual annuity policies are not shown as assets of the Plan as the Trustee does not consider these to be material.

Investments

Pooled investment vehicles are valued at the bid price for funds with bid/offer spreads, or single price where there are no bid/offer spreads, as provided by the investment manager. Pooled investment vehicles, which are held with AIL, have been valued in these accounts using the price as at 31 March as this is the nearest trade date to the year end.

Additional Voluntary Contributions (AVC) Arrangements

Investments are stated as at the date of the net assets statement at the bid price of the units, as advised by the Investment Managers, or on a cash basis where no current year valuation has been received. With profit policies are reported at the value provided by the AVC provider based on cumulative reversionary bonuses declared and the current terminal bonus. These are held separately from the rest of the Plan's funds and are not for the general use by the Trustee.

Foreign currency

The functional and presentation currency is pounds Sterling. Monetary items denominated in foreign currency are translated into Sterling using the closing exchange rates at the year-end. Foreign currency transactions are recorded in Sterling at the spot exchange rate at the date of the transaction. Investment income denominated in foreign currencies is recorded by applying the spot exchange rate ruling at the date on which the income relating to the investment falls due.

4. Contributions

	2025 £	2024 £
Employer:		
- Deficit funding contributions	22,700,000	15,350,000
	22,700,000	15,350,000

In order to eliminate the funding shortfall, deficit funding contributions of £22.7m were payable into the Plan for the current year. For 6 April 2025 to 31 October 2029 no deficit funding contributions are due.

Notes to the Financial Statements for the year ended 5 April 2025

5. Other income

	2025 £	2024 £
Other income	-	6,623
	-	6,623

Other income for 2024 is in relation to taxation claim receipts.

6. Benefits paid or payable

	2025 £	2024 £
Pensions	13,707,701	11,783,341
Commutations and lump sum retirement benefits	2,710,199	1,876,694
Lump sum death benefits	6,327	50,068
Refund of contributions on death	37,989	22,656
	16,462,216	13,732,759

7. Payments to and on account of leavers

	2025 £	2024 £
Individual transfers out to other schemes	214,260	1,727,044
	214,260	1,727,044

Notes to the Financial Statements for the year ended 5 April 2025

8. Administrative expenses

	2025 £	2024 £
Bank charges	1,377	1,393
Other expenses	3,825	34
	5,202	1,427

Except as noted above, the cost of the Pension Protection Fund levy and all other expenses incurred in the running of the Plan are payable by the Employer.

9. Investment income

	2025 £	2024 £
Annuity income	247,745	267,280
Interest on cash deposits	76,205	88,004
	323,950	355,284

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets

Reconciliation of investments held at the beginning and the end of the year:

	Value at 5 April 2024	Purchases at cost	Sales proceeds	Change in market value	Value at 5 April 2025
	£	£	£	£	£
Pooled investment vehicles	281,492,383	12,750,000	(3,800,000)	(9,470,637)	280,971,746
AVC investments	273,372	-	(168,502)	81,657	186,527
	281,765,755	12,750,000	(3,968,502)	(9,388,980)	281,158,273

Transaction costs are included in the cost of purchases and deducted from sale proceeds. These are indirect costs, incurred through the bid-offer spread on investments within pooled investments vehicles and charges made within those vehicles.

Please see market commentary in the investment report on pages 10 to 14 for information relating to the change in market value movement during the year.

Pooled investment vehicles

The underlying funds held in the Plan's pooled investment vehicle holdings at the year end comprised:

	2025 £	2024 £
Multi-Asset funds	6,983,098	36,269,206
Equity funds	5,765,889	-
Bond funds	58,514,827	71,184,552
Cash funds	1,158,530	873,426
LDI funds	185,371,280	153,859,254
Alternative	23,178,122	19,305,945
	280,971,746	281,492,383

Qualifying Investment Fund

The Plan's pooled investment vehicle holdings are held in the Bespoke S12 Fund, which is a Qualifying Investment Fund ("QIF"). A QIF is a pooled arrangement where the Plan is the only participant in the fund. This fund comprises of a number of non-QIF Adept Strategy Funds, the breakdown of which is disclosed in the above table, and a Blackrock LDI fund which is a QIF and makes up the total of the LDI funds in the above table. At the year end the holdings in the Blackrock LDI QIF were as follows:

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Qualifying Investment Fund (continued)

LDI funds - Hedging component:	2025 £	2024 £
Fixed interest bonds	76,327,657	75,284,368
Index linked bonds	151,731,886	173,406,959
Swap Assets	1,674,310	5,689,483
Swap Liabilities	(4,554,593)	(6,878,211)
Cash and other investment balances	(39,807,980)	(93,643,345)
	185,371,280	153,859,254

Investment underlying swap contracts:	Nominal amount £	Market value asset £	Market value (liability) £
Interest rate swaps	65,219,000	-	(4,554,593)
Inflation rate swaps	10,684,493	1,674,310	-
	75,903,493	1,674,310	(4,554,593)

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Additional Voluntary Contributions (AVCs)

Additional Voluntary Contributions are invested separately from the main Plan with Utmost Life and Pensions and Prudential Assurance.

Members participating in this arrangement each receive an annual statement made up to 5 April confirming the amounts held to their account and the movements in the year.

	2025 £	2024 £
Prudential with profits fund	111,254	187,071
Prudential deposit fund	19,329	18,399
Prudential unit linked fund	28,538	28,057
Utmost Life and Pensions unit-linked fund	27,406	39,845
	186,527	273,372

Concentration of investments

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

	2025		2024	
	£	%	£	%
LDI funds (Hedging Component)	185,371,280	65.2	153,859,254	53.5
Active Global Fixed Income Strategy	32,580,934	11.5	35,667,554	12.4
Core Diversifiers Strategy	20,542,460	7.2	-	-
Low Risk Bonds Strategy	14,321,074	5.0	17,758,186	6.2
Global Multi-Factor Equity Strategy	-	-	36,269,206	12.6
Sustainable Multi-Asset Credit Strategy	-	-	17,758,813	6.2

Fair value hierarchy

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

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

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

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

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Fair value breakdown of investment assets at current accounting date

	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	-	280,971,746	-	280,971,746
AVC investments	-	75,273	111,254	186,527
	-	281,047,019	111,254	281,158,273

Fair value breakdown of investment assets at previous accounting date

	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	-	281,492,383	-	281,492,383
AVC investments	-	86,301	187,071	273,372
	-	281,578,684	187,071	281,765,755

Investment risks

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 instrument 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 instrument 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 instrument 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.

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Summary of risk exposure

The following table summarises the extent to which the various classes of investments (excluding AVC investments) are affected by the financial risk:

	Indirect credit risk	Market risk			2025	2024
		Currency	Interest	Other price	£	£
Pooled Investment vehicles - Matching Assets						
- LDI funds	●	○	●	○	185,371,280	153,859,254
Pooled investment vehicles - Growth Assets						
- Multi Factor	●	●	○	●	6,983,098	-
- Climate Transition Strategy	●	●	○	●	5,765,889	-
- Core Diversifiers Strategy	●	●	●	●	20,542,460	-
- Low Risk Bond Strategy	●	●	●	●	14,321,074	17,758,186
- Global Multi-Factor Equity Strategy	○	●	○	●	-	36,269,206
- Active Global Fixed Income Strategy	●	●	●	●	32,580,934	35,667,554
- Sustainable Multi-Asset Credit Strategy	●	●	●	●	11,612,820	17,758,813
- Diversified Alternatives Strategy	○	●	●	●	-	13,553,465
- Opportunities Strategy	●	●	●	●	2,635,661	5,752,481
Other investment balances	○	○	●	○	1,158,530	873,424
					95,600,466	127,633,129
					280,971,746	281,492,383

In the above table, the risks noted affect the asset class [●] significantly, [●] partially or [○] hardly/not at all and relate to both the current and preceding year. A summary of the types of investments in the pooled investment vehicles are disclosed above.

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Summary of risk exposure (continued)

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

Credit risk

The Plan is subject to credit risk because the Plan has cash balances. The Plan also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the investments it holds in the pooled investment vehicles. The Plan is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

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

The Plan'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 managers, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The manager carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitors any changes to the operating environment of the pooled managers.

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

	2025 £	2024 £
Open ended investment company	81,692,949	126,759,703
Common contractual fund	1,246,336	-
Investment company with variable capital	5,765,889	-
Authorised contractual scheme	5,736,762	-
Irish unit trust	185,371,280	153,859,254
	279,813,216	280,618,957

Total market value in the table above excludes cash balances of £1,159k (2024: £873k) and therefore may differ to the table on page 31 (Summary of risk exposure).

In the table on page 31, cash balances held in any LDI accounts, are included in the LDI Funds (Hedging Component) market value.

Notes to the Financial Statements for the year ended 5 April 2025

10. Investment assets (continued)

Credit risk (continued)

Indirect credit risk arising from underlying investments held in the bond and liability matching pooled investment vehicles is mitigated by the underlying exposures on an aggregate basis being predominantly investment grade credit securities. However, the funds may invest in debt securities, which may be unrated by a recognised credit rating agency or below investment grade and are subject to greater risk of loss of principal and interest than higher-rated debt securities. The funds may invest in debt securities, which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer’s assets. The funds may invest in debt securities, which are not protected by financial covenants or limitations on additional indebtedness. Risk is mitigated by holding a diverse portfolio of investments with exposure to a range of issues and issuers, through the higher yield available on these investments, which compensates on an aggregate basis for the risk taken and through the use of an active fund manager who, through careful stock selection, will aim to reduce the impact of defaults and downgrades.

Currency risk

No direct currency risk exists as all of the pooled investment vehicles held by the Plan are denominated in GBP.

Indirect currency risk arises because some investments are held in overseas markets via pooled investment vehicles. The manager may enter into currency exchange transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions. This fluctuation results from changes in currency exchange rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions.

Interest rate risk

The Plan is subject to interest rate risk because some of the Plan’s investments are held in leveraged gilts through pooled vehicles, and cash, as part of their LDI investment strategy (Hedging Component). Under this strategy, if interest rates fall, the value of LDI investments will rise to help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the LDI investments will fall in value, as will the actuarial liabilities because of an increase in the discount rate. The Plan also has some exposure to bond pooled investment vehicles as part of its diversified return seeking growth portfolio.

Other price risk

Other price risk arises principally in relation to the Plan’s growth assets which includes a range of strategies invested in pooled vehicles (low risk bond strategy, global multi-factor equity strategy, active global fixed income strategy, sustainable multi-asset credit strategy, diversified alternatives strategy and opportunities strategy). This exposure to overall price movements is managed by constructing a diverse portfolio of investments across various markets.

11. Investment management rebates & expenses

	2025 £	2024 £
Administration, management and custody	(1,348)	(90,401)
	(1,348)	(90,401)

The vast majority of investment management fees and expenses are met via deduction within the Plan's pooled investment funds and are therefore reflected within the change in market value of investments.

Notes to the Financial Statements for the year ended 5 April 2025

11. Investment management rebates & expenses (continued)

During the previous financial year £90,599 of previously accrued investment management expenses were paid by the Sponsoring Employer and deemed no longer a liability of the Plan. This amount is not expected to be reimbursed and as such this credit amount was reflected in the prior year charge noted above.

No investment management expenses are paid directly from the Plan, apart from an annual charge deducted from AVC funds held with Prudential. Investment management expenses payable in relation to funds held with AIL are reflected within the fund unit price.

12. Current assets

	2025 £	2024 £
Cash balances	2,671,335	5,340,053
Pensions paid in advance	869,602	832,255
	3,540,937	6,172,308

13. Current liabilities

	2025 £	2024 £
Unpaid benefits	98,731	315,329
Inland revenue – PAYE	202,845	179,740
	301,576	495,069

14. Employer related investments

There were no employer related investments at the current or preceding year end.

15. Related party transactions

Apart from the transactions detailed in Note 4, there were no related party transactions in the year (2024: none). All the Directors of the Plan's Trustee are also Directors of the Trustee of a separate scheme, the APC Pension Scheme.

16. Taxation

The Plan 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.

Notes to the Financial Statements for the year ended 5 April 2025

17. Equalisation of pension benefits for guaranteed minimum pensions (continued)

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes, which were formerly contracted out between 17 May 1990 and 6 April 1997, should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension (GMP) benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustee is working together with the Employer to consider how to allow for equalisation of benefits for GMPs going forward. Under the judgment, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts. 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, have not included a liability in respect of these matters in these Financial Statements. They will be accounted for in the year they are determined.

After the 12 December 2018 Trustee Board meeting, the Company was advised that equalisation of benefits for guaranteed minimum pensions of current Plan members was estimated to result in an increase in liabilities of c.£4.5m with the final amount subject to updating of membership data, the equalisation method adopted and clarification of some outstanding legal points. As part of the 5 April 2018 actuarial valuation an additional contribution of £4.5m was paid in March 2019 to cover the liability increase. The additional liability was reviewed as part of the 5 April 2021 actuarial valuation, the assessment concluded a £4.5m allowance was still appropriate and therefore no extra funding was required. For the 5 April 2024 actuarial valuation, the additional liability was reviewed, which resulted in a £3.1m allowance for GMP equalisation.

On 20 November 2020 a further judgment was passed down by Justice Morgan on the Lloyds Bank GMP equalisation case, confirming that pension scheme trustees are responsible for equalising GMP benefits that have already been transferred out of their DB schemes. The judgment also found that schemes have a concurrent responsibility to equalise for GMP transferred in, so if the ceding scheme can no longer equalise for GMP, perhaps if it has wound up, the receiving scheme will retain a responsibility to equalise. It is yet to be seen how practical it is for schemes to trace and claim GMP equalisation liabilities from each other. The case confirmed that there is no limitation period for this, so transfers need to be traced right back to 1990, but it excluded bulk transfers.

With effect from 1 January 2020, the basis for calculating transfer values was amended to include an allowance for the equalisation of benefits inclusive of GMPs. It has been estimated that the value of any required adjustments in respect of past transfer values is not expected to be material to the Financial Statements and therefore the Trustee has not included a liability in respect of these in these Financial Statements.

From 31 January 2024, the Trustee implemented a process to equalise and convert GMPs for deferred members at retirement.

At the end of 2024, the first set of pensioner members had their benefits converted on an equalised basis, with the remaining members to be converted in the summer of 2025.

Independent Auditor's Statement about Contributions to the Trustee of the Schneider Pension Plan

Statement about contributions payable under the Schedules of Contributions

We have examined the summary of contributions payable to the Schneider Pension Plan, for the Plan year ended 5 April 2025 which is set out on page 37.

In our opinion contributions for the Plan year ended 5 April 2025, as reported in the summary of contributions and payable under the Schedules of Contributions, have in all material respects been paid at least in accordance with the Schedules of Contributions certified by the Plan Actuary on 30 November 2021 and 20 November 2024.

Basis of opinion

Our objective is to obtain sufficient evidence to give reasonable assurance that contributions reported in the attached summary of contributions have in all material respects been paid at least in accordance with the Schedules of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Plan and the timing of those payments under the Schedules of Contributions.

Responsibilities of Trustee

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

Auditor's responsibilities for the statement about contributions

It is our responsibility to provide a Statement about Contributions paid under the Schedules of Contributions and to report our opinion to you.

Use of our statement

This statement is made solely to the Plan's Trustee, as a body, in accordance with The 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 Plan'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 Plan'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

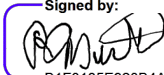
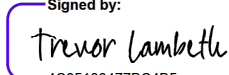
Date: 30 September 2025

Summary of Contributions

Trustee’s Summary of Contributions payable under the Schedules in respect of the Plan year ended 5 April 2025

	£
Contributions payable under the Schedules in respect of the Plan year:	22,700,000
Employer:	
> Deficit funding contributions required by the Recovery Plan and Schedules of Contributions	22,700,000
Total contributions payable under the Schedules of Contributions as reported on by the Plan Auditor and as disclosed in the Financial Statements	22,700,000

Signed for and on behalf of the Trustee of the Schneider Pension Plan:

Trustee Director	Signed by:  B1F0105E920B4AD...	Trustee Director	Signed by:  4C05100477BC4B5...
Date	24-Sep-2025		

Actuarial Statements

Actuary's certification of schedule of contributions

Schneider Pension Plan

Adequacy of rates of contributions

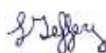
1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 5 April 2024 to be met by the end of the period specified in the Recovery Plan dated October 2024.

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 October 2024.

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 Plan's liabilities by the purchase of annuities, if the Plan were to be wound up.

Signature



Date

20 November 2024

Name

Shelley Jeffery

Qualification

Fellow of the Institute and Faculty of Actuaries

Address

Phoenix House,
1 Station Hill,
Reading,
RG1 1NB

Employer

XPS Pensions Consulting Limited

Actuarial Statements

Schedule of contributions

Schneider Pension Plan ("the Plan")

This schedule of contributions has been prepared by the Trustee after obtaining the advice of Shelley Jeffery, the actuary to the Plan. It sets out the contributions Schneider Electric Limited ("the Employer") must pay and the dates these contributions must be paid to the Trustee, and has been agreed by the Employer.

This schedule covers contributions payable in the period from 1 November 2024 to 31 October 2029.

Contributions by Employer

The Employer will pay contributions to the Plan in respect of the shortfall in funding in accordance with the Recovery Plan dated October 2024 as follows:

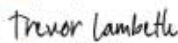
Contributions in respect of the shortfall in funding	Due payment dates
£850,000 each month from April 2024 up to and including 30 September 2024	No later than the 19 th of the month following each instalment
£17,600,000 paid by one or more instalments	On or before 5 April 2025
£0 from 6 April 2025 to 31 October 2029	n/a

Notes

- Nothing in this Schedule shall prevent the Employer paying contributions in addition to those payable in accordance with this Schedule. In particular, contributions payable in respect of individual or general benefit improvements are to be paid in addition to those set out in this Schedule.
- The cost of the Pension Protection Fund Levy and all other ongoing expenses incurred in the running of the Plan are payable by the Employer, unless the Trustee agrees in writing that some or all expenses can be paid or reimbursed from the Plan's assets.
- Payments will be monitored against the amounts and dates on this schedule. Any amount unpaid must be treated as a debt due to the Trustee from the Employer.

Signed on behalf of the Trustee


Date

Signed by:

4CE51004779C4B5

22-oct-2024

Signed on behalf of Schneider Electric Limited

Date

Signé par :

040F8C12BAFC47B

23-oct.-2024

Appendix 1 - Trustee and Advisers

Principal Employer	Schneider Electric Limited Stafford Park 5 Telford TF3 3BL
Trustee	Schneider Trustees Limited
Trustee Directors	<u>Employer nominated</u> Rodney Turtle (Chair) Michael Gulwell (resigned 31 August 2024) Trevor Lambeth <u>Member nominated</u> John Hamley Gary Hopkins
Actuary	S Jeffery XPS Pensions Limited Phoenix House 1 Station Hill Reading, RG1 1NB
Consultant	XPS Pensions Limited 11 Strand London WC2N 5HR
Administrator	XPS Administration Limited PO Box 205, Huddersfield, HD8 1ET
Fiduciary Manager	Aon Investments Limited ("AIL")
Fiduciary Manger Oversight	IC Select Ltd
AVC Providers	Utmost Life and Pensions Prudential Assurance

Appendix 1 - Trustee and Advisers

Independent Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Banker	Bank of Scotland plc New Uberior House Earl Grey Street Edinburgh EH3 9BN
Legal Adviser	Pinsent Masons LLP 1 Park Row Leeds West Yorkshire LS1 5AB
Enquiries	Schneider Pension Plan Administration Team XPS Administration Limited PO Box 205 Huddersfield HD8 1ET Schneiderpp@XPSGroup.com

Appendix 2 – Internal Dispute Resolution Procedure

The Plan has a formal internal procedure for the resolution of any complaints or disputes between the beneficiaries of the Plan and the Trustee. A complaint or dispute can be raised by a member or a member's surviving beneficiaries after a member's death.

Complaints should normally be made within 6 months of the event that led to the complaint. If a member ceases to be a beneficiary of the Plan, any complaint or dispute must be raised within 6 months of the date of ceasing to be a beneficiary.

Details of the internal dispute resolution procedure can be obtained from the Schneider Electric Pensions Manager at:

Schneider Electric Limited
2nd Floor
80 Victoria Street
London
SW1E 5JL

Appendix 3 – Additional Contacts

The Pension Scheme Registry

The Plan is registered with the Pension Scheme Registry which is part of the Pensions Regulator's office. The registration number is 101985915. The data held by the Registry is used by the Pension Tracing Service to assist former members of schemes to trace their scheme benefits. The Pension Tracing Service can be contacted at:

Pension Tracing Service
The Pension Service
Mail Handling Site A
Wolverhampton WV98 1AF

Tel: 0800 731 0193

Website: www.gov.uk/find-pension-contact-details

MoneyHelper

MoneyHelper provides pension guidance, money guidance and debt advice. These services were previously provided by three separate government entities; The Pensions Advisory Service (TPAS), Pension Wise and the Money Advice Service. MoneyHelper can be contacted at:

MoneyHelper
Bedford Borough Hall
138 Cauldwell Street
Bedford MK42 9AB

Tel: 0800 011 3797

Email: pensions.enquiries@moneyhelper.org.uk

Website: www.moneyhelper.org.uk

Pensions Ombudsman

If you have a complaint concerning your Plan pension arrangements, you should first make a formal complaint to the Plan Trustee. Complaints should be addressed to the Plan Trustee at the address above under Enquiries.

If you are unhappy with the response, you can refer your complaint to The Pensions Ombudsman free of charge. The Pensions Ombudsman deals with complaints and disputes which concern the administration and/or management of occupational and personal pension schemes.

Contact with The Pensions Ombudsman about a complaint needs to be made within three years of when the event(s) you are complaining about happened – or, if later, within three years of when you first knew about it (or ought to have known about it). There is discretion for those time limits to be extended.

The Pensions Ombudsman can be contacted at:

10 South Colonnade
Canary Wharf
London E14 4PU

Tel: 0800 917 4487

Email: enquiries@pensions-ombudsman.org.uk

Website: www.pensions-ombudsman.org.uk

You can also submit a complaint online: www.pensions-ombudsman.org.uk/making-complaint

Appendix 3 – Additional Contacts

The Pensions Regulator (TPR)

The Pensions Regulator can intervene if they consider that a scheme's trustees, advisers, or the employer are not carrying out their duties correctly. The address for the Pensions Regulator is:

Telecom House
125-135 Preston Road
Brighton BN1 6AF

Tel: 0345 600 0707

Email: customersupport@tpr.gov.uk

Website: www.thepensionsregulator.gov.uk

Appendix 4 – Implementation Statement (forming part of the Trustee’s Report)

Engagement Policy Implementation Statement (“EPIS”)

Schneider Pension Plan (the “Plan”)

Plan Year End – 5 April 2025

The purpose of the EPIS is for us, the Trustee of the Schneider Pension Plan, to explain what we have done during the year ending 5 April 2025 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 Plan’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 Plan’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.

We delegate the management of the Plan’s assets to our fiduciary manager, Aon Investments Limited (“AIL”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. We believe our voting rights have been implemented effectively on our behalf.

How voting and engagement policies have been followed

The Plan is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Plan's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Plan 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 Plan's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Plan's investments on a quarterly basis and received updates on important issues from our investment adviser, AIL. In particular, we received quarterly ESG ratings from AIL for the funds the Plan is invested in where available.

During the year and at the Investment & Funding Committee meeting in November, we received training on ESG and stewardship topics and agreed our policies in relation to these.

We have delegated all voting and engagement activities to the Plan's Underlying Managers, via our investment manager AIL. We rely on AIL to review manager voting and engagement policies and activities on an annual basis.

The Plan's stewardship policy can be found in the SIP: Public documents | Schneider Electric

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. We will invite our fiduciary manager to a meeting to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies.
2. We will continue to ensure our fiduciary manager is using its resources to effectively influence positive outcomes in our relevant funds.

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 and 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

Our fiduciary manager's engagement activity

We delegate the management of the Plan's defined benefit assets to our fiduciary manager, AIL. AIL manages the Plan's assets in a range of funds which can include multi-asset, multi-manager and liability matching funds. AIL selects the underlying investment managers on our behalf.

We delegate monitoring of ESG integration and stewardship of the underlying managers to AIL. We have reviewed AIL's latest annual Stewardship Report and we believe it shows that AIL is using its resources to effectively influence positive outcomes in the funds in which it invests.

Over the year, AIL held several engagement meetings with many of the underlying managers in its strategies. AIL discussed ESG integration, stewardship, climate, biodiversity and modern slavery with the investment managers. AIL provided feedback to the managers after these meetings with the aim of improving the standard of ESG integration across its portfolios.

Over the year, AIL engaged with the industry through white papers, working groups, webinars and network events, as well as responding to multiple consultations.

AIL has a net zero commitment to deliver UK delegated investment portfolios and default strategies which have a net zero carbon emissions profile by 2050.

AIL also successfully renewed its signatory status to the 2020 UK Stewardship Code, which is a voluntary code established by the Financial Reporting Council that sets high standards on stewardship for asset owners, investment managers and service providers.

What is fiduciary management?

Fiduciary management is the delegation of some, or all, of the day-to-day investment decisions and implementation to a fiduciary manager. But the trustees still retain responsibility for setting the high-level investment strategy.

In fiduciary management arrangements, the trustees will often delegate monitoring ESG integration and asset stewardship to its fiduciary manager.

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 Plan’s investments is an important factor in deciding whether a manager remains the right choice for the Plan.

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Plan’s equity-owning investment managers, within AIL’s fiduciary management mandates, to responsibly exercise their voting rights.

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

Voting statistics

The table below shows the voting statistics for each of the Plan’s material funds with voting rights. Managers collate voting information on a quarterly basis. The voting information provided is for the year to 31 March 2025 which broadly matches the Plan year.

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
Legal & General Asset Management (“L&G”) - Multi-Factor Equity Fund	11,446	99.8%	20.8%	0.4%
UBS Global Asset Management (“UBS”) - Global Emerging Markets Equity Climate Transition Fund	7,747	85.0%	6.6%	4.3%
UBS - Global Equity Climate Transition Fund	12,234	93.0%	8.1%	0.1%

Source: Investment managers. 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 Plan’s investment managers, within AIL’s fiduciary management portfolio, use 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.

Managers	Description of use of proxy voting advisers (in the managers’ own words)
L&G	L&G’s Investment Stewardship team uses Institutional Shareholder Services’ (“ISS”) ‘ProxyExchange’ electronic voting platform to electronically vote clients’ shares. All voting decisions are made by L&G 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.
UBS	UBS Asset Management retains the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Investment managers

Significant voting examples

To illustrate the voting activity being carried out on our behalf, AIL asked the Plan's investment managers under its fiduciary management mandate to provide a selection of what they consider to be the most significant votes in relation to the Plan's underlying funds. A sample of these significant votes can be found in the appendix.

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 Plan's material investment managers. The managers have provided information for the most recent calendar year available.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
Aberdeen - Climate Transition Bond Fund	104	1,868	Environment - Climate; Other Environment Related Social - Human Rights & Stakeholders; Labour Management Governance - Corporate Governance; Corporate Behaviour
L&G - Diversified Credit Fund	326	4,399	Environment - Climate Change Social - Human and Labour Rights; Human Capital Management Governance - Remuneration; Board Effectiveness - Diversity Strategy, Financial & Reporting - Financial Performance; Strategy/Purpose
M&G Investments - Sustainable Total Return Credit Investment Fund	12	406	Environment - Net Zero/Decarbonisation; Nature and Biodiversity; Climate Change; Climate Action 100+ Specific Engagements Social - Diversity & Inclusion
Aegon - European Asset Backed Securities Fund	115	422	Environment - Climate Change Social - Human and Labour Rights; Public Health Governance - Financial and Reporting - Reporting (e.g. audit, accounting, sustainability reporting) Other - General Disclosure
Ardea - Global Alpha UCITS Fund	40	40	Environment - Climate Change Other - Market Development of Green Government Bonds
L&G - Multi-Factor Equity Fund	682	4,399	Environment - Climate Change Social - Human and Labour Rights; Human Capital Management Governance - Remuneration Strategy, Financial & Reporting - Financial Performance; Strategy/Purpose Other - Multiple ESG Topics
UBS - Global Emerging Markets Equity Climate Transition Fund	38	425	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights; Human capital management Governance - Remuneration; Board Effectiveness - Other
UBS - Global Equity Climate Transition Fund	174	425	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights Governance - Remuneration; Board Effectiveness - Other; Leadership - Chair/CEO Strategy, Financial & Reporting - Capital Allocation

Source: Investment managers

Data limitations

L&G provided complete engagement information. We note that the total number of engagements above refers specifically to the total number of interactions L&G held with individual companies as opposed to the number of engagements on specific engagement themes. Each interaction may cover multiple themes.

This report does not include commentary on the Plan's liability driven investments, gilts or 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 Plan's assets that are held as AVCs.

Appendix – Significant Voting Examples

In the table below are some significant vote examples provided by the Plan's managers under the fiduciary management mandate. 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:

L&G - Multi-Factor Equity Fund	Company name	Wells Fargo & Company
	Date of vote	30 April 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	0.5
	Summary of the resolution	Resolution 7: Commission Third Party Assessment on Company's Commitment to Freedom of Association and Collective Bargaining Rights
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	L&G publicly communicates its vote instructions on its website with the rationale for all votes against management. It is our policy not to engage with our investee companies in the three weeks prior to an Annual General Meeting ("AGM") as our engagement is not limited to shareholder meeting topics.
	Rationale for the voting decision	Shareholder Resolution - Labour rights: A vote in favour is applied as L&G supports proposals that are set to improve human rights standards and employee policies because we consider this issue to be a material risk to companies.
	Outcome of the vote	Fail
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	L&G will continue to engage with our investee companies, publicly advocate our position on this issue and monitor company and market-level progress.
	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.
UBS - Global Emerging Markets Equity Climate Transition Fund	Company name	Zai Lab Limited
	Date of vote	18 June 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
	Summary of the resolution	Advisory Vote to Ratify Named Executive Officers' Compensation
	How you voted?	Votes against resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	Executive pay is not aligned with performance. Majority of awards vest without reference to performance conditions. Lack of a clawback provision.
	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?	Given strong shareholder opposition, we shall monitor further developments.
	On which criteria have you assessed this vote to be most significant?	Over 32% of shareholders voted against the resolution.

UBS - Global Equity Climate Transition Fund	Company name	Bank of America Corporation
	Date of vote	24 April 2024
	Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)	<i>Not provided</i>
	Summary of the resolution	Report on Clean Energy Supply Financing Ratio
	How you voted?	Votes supporting resolution
	Where you voted against management, did you communicate your intent to the company ahead of the vote?	No
	Rationale for the voting decision	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
	Outcome of the vote	Fail
	Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?	Given strong shareholder support, we shall monitor further developments.
	On which criteria have you assessed this vote to be most significant?	Aggregate percentage of votes in support of resolution exceeded 25% of votes cast.

Source: Investment managers

Registration

XPS Pensions Consulting Limited, Registered No. 2459442.

XPS Investment Limited, Registered No. 6242672.

XPS Pensions Limited, Registered No. 3842603.

XPS Administration Limited, Registered No. 9428346.

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Authorisation

XPS Investment Limited is authorised and regulated by the Financial Conduct Authority for investment and general insurance business (FCA Register No. 528774).