AVON RUBBER RETIREMENT AND DEATH BENEFITS PLAN
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Scheme Registration Number: 10000086

Contents

Trustee, Sponsoring Employer and Advisers

Trustee

Avon Rubber Pension Trust Limited

Employer-nominated Trustee Directors

M Ingrey-Counter - Chairman
M Harral
Z Holland
R Wills

Member-nominated Trustee Directors

E Fielding
D Little

Sponsoring Employer

Avon Protection plc

Plan Actuary

S Hoare, F.I.A.
Aon

Independent Auditor

KPMG LLP

Administrators

Defined Benefit Section

Mercer Limited

Defined Contribution Section

Standard Life Assurance Limited

Investment Managers

Defined Benefit Section

ARES
BlackRock Investment Management (UK) Limited
Europa
Insight Investment
JP Morgan
Ruffer LLP
CQS Management Limited

Defined Contribution Section

Standard Life Assurance Limited

Investment Advisers

Defined Benefit Section

Mercer Limited

Defined Contribution Section

Aon

Annuity Providers

Assicurazioni Generali
Legal & General Assurance Society Annuities
Aviva
Standard Life Assurance Limited

Additional Voluntary Contribution (AVC) Provider

Defined Benefit Section
Standard Life Assurance Company

Bank

Barclay Bank Plc

Legal Adviser

Burges Salmon

Governance Advisers

Aon

Contact for further information and complaints about the Plan

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Introduction

The Trustee of the Avon Rubber Retirement and Death Benefits Plan (the Plan) is pleased to present its report together with the audited financial statements for the year ended 31 March 2022. The Plan is a hybrid scheme, comprising a Defined Benefit Section and a Defined Contribution Section.

Constitution

The Avon Rubber Retirement and Death Benefit Plan (the Plan) is an occupational pension scheme established in the United Kingdom under trust and according to the law in England.

The Plan was established on 1 April 1947 and is governed by a definitive trust deed and subsequent amendments. The registered address is Avon Protection plc, Corporate Headquarters, Hampton Park West, Semington Road, Melksham, Wiltshire SN12 6NB.

Management of the Plan

Trustee

The Trustee who served during the year is listed on page 1.

In accordance with the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006, members have the option to nominate and vote for Member-nominated Trustee Directors.

The two Member-nominated Trustee Directors, as shown on page 1, are nominated by the members under the rules notified to the members of the Plan. They may be removed before the end of their term only by agreement of all the remaining Trustee Directors, although their appointment ceases if they cease to be members of the Plan.

In accordance with the trust deed, the Sponsoring Employer, Avon Protection plc, has the power to appoint and remove the Trustee of the Plan. The Directors of Avon Rubber Pension Trust Limited are appointed and removed in accordance with the Company's Articles of Association.

Statement of Trustee's Responsibilities

The Statement of Trustee's Responsibilities is set out on page 41 and forms part of this Trustee's Report.

Governance and risk management

The Trustee has in place a business plan which sets out its objectives in areas such as administration, investment and communication. This, together with a list of the main priorities and timetable for completion, helps the Trustee run the Plan efficiently and serves as a useful reference document.

The Trustee operates an integrated approach to risk management through the adoption of a comprehensive Integrated Risk Management governance framework document. This document comprises a series of dashboards allowing the Trustee to continuously monitor key indicators such as: (i) the Plan's funding level (through assets and liabilities); (ii) the Plan's strategic asset allocation (relative to the benchmark allocation); (iii) the value of the Plan's wider risk register; and (iv) ongoing monitoring of agreed de-risking solutions.

A wider risk register is also maintained which sets out a comprehensive list of the Plan's risks coupled with the control measures in place to mitigate these risks. Each risk is ranked according to its likelihood and impact (this subsequent score determining which risks are 'key' and feature in the IRM governance framework document referred to above). The full risk register is regularly reviewed and updated by the Trustee.

Trustee knowledge and understanding

The Pensions Act 2004 requires trustees to have sufficient knowledge and understanding of pensions and trust law and be conversant with scheme documentation. The Pensions Regulator has published a Code of Practice on Trustee Knowledge and Understanding to assist trustees on this matter which became effective from 6 April 2006 and which was revised and reissued in November 2009. The Trustee has agreed a training plan to enable it to meet these requirements.

Sponsoring Employer

The Plan is provided for all eligible employees of the Sponsoring Employer whose registered address is Avon Protection plc, Corporate Headquarters, Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB.

Financial development

The financial statements on pages 45 to 57 have been prepared and audited in accordance with the Regulations made under Section 41 (1) and (6) of the Pensions Act 1995. They show that the value of the fund increased from £351,316,000 at 31 March 2021 to £354,851,000 at 31 March 2022.

The increase shown above comprised net withdrawals from dealings with members of £12,364,000 together with net returns on investments of £15,899,000.

Report on actuarial liabilities

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits members are entitled to based on pensionable service to the valuation date. This is assessed using the assumptions agreed between the Trustee and the Sponsoring 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 31 March 2019. Updated annual actuarial reports were performed on 31 March 2020 and 31 March 2021. These showed:

	31 March 2019	**31 March 2020**	**31 March 2021**
The value of Technical Provisions was	£391.3 million	£405.5 million	£392.5 million
The value of assets was	£323.9 million	£305.7 million	£334.4 million
Percentage of Technical Provisions	83%	75%	85%

The triennial actuarial valuation as at 31 March 2019 was agreed and signed on 21 September 2020, shortly after the agreed deadline. The actuarial valuation was required to be completed by 30 June 2020, within 15 months from the effective date 31 March 2019. The actuarial valuation was delayed due to the unexpected economic conditions of COVID-19 alongside a delay to the completion of a business transaction (a disposal) which had been factored into the Plan's funding. The Trustee wrote to the Pension Regulator to inform them of the delay.

The method and the main actuarial assumptions used to determine the technical provisions are set out below (all assumptions adopted are set out in the Appendices 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.

The derivation of these key assumptions and an explanation of the other assumptions to be used in the calculation of the technical provisions are set out below.

Assumption	**Valuation as at 31 March 2019**
Pre-retirement discount rate	Fixed-interest gilt yield curve plus 2.6% p.a.
Post-retirement discount rate	Fixed-interest gilt yield curve plus 0.6% p.a.
RPI inflation	The Bank of England RPI curve.
CPI inflation	RPI curve less 1.1% p.a. - the level of this deduction may vary over time to reflect changing views of long-term structural differences between the calculation of RPI and CPI inflation at the date subsequent calculations are carried out.
Post-retirement mortality assumption - base table	S2PA tables with 100% scaling factors.
Post-retirement mortality assumption - projection	CMI 2018 core projections with Sk=7.5, A=0% and long-term improvement rate of 1.5% p.a.

Next actuarial valuation is due as at 31 March 2022.

Membership

The membership movements of the Plan for the year are given below:

Defined Benefit Section

	Deferreds	Pensioners	Total
At 1 April 2021	1,183	1,991	3,174
Retirements	(67)	67	-
Deaths	(3)	(93)	(96)
Leavers with refunds	(1)	-	(1)
Transfers out	(4)	-	(4)
Spouses and dependants	-	38	38
Trivial commutations	-	(10)	(10)
At 31 March 2022	1,108	1,993	3,101

Defined Contribution Section

	Actives	Deferreds	Total
At 1 April 2021	312	172	484
New entrants	55	-	55
Retirements	(3)	(1)	(4)
Leavers with deferred benefits	(33)	33	-
Transfers out	(8)	(4)	(12)
Auto enrolment Opt Out	(1)	-	(1)
Terminated	(1)	(1)	(2)
At 31 March 2022	321	199	520

Pensioners include 443 (2021: 442) spouses and dependants receiving a pension.

Included within the above pensioner numbers are 184 (2021: 184) annuitants.

These membership figures do not include movements notified to the Administrator after the completion of the annual renewal.

Pension increases

Pre 2005 pensions in payment as at April 2021 were increased by 1.1% (2020: 2.4%). Post 2005 pensions in payment were increased by 1.1% (2020: 2.4%). Increases on any Guaranteed Minimum Pension (GMP) for service after 6 April 1988 were increased by 0.5% (2020: 1.7%). Increases do not apply to any GMP which was earned in respect of service before April 1988, since this pension is increased separately by the State. Increases calculated in this manner are guaranteed.

Deferred pensions are increased in line with statutory requirements.

Calculation of transfer values

Transfer values paid during the year were calculated and verified in the manner required by the Regulations made under Section 97 of the Pension Schemes Act 1993 and do not include discretionary benefits. None of the transfer values paid was less than the amount provided by the Regulations.

Investment management

General

All investments have been managed during the year under review by the investment managers, annuity providers and AVC provider detailed in the list of Plan advisers on pages 1 to 2. There is a degree of delegation of responsibility for investment decisions.

The investment strategy is agreed by the Trustee after taking appropriate advice. Subject to complying with the agreed strategy, which specifies the target proportions of the fund which should be invested in the principal market sectors, the day-to-day management of the Plan's asset portfolio, which includes full discretion for stock selection, is the responsibility of the investment managers.

Investment principles

The Trustee has produced a Statement of Investment Principles (SIP) in accordance with Section 35 of the Pensions Act 1995. A copy of the SIP is available at https://www.avon-protection-plc.com/media/2056/db-statement-of-investment-principles.pdf, an extract in relation to the Defined Contribution section is attached. The main priority of the Trustee when considering the investment policy for the Defined Benefit Section is to ensure that the promises made about members' pensions may be fulfilled. The main priority of the Trustee when considering the investment policy for the Defined Contribution Section is to make available investment funds which serve to meet the varying investment needs and risk tolerances of the members.

Responsible investment and corporate governance

The Trustee believes that good stewardship and environmental, social and governance (ESG) issues may have a material impact on investment returns. The Trustee has given the investment managers full discretion when evaluating ESG issues and in exercising rights and stewardship obligations attached to the Plan's investments.

Similarly, the Plan's voting rights are exercised by its investment managers in accordance with their own corporate governance policies, and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code.

Equity managers who are regulated by appropriate UK (or other relevant) authorities are expected to report on their adherence to the UK Stewardship Code on an annual basis.

The Trustee recognises the importance of offering a suitable range of investment options for members and, where applicable, will consider member feedback on updating the default strategy and self-selecting fund range. The funds that make up the default strategy and other investment options do not apply purely ethical or moral judgements as the basis of investment decisions.

ESG, Stewardship, and Climate Change

The Trustee believes that environmental, social, and corporate governance (ESG) factors are important and may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration.

Given the investments are in pooled funds, the Trustee has given appointed investment managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights obligations attached to the Plan’s investments.

With regards to stewardship, the Trustee wishes to encourage best practice in terms of corporate activism. It therefore encourages its investment managers to discharge their responsibilities in respect of investee companies in accordance with relevant legislation and codes.

The Trustee has delegated the exercise of voting rights to the Plan’s appointed investment managers, where relevant, on the basis that voting powers will be exercised by them with the objective of preserving and enhancing long term shareholder value. Accordingly, the investment managers have produced written guidelines of their process and practice in this regard.

The Trustee wishes to encourage best practice in terms of active engagement with entities in which they invest. The Trustee has given the investment managers full discretion when undertaking such engagement activities and therefore encourages the Plan’s investment managers to discharge their responsibilities in respect of investee companies in accordance with the principles underlying the UK Corporate Governance Code and the UK Stewardship Code, in respect of all resolutions at annual and extraordinary meetings. The Trustee will review the investment managers’ policies and engagement activities (where applicable) on an appropriate basis.

The strategic rationale of different asset classes that help the Trustee to achieve the Plan's investment objectives remains the primary driver behind the Plan's investment strategy. However, within this context, the Trustee is increasingly working to integrate ESG, climate change and stewardship within the Plan's investment processes in appointing new investment managers and monitoring existing investment managers.

Member views

Member views are not explicitly sought or taken into account in the selection, retention and realisation of investments. However, the Trustee has agreed to include a statement on its ESG beliefs in annual newsletters and members are welcome to provide feedback on this.

Investment Restrictions

The Trustee has not set any investment restrictions on the appointed investment managers in relation to particular products or activities, but may consider this in future. However, the Trustee has agreed that for future investment manager selections, a minimum ESG rating of ESG3 will be set as a pre-requisite as part of the selection process for asset classes where ESG considerations are considered to have a material impact on investment performance. The Trustee makes use of the investment consultant's ESG ratings.

Investment Managers monitoring and engagement

Aligning Manager Appointments with Investment Strategy

Investment managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class for which the Trustee has appointed them.

The Trustee looks to their investment consultant (Mercer) for their forward looking assessment of a manager's ability to outperform over a full market cycle. This view will be based on the consultant's assessment of the manager's idea generation, portfolio construction, implementation and business management, in relation to the particular investment fund that the Plan invests in. The consultant's manager research ratings assist with due diligence and questioning managers during presentations to the Trustee. These ratings are used in decisions around selection, retention and realisation of manager appointments.

If the investment objective for a particular manager's fund changes, the Trustee will review the manager's appointment to ensure it remains appropriate and consistent with the Trustee's wider investment objectives.

Some portfolios are actively managed and the managers are incentivised through remuneration and performance targets (an appointment will be reviewed following periods of sustained underperformance or significant outperformance). The Trustee will review the appropriateness of using actively managed funds (on an asset class basis) as part of each strategic review.

As the Trustee invests in pooled investment vehicles, they accept that they have no ability to specify the risk profile and return targets of the manager, but believe appropriate mandates can be selected to align with the overall investment strategy.

Encouraging long-termism and consideration of ESG issues:

As per the ESG, Stewardship and Climate change section of this SIP, the Trustee considers the investment consultant's assessment of how each investment manager embeds ESG issues into its investment process and how the manager's responsible investment philosophy aligns with the Trustee's responsible investment policy. This includes the investment managers' policies on voting and engagement. The Trustee will use these assessments in decisions around selection, retention and realisation of manager appointments.

The Trustee meets with the investment managers as required and can challenge decisions made including voting history and engagement activity, and can challenge such decisions to try to ensure the best performance over the medium to long term.

Investment managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed. If the Trustee is dissatisfied, then the manager may be replaced.

Monitoring manager appointments

The Trustee receives performance reports from the investment consultant each quarter, which present performance information over 3 months, 6 months, 1 year, since latest actuarial valuation and since investment inception periods. The Trustee reviews absolute performance and relative performance against a suitable index used as a benchmark, and against the manager's stated target performance (over the relevant time period) on a net of fees basis. The Trustee's focus is primarily on long term performance but short term performance is also reviewed.

If a manager is not meeting performance objectives, or their investment objectives for the mandate have changed, the Trustee may ask the manager to review their fees. The Trustee may meet with investment managers if they are dissatisfied with their performance or engagement activity, and may choose to terminate the relationship with the manager if they see fit.

Monitoring portfolio turnover costs

The Trustee does not explicitly monitor portfolio turnover costs across the whole portfolio but this is considered by Mercer and forms part of their research views.

However, the Trustee will continue to monitor industry improvements concerning the reporting of portfolio turnover costs. In future, the Trustee may ask managers to report on portfolio turnover cost. They may assess this by comparing portfolio turnover across the same asset class, on a year-on-year basis for the same manager fund, or relative to the manager's specific portfolio turnover range in the investment guidelines or prospectus.

Manager Turnover

The Trustee is a long-term investor and is not looking to change investment arrangements on a frequent basis. There is therefore no set duration for manager appointments. The Trustee will retain an investment manager unless:

- There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager;
- The manager appointment is reviewed and the Trustee decides to terminate for a more suitable appointment.

Implementation statement - DB Section

Introduction

This statement sets out how, and the extent to which, the Statement of Investment Principles ('SIP') produced by the Trustee of the Avon Rubber Defined Benefit Retirement and Death Benefit Plan ("The Plan") has been followed during the year to 31 March 2022. This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the subsequent amendment in The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the guidance published by the Pensions Regulator. This Implementation Statement covers the Defined Benefit ("DB") section of the Plan.

Investment Objectives of the Plan

The Trustee believe it is important to consider the policies in place in the context of the investment objectives they have set. The objectives of the Plan with respect to the DB Section included in the SIP is set out below.

DB Section

The aim of the Trustee is to invest the assets of the Plan to ensure that the benefits promised to members are provided. In setting the investment strategy, the Trustee first considered the lowest risk asset allocation that could be adopted in relation to the Plan's liabilities. An asset allocation strategy was then selected, designed to achieve a higher return than this lowest risk strategy, which at the same time still represented a prudent approach to meeting the Plan's liabilities.

These objectives were unchanged over the 12 months to 31 March 2022.

Assessment of how the policies in the SIP have been followed for the year to 31 March 2022

The Plan's SIP includes the Trustee's policy on Environmental, Social and Governance ('ESG') factors, stewardship and climate change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. This was last reviewed in September 2021 and further details are set out below.

In order to establish these beliefs and produce this policy, in May 2019 the Trustee undertook investment training provided by their Investment Consultant on responsible investment, which covered ESG factors, stewardship, climate change and ethical investing. In preparation for this training, the Trustee and Company undertook a review to assist the Trustee with establishing the policy in this area. The Trustee keeps the policy under regular review with the SIP subject to review at least triennially.

The information provided in this section highlights the work undertaken by the Trustee during the year, and longer term where relevant, and sets out how this work followed the Trustee's policies in the SIP, relating to the Plan as a whole.

DB Section

	Requirement	**Policy**	**In the year to 31 March 2022**
1	Securing compliance with the legal requirements about choosing investments	The Trustee obtains advice from their investment advisor, who can provide expert advice enabling the Trustee to choose investment vehicles that can fulfil the Plan's investment objectives. In the Trustee's opinion this is consistent with the requirements of Section 36 of the Pensions Act 1995, the Occupational Pension Schemes (Investment) Regulations 2005 and any subsequent regulation.	There were no further investments implemented over the period.

2	Kinds of investments to be held and balance between different kinds of risks	The Trustee regards the choice of asset allocation policy as the decision which has most influence on the likelihood that they will achieve their investment objectives. In deciding the asset allocation strategy, the Trustee has taken advice from Mercer and made its decisions in consultation with the Company. The Trustee is satisfied that the spread of assets provides adequate diversification of investment for risk purposes. The Trustee agreed to an investment strategy comprised of two diversified growth funds, a multi asset credit, a secured finance, infrastructure equity and real estate debt mandates within the growth portfolio. The matching portfolio is composed of a Liability Driven Investment and a maturing buy and maintain fund. The strategic asset allocation is set to achieve the expected return required within an acceptable level of risk.	The Trustee aims to review the Plan's investment strategy following any significant changes in investment policy. The Trustee regarded the basic distribution of the assets to be appropriate for the Plan's objectives and liability profile. Over the year to 31 March 2022, the Trustee rebalanced the LDI mandate to bring the target hedge ratios back to 90% (on a G+0.5% p.a. discount rate).
3	Risks, including the ways in which risks are to be measured and managed	The Trustee recognises risk (both investment, operational and funding) from a number of perspectives in relation to the DB section of the Plan. Should there be a material change in the Plan's circumstances, the Trustee will review whether and to what extent the investment arrangements should be altered, in particular whether the current risk profile remains appropriate.	As detailed under the "Risk Measurement and Management" section of the SIP, the Trustee considers risks in a qualitative manner when deciding investment policies, strategic asset allocation, the choice of fund managers / funds /assets classes. Over the year the Trustee reviewed the investment strategy and concluded that its strategy was in line with the Trustee's risk appetite, and that the Trustee continues to only take on those risks it expects to be rewarded for over time in the form of excess returns, and also taking into account the level of covenant support from the Company.

4	Expected return on investments	The Plan's investment strategy has been structured so that the investments aim to generate a level of return required to meet the overall objectives. In the case of active managers, a target has been agreed to exceed the relevant benchmark by a specific amount.	The investment performance report is reviewed by the Trustee on a quarterly basis. The investment performance report includes how each investment manager is delivering against their specific mandates. The Trustee may invite managers to present to the Trustee if there are any concerns on the performance or management team. Over the 3 years to 31 March 2022 (Since the last Actuarial Valuation), the Plan has returned 4.3% p.a. relative to a benchmark of 2.4% p.a., both net of fees. No actions were taken by the Trustee over the year in respect of manager appointments.
5	Realisation of investments	The Trustee's administrators will realise assets following member requests on retirement or earlier where required. The Trustee considers the liquidity of the investments in the context of the likely needs of members.	The Plan's assets are mostly pooled investment vehicles, which range from daily to quarterly liquidity. Assets held with the Real Estate Debt and Secured Finance managers could be redeemed quarterly, after the two-year lock-up periods expire. The infrastructure equity mandate has a semi-annual liquidity, with a 4% redemption penalty applied on any redemptions within the first 4 years soft lock. Over the year, the disinvestment policy for meeting benefit payments consisted of disinvesting from the BlackRock Cash Fund.
6	Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments	The Trustee believes that environmental, social and governance ("ESG") factors may have a material impact on investment risk and return outcomes. The Plan's investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code The Trustee considers how ESG, Climate change and Stewardship is integrated within investment process in appointing new investment managers and monitoring existing investment managers.	The investment performance report is reviewed by the Trustee on at least a quarterly basis – this includes ratings (both general and specific ESG) from the investment advisor, as well as information on how each investment manager is delivering against their specific mandates. All of the managers remained generally highly rated during the year. The SIP includes the Trustee's policy on ESG factors, Stewardship and Climate Change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. The Trustee keeps their policies under regular review, with the SIP subject to review at least annually. The Trustee has not set any investment restrictions on the appointed investment managers in relation to particular products or activities, but may consider this in future. However, the Trustee has agreed that for future investment manager selections, a minimum ESG rating of ESG3 will be set as a pre-requisite as part of the selection process for asset classes where ESG considerations are considered to have a material impact on investment performance. The Trustee acknowledges that investment managers in fixed income do not tend to have a high ESG rating assigned by the Investment Consultant due to the nature of the asset class where it is harder to engage with the issuer of debt. In September 2021, the Trustee also assessed how well the Plan is currently integrating ESG considerations thorough a Responsible Investment Total Evaluation, which considered the Trustee's responsible investment beliefs, policy, process and portfolio against best practice and considered potential intervention actions to improve responsible investment integration.

7	The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments	Member views on non-financially material issues are not currently explicitly taken into account in the selection, retention and realisation of investments.	Whilst members' views on non-financial issues are not currently explicitly factored in, the Trustee will continue to review their position on this policy.

<table>
<tr>
<td>8</td>
<td>The exercise of the rights (including voting rights) attaching to the investments</td>
<td>Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice.</td>
<td>
The Trustee has delegated its voting rights to the investment managers. As a result, the Trustee does not use the direct services of a proxy voter, although the investment managers may employ the services of proxy voters in exercising their voting rights on behalf of the Trustee.
Investment managers are expected to provide voting summary reporting on a regular basis, at least annually. The Trustee does not currently review these reports, however it has agreed to do so in future.
The voting policies of the funds that can invest in equities have been considered by the Trustee and the Trustee deemed them to be consistent with their investment beliefs. Over the prior 12 months, the Trustee has not actively challenged the managers on their voting activities however it has agreed to do so in future.
Over the last 12 months, some of the key voting activity on behalf of the Trustee was undertaken by Insight and Ruffer. A summary of their activities is shown below.
Insight Broad Opportunities Fund ("IBOF"):
Insight retains the services of Minerva Analytics (Minerva) for the provision of proxy voting services and votes at meetings where it is deemed appropriate and responsible to do so. Minerva provides research expertise and voting tools through sophisticated proprietary IT systems allowing Insight to take and demonstrate responsibility for voting decisions. Independent corporate governance analysis is drawn from thousands of market, national and international legal and best practice provisions from jurisdictions around the world. Independent and impartial research provides advance notice of voting events and rules-based analysis to ensure contentious issues are identified. Minerva analyses any resolution against Insight-specific voting policy templates which will determine the direction of the vote.
Voting activity undertaken over the year to 31 March 2022 is summarised in the table below for the Plan's investments with Insight:
<table>
<tr><th>Fund</th><th>Number of meetings in which the manager was eligible to vote</th><th>Number of resolutions in which the manager was eligible to vote</th><th>% of resolutions in which the manager voted</th><th>% of votes with management / against management/ abstain</th></tr>
<tr><td>IBOF</td><td>12</td><td>141</td><td>100%</td><td>99.3%/ 0.7% / 0%</td></tr>
</table>
Ruffer Absolute Return:
Ruffer relies on the service of a proxy adviser, Institutional Shareholder Services ("ISS"). They have developed and implemented their internal voting guidelines, however they take into account issues raised by ISS, to assist in the assessment of resolutions and the identification of contentious issues. Although they are cognisant of proxy advisers' voting recommendations, they do not delegate or outsource their stewardship activities when deciding how to vote on our clients' shares. Each research analyst, supported by their internal responsible investment team, reviews the relevant issues on a case-by-case basis and exercises their judgement, based on their in-depth knowledge of the company. If there are any controversial resolutions, a discussion is convened with senior investment staff and, if agreement cannot be reached, there is an option to escalate the decision to the Head of Research or the Chief Investment Officer.
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8 (cont)

Voting activity undertaken over the year to 31 March 2022 is summarised in the table below for the Plan's investments with Ruffer:

Fund	Number of meetings in which the manager was eligible to vote	Number of resolutions in which the manager was eligible to vote	% of resolutions in which the manager voted	% of votes with management / against management / abstain*
Ruffer Absolute Return	96	1,307	100%	91.7% / 6.4% / 1.8%

*Does not add up to 100% as abstain votes are included within votes against management.

Two significant votes are highlighted below:

Aena: On the topic of Advisory Vote on Company's Climate Action Plan, Ruffer supported the company's 2021-2023 climate action plan, as they believe that climate change-related risks may be significant for the long-term performance of Aena and should be taken into consideration. This followed their support for the shareholder resolution brought forward in 2020 requesting the company to submit climate transition plans to advisory vote at its 2021 AGM and provide updates to its plan on an annual basis from 2022.

American Express: On the topic of Social – diversity and inclusion, Ruffer voted for a shareholder resolution that requires the company to annually publish a report assessing Diversity, Equity, and Inclusion Efforts. Ruffer believe that whilst American Express is taking meaningful steps to increase its workforce diversity and promote inclusion, reporting of its diversity statistics has room for improvement. Diversity feeds into social considerations when investing, under the guise of human capital and social opportunities and consequently, improvement in disclosure would benefit shareholders in assessing the company's long-term value and reputational and legal risks.

9	Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, Trustee would monitor and engage with relevant persons about relevant matters)	Investment managers are expected to evaluate these factors, including climate change considerations, and exercise voting rights and stewardship obligations attached to the investments in line with their own corporate governance policies and current best practice. Outside of those exercised by investment managers on behalf of the Trustee, no other engagement activities are undertaken.	The Trustee requested that the investment managers confirm compliance with the principles of the UK Stewardship Code. BlackRock, Insight, CQS and Ruffer have confirmed that they are signatories of the current UK Stewardship Code. The group of signatory investment managers corresponds to the majority of the Plan's investment managers (c.62% of assets under management as at 31 March 2022, excluding the Trustee bank account). Ares, as a US based investment manager, does not plan on becoming signatories of the new UK Stewardship Code 2020 at the time of writing. However, Ares are a signatory of the UNPRI and will report annual PRI transparency reports. Europa Capital have chosen not to become signatories of the 2020 UK Stewardship Code at this stage as they provide investment and asset management on behalf of global clients and invest in assets both in the UK and overseas. Europa actively seeks to support the UK Stewardship Code principles of responsible allocation, management and oversight of capital to create long-term value for clients and will continue to review the Code's applicability and eligibility. JP Morgan confirmed submission of the report to the FRC at the end of March 2021 which was rejected. JP Morgan have subsequently began an internal review of the feedback from the FRC and are dedicated to executing on the reporting enhancements. The Trustee will continue to engage with Ares and Europa on the UK Stewardship Code and its relevance. The Trustee also received details of relevant engagement activity for the year from each of the Plan's investment managers. The Plan's investment managers provided examples of instances where they had engaged with companies they were invested in/about to invest in which resulted in a positive outcome. These engagement initiatives were driven mainly through regular engagement meetings with the companies that the managers invest in or by voting on resolutions at companies' Annual General Meetings, related to various governance, social or environmental issues. Below are some examples of the Plan's investment managers' engagements with companies. <u>Insight Broad Opportunities Fund</u> • **S&P Dow Jones Indices LLC** – As Insight make significant use of derivative instruments in the strategy, they have long been proponents of the development of these markets to help enhance responsible investment and promote adoption. They also encourage the development of the relatively under-provided for ESG market-based instruments where appropriate. During Q1 2022, Insight participated in a consultation which could limit exposure to companies involved in controversial weapons, small arms and military contracting; exposure to oil sands extraction and tobacco related industries in the S&P 500 ESG index. Insight aim to maintain dialogue and monitor the outcome of the consultation.

9 (cont)			Ruffer Absolute Return Fund • **Royal Dutch Shell** – Ruffer have become significant shareholders over the last year and wanted to establish a direct relationship with the company's management team. As part of the discussion of the company's capital plans, Ruffer discussed Shell's ambitions for building out value chains that will be relevant in the energy transition. The struggle for the company has been the ability to successfully communicate the exciting opportunities that will be arising from these investments and efforts. Given Ruffer's efforts and participation in the Net Zero Asset Managers Initiative, they wanted to open a line of communication and gain insight into Shell's decision-making process when it comes to allocating capital in line with their energy transition plan. This information will serve as a foundation for their engagement plan going forward. Shell was receptive to maintaining an ongoing dialogue and Ruffer intend to engage again in the near future. In addition, Ruffer also participated in a call with Shell's CEO as a part of the Climate Action 100+ initiative. It was an opportunity for them to receive an update on the current challenges that energy markets in Europe face, given the conflict between Russia and Ukraine, and the progress that has been made so far on the energy transition. CQS – Multi-Asset Credit • **Urban One** - Engagement focused on disclosure of the company across a range of ESG issues. Urban One distributes entertainment through radio, television and digital platforms. CQS had identified that the company's annual Proxy Statement lacked disclosure on ESG efforts. Following CQS's conversation with the CFO, the company added a specific section on ESG disclosures to their Annual Proxy Statement for the first time, something that CQS had directly requested that they do.
10	How the arrangement with the asset managers incentivise the asset managers to align their investment strategies and decisions with the Trustee's policies in the SIP	In line with the SIP, managers are chosen based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected for. As the Trustee invests in pooled investment vehicles mainly they accept that they have no ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy.	The Trustee meets with the investment managers when required to review and evaluate ongoing performance of the Fund. The Trustee's focus is on long-term performance but they engage with the investment manager if there are short-term performance concerns.

11	How the arrangement incentivises the asset managers to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term	The Trustee meets the Plan's investment managers from time to time to review their actions together with the reasons for and background behind the investment performance. The Investment Consultant supports the Trustee in fulfilling its responsibility for monitoring the investment manager. Managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed to manage. If the Trustee is dissatisfied, then they will look to replace the manager.	Over the year under review, the Trustee was happy that the contractual arrangements in place continued to incentivise the managers to make decisions based on medium to long term financial and non-financial performance. At future monitoring meetings and when requesting monitoring information from managers, the Trustee will ask investment managers to incorporate a section on investment decisions taken over the recent period and their forward-looking assessment of market conditions. This will also cover examples of financial and non-financial considerations around investments where the managers are expected to take into account the impact of these considerations into the forward looking assessment on the performance of an issuer of debt or equity.
12	How the method (and time horizon) of the evaluation of asset managers' performance and the remuneration for asset management services are in line with the Trustee's policies mentioned in the SIP	The Trustee is a long term investors and is not looking to change investment arrangements on a frequent basis. Managers' performance is reviewed over both short and long time horizons. Remuneration is agreed upon prior to manager appointment, based on assets under management *and is reviewed on a regular basis.*	Over the year under review, the Trustee has considered the 3 months, 6 months, 1 year, since latest actuarial valuation and since investment manager appointment performance metrics included in the Plan's performance reports and was satisfied with the manager arrangements.
13	How the Trustee monitor portfolio turnover costs incurred by the asset managers and how they define and monitor targeted portfolio turnover or turnover range	The Trustee policy in relation to the monitoring of portfolio turnover costs is set out in the SIP.	The Trustee does not currently actively monitor portfolio turnover costs across the whole portfolio but this is considered by Mercer and forms part of their research view. As investment managers also report performance on a net of fees and costs basis, they are incentivised in this way to keep portfolio turnover costs to the minimum required to meet or exceed their objectives. In the future, the Trustee may ask investment managers to include portfolio turnover and turnover costs in their presentations and reports to the Trustee and engage with them if portfolio turnover is higher than expected.
14	The duration of the arrangement with the asset managers	There is no set duration for the manager appointment. However, appointments are regularly reviewed as to the continued suitability and could be terminated either because the Trustee is dissatisfied with the managers' ongoing ability to deliver the mandate promised or because of a change of investment strategy by the Trustee.	No investments were terminated over the period.

Implementation statement - DC Section

Introduction

On 6 June 2019, the Government published the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations ('the Regulations'). The Regulations, amongst other things, require that the Trustee produce an annual implementation statement which outlines the following:

- A description of any review of the Statement of Investment Principles ("SIP") undertaken during the year, with an explanation of any changes made or, if no review took place, the date of the last review.
- How and the extent to which the objectives and policies included in the SIP has been followed during the year.
- Describe the voting behaviour by, or on behalf of Trustee (including the most significant votes cast) during the scheme year and state any use of a proxy voting service.

This document sets out the details, as outlined above. This Implementation Statement for the Avon Rubber Retirement and Death Benefits Plan (the "Plan") has been prepared by the Trustee of the Plan (the "Trustee") and covers the Scheme year 1 April 2021 to 31 March 2022.

Changes to the SIP over the year to 31 March 2022

The SIP was updated on 20 July 2021 following conclusion of the investment strategy during the 2020/2021 Plan year. After considering the Scheme's membership profile and investment performance, and supported by analysis and advice from Aon, the Trustee decided to change the default arrangement from the Standard Life Active Plus III Pension Fund ('the Active Plus III strategy') to the Standard Life Passive Plus IV Universal Strategic Lifestyle Profile Fund ('the Passive Plus IV strategy'). In addition to this, the SIP was also updated to reflect changes to the self-select investment options available to members.

How the Trustee has met the objectives and policies outlined in the SIP

The Trustee outlines in its SIP several key objectives and policies. These are noted below together with an explanation of how these objectives and policies have been met and adhered to over the course of the year:

The Trustee outline in their SIP a number of key objectives and policies. We have set out below how these objectives have been met and policies adhered to over the course of the year to 31 March 2022:

Meeting the Plan's investment strategy objectives

Over the year, the Trustee has made available a comprehensive selection of investment options including lifestyle strategies and a range of standalone self-select funds.

Supported by advice from Aon, the Trustee is confident that the investment range caters for a range of risk and return requirements across the membership. The lifestyle options, in particular, provide younger members with greater growth potential and older members with greater security.

The investment options were monitored throughout the year with a full review undertaken in July 2020. The changes made following this review were designed to ensure that all the investment options continued to be managed to achieve a return commensurate with an acceptable level of risk given the stated aims of each fund and the needs of the membership.

Information on the investment options available to members is provided by Standard Life on their website and in the member guides.

The Trustee is comfortable that they have met their investment strategy objectives over the year.

Meeting the Plan's default investment objectives

The default arrangement used by the Plan is the Standard Life Passive Plus IV Universal Strategic Lifestyle Profile.

The strategy invests in assets with higher growth potential while members are further away from retirement. As members near retirement, it invests in a diversified portfolio of assets which, taken together, are expected to be lower risk than the earlier growth phase.

The end portfolio of the default strategies is highly diversified and is designed to be appropriate and consistent with however members may take their benefits when they retire.

Overall, the Trustee is satisfied that the default arrangements in place during the year were appropriate given its objectives.

How the objectives & policies outlined in the SIP have been met (cont)

Meeting the policies in relation to reviewing the Plan's investments

The Trustee considered the risks members might experience as an integral part of the investment strategy review and designed the investment options, including the default arrangement, such that these would be appropriately managed and mitigated. Examples of this include the decision to provide a range of diversified lifestyle strategies with different risk and return profiles and a standalone range covering different asset classes and managers.

The Trustee, with support from its investment adviser, monitored the fund managers to ensure it was appropriately fulfilling the responsibilities delegated by the Trustee. The Trustee received quarterly investment reporting from the investment adviser. The investment reports considered the performance of the investment managers and funds over time.

The investment reporting also considered the performance of the default arrangement at each year to retirement, and a comparison of the growth funds underlying the strategy with various diversified growth and absolute return bond strategies for benchmarking.

The Trustee was also made aware of any developments which may have impacted the ability of the fund managers to fulfil their objectives or responsibilities in future.

The Trustee is comfortable that its policies in respect of reviewing the Plan's investments have been met over the year.

Policies in respect of Environmental, Social & Governance considerations

The Trustee obtained professional investment support and advice from its investment adviser when setting the Plan's investment strategy, selecting managers and in monitoring its performance. Consideration of financially material risks was an integral part of this support and advice.

Policies in respect of stewardship (voting and engagement)

The Trustee was supported in its review and monitoring activities during the year by its investment adviser. In conducting these activities, the investment adviser provided advice as to the continuing suitability of the appointed managers and in deciding what changes to make. This advice included relevant consideration of stewardship matters. In particular, the investment adviser's views on the continued appropriateness of different managers is informed, in part, by the managers' approaches to stewardship and responsible investment. The investment adviser would inform the Trustee in the event that their views on a particular manager change although this did not occur during the year.

The Trustee has also collected the voting and engagement records of their investment managers over the Plan year. These are reported in detail later in this Statement. To date, no managers have found to be falling significantly short of the standards expected by the Trustee in this area.

Having reviewed the managers' stewardship voting and engagement statistics as part of the production of this IS, the Trustee believes that its stewardship policies have been adhered to.

Policies in relation to costs and transparency

During the year, the Trustee monitored and evaluated the performance of the Plan's investments and managers on a net of fees basis.

Cost and charges data was provided by Standard Life for the Plan year and is published in the annual Chair's Statement.

The Trustee reviewed the data which included both explicit and implicit costs and charges. The investment adviser also reviewed the member borne costs and none appeared to be unreasonable in their view.

Implementation statement - DC Section (continued)

How the objectives & policies outlined in the SIP have been met (cont)

Policies in relation to arrangements with asset managers

Throughout the year, the Trustee, supported by Aon, monitored the Plan's investments including considering the extent to which the decisions of the investment managers are aligned with the Trustee's policies.

Prior to the appointment of a new investment, the Trustee seeks professional advice from its investment adviser, in order to ensure that the investments are appropriate for the Plan’s objectives although no such changes were made in the year to 31 March 2022.

The Trustee has set appropriate governing documentation, investment objectives and a regular monitoring process for their investment managers to ensure they are incentivised to make decisions that align with the policies in the SIP.

Policies in respect of members' views and non-financial Factors

The Trustee considered member views when updating the default arrangement and range of funds as part of the investment strategy review conducted in the 2020/21 Plan year.

At the strategy review, it was reaffirmed that the funds that make up the default arrangement and other investment options should not apply purely ethical or moral (or other non-financial) judgements as the basis for investment decisions. The Trustee did not revisit this decision in the 2021/22 Plan year.

Conclusion & future developments

Over the course of the year to 31 March 2022, the Trustee is pleased to report that they have, in their opinion, adhered to the policies set out in the Plan's SIP.

The Trustee will continue monitoring the funds and managers the Plan uses and will seek professional support and advice from its investment adviser as appropriate.

The Trustee recognise that it has a responsibility, as an institutional investor, to encourage and promote high standards of stewardship in relation to the assets that the Plan invests in. The Trustee will continue to use its influence to drive positive behaviour and change among the fund managers and other third parties that the Trustee rely on; such as the platform provider and investment adviser.

Voting and Engagement activity undertaken over the year

Equity and multi-asset fund

Over the year, the material equity investments held by the Plan were:

Fund manager	Fund name
Standard Life	Passive Plus III Pension Fund
	Passive Plus IV Pension Fund
	Passive Plus V Pension Fund
	Pre Retirement (Passive Plus Universal) Pension Fund
	At Retirement (Passive Plus Universal) Pension Fund
	Pre Retirement (Passive Plus Annuity) Pension Fund
	At Retirement (Passive Plus Annuity) Pension Fund
	Pre Retirement (Passive Plus Lump Sum) Pension Fund
	At Retirement (Passive Plus Lump Sum) Pension Fund
Invesco	Global Targeted Returns
Schroder	Global Emerging Markets
BlackRock	ACS World ex UK Equity Tracker
	ACS Continental European Equity Tracker
	iShares Pacific ex Japan Equity Index
Vanguard	US Equity Pension Fund

Implementation statement - DC Section (continued)

We set out below the voting and engagement policies and examples for the equity and multi asset managers in place following the investment strategy review. The voting examples given represent significant votes the managers have undertaken on behalf of the Trustee.

The Passive Plus range of funds comprise equity funds managed by Vanguard. Details of Vanguards policies and examples are set out below.

Vanguard

Voting policy

Vanguard's Investment Stewardship team evaluates proxy ballot items presented to shareholders and casts votes on behalf of each fund's holdings in accordance with the funds' instructions set forth in the Voting Guidelines as well as local market standards and best practices.

In evaluating proposals, the team may consider information from many sources, including a company's independent board directors and executives, various research and data resources (such as Institutional Shareholder Services (ISS) or Glass Lewis) or other publicly available information. Vanguard periodically review its research and data providers, as well as its workflow and processes, to identify possible ways to enhance the inputs into proxy voting.

A wide variety of third-party research providers – including proxy advisers – are consulted based on their analysis of issues that bear on long-term shareholder value. These issues are then analysed in conjunction with the funds' proxy voting guidelines and other relevant data, including insights from company engagements, to reach independent decisions on behalf of each Vanguard fund.

Voting example – BP Plc

A significant voting example from May 2021, is when Vanguard voted against the shareholder resolution on climate change targets.

Their rationale was based on the fact that, although the report addresses material risk, BP Plc has already taken sufficient actions and/or has related actions pending to address proponent request.

Engagement policy

While proxy voting is an important component of Vanguards stewardship program, it recognises that candid dialogue during engagements can be more productive than its vote alone – particularly when it comes to environmental and social issues.

Vanguard note that engagement is the foundation of their Investment Stewardship program. Because its index funds are long-term investors in portfolio companies, its aim in its engagements is to understand how corporate boards of directors govern long-term strategy and how they are setting themselves up to stay relevant into the future. Vanguard do not seek to dictate company strategy or operations but raise concerns with relevant parties when it feels the economic interests of its shareholders may be at risk.

Vanguard conduct research and analysis to prepare for its discussions with company leaders and board members. Although such discussions can vary widely by company, sector and region, engagements tend to fall into one of three broad categories:

Strategic engagements (wide-ranging discussions with directors and executives)

Ballot-item engagements (focus on specific proxy voting ballot proposals)

Thematic engagements (target a universe of companies where Vanguard have identified a concentration of high potential risk around a specific theme)

Implementation statement - DC Section (continued)

Engagement example – Hoshizaki

During 2021 Vanguard engaged with Hoshizaki, a Japan-based kitchen appliance manufacturer, recognising the progress the company had made on disclosures about board composition, diversity, and climate change.

Vanguard noted that Hoshizaki had acted on shareholder feedback, and disclosed a board-level skills matrix that demonstrated how the board's experience aligned with the company's strategy. Furthermore, to gain a better understanding of board dynamics, the company has conducted internal effectiveness assessments and will bring in an outside consultant to perform an independent effectiveness assessment.

Vanguard also discussed the company's diversity efforts. The company has made notable efforts in the past and we look forward to its continuing its trajectory toward more diversity and women's participation. Company leaders also discussed initiatives for climate disclosures that would align with the TCFD framework.

Standard Life

Voting policy

Standard Life uses the services of Institutional Shareholder Services (ISS). However, it also conducts its own analysis of resolutions being considered at annual general meetings (AGMs) and other shareholder meetings.

When Standard Life votes against a resolution at a UK company meeting, it uses best endeavours to explain to the company its reasons for this decision.

In exceptional circumstances, Standard Life attends and speaks at shareholder meetings to reinforce its view to the company's board.

From time to time, Standard Life has significant disagreements with its investee companies on matters relating to stewardship and ESG factors. The basis for such disagreements and its strategy for resolving them, is the subject of discussion and agreement by its Stewardship & ESG Investment and portfolio management teams. The strategy is determined on a case-by-case basis. If Standard Life decides to intervene, it generally does so through private engagement with the company and, if appropriate, its advisers. However, if circumstances dictate, Standard Life will make its views known publicly.

Engagement policy

Standard Life seeks to integrate and appraise environmental, social and governance factors in its investment process. Its stated aim is to generate the best long-term outcomes for clients and aims to take steps to protect and enhance the value of its clients' assets.

Standard Life seeks to understand each company's specific approach to governance, how value is created through business success and how investors' interests are protected through the management of risks that materially impact business success. This requires Standard Life to engage in dialogue with management and non-executive directors to understand the material risks and opportunities; including those related to environmental and social factors.

Standard Life notes its commitment to exercising responsible ownership with a conviction that companies adopting improving practices in corporate governance and risk management will be more successful in their core activities and deliver enhanced returns to shareholders. As an owner of companies, the process of stewardship is a part of its investment approach as it seeks to benefit from their long-term success on its clients' behalf. Standard Life's fund managers and analysts regularly meet with the management and non-executive directors of companies in which it invests.

Implementation statement - DC Section (continued)

Invesco

Voting policy

Invesco has adopted and implemented a policy statement on Global Corporate Governance and Proxy Voting which it believes describes policies and procedures reasonably designed to ensure that proxies are voted in the best interests of its clients. This policy is intended to help Invesco's clients understand its commitment to responsible investing and proxy voting, as well as the governance principles that inform its approach to engagement and voting at shareholder meetings.

Invesco views proxy voting as an integral part of its investment management responsibilities. The proxy voting process focuses on protecting clients' rights and promoting governance structures and practices that reinforce the accountability of corporate management and boards of directors to shareholders. The voting decision lies with its portfolio managers and analysts with input and support from its Global ESG team and Proxy Operations functions. The final voting decisions may incorporate the unique circumstances affecting companies, regional best practices and any dialogue it has with company management. Invesco's proprietary proxy voting platform ("PROXYintel") facilitates implementation of voting decisions and rationales across global investment teams.

Invesco's voting policy is publicly available on its website: https://www.invesco.com/corporate/about-us/esg

Voting example – SBM Offshore NV (firm level).

In March 2021, Invesco voted in favour of a resolution to authorise the Board to exclude pre-emptive rights from share issuances for the company SBM Offshore NV. A vote for this proposal was warranted because it is in line with commonly used safeguards regarding volume and duration of trades in shares executed. The vote passed, in line with Invesco's voting intention. And no immediate further action was taken as a result.

Engagement policy

At issuer level, Invesco primarily seeks to address problematic areas or opportunities for improvement from an ESG perspective. When engaging with other stakeholders, such as regulators or industry bodies, Invesco's goal is more towards creating an inducive environment that would allow for optimal ESG outcomes in an efficient and fair manner, such as alignment with existing frameworks and reduced reporting burden.

While Invesco's engagement activity is based on the premise of a company's continual improvement, it is in a process of setting up an engagement reporting template that tracks annual engagement outcomes based on clearly defined ESG objectives and goals. It is also developing an escalation engagement framework to guide stewardship processes and achievements. For example, later in 2022 it will be developing a Net-Zero engagement framework that will guide its climate related engagements.

Engagement example – Amazon Inc. (firm level)

In 2021, Invesco engaged with Amazon Inc. ("Amazon") by scheduling a meeting on the topic of ESG. Topics included:

- Disclosures around packaging: Invesco specifically expressed its desire for Amazon to report on packaging and set reduction targets at the corporate level. While Amazon would not specifically commit to this, it does plan to replace all plastic mailer envelopes with padder paper mailers by the end of 2022;
- The development and use of technologies such as "Recognition" and the app "Wickr" by Amazon Web Services (AWS); and
- The shareholder proposal on conducting a Racial Equity Audit (analysis of whether the way Amazon conducts business fuels racism and discrimination for its hourly workers), which gained significant votes (44% of votes in favour) at the 2021 AGM.

Overall, Invesco considered that Amazon did not take the feedback constructively. As such, Invesco are planning to follow up in the 2022 proxy season (pre-AGM) to discuss environmental and social proposals, such as those on packaging, Artificial Intelligence technology and racial equity.

Implementation statement - DC Section (continued)

Schroders

Voting policy

Schroders receives research from both ISS and the Investment Association's Institutional Voting Information Services (IVIS) for upcoming general meetings. However, this is only one component that feeds into their voting decisions. In addition to relying on their own policies, Schroders will also be informed by company reporting, company engagements, country specific policies, engagements with stakeholders and the views of portfolio managers and analysts.

Schroders state that they consider "most significant" votes as those against company management. It states that it is not afraid to oppose management if they believe that doing so is in the best interests of shareholders and its clients. While there are a number of case studies within the sustainability reports of votes and engagement at a firm level, Schroders are as yet unable to disclose examples specific to the funds that the Plan invests in.

Voting example – SSP Group Plc

In February 2022, Schroders voted against SSP Group Plc's remuneration report as they believed that the award of any bonus in a year of negative shareholder experience and without any guarantee of repaying Coronavirus Job Retention Scheme support was not considered appropriate.

Engagement policy

Schroders defines engagement to be purposeful communication with an entity (e.g. government, corporate, institution, financial counterparties, regulator, industry body (or managers of SPVs or funds e.g. CLO manager) on particular matters of concern with the goal of encouraging change at the entity and/or wider system improvement.

Schroders' engagement activities are prioritised based on the materiality of its exposure to the individual companies; either by the total size of assets invested on behalf of clients or by the percentage of shares held.

Schroders generally engages for one of three reasons:

1. To seek improvement in performance and processes to enhance and protect the value of its investments.
2. To monitor developments in ESG practices, business strategy and financial performance within a company.
3. To enhance its analysis of a company's risks and opportunities.

Its mechanisms for engagement vary but typically involve actions such as phone calls, written correspondence, one to one meetings with company representatives and voting. Engagements are prioritised based on the materiality of the issues and size of Schroders' exposure.

Engagement example

In 2021, Schroders engaged with a number of FTSE 100 companies to inform them that, from 2022 onwards, it will be using its shareholder votes to apply pressure on firms that have failed to meet board diversity targets.

Schroders's believes that diversity is important for a company's long-term strategy and success. Further, this will allow for more constructive debate of different views as well as a better representation of wider stakeholders.

Schroders engaged by sending out letters to companies. Since sending out these letters, 25 companies acknowledged receipt, 15 provided a substantial response and one has since appointed a non-white director to its board. Schroders will monitor the progress of companies on this issue.

BlackRock

Voting policy

BlackRock's proxy voting process is led by its Investment Stewardship team. Voting decisions are made by the Investment Stewardship team with input from investment colleagues. Blackrock's voting decisions are informed by its voting guidelines, its engagements with companies, and research on each underlying company. BlackRock reviews its voting guidelines annually and updates them as necessary to reflect changes in market standards, evolving governance practice and insights gained from engagement over the year.

BlackRock subscribes to research from the proxy voting advisers ISS and Glass Lewis. BlackRock uses the research and its own analysis to identify companies where additional engagement would be beneficial. BlackRock does not routinely follow the voting recommendations of its proxy voting advisers.

Implementation statement - DC Section (continued)

Voting Example – Huadian Power (firm level)

In June 2021, BlackRock voted against a proposal from the management of Huadian Power International ("Huadian International"), a Chinese energy company. The proposal sought to reorganize its wind and solar power portfolio by transferring all related assets into a dedicated renewable energy entity, which the majority is controlled by its parent company, Huadian Group. In exchange Huadian International would receive a minority stake in the renewable energy entity.

BlackRock voted against the proposal because it was concerned about the conflict of interest between Huadian International and its parent company. The proposal would prevent Huadian International from investing in wind or solar power projects, to avoid it being in competition with the majority shareholder, Huadian Group. In BlackRock's view, the transaction would disadvantage the minority shareholders of Huadian International by preventing them from participating in China's renewable energy market. The proposal passed with a majority vote.

Engagement policy

BlackRock considers engagement to be at the core of its stewardship efforts. It enables BlackRock to provide feedback to companies and build a mutual understanding about corporate governance and sustainable business practices. Each year, BlackRock sets engagement priorities to focus on, such as governance and sustainability issues that it considers to be most important for companies and its clients.

BlackRock's priorities reflect an emphasis on board effectiveness and the impact of sustainability-related factors on a company's ability to generate long-term financial returns. BlackRock's stated key engagement priorities include board quality, climate and natural capital, strategy purpose and financial resilience, incentives aligned with value creation, company impacts on people.

Engagement Example – Vale S.A. (firm level)

At a strategy level, BlackRock has engaged with Vale S.A. ("Vale"), a Brazilian mining company, since 2019. In January 2019, a tailings dam at one of Vale's iron ore mines collapsed and causing significant fatalities and environmental damage. Tailings dams are used to store water and waste that are by products from the mining process.

Over the course of 2020 and 2021, BlackRock held frequent engagements with Vale. Vale provided updates on the dam collapse, including the status of the investigation and the final settlement. Vale provided additional context on the frequent public announcements about: 1) the steps taken to strengthen risk management and governance policies to ensure the safety of people and operations; and 2) the remediation measures regarding the environmental damage and socio-economic impact on the local community.

BlackRock's engagements with Vale also focused on board effectiveness and sustainability. It shared its expectations of board quality including composition, diversity, and independence. BlackRock also discussed the company's sustainability disclosures and carbon emissions reduction targets.

Implementation statement - DC Section (continued)

Voting Statistics

We set out below the voting statistics associated with the equity and multi asset managers in place following the investment strategy review for the period from 1 April 2021 – 31 March 2022:

Fund manager	Fund Name	% of resolutions voted on for which the fund was eligible	Of the resolution on which the fund voted, % of resolutions voted against management	% of resolutions abstained
Standard Life	Passive Plus III Pension Fund	The Passive Plus range of funds comprise equity funds managed by Vanguard. Details of Vanguard's voting statistics in respect of these funds is set out below.		
	Passive Plus IV Pension Fund			
	Passive Plus V Pension Fund			
	Pre Retirement (Passive Plus Universal) Pension Fund			
	At Retirement (Passive Plus Universal) Pension Fund			
	Pre Retirement (Passive Plus Annuity) Pension Fund			
	At Retirement (Passive Plus Annuity) Pension Fund			
	Pre Retirement (Passive Plus Lump Sum) Pension Fund			
	At Retirement (Passive Plus Lump Sum) Pension Fund			
Invesco	Global Targeted Returns	100%	6%	1%
Schroder	Global Emerging Markets	97%	8%	5%
BlackRock	SL iShares UK Equity Index	97%	5%	2%
	ACS World ex UK Equity Tracker	93%	7%	0%
	ACS Continental European Equity Tracker	75%	11%	1%
	iShares Pacific ex Japan Equity Index	100%	11%	0%
Vanguard	Emerging Markets Stock Index Pension Fund *	99%	6%	2%
	Pacific ex Japan Stock Index Pension Fund *	100%	3%	0%
	Japan Stock Index Pension Fund *	100%	0%	0%
	FTSE Developed Europe ex UK Pension Fund *	89%	7%	0%
	Vanguard US Equity Pension Fund **	99%	2%	0%
	FTSE UK All Share Index Pension Fund *	99%	1%	0%

* Fund used within the Passive Plus range of funds ** Fund used within the Passive Plus range of funds and also available on a standalone basis

Code of Best Practice

The principles set out in the Code of Best Practice are high level principles which aid trustees in their investment and governance decision making. While they are voluntary, pension scheme trustees are expected to consider their applicability to their own scheme and report on a 'comply or explain' basis how they have used them.

The principles emphasise the essentials of investment governance, notably the importance of effective decision making, clear investment objectives and a focus on the nature of each scheme's liabilities. The principles also require that trustees include a statement of the scheme's policy on responsible ownership in the Statement of Investment Principles and report periodically to members on the discharge of these responsibilities.

The Trustee considers that its investment policies and their implementation are in keeping with these principles.

Review of investment performance

The performance of the Plan's investments is shown in the table below:

Defined Benefit Section

	1 Year ended 31/03/2022		3 Years ended 31/03/2022		5 Years ended 31/03/2022	
	Fund	***B'mark***	**Fund**	***B'mark***	**Fund**	***B'mark***
	(%)	***(%)***	**(%)**	***(%)***	**(%)**	***(%)***
Composite return	**4.7**	***5.4***	**4.3**	***2.4***	**3.8**	***2.9***

Defined Contribution Section

	1 Year ended 31/03/2022		3 Years ended 31/03/2022		5 Years ended 31/03/2022	
	Fund	***B'mark***	**Fund**	***B'mark***	**Fund**	***B'mark***
	%	***%***	**%**	***%***	**%**	***%***
Standard Life Pre Retirement (Passive Plus Universal) Pension Fund	2.15	1.80	11.17	11.08	17.65	18.45
Standard Life Passive Plus III Pension Fund	5.32	4.70	16.19	17.29	24.31	26.68
Standard Life Active Plus IV Pension Fund	8.72	7.93	22.06	22.65	31.85	33.72
Standard Life Active Plus V Pension Fund	10.81	10.69	28.27	30.67	39.20	42.84
Standard Life iShares Pacific ex Japan Equity Index Pension Fund	5.19	5.25	38.66	38.58	45.65	49.55
Standard Life At Retirement (Passive Plus Universal) Pension Fund	1.60	1.37	8.70	8.54	13.68	14.19
SL Schroder Global Emerging Markets Pension Fund	-10.79	-6.82	18.91	15.58	31.87	29.23
Standard Life At Retirement (Passive Plus Lump Sum) Pension Fund	-0.58	-0.71	5.58	5.69	9.22	9.94
SL Vanguard US Equity Pension Fund	22.69	21.18	67.47	66.46	99.14	99.38
Standard Life Passive Plus IV Pension Fund	8.72	7.93	22.06	22.65	31.85	33.72
SL i Shares UK Equity Index Pension Fund	12.88	12.98	16.9	16.65	24.88	25.52
Standard Life Pre Retirement (Passive Plus Lump Sum) Pension Fund	-0.75	-0.97	7.08	7.29	11.69	12.70
Standard Life Pre Retirement (Passive Plus Universal) Pension Fund	1.06	1.37	8.70	8.54	13.68	14.19
SL SLI Global Smaller Companies Pension Fund	4.01	-1.08	40.46	21.36	72.01	26.11
SL BlackRock ACS World ex UK Equity Tracker Pension Fund	16.01	14.80	55.67	53.78	74.99	75.93
SL BlackRock ACS Continental European Eq Trk Plan Fund	6.99	5.34	33.45	29.14	40.40	35.32
Standard Life Money Market Pension Fund	-0.10	0.14	0.66	0.88	1.40	1.82

Custodial arrangements

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

Investment Manager	**Custodian(s)**
Defined Benefit Section	
Majedie - UK Focus Fund	Bank of New York Mellon
Insight - Broad Opportunities Fund	Bank of New York Mellon
Ruffer - Absolute Return Fund	Bank of New York Mellon
	RBC Investor Services
CQS - Multi Asset Credit Fund	JP Morgan Hedge Fund Services (Ireland)
Ares - Secured Income Fund	Bank of New York Mellon
	BNP Paribas
BlackRock - LDI	JP Morgan Bank (Ireland) plc
JP Morgan - Infrastructure Equity Fund	Citco Fund Services
Europa - Alternative Debt Fund	Sanne Group Administration Services (UK) Limited
Defined Contribution Section	
Standard Life Assurance Limited	Citibank N.A.

PFT Limited, a wholly owned subsidiary of Mercer Limited, were appointed by the Trustee as custodian of the cash held in connection with the administration of the Plan until 17 May 2021, when the Trustee appointed Barclay Bank Plc.

GMP equalisation

On 26 October 2018, the High Court ruled that benefits provided to members who had contracted out of their Plan must be recalculated to reflect the equalisation of state pension ages between 17 May 1990 and 6 April 1997. Following the ruling, it is expected that the Trustee will need to equalise guaranteed minimum pensions between men and women and this will result in an additional liability for the Plan. In November 2020 the High Court further ruled that GMP equalisation adjustments may be needed to historic transfers out of pension schemes. Any back payments and related interest will be accounted for in the year of payment. However, based on initial assessments completed for the employer's financial statements, the Trustee does not believe the back payments and related interest are material to these financial statements.

The Money and Pension Service

The Money and Pension Service (formerly called the Single Financial Guidance Body) can give you information about matters relating to workplace and personal pensions. Its website is currently: https://singlefinancialguidancebody.org.uk.

The Pensions Regulator

The statutory body that regulates occupational pension schemes is the Pensions Regulator and it can be contacted at:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
BN1 4DW
Telephone: 0345 600 0707
Email: customersupport@tpr.gov.uk
Website: www.thepensionsregulator.gov.uk

Pensions tracing

A pension tracing service is carried out by the Department for Work and Pensions. This service can be contacted as follows:

Pension Tracing Service
The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU
Telephone: 0800 731 0193

Pensions Ombudsman

Any concerns connected with the Plan should be referred to M Ingrey-Counter, at the address detailed on page 2, who will try to resolve the problem as quickly as possible. Members and beneficiaries of pension schemes who have problems concerning their scheme which are not satisfied by the information or explanation given by the administrators or the Trustee can consult with the Pensions Ombudsman for them to investigate and determine any complaint or dispute of fact or law involving occupational pension schemes. The address is:

The Office of the Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU
Telephone: 0800 917 4487
Email: enquiries@pensions-ombudsman.org.uk
Website: www.pensions-ombudsman.org.uk

The Pension Protection Fund

The Pension Protection Fund (PPF) was established to pay compensation to members of eligible defined benefit pension schemes, when there is a qualifying insolvency event in relation to the employer and where there are insufficient assets in the pension scheme to cover PPF levels of compensation. The pension protection levy is one of the ways that the PPF funds the compensation payable to members of schemes that transfer to the PPF.

Further information

Further information about the Plan is given in the explanatory booklet, dated , which is issued to all members.

The Trustee's Report was approved on behalf of Avon Rubber Pension Trust Limited and signed on its behalf by:

.... Trustee Director

.. .. Trustee Director

Date: 26th October 2022 ....

The Avon Rubber Retirement and Death Benefits Plan ("the Plan")

Defined Contribution Section ("the Scheme")

Annual governance statement by the Trustee Chairman

The Occupational Pension Schemes (Scheme Administration) Regulations 1996 ("the Administration Regulations") require the Trustee Directors to prepare an annual statement regarding governance and include this in the annual Trustee's report and accounts. The governance requirements apply to all defined contribution ("DC") pension arrangements and aim to help members achieve a good outcome from their pension savings.

Introduction

As the Trustee Chairman, I am pleased to provide you with our annual statement which explains what steps have been taken by the Trustee Directors, with the help of our professional advisers, to meet the governance standards that apply to the Defined Contribution section of the Plan.

The Trustee Directors are committed to meeting the governance standards and we have a Defined Contribution Sub-Committee of three Trustee Directors who meet regularly to monitor the controls and processes put in place in connection with the Scheme's investments and administration, and report to the full Trustee Board.

I welcome this opportunity to explain what the Trustee Directors are doing to ensure the Plan is run as effectively as it can be and in accordance with the relevant governance standards.
This statement issued by the Trustee covers the period from 1 April 2021 to 31 March 2022 and is signed on behalf of the Trustee by the Chair.

This statement covers governance and charge disclosures in relation to the following:

1. The Default Arrangement
2. Net investment returns
3. Member borne charges and transaction costs
   i. Default arrangement
   ii. Self-select funds
   iii. Illustrations of the cumulative effect of these costs and charges
4. Value for Members assessment
5. Processing of core financial transactions
6. Trustee knowledge and understanding

1. The Default arrangement

The Trustee is required to design the default arrangement in members' interests and keep it under review. The Trustee need to set out the aims and objectives of the default arrangement and take account of the level of costs and the risk profile that are appropriate for the Plan's membership.

The Plan is used as a Qualifying Scheme for auto-enrolment purposes.

The Trustee is responsible for the Plan's investment governance, which includes setting and monitoring the investment strategy for the Plan's default arrangement, the Standard Life Passive Plus IV Universal Strategic Lifestyle Profile Fund ('the Passive Plus IV strategy').

The Passive Plus IV strategy is primarily provided for members who join the Plan and do not choose an investment option for their contributions and is designed to be appropriate regardless of how members take their benefits at retirement.

Details of the objectives and the Trustee's policies regarding the default arrangements can be found in a document called the 'Statement of Investment Principles' ("SIP"). The Plan's SIP is attached however the aims are set out here for ease of reference:

- Aim for significant long term real growth while members are further away from retirement.
- Manage down volatility in fund values as members near retirement.
- Target an end point portfolio that is appropriate with how members may take their benefits when they retire.

Investment strategy review

The default arrangement was not formally reviewed during the period covered by this statement.

The last review was completed on the 23 July 2020. The review considered suitability of the default arrangement and other fund options with reference to the membership demographics and how members access their benefits, as well as industry data and wider trends. This assessment was made by considering the Plan's membership profile and investment performance and supported by analysis from Aon.

The Trustee will continue to monitor the Plan's investments. The next formal review is due to take place by 23 July 2023.

Performance Monitoring

The Trustee also review the performance of the default arrangement against its aims and objectives as part of the investment strategy review and on a quarterly basis. This review includes an analysis of fund performance to check that the risk and return levels meet expectations. Performance of the funds is reviewed in absolute terms and relative comparable DC investment strategies.

The Trustee is satisfied that the default arrangement and investment strategy more broadly have performed in line with their aims and objectives as shown in the SIP.

2. Net investment returns

The Trustee is required to report on net investment returns for each default arrangement and for each non-default fund which members were invested in during the Plan year. Net investment returns refers to the returns on funds minus all member-borne transaction costs and charges.

The net investment returns have been prepared having regard to statutory guidance.

It is important to note that past performance is not a guarantee of future performance.

Performance has been shown at ages 25, 45 and 55 for members in the default arrangement and additional lifestyle arrangements in line with DWP guidance.

(i) Default arrangement – (Standard Life Passive Plus IV Universal Strategic Lifestyle Profile)

Performance to 31 March 2022	**Annualised returns (%p.a)**	
Age of member in 2022	1 year	5 years
25	8.7	5.7
45	8.7	5.7
55	8.7	5.7

Source: Standard Life

The Standard Life Passive Plus IV Universal Strategic Lifestyle Profile has been the default arrangement since March 2021 and was available as a self-select investment prior to then.

(ii) Self-select investments

Strategic Lifestyle Passive Plus V Universal

Performance to 31 March 2022	**Annualised returns (% p.a.)**	
Age of member in 2022	1 year	5 year
25	10.8	6.8
45	10.8	6.8
55	10.8	6.8

Source: Standard Life

Strategic Lifestyle Passive Plus III Universal

Performance to 31 March 2022	Annualised returns (% p.a.)	
Age of member in 2022	1 year	5 years
25	5.3	4.4
45	5.3	4.4
55	5.3	4.4

Source: Standard Life

Strategic Lifestyle Passive Plus IV Lump Sum

Performance to 31 March 2022	Annualised returns (% p.a.)	
Age of member in 2022	1 year	5 years
25	8.7	5.7
45	8.7	5.7
55	8.7	5.7

Source: Standard Life

Individual funds

Performance to 31 March 2022	Annualised returns (% p.a.)	
Fund name	**1 year**	**5 years**
SL Vanguard US Equity Pension Fund	22.7	14.8
Standard Life At Retirement (Passive Plus Universal) Pension Fund	1.6	2.6
Standard Life Money Market Pension Fund	-0.1	0.3
SL ASI UK Smaller Companies Pension Fund	4.0	11.5
SL BlackRock ACS World ex UK Equity Tracker Pension Fund	16.0	11.8
SL iShares Pacific ex Japan Equity Index Pension Fund	5.2	7.8
SL Schroder Global Emerging Markets Pension Fund	-10.8	5.7
Standard Life Passive Plus III Pension Fund	5.3	4.4
SL Blackrock ACS Continental European Equity Tracker Pension Fund	7.0	7.0
Standard Life Passive Plus V Pension Fund	10.8	6.8
SL iShares UK Equity Index Pension Fund	12.9	4.5
Standard Life Passive Plus IV Pension Fund	8.7	5.7

Source: Standard Life

3. Member Borne Charges and Transaction costs

The Trustee should regularly monitor the level of charges borne by members through the investment funds. These charges comprise:

- Charges: these are explicit, and represent the costs associated with operating and managing an investment fund. They can be identified as a Total Expense Ratio (TER), or as an Annual Management Charge (AMC), which is a component of the TER; and
- Transaction costs: these are not explicit, and are incurred when the Plan's fund manager buys and sells assets within investment funds but are exclusive of any costs incurred when members invest in or sell out of funds.

The Trustee is also required to confirm that the total costs and charges paid by any member in the default arrangement have not exceeded 0.75% p,a, (the charge cap) and produce an illustration of the cumulative effect of the overall costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

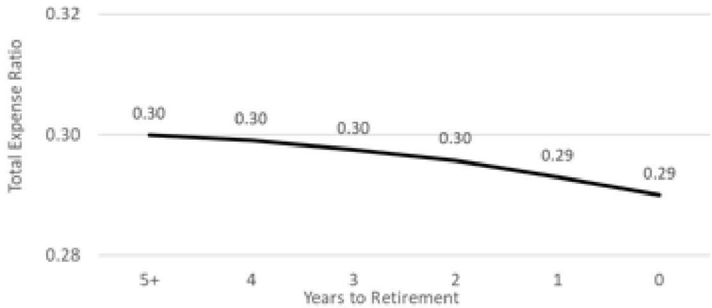
The Total Expense Ratio (TER) is a measure of the total cost to the member associated with managing and operating a fund. These operating expenses may include management fees, legal fees, auditor fees and other administrative costs. In a lifestyle strategy, like the default arrangement, the TER payable is dependent on how far a member is from retirement.
A table is shown in the Appendix which sets out, for each lifestyle strategy used by the Plan, how the TERs change in the approach to retirement.

Transaction costs are those costs incurred by the fund within the day-to-day management of the assets. They cover such things as the cost of buying and selling securities within the fund. These costs are incurred on an ongoing basis, are an inevitable consequence of managing the fund and are in addition to the TER. Standard Life has provided transaction cost information for the period covered by this statement and this information is included in the tables below along with the TERs for each of the funds used by the Plan. Where transaction costs have been provided as a negative cost, these have been set to zero by the Trustee.

(i) Default arrangement - Standard Life Passive Plus IV Universal Strategic Lifestyle Profile Fund

	Total Expense Ratio (% p.a.)	Transaction Costs (% p.a.)	Total costs (% p.a.)
Passive Plus IV Universal Strategic Lifestyle Profile Fund			
Standard Life Passive Plus IV	0.30	0.10	0.40
Standard Life Pre Retirement (Passive Plus Universal)	0.30	0.10	0.40
Standard Life At Retirement (Passive Plus Universal)	0.29	0.08	0.37

The TER that a member paid over the year depends on their term to retirement as shown in the below chart. The TER ranges from 0.29% p.a. to 0.30% p.a. which is within the 0.75% charge cap for schemes that are used for auto-enrolling their employees.



Transaction costs ranged between 0.08% p.a. and 0.10% p.a. meaning the total cost associated with the Passive Plus IV Universal Strategic Lifestyle Profile Fund is between 0.37% p.a. and 0.40% p.a.

(ii) Self-select investment funds

In addition to the Passive Plus IV Universal Strategic Lifestyle Profile Fund members also have the option to invest in a further three lifestyle strategies, and 12 individual funds.

The TERs and transaction costs for each of these are shown in the following tables:

Alternative lifestyle strategies	**Total Expense Ratio (% p.a.)**	**Transaction Costs (% p.a.)**	**Total costs (% p.a.)**
Strategic Lifestyle Passive Plus V Universal			
Standard Life Passive Plus V	0.28	0.08	0.36
Standard Life Pre Retirement (Passive Plus Universal)	0.30	0.10	0.40
Standard Life At Retirement (Passive Plus Universal)	0.29	0.08	0.37
Strategic Lifestyle Passive Plus III Universal			
Standard Life Passive Plus III	0.29	0.10	0.39
Standard Life Pre Retirement (Passive Plus Universal)	0.30	0.10	0.40
Standard Life At Retirement (Passive Plus Universal)	0.29	0.08	0.37
Strategic Lifestyle Passive Plus IV Lump Sum			
Standard Life Passive Plus IV	0.30	0.10	0.40
Standard Life Pre Retirement (Passive Plus Lump Sum)	0.28	0.12	0.40
Standard Life At Retirement (Passive Plus Lump Sum)	0.28	0.09	0.37

Individual funds	Total Expense Ratio (% p.a.)	Transaction Costs (% p.a.)	Total costs (% p.a.)
SL Vanguard US Equity Pension Fund	0.31	0.12	0.43
Standard Life At Retirement (Passive Plus Universal) Pension Fund	0.29	0.08	0.37
Standard Life Money Market Pension Fund	0.30	0.00	0.30
SL ASI UK Smaller Companies Pension Fund	0.79	0.00	0.79
SL BlackRock ACS World ex UK Equity Tracker Pension Fund	0.30	0.03	0.33
SL iShares Pacific ex Japan Equity Index Pension Fund	0.32	0.16	0.48
SL Schroder Global Emerging Markets Pension Fund	1.26	0.23	1.49
Standard Life Passive Plus III Pension Fund	0.29	0.10	0.39
SL Blackrock ACS Continental European Equity Tracker Pension Fund	0.32	0.01	0.33
Standard Life Passive Plus V Pension Fund	0.28	0.08	0.36
SL iShares UK Equity Index Pension Fund	0.30	0.18	0.48
Standard Life Passive Plus IV Pension Fund	0.30	0.10	0.40

(iv) Illustration of the cumulative effect of costs and charges

From 6 April 2018 the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 introduced new requirements relating to the disclosure and publication of the level of costs by the trustees and managers of a relevant scheme. These changes are intended to improve transparency on costs.

The following tables set out an illustration of the effect of charges and transaction costs on the projection of an example member's pension savings.

The "before charges" figures represent the savings projection assuming an investment return with no deduction of member borne fees or transaction costs. The "after charges" figures represent the savings projection using the same assumed investment return but after deducting member borne fees and making an allowance for transaction costs. The "impact of charges" figures represent the difference between the before and after charges figures.

The transaction cost figures used in the illustration are those provided by the managers over the past year, subject to a floor of zero (i.e. the illustration does not assume a negative cost over the long term).

The illustration is shown for the following

- Strategic Lifestyle Passive Plus IV Universal (default arrangement)
- Standard Life Passive Plus V Pension Fund (the lowest cost fund available on a self-select basis)
- SL Schroder Global Emerging Markets Pension Fund (the highest cost fund available on a self-select basis)

The illustrations have been prepared having regard to statutory guidance, selecting a suitable representative member on joining the Plan, and are based on a number of assumptions about the future which are set out following the illustrations.

Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on a typical member of the Plan on joining the Plan they are not a substitute for the individual and personalised illustrations which are provided to members in their annual Benefit Statements.

Notes: The Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.

- Starting age is:	18
- Inflation:	2.0% each year
- The starting fund size:	£0
- The starting salary:	£25,000
- Total Contributions:	15% per year
- Salary on which contributions are based increase by::	3.5% each year from age 18 to age 65
- Age at which benefits are taken:	65
- Values shown are estimates and are not guaranteed.	

Projected Pension Account in today's money									
Year	Passive Plus IV Universal SLP (default investment arrangement)			Standard Life Passive Plus V Pension Fund			SL Schroder Global Emerging Markets Pension Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
1	£3,780	£3,770	£10	£3,790	£3,780	£10	£3,790	£3,760	£30
3	£11,800	£11,700	£100	£11,800	£11,800	£0	£11,800	£11,600	£200
5	£20,400	£20,200	£200	£20,700	£20,400	£300	£20,700	£19,900	£800
10	£45,100	£44,100	£1,000	£46,200	£45,200	£1,000	£46,200	£43,000	£3,200
15	£74,600	£72,100	£2,500	£77,400	£74,900	£2,500	£77,400	£69,400	£8,000
20	£109,000	£104,000	£5,000	£115,000	£110,000	£5,000	£115,000	£99,700	£15,300
25	£151,000	£143,000	£8,000	£161,000	£152,000	£9,000	£161,000	£134,000	£27,000
30	£200,000	£187,000	£13,000	£215,000	£202,000	£13,000	£215,000	£173,000	£42,000
35	£257,000	£238,000	£19,000	£281,000	£260,000	£21,000	£281,000	£217,000	£64,000
40	£324,000	£296,000	£28,000	£360,000	£329,000	£31,000	£360,000	£268,000	£92,000
45	£403,000	£364,000	£39,000	£453,000	£409,000	£44,000	£453,000	£324,000	£129,000
Retirement	£438,000	£393,000	£45,000	£495,000	£445,000	£50,000	£495,000	£349,000	£146,000

Assumed Growth Rates:

Passive Plus IV Universal SLP (default arrangement)	
Standard Life Passive Plus IV:	5.0%
Standard Life Pre Retirement (Passive Plus Universal):	3.5%
Standard Life At Retirement (Passive Plus Universal):	2.5%
Standard Life Passive Plus V Pension Fund:	5.0%
SL Schroder Global Emerging Markets Pension Fund:	5.0%

4. Value for Members assessment

The Administration Regulations require the Trustee to make an assessment of charges and transactions costs borne by members and the extent to which those charges and costs represent good value for money for members.

The Trustee is required to make an annual assessment of charges and costs borne by the members and the extent to which they represent good value for members. To do this, the Trustee has developed a framework which looks at the member-borne charges and the benefits of membership so it can assess whether members are getting good value.

The costs have been identified as TER, Transaction Costs and are set out in section 3 of this statement. The Trustee has considered the benefits of membership under the following five categories: governance, investments, administration and member experience and member communications. Benchmarking relative to other pension arrangements or industry best practice guidelines is also undertaken.

The Trustee's beliefs have formed the basis of the analyses of the benefits of membership. These are set out below along with the main highlights of their assessment.

Governance

The Trustee believes in having robust processes and structures in place to support effective management of risks and ensure members interests are protected, increasing the likelihood of good outcomes for members.

The Trustee has robust processes and structures in place to support effective oversight and management of all aspects of the Plan. This includes regular engagement with key service providers.

The Trustee has put in place a specialist DC sub-committee to help support good governance of the Plan.

The Trustee Directors undertake regular and appropriate training to ensure they can continue to fulfil their responsibilities.

Investments

The Trustee believes that a well-designed investment portfolio that is subject to regular performance monitoring and assessment of suitability for the membership will make a significant contribution to the delivery of good member outcomes.

The Plan offers a variety of strategies and funds covering a range of member risk profiles, asset classes and management styles. The investment strategy has been designed, following advice from the Trustee's investment adviser, with the specific needs of members in mind.

The investment strategy is subject to regular review to ensure its continued appropriateness. The Trustee is supported in this ongoing review by their investment adviser.

Administration

The Trustee believes that good administration and record keeping play a crucial role in ensuring that scheme members receive the retirement income due to them. In addition, that the type and quality of service experienced by members has a bearing on the level of member engagement.

The Trustee obtains information to help assess and monitor the quality of the administration service. This includes reviewing quarterly administration reports and having regular discussions with the administrator.

The administrator has reported high levels of service during the year.

Member Communications

The Trustee believes that effective member communications and delivery of the right support and tools helps members understand and improve their retirement outcomes.

The Trustee provides members with annual briefings and workshops.

Standard Life provide members with online tools and support as well as regular communications.

Other Benefits

The Trustee has considered other benefits offered by the Plan including its flexible employee contribution structure.

The Trustee's assessment concluded that the charges and transaction costs borne by Plan members represents good value for members relative to the benefits of Plan membership.

5. Processing of Core Financial Transactions

The Trustee has a specific duty to ensure that core financial transactions are processed promptly and accurately. Core financial transactions include the investment of contributions, transfer of member funds into and out of the Plan, transfers between different investments within the Plan and payments to and in respect of members/beneficiaries.

The Trustee is required to report to members the processes and controls in place in relation to core financial transactions, which include:

1. Investing contributions paid into the Plan;
2. transferring assets related to members into or out of the Plan;
3. switching assets between different investments within the Plan; and
4. making payments from the Plan to, or on behalf of, members.

The Trustee has overall responsibility for ensuring transactions are processed promptly and accurately. In practice, the Plan administrator, Standard Life, implements all transactions in accordance with service standards agreed with the Trustee. The service standards cover the timeliness in which processes are completed with a target to complete tasks within 10 working days.

Standard Life provide regular reports summarising the service provided to members and the amount of time taken to process various tasks. Any mistakes or delays are investigated thoroughly and corrected as quickly as possible. The Trustee monitor and review the administrator's processes and are comfortable that all core financial transactions have been processed promptly and accurately under their remit as administrator. Key processes include:

- A full member and Plan reconciliation being undertaken annually as part of the annual preparation of the Trustee Report & Accounts.

- Provision of quarterly administration reports – enabling the Trustee to check core financial transactions and review processes.

- Monthly contribution checks and daily reconciliation of the Trustee's bank account.

- Checks for all investment and banking transactions prior to processing.

- Straight-through processing for joiners, contributions, leavers and information results. This avoids the need for manual intervention which significantly reduces the risk of error.

The Trustee is satisfied that over the period:

- the administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- there have been no material administration errors in relation to processing core financial transactions; and
- all core financial transactions have been processed promptly and accurately during the Plan year.

6. Trustee Knowledge and Understanding (TKU)

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as trustees properly. This requirement is underpinned by guidance in the Pension Regulator's Code of Practice 7.

The comments in this section relate to the Plan as a whole and not solely the DC Section.

There are currently six Trustee Directors; four Company nominated and two member nominated, thereby fulfilling the legal requirement that at least one-third of a pension scheme's trustee directors should be member nominated.

The Trustee has processes and procedure in place to meet the Pension Regulator's Trustee Knowledge and Understanding requirements (as set out in their Code of Practice No 7); some of which are identified below:

- The Trustee met four times during the year at quarterly board meetings and at various other times throughout the year as needed and at sub-committee level. These meetings were supported by the Trustee's advisers who have provided specialist advice and updates on legislation, guidance and best practice developments. Trustee meeting minutes were compiled and circulated.

- The Trustee is familiar with the Plan documentation, including the Trust Deed & Rules, Report & Accounts and SIP. In particular, the Trustee refers to the Rules as appropriate when making decisions, review and discuss the Plan's Report & Accounts and regularly review and update the SIP as appropriate.

- The Trustee keep knowledge of the law relating to pensions and trusts up to date through training provided at Trustee meetings and external seminars. Specifically, the Trustee review quarterly updates from their advisers and receives legal training periodically. All training sessions (both external and at meetings) are recorded on their training log.

- The Trustee is familiar with the investment principles appropriate for DC schemes. The Trustee review quarterly updates from their advisers and receive training and updates on markets and developing investment thinking. Furthermore, specific training is provided so as to ensure the Trustee is able to make informed decisions in respect of the strategies and funds used by the Plan at the appropriate time. For example, the Trustee received training on crisis management and response to help ensure the Plan remains resilient through the Coronavirus crisis.

All of the existing Trustee Directors have completed the Pension Regulator's Trustee Toolkit.

In addition to the skills within the Trustee Board, the Trustee engaged with the appointed professional advisers regularly, throughout the year, to ensure that the Plan is well run and functions are exercised properly. To maintain a thorough understanding of the functioning of the Plan, the Directors reviewed quarterly governance reports from Standard Life (the administration and platform provider) and received an independent annual audit report.

New Trustee Directors are asked to complete the Trustee Toolkit within six months of appointment and the Chair ensures they have access to the key documents. Training is also provided to ensure any newly appointed Trustee Directors are familiar with the Plan, the relevant documentation and their duties. No new Trustee Directors were appointed over the course of the year.

The Trustee discuss their training requirements each year and training logs are reviewed and updated as appropriate.

With support from their advisers, the Trustee identify areas of training that are appropriate based on the Plan's business plan and developments within the pensions industry. These are addressed with training provided by the Trustee's advisers as appropriate.

The Trustee believe they have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational schemes.

The Trustee consider that they meet the Pension Regulator's Trustee Knowledge and Understanding requirements and are confident that their combined knowledge and understanding, together with the support of their advisers, enables them to properly exercise their functions as the Trustee of the Plan.

Signed on behalf of the Trustee of the Avon Rubber Retirement and Death Benefits Plan by the Chair of Trustee

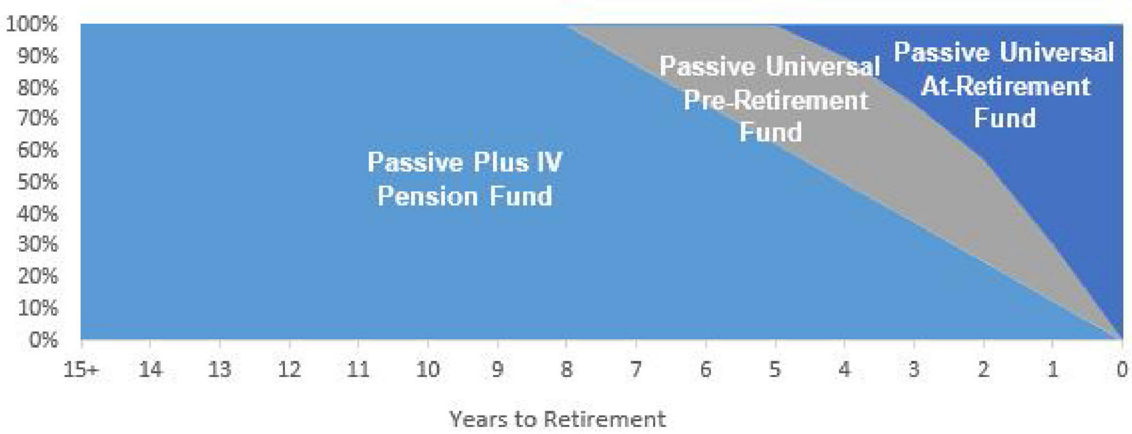
Names: Miles Ingrey-Counter and Zoe Holland

Signatures: ____________________________

Date: 26th October 2022

Appendix

Standard Life Active Plus IV Universal Lifestyle Strategy (default arrangement)



Lifestyle strategies - TERs

The TERs for each of the lifestyle strategies for each year to retirement are set out in the table below:

Years to Retirement	Passive Plus			
	Universal		**Lump Sum**	
	III	**IV**	**V**	**IV**
10+	0.29	0.30	0.28	0.30
9	0.29	0.30	0.28	0.30
8	0.29	0.30	0.28	0.30
7	0.29	0.30	0.28	0.30
6	0.29	0.30	0.29	0.30
5	0.30	0.30	0.29	0.29
4	0.30	0.30	0.29	0.29
3	0.30	0.30	0.29	0.29
2	0.30	0.30	0.29	0.29
1	0.30	0.29	0.29	0.28
0	0.30	0.29	0.29	0.28

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (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 has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to it to safeguard the assets of the Plan and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

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

Independent Auditor's Report to the Trustee of the Avon Rubber Retirement and Death Benefits Plan

Opinion

We have audited the financial statements of the Avon Rubber Retirement and Death Benefits Plan ("the Plan") for the year ended 31 March 2022 which comprise the Fund Account and the Statement of Net Assets (available for benefits) and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Plan during the Plan year ended 31 March 2022 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 Plan year;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Plan in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustee has prepared the financial statements on the going concern basis as it does not intend to wind up the Plan, and as it has concluded that the Plan's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustee's conclusions, we considered the inherent risks to the Plan and analysed how those risks might affect the Plan's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Trustee's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Plan's ability to continue as a going concern for the going concern period.

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 Plan will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Trustee as to the Plan's high-level policies and procedures to prevent and detect fraud, as well as enquiring whether it has knowledge of any actual, suspected or alleged fraud.
- Reading Trustee minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Trustee's (or its delegates including the Plan's administrators) may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of Level 3 pooled investment vehicles. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue in a pension scheme relates to contributions receivable as paid under an agreed schedule or pre-determined by the Trustee; there are no subjective issues or judgements required.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted after the first draft of the financial statements have been prepared.
- Assessing whether the judgment made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Trustee and its delegates (as required by auditing standards), and from inspection of the Plan's regulatory and legal correspondence and discussed with the Trustee and its delegates the policies and procedures regarding compliance with laws and regulations.

As the Plan is regulated by The Pensions Regulator, our assessment of risks involved gaining an understanding of the control environment including the Plan's procedures for complying with regulatory requirements and reading the minutes of Trustee meetings.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Plan is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related pensions legislation), and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Plan is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation, or the loss of the Plan's registration. We identified the following areas as those most likely to have such an effect: pensions legislation and data protection legislation, recognising the financial and regulated nature of the Plan's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustee and its delegates and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We have reported separately on contributions payable under the Schedule of contributions in our statement about contributions on page 58 of the annual report.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Trustee is responsible for the other information, which comprises the Trustee's report (including the report on actuarial liabilities, the Statement of Investment Principles, the Implementation Statement, the Chair's Annual Governance Statement and the summary of contributions) and the actuarial certification of the schedule of contributions. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon in this report.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on this work we have not identified material misstatements in the other information.

Trustee's Responsibilities

As explained more fully in its statement set out on page 41, the Plan Trustee is responsible for: supervising the preparation of financial statements which show a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 it either intends to wind up the Plan, or has no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Plan Trustee in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Plan Trustee those matters we are required to state to it 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 Trustee, for our audit work, for this report, or for the opinions we have formed.

Iryndeep Kaur-Delay
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Date: ....

Fund Account

	Note	Defined Benefit Section £000	Defined Contribution Section £000	2022 Total £000	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Employer contributions		**3,438**	**1,542**	**4,980**	21,050	1,419	22,469
Employee contributions		**-**	**5**	**5**	-	5	5
Total contributions	4	**3,438**	**1,547**	**4,985**	21,050	1,424	22,474
Transfers in	5	**-**	**131**	**131**	-	105	105
		3,438	**1,678**	**5,116**	21,050	1,529	22,579
Benefits paid or payable	6	**(15,747)**	**(50)**	**(15,797)**	(15,203)	(37)	(15,240)
Payments to and on account of leavers	7	**(842)**	**(252)**	**(1,094)**	(714)	(401)	(1,115)
Administrative expenses	8	**(589)**	**-**	**(589)**	(876)	-	(876)
		(17,178)	**(302)**	**(17,480)**	(16,793)	(438)	(17,231)
Net (withdrawals)/ additions from dealings with members		**(13,740)**	**1,376**	**(12,364)**	4,257	1,091	5,348
Returns on investments							
Investment income	9	**7,981**	**-**	**7,981**	27,098	-	27,098
Change in market value of investments	10	**7,417**	**1,126**	**8,543**	612	2,522	3,134
Investment management expenses	11	**(625)**	**-**	**(625)**	(1,114)	-	(1,114)
Net returns on investments		**14,773**	**1,126**	**15,899**	26,596	2,522	29,118
Net increase in the fund during the year		**1,033**	**2,502**	**3,535**	30,853	3,613	34,466
Transfers between sections	13	**-**	**-**	**-**	(589)	589	-
Net assets at 1 April		**336,832**	**14,484**	**351,316**	306,568	10,282	316,850
Net assets at 31 March		**337,865**	**16,986**	**354,851**	336,832	14,484	351,316

The notes on pages 47 to 57 form part of these financial statements.

Statement of Net Assets available for benefits

	Note	**Defined Benefit Section £000**	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Investment assets							
Pooled investment vehicles	14	**335,691**	**16,853**	**352,544**	333,644	14,358	348,002
AVC investments	15	**392**	**-**	**392**	364	-	364
Cash		**120**	**-**	**120**	73	-	73
Other investment balances	16	**-**	**-**	**-**	1,760	-	1,760
Total investments	10	**336,203**	**16,853**	**353,056**	335,841	14,358	350,199
Current assets	21	**1,960**	**134**	**2,094**	1,365	126	1,491
Current liabilities	22	**(298)**	**(1)**	**(299)**	(374)	-	(374)
Net assets at 31 March		**337,865**	**16,986**	**354,851**	336,832	14,484	351,316

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 takes into account such obligations for the Defined Benefit Section, is dealt with in the report on actuarial liabilities on page 4 of the annual report and these financial statements should be read in conjunction with this report.

The notes on pages 47 to 57 form part of these financial statements.

The financial statements on pages 45 to 57 were approved on behalf of Avon Rubber Pension Trust Limited and signed on its behalf by:

.... Trustee Director

.... Trustee Director

Date: 26th October 2022

1. Identification of the financial statements

The Avon Rubber Retirement and Death Benefit Plan (the Plan) is an occupational pension scheme established in the United Kingdom under trust and according to the law in England.

The Plan was established on 1 April 1947 to provide retirement benefits to certain groups of employees of Avon Protection plc. The address of the Plan's principal office is Corporate Headquarters, Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB.

The Plan is a hybrid scheme, comprising a Defined Benefit Section and a Defined Contribution Section.

Please refer to page 2 of the Annual Report for contact details and enquiries about the Plan.

2. Basis of preparation

The individual financial statements of the Avon Rubber Retirement and Death Benefits Plan have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 (FRS 102) - The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (FRC) and the guidance set out in the Statement of Recommended Practice (SORP) (Revised June 2018).

The financial statements are prepared on a going concern basis, which the Trustee believes to be appropriate as they believe that the Plan has adequate resources to realise its assets and meet benefit obligations in the normal course of affairs (continue to operate) for at least the next twelve months. In reaching this conclusion, the Trustee has considered the funding level of the Plan, the financial position of the sponsoring employer Avon Rubber plc and the Group and has taken into account the impact on investments, future income and capital growth, portfolio liquidity and cashflow requirements. This assessment, gives the Trustee confidence to prepare the financial statements on a going concern basis.

3. Accounting policies

The principal accounting policies are set out below. Unless otherwise stated, they have been applied consistently year on year.

3.1 Accruals concept

The financial statements have been prepared on an accruals basis.

3.2 Currency

The Plan's functional currency and presentational currency is Pounds Sterling (GBP).

3.3 Contributions

Employee contributions, including AVCs, are accounted for by the Trustee when they are deducted from pay by the Employer.

Employer normal contributions which are expressed as a rate of salary are accounted for on the same basis as the employees' contributions, in accordance with the Schedule of Contributions in force during the year.

Employer deficit funding contributions are accounted for in the period to which they relate, in accordance with the Schedule of Contributions, or on receipt if earlier, with the agreement of the employer and Trustee.

3.4 Transfers

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

3.5 Payments to members

Benefits, and any associated tax liabilities, are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for on the later of the date of leaving, retirement or death and the date on which any option or notification is communicated to the Trustee. If there is no choice, they are accounted for on the date of retirement or leaving.

The Plan has purchased annuity policies to cover certain pensions in payment. The cost of acquiring these policies is included in the fund account in the year of purchase and represents the cost of discharging the obligations of the Plan to the relevant members at the time of purchase.

3.6 Administrative and other expenses

Administrative expenses are accounted for in the period in which they fall due on an accruals basis.

Investment management expenses are accounted for in the period in which they fall due on an accruals basis.

Other payments are accounted for in the period in which they fall due on an accruals basis.

3.7 Investment income

Income from pooled investment vehicles is accounted for when declared by the investment manager.

Receipts from annuity policies are accounted for as investment income on an accruals basis.

3.8 Change in market value of investments

The changes in investment market values are accounted for in the year in which they arise and include profits and losses on investments sold as well as unrealised gains and losses in the value of investments held at the year end.

3.9 Valuation of investments

Investments are included at fair value as follows:

Pooled investment vehicles which are not traded on active markets, but where the investment manager has provided a daily/weekly trading price, are valued using the last bid/single price, provided by the investment manager at or before the year end.

The Trustee holds insurance policies that secure pensions payable to specified beneficiaries. These policies remain assets of the Trustee, but, as the value of these policies is not material, under current regulations and accounting practice, the Trustee has decided that these policies need not be included in the Statement of Net Assets.

The AVC investments comprise policies of assurance. The market value of these policies has been taken as the surrender values of the policies at the year end, as advised by the AVC providers. The AVC investments comprise unitised funds and policies of assurance.

4. Contributions

	Defined Benefit Section £000	Defined Contribution Section £000	2022 Total £000	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Employer contributions:						
Normal	**-**	**1,542**	**1,542**	-	1,419	1,419
Other	**738**	**-**	**738**	600	-	600
Deficit funding	**2,700**	**-**	**2,700**	20,450	-	20,450
	3,438	**1,542**	**4,980**	21,050	1,419	22,469
Employee contributions:						
Normal	**-**	**5**	**5**	-	5	5
	3,438	**1,547**	**4,985**	21,050	1,424	22,474

In accordance with the Schedule of Contributions certified on 21 September 2020, the Sponsoring Employer will pay contributions to cover expenses and include an allowance for the PPF Levy. If the PPF Levy exceeds £200k in any one year, the Sponsoring Employer will pay the difference up to a maximum of £100k p.a. As the PPF Levy for the year was £60k (2021: £150k) there were no additional contributions payable. From 1 October 2020, if the actual expenses incurred in any one year exceed £600k, the Sponsoring Employer will pay the difference up to a maximum of £250k. The additional payment will be determined based on the actual expenses as set out in the Plan's audited financial statements with a pro-rata amount being due in the first year. The additional contributions will be paid within one month of the Trustee requesting such amounts.

5. Transfers in

	Defined Benefit Section £000	Defined Contribution Section £000	2022 Total £000	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Individual transfers in from other schemes	**-**	**131**	**131**	-	105	105

6. Benefits paid or payable

	Defined Benefit Section £000	Defined Contribution Section £000	2022 Total £000	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Pensions	**13,487**	**-**	**13,487**	13,524	-	13,524
Commutation of pensions and lump sum retirement benefits	**2,184**	**11**	**2,195**	1,550	37	1,587
Lump sum death benefits	**76**	**39**	**115**	129	-	129
	15,747	**50**	**15,797**	15,203	37	15,240

7. Payments to and on account of leavers

	Defined Benefit Section £000	Defined Contribution Section £000	2022 Total £000	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Individual transfers out to other schemes	**842**	**252**	**1,094**	714	401	1,115

8. Administrative expenses

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Administration, actuarial & consultancy fees	**488**	**-**	**488**	683	-	683
Plan levies	**76**	**-**	**76**	150	-	150
Audit fees	**20**	**-**	**20**	20	-	20
Legal fees	**-**	**-**	**-**	12	-	12
Trustee fees	**4**	**-**	**4**	7	-	7
Miscellaneous expenses	**-**	**-**	**-**	1	-	1
Bank charges	**1**	**-**	**1**	3	-	3
	589	**-**	**589**	876	-	876

9. Investment income

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Income from pooled investment vehicles	**7,900**	**-**	**7,900**	26,953	-	26,953
Annuity income	**81**	**-**	**81**	145	-	145
	7,981	**-**	**7,981**	27,098	-	27,098

10. Reconciliation of investments

Defined Benefit Section

	Market value at 1 April 2021 £000	Cost of investments purchased £000	Proceeds of sales of investments £000	Change in market value £000	**Market value at 31 March 2022 £000**
Pooled investment vehicles	333,644	41,882	(47,223)	7,388	**335,691**
AVC investments	364	-	(1)	29	**392**
	334,008	41,882	(47,224)	7,417	**336,083**
Cash	73			-	**120**
Other investment balances	1,760			-	**-**
	335,841			7,417	**336,203**

Defined Contribution Section

	Market value at 1 April 2021 £000	Cost of investments purchased £000	Proceeds of sales of investments £000	Change in market value £000	**Market value at 31 March 2022 £000**
Pooled investment vehicles	14,358	1,670	(301)	1,126	**16,853**

10.1 Transaction costs

Indirect transaction costs are incurred through the bid-offer spread on investments within the pooled investment vehicles. The amount of indirect transaction costs is not separately provided to the Plan.

10.2 Defined contribution assets

Investments purchased by the Plan are allocated to provide benefits to the individuals on whose behalf corresponding contributions were paid. The investment manager holds the investment units on a pooled basis for the Trustee. The Plan administrator allocates investment units to members. The Trustee may hold investment units representing the value of employer contributions that have been retained by the Plan that relate to members leaving the Plan prior to vesting. All investments are allocated to members (2021: all allocated to members).

11. Investment management expenses

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Administration, management and custody fees	**625**	**-**	**625**	1,114	-	1,114

12. 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.

13. Transfers between sections

The value £589k shown as "transfers between sections" in 2021 represents the total transfer of funds from the AVC Provider Utmost to Standard Life on 6 July 2020. During the year funds from the AVC Provider Utmost of £58k were invested together with the normal contributions in the DC Section main fund investments on 10 July 2020.

14. Pooled investment vehicles

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Bonds	**105,431**	**-**	**105,431**	99,229	-	99,229
Equities	**47,384**	**-**	**47,384**	45,117	-	45,117
Secure income fund	**51,000**	**-**	**51,000**	51,381	-	51,381
Diversified growth	**22,786**	**-**	**22,786**	44,730	-	44,730
Multi-asset	**34,704**	**-**	**34,704**	34,954	-	34,954
Infrastructure Equity Fund	**50,491**	**-**	**50,491**	51,285	-	51,285
Alternative Debt Fund	**23,895**	**-**	**23,895**	6,948	-	6,948
Lifestyle funds	**-**	**14,257**	**14,257**	-	12,471	12,471
Other	**-**	**2,596**	**2,596**	-	1,887	1,887
	335,691	**16,853**	**352,544**	333,644	14,358	348,002

The pooled investments are held in the name of the Plan. Income generated by Ares Management LLC, BlackRock Investment Management (UK) Limited, CQS Management Limited, Majedi Asset Management Limited and Ruffer LLP is distributed, as shown in note 10. Income generated by the defined contribution units is not distributed, but retained within the pooled investments and reflected in the market value of the units.

15. AVC investments

The Trustee holds assets within the main fund and also holds assets which are separately invested from the main fund in the form of unitised funds and policies of assurance. These secure additional benefits, on a money purchase basis, for those members who have elected to pay additional voluntary contributions. Members participating in this arrangement receive an annual statement made up to 31 March each year, confirming the amounts held to their account and the movements during the year.

The total amount of AVC investments at the year end is shown below:

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Standard Life Assurance Company	**392**	**-**	**392**	364	-	364

16. Other investment balances

Defined Benefit Section

	Assets £000	**Liabilities £000**	**2022 £000**	Assets £000	Liabilities £000	2021 £000
Investment income receivable	**-**	**-**	**-**	1,760	-	1,760

17. Fair value hierarchy

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

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities which the reporting entity can access at the assessment dates.
Level 2	Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly or indirectly. Observable inputs are inputs which reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.
Level 3	Unobservable inputs for the asset or liability. Unobservable inputs are inputs which reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

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

The Plan's investment assets fall within the above hierarchy as follows:

	2022 Level 1 £000	2022 Level 2 £000	2022 Level 3 £000	2022 Total £000
Defined Benefit Section				
Pooled investment vehicles	**-**	**210,306**	**125,385**	**335,691**
AVC investments	**-**	**-**	**392**	**392**
Cash	**120**	**-**	**-**	**120**
Other investment balances	**-**	**-**	**-**	**-**
	120	**210,306**	**125,777**	**336,203**
Defined Contribution Section				
Pooled investment vehicles	**-**	**16,853**	**-**	**16,853**
	-	**16,853**	**-**	**16,853**
	120	**227,159**	**125,777**	**353,056**

Analysis for the prior year end is as follows:

	2021 Level 1 £000	2021 Level 2 £000	2021 Level 3 £000	2021 Total £000
Defined Benefit Section				
Pooled investment vehicles	-	224,030	109,614	333,644
AVC investments	-	-	364	364
Cash	73	-	-	73
Other investment balances	1,760	-	-	1,760
	1,833	224,030	109,978	335,841
Defined Contribution Section				
Pooled investment vehicles	-	14,358	-	14,358
	-	14,358	-	14,358
	1,833	238,388	109,978	350,199

18. 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 or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market exchange rates.

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

The Plan has exposure to these risks because of the investments it makes to implement its investment strategy described in the Trustee's Report for the Defined Benefit Section (DBS) and Defined Contribution Section (DCS). 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 portfolios.

The Plan invests in sterling denominated pooled investment vehicles (PIVs). The Plan therefore has direct credit risk to the PIV provider and indirect credit and market risks arising from the underlying investments of the PIVs. The Trustee selects the PIVs based on their investment mandates and monitor the PIV at the fund level. The investment managers are responsible for managing the underlying credit and market risks within the PIVs.

The Plan has exposure to indirect currency risk as some of its investments are held in overseas markets through PIVs.

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

Direct Credit risk

The Plan is subject to direct credit risk with the pooled investment managers listed on page 1. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustee carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager. A summary of pooled investment vehicles by type of arrangement is as follows:

	2022 £000's	2021 £000's
Authorised unit trusts: Defined Benefit Section	210,306	224,030
Shares of Limited Partnerships	128,930	109,614
Unitised insurance contract: Defined Contribution Section	16,583	14,358
Total	**355,819**	**348,002**

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

All the pooled investment vehicles are unrated.

19. Investment risks continued

Indirect credit and market risks

The table below summarises which PIVs have significant exposure to indirect credit and market risks.

Defined Benefit section

	Credit risk	Foreign exchange risk	Interest rate risk	Other price risk
Insight - Broad Opportunities	✓	✓	✓	✓
Ruffer Absolute Return	✓	✓	✓	✓
CQS - Multi Asset Credit	✓	✓	✓	✓
Ares - Secured Finance	✓	✓	✓	
JP Morgan infrastructure Fund	✓		✓	✓
Europa Real Estate Debt	✓		✓	✓
Insight Credit	✓	✓	✓	✓
BlackRock - Fixed Interest Gilts	✓		✓	
BlackRock - Index-Linked Gilts	✓		✓	✓
BlackRock - Liquidity	✓		✓	

As the JP Morgan infrastructure fund is denominated in US Dollars the Plan is also subject to direct currency risk in respect of its valuation of $66,409k (£49,057) as at 31 March 2022 ($70,752k (£51,285) as at 31 March 2021).

Defined Contribution section

The Defined Contribution Section is subject to direct credit risk in relation to Standard Life Assurance Limited through its holding in Unitised insurance contracts provided by Standard Life.

Standard Life Assurance Limited is regulated by the Financial Conduct Authority and maintains separate funds for its policy holders. The Trustee monitors the creditworthiness of Standard Life Assurance Limited by reviewing published credit ratings. Standard Life Assurance Limited invests all the Plan's funds in its own investment unit linked funds and it does not use any other investment funds or reinsurance arrangements. In the event of default by Standard Life Assurance Limited, the Plan is protected by the Financial Services Compensation Scheme.

The table below summarises which PIVs have significant exposure to indirect credit and market risks.

	Credit risk	Foreign exchange risk	Interest rate risk	Other price risk
Standard Life Passive Plus IV Pension Fund	✓	✓	✓	✓
Standard Life At Ret (Passive Plus Universal) Pension Fund	✓	✓	✓	✓
SL Schroder Global Emerging Markets Pension Fund	✓	✓	✓	✓
Standard Life Money Market Pension Fund	✓	✓	✓	✓
SL Vanguard US Equity Pension Fund	✓	✓	✓	✓
Standard Life Passive Plus III Pension Fund		✓	✓	✓
Standard Life Property Pension Fund	✓	✓	✓	✓
Standard Life Passive Plus V Pension Fund	✓	✓	✓	✓
Standard Life Pre Ret (Passive Plus Universal)	✓	✓	✓	✓
SL BlackRock ACS World ex UK Equity Tracker Pension Fund	✓	✓	✓	✓
SL iShares Pacific ex Japan Equity Index Pension Fund	✓	✓	✓	✓
SL ASI UK Smaller Companies Pension Fund	✓	✓	✓	✓
SL BlackRock ACS Continental European Eq Trk Pension Fund	✓	✓	✓	✓

The above funds are shown here on the basis of materiality. Disclosures are not made in respect of smaller funds.

19. Concentration of investments

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

	2022		2021	
	£000	**%**	£000	%
Ares - Secured Finance	**51,000**	**14.4**	51,381	14.6
JP Morgan infrastructure Fund	**49,058**	**13.8**	51,285	14.6
Ruffer Absolute Return	**47,384**	**13.4**	45,117	12.8
Insight - Broad Opportunities	**22,786**	**6.4**	44,730	12.7
CQS - Multi-Asset Credit	**34,704**	**9.8**	34,954	9.9
BlackRock - Liquidity	**12,894**	**3.6**	19,562	5.6
Europa	**28,873**	**8.1**	6,948	2.0

20. Employer-related investments

There was no employer-related investment as at 31 March 2022 (31 March 2021: none).

21. Current assets

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Contributions due from the employer in respect of:						
- Employer	**-**	**133**	**133**	300	125	425
Reimbursement of insured pensions	**2**	**-**	**2**	2	-	2
Pensions receivable	**39**	**-**	**39**	6	-	6
Cash deposits held with the Plan Administrator	**1,919**	**1**	**1,920**	1,057	1	1,058
	1,960	**134**	**2,094**	1,365	126	1,491

The cash deposits held with the Plan Administrator represents the balance applicable to the Plan on the PFT Limited Clients' Trust Account. The account was held with the National Westminster Bank Plc until 17 May 2021, as the Trustee appointed Barclays Bank Plc.

22. Current liabilities

	Defined Benefit Section £000	**Defined Contribution Section £000**	**2022 Total £000**	Defined Benefit Section £000	Defined Contribution Section £000	2021 Total £000
Pensions payable	**-**	**-**	**-**	1	-	1
Lump sums on retirement payable	**-**	**1**	**1**	51	-	51
Death benefits payable	**-**	**-**	**-**	16	-	16
Taxation payable	**155**	**-**	**155**	162	-	162
Administrative expenses payable	**95**	**-**	**95**	105	-	105
Investment management expenses payable	**48**	**-**	**48**	39	-	39
	298	**1**	**299**	374	-	374

23. Related party transactions

(a) Key management personnel of the Plan or its parent (in aggregate)

Of the Trustee Directors in office during the year who are members of the Plan, benefits are in accordance with the Plan rules and on the same terms as normally granted to members. D Little and R Wills are deferred members of the Plan. E Fielding is a retired member of the Plan. Trustee fees and expenses were paid during the year as referenced in note 8. A Trustee fee of £4k (2021: £7k) was payable to D Little and expenses of £Nil (2021: £Nil) were payable in respect of Trustee expenses. At the year end £Nil (2021: £2k) was payable to D Little.

24. Outstanding Capital Commitments

The Defined Benefit Section Investments in private equity funds involve giving an undertaking to subscribe to certain capital commitments. The managers gradually draw down money to invest as investment opportunities are identified over a period of time. The following capital commitment was outstanding at the year end.

Europa Real Estate Debt: As at 31 March 2022, the total capital commitment to the private equity was £35,000,000 (2021: £35,000,000) of which £10,828,697 remains undrawn at the year end (2021: £27,607,626).

25. Contingent Liability

On 26 October 2018, the High Court ruled that benefits provided to members who had contracted out of their Plan must be recalculated to reflect the equalisation of state pension ages between 17 May 1990 and 6 April 1997. Following the ruling, it is expected that the Trustee will need to equalise guaranteed minimum pensions between men and women and this will result in an additional liability for the Plan. A further High Court ruling on 20 November has provided clarification on the obligations of pension scheme trustees to equalise past transfer values. The Trustee will be reviewing the impact of this further judgment. Any back payments and related interest will be accounted for in the year of payment.

26. Subsequent events

As a result of the recent market events there was a dramatic downturn in UK markets in September 2022. The Trustee has designed and implemented an investment strategy to withstand short term fluctuations. The Trustee continues to take proactive and considered steps, in conjunction with their advisers, to assess the situation and respond to it.

Independent Auditor's Statement about Contributions to the Trustee of the Avon Rubber Retirement and Death Benefits

Statement about contributions

We have examined the Summary of Contributions payable under the Schedule of Contributions to the Avon Rubber Retirement and Death Benefits Plan in respect of the year ended 31 March 2022 which is set out on page 59.

In our opinion contributions for the Plan year ended 31 March 2022 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 Schedule of Contributions certified by the Plan Actuary on 21 September 2020.

Scope of work on Statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the Summary of Contributions have in all material respects been paid 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.

Respective responsibilities of Trustee and Auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on page 41, the Plan's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions showing the rates and due dates of certain contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Plan and for monitoring whether contributions are made to the Plan by the employer in accordance with the Schedule of Contributions.

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

The purpose of our work and to whom we owe our responsibilities

This statement is made solely to the Plan's Trustee in accordance with the Pensions Act 1995 and Regulations made thereunder. Our work has been undertaken so that we might state to the Plan's Trustee those matters we are required to state to it 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 for our work, for this statement, or for the opinions we have formed.

Iryndeep Kaur-Delay
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Date: ....

Summary of Contributions

During the year ended 31 March 2022, the contributions payable to the Plan by the Employer were as follows:

	Defined Benefit Section £000	Defined Contribution Section £000	**2022 Total £000**
Contributions payable under the Schedule of Contributions:			
Employer contributions:			
Normal	-	1,542	**1,542**
Other	738	-	**738**
Deficit funding	2,700	-	**2,700**
	3,438	1,542	**4,980**
Employee contributions:			
Normal	-	5	**5**
Contributions payable under the Schedule of Contributions (as reported on by the Plan Auditor) and reported in the financial statements	3,438	1,547	**4,985**

Approved on behalf of Avon Rubber Pension Trust Limited and signed on its behalf by:

.... Trustee Director

.... Trustee Director

Date: 26th October 2022

Certification of schedule of contributions

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 March 2019 to be met by the end of the period specified in the recovery plan dated 21 September 2020.

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 21 September 2020.

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

Signature	*Susan Hoare*
Scheme Actuary	Susan Hoare
Qualification	Fellow of the Institute and Faculty of Actuaries
Date of signing	21 September 2020
	Aon Solutions UK Limited
Address	1 Redcliff Street Bristol BS1 6NP

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Statement of Investment Principles

Defined Contribution Section of the Avon Rubber Retirement and Death Benefits Plan

Introduction

The Avon Rubber Retirement and Death Benefits Plan ('the Plan') is a hybrid pension scheme consisting of defined benefit (DB) and defined contribution (DC) sections established under the same trust deed. The current document governing the Plan is the rules dated 30 September 2009. This statement is prepared by Avon Rubber Pension Trust Limited as the sole trustee of the Plan ('the Trustee') but relates solely to the DC section; a separate statement is in place for the DB section. The DC section is a "qualifying scheme" for the purposes of automatic enrolment and the Pensions Act 2008.

The DC section contains funds that are earmarked for each member of the Plan which are held under a group insurance policy issued by Standard Life Assurance Limited ('Standard Life') to the Trustee.

The requirement to prepare a Statement of Investment Principles (SIP)

Under section 35 of the Pensions Act 1995 (as amended by section 244 of the Pensions Act 2004) and regulation 2 of The Occupational Pension Schemes (Investment) Regulations 2005 (the "Investment Regulations"), there is a requirement to prepare a Statement of Investment Principles ('SIP'). A SIP is a written statement of the investment principles governing investment decisions made by the Trustee.

In accordance with The Occupational Pension Schemes (Investment) Regulations 2005 the statement is reviewed:

- At least every three years; and
- Without any delay after any significant change in investment policy or the demographic profile of relevant members.

The Trustee's investment responsibilities are governed by the Plan's trust deed and this Statement takes full regard of its provisions. A copy of the Plan's trust deed is available for inspection upon request.

Strategy

The Trustee's primary objectives for the Defined Contribution Section are:

- To provide members with a range of investment options to meet their individual risk/return requirements and to monitor and review the range on a regular basis;
- To ensure that the fund range recognises that members' investment needs change as they progress towards retirement age with younger members generally seeking real growth and older members' greater security;
- To ensure that the individual fund options are managed to achieve a return commensurate with an acceptable level of risk given the stated aims of each fund.

The Trustee's policy is to provide suitable information for members so that they can make appropriate investment decisions. Members are responsible for selecting the fund or combination of funds in which they wish to invest their pension accounts from the available range.

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The Trustee uses a fund platform provided by Standard Life to implement the Plan's objective. The platform provides access to a range of pooled funds through a single administration interface. Members currently have access to all of the funds available on the Standard Life platform, but will be reviewed in 2020. The available funds are listed in a member booklet published by Standard Life on their website.

In addition, the Plan offers the Standard Life **Active Plus III Universal Strategic Lifestyle Profile Fund.**

There are three main stages in this investment strategy:

- More than 10 years to retirement (the 'growth phase'), assets are invested in the Standard Life Active Plus III Pension Fund which aims to produce growth while being managed to a balanced level of risk;
- Between 10 and 5 years to retirement, half of the assets are gradually moved into the Standard Life Pre Retirement (Active Plus Universal) Pension Fund, which is a lower risk fund than the earlier growth phase;
- During the last 5 years before retirement, all the assets are gradually moved into the Standard Life At Retirement (Active Plus Universal) Pension Fund, which is the lowest risk fund of the three and is designed to give flexibility at retirement or to be appropriate for drawdown.

Default Investment

The Trustee is required to designate a default investment strategy for members who join the Plan and do not choose an investment option for how their contributions are invested. The Trustee has designated the Standard Life Active Plus III Universal Strategic Lifestyle Profile (outlined above) as the default arrangement for the Plan. This fund has been designed by Standard Life to be appropriate for drawdown at retirement.

The Default option was reviewed in 2017. The default will be reviewed again in 2020 with regard to the current membership profile of the Plan.

The Trustee's policies in relation to the Default arrangement in respect of matters set out in Regulation 2(3) of the Occupational Pension Schemes (Investment) Regulations 2005, as amended are those set out elsewhere in this document as they apply similarly to the overall fund range within the DC section.

Risk Measurement and Management

The Trustee has considered risk from a number of perspectives.

The investment options made available to members have been chosen with the aim of enabling members to control the following risks:

- ***Inflation risk.*** The risk that the investment returns over members' working lives will not keep pace with inflation and will not, therefore, secure an adequate retirement benefit.
- ***Volatility risk.*** The risk of significant short-term fluctuations in the value of members' invested capital which some members may be concerned about.

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- ***Capital risk.*** The risk of a significant fall in the value of members' invested capital as they approach retirement.
- ***Conversion risk.*** The risk that relative market movements in the years just prior to retirement lead to a substantial reduction in benefits secured.

A number of other risks have also been considered when deciding on the investment options to make available to members:

- ***Default option risk.*** The risk of the default option being unsuitable for the requirements of some members. The Trustee has provided additional Lifestyle and individual fund options in addition to the default, and has communicated to members the need to review their own requirements and circumstances before making any investment decisions.
- ***Investment Manager Risk.*** The risk that the selected investment managers underperform their objectives. The Trustee also provides passive options that avoid active management risk.
- ***Diversification Risk.*** The Trustee has chosen funds that are constructed from well diversified portfolios of assets to reduce the stock specific risk faced by the Plan.
- ***Liquidity.*** Being forced to sell investments to pay benefits in unfavourable financial market conditions. The Trustee has invested in unitised pooled funds which are easily redeemable.
- ***Geared or speculative investments using derivatives.*** The Trustee has not invested in funds that are geared or make speculative use of derivatives.
- ***Credit Risk.*** The risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The credit risk the Plan is exposed to arises from both holdings in the underlying funds, and through the investment in the Standard Life platform.
- ***Market Risk.*** The Plan is subject to currency, interest rate and other price risk associated with the underlying investments on the Standard Life platform. These risks can impact the valuations of the funds. The Trustee has selected a wide range of funds to be available to allow members to suitably diversify their investments to manage these risks. This is also considered when setting the lifestyle strategies.

Due to the complex and interrelated nature of these risks, the Trustee generally considers these risks in a qualitative rather than quantitative manner as part of an ongoing review process.

Implementation

The Trustee recognises that members have differing investment needs and that these may change during the course of members' working lives. The Trustee also recognises that members have different attitudes to risk, and also that different members may wish to target different forms of benefit at retirement.

The Trustee believes that members should be able to make their own investment decisions based on their individual circumstances. The Trustee regards its duty as making available a range of investment options sufficient to enable members to tailor their investment strategy to their own needs, if they so wish.

The range of funds, and default strategies, was chosen by the Trustee after taking advice from the Trustee's investment advisers. In choosing the Plan's

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investment options, it is the Trustee's policy to consider:

- A full range of asset classes.
- The suitability of the possible styles of investment management and the need for manager diversification.
- The suitability of each asset class for a defined contribution scheme.
- The need for appropriate diversification of asset classes.
- The current and expected future membership of the Plan.

Governance

The Trustee is responsible for the investment of the Plan's assets. The Trustee takes some decisions itself and delegates others. When deciding which decisions to take itself and which to delegate, the Trustee has taken into account whether it has the appropriate training and expert advice in order to take an informed decision. The Trustee has established the following decision making structure:

<table>
<tr><td colspan="2">Trustee
- Monitors actual returns versus the Plan's investment objective.
- Sets structures and processes for carrying out its role.
- Selects investment advisers and fund managers.
- Decides on appropriate structure for implementing investment strategy.
- Monitors investment advisers and fund managers.
- Makes ongoing decisions relevant to the operational principles of the Plan's investment strategy.
- Reviews the DC fund range and lifestyle options.</td></tr>
<tr><td>Investment Advisers
- Advise on all aspects of the investment of the Plan's assets, including implementation as required.
- Advise on this statement.
- Provide any required training.</td><td>Platform Provider
- Operates within the terms of this statement and their written contracts.
- Manages the allocation of certain of the funds (including the default) between underlying fund managers, in accordance with agreed benchmarks and rebalancing</td></tr>
</table>

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

The Trustee endorses the UK Stewardship Code (the 'Code') that was published in July 2010 by the Financial Reporting Council. The Code employs the same principles as set out in the Institutional Shareholder Committee's Statement of Principles.

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustee (or, to the extent delegated, by the fund managers) against the following criteria:

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- The best interests of the members and beneficiaries
- Security
- Quality
- Liquidity
- Profitability
- Nature and duration of liabilities
- Tradability on regulated markets
- Diversification
- Use of derivatives

Environmental, Social and Governance Considerations

The Trustee views any considerations that can affect long term, risk adjusted returns as being financially material. Financially material considerations include environmental, social and governance factors, including climate change, which can negatively impact the value of investments held if not understood and evaluated properly.

The Trustee considers these risks by taking advice from their investment adviser when setting the Plan's investment strategy, when selecting managers and when monitoring their performance.

Stewardship – Voting and Engagement

As part of their delegated responsibilities, the Trustee expects the Plan's fund managers to:

- Where appropriate, engage with investee companies with the aim to protect and enhance the value of assets.
- Exercise the Trustee's voting rights in relation to the Plan's assets.

The Trustee regularly reviews the continuing suitability of the appointed managers and takes advice from the investment adviser with regard to any changes. This advice includes consideration of broader stewardship matters and the exercise of voting rights by the appointed managers. If a manager is found to be falling short of the standards that the Trustee expects, the Trustee undertakes to engage with the manager and seek a more sustainable position.

The Trustee endeavours to review the stewardship activities of its asset managers on an annual basis, covering both engagement and voting actions. The Trustee will review the alignment of its policies to those of that manager and ensure the manager uses its influence as a major institutional investor to carry out the Trustee's rights and duties as a responsible shareholder and asset owner. This will include voting, along with engaging with underlying investee companies and assets to promote good corporate governance and accountability.

Policies on Costs and Transparency

It is the Trustee's view that long term performance, net of fees, is an important metric on which to evaluate its asset managers. Asset managers are remunerated by the deduction of set percentages of assets under management, which is in line with market practice. This avoids a short-term approach to investment performance that may be the result of any performance-related fees. The Trustee believes it is important to understand all the different costs and charges, which are paid by members. These include:

- explicit charges, such as the annual management charge, and additional expenses that are disclosed by fund managers as part of the Total Expense Ratio ('TER')
- implicit charges, such as the portfolio turnover costs (transaction costs) borne within a fund. The Trustee defines portfolio turnover costs as the costs incurred in buying and selling underlying securities held within the fund's portfolio. These are incurred on an ongoing basis and are implicit within the performance of each fund.

The Trustee collects information on these member-borne costs and charges on an annual basis, where available, and sets these out in the Fund's Annual Chairman's Statement regarding DC Governance (the "Annual Chairman's Statement"), which is made available to members in a publicly accessible location.

No specific ranges are set for acceptable costs and charges, particularly in relation to portfolio turnover costs. However, the Trustee expects its investment adviser to highlight if these costs and charges appear unreasonable when they are collected as part of the Annual Chairman's Statement exercise.

Trustee's policies on arrangements with asset managers

The Trustee monitors those investments used by the Plan to consider the extent to which the investment strategy and decisions of the asset managers are aligned with the Trustee's policies as set out in the Statement of Investment Principles, including those on non-financial matters.

The Trustee also monitors those investments available through the Plan, but not included in the default strategy. This includes monitoring the extent to which asset managers:

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

The Trustee is supported in this monitoring activity by its investment consultant. Before appointment of a new investment, the Trustee reviews the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies. Where possible, the Trustee will seek to express its expectations to the asset managers to try to achieve greater alignment.

The Trustee believes that setting clear expectations to the asset managers and regular monitoring of asset managers' performance and investment strategy is, in most cases, sufficient to incentivise the asset managers to make decisions that align with the Trustee's policies and are based on assessments of medium and long-term financial and non-financial performance.

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

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There is typically no set duration for arrangements with asset managers, although the continued appointment all for asset managers will be reviewed periodically, and at least every three years.

Members' Views and Non-Financial Factors

The Trustee recognises the importance of offering a suitable range of investment options for members and, where applicable, will consider member feedback on updating the default strategy and self-select fund range.

The funds that make up the default strategy and other investment options do not apply purely ethical or moral judgements as the basis for investment decisions.

Realisation of Investments

The Plan's assets are invested in daily priced pooled investment funds, and the vast majority of the underlying assets are invested in quoted markets. The platform provider can be required to realise investments as soon as it becomes appropriate to do so.

Review

The Trustee will review this SIP at least every three years and immediately following any significant change in investment policy or the demographic profile of relevant members. The Trustee will take investment advice and consult with the Sponsoring Employer over any changes to the SIP.

Dated: 30 September 2020

Signed: R Wills

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Name: ROB WILLS

Signed:

E. Fielding

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Name: E. FIELDING.

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