

Registered number: 10024685

**AMG UK GROUP 2006 PENSION PLAN
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024**

AMG UK GROUP 2006 PENSION PLAN

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AMG UK GROUP 2006 PENSION PLAN

TRUSTEE AND ITS ADVISERS YEAR ENDED 31 DECEMBER 2024

Trustee	AMG UK Group Pension Trustee Limited
Company Appointed Directors	E Butler L Scaife S Scarfe
Member-Nominated Directors	D Bristow (Appointed 1 October 2024) J Murrie
Professional Trustee	Ross Trustee Services Limited represented by J Branagh and S Barber (Appointed 1 December 2024)
Principal Employer	AMG Chrome Limited
Secretary to the Trustee	Aon Solutions UK Limited
Actuary	P Crocker, FIA, Aon Solutions UK Limited
Administrator	Aon Solutions UK Limited
Independent Auditor	BDO LLP
Bankers	The Royal Bank of Scotland plc (Closed 14 August 2024) HSBC Bank plc
Covenant Adviser	Aon Solutions UK Limited
Investment Adviser	Aon Investments Limited ('AIL')
Investment Managers	Aon Investments Limited Mobius Life Limited ('Mobius') as platform provider (Disinvested 19 March 2024)
AVC Providers	Aviva plc ('Aviva') Santander UK plc ('Santander') (Disinvested 5 November 2024) Utmost Life and Pensions Limited ('Utmost')
Fiduciary Manager	Aon Investments Limited
Legal Adviser	Eversheds Sutherland (International) LLP
Contact Details	AMG UK Group 2006 Pension Plan Aon, Aon Scanning Division PO Box 196 Huddersfield HD8 1EG amg.pensions@aon.com 0330 678 1459

AMG UK GROUP 2006 PENSION PLAN

TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Introduction

The Trustee of AMG UK Group 2006 Pension Plan (the 'Plan') is pleased to present the annual report together with the audited financial statements for the year ended 31 December 2024.

Constitution and management

The Plan is an occupational Defined Benefit ('DB') pension scheme. The Plan is governed by a Trust Deed, as amended from time to time, and is administered by Aon Solutions UK Limited in accordance with the establishing document and Rules solely for the benefit of its members and other beneficiaries.

The Plan was originally an occupational hybrid pension scheme comprising of a Defined Benefit ('DB') and a Defined Contribution ('DC') section. The DB Section and old DC Section (CAP Section) closed on 31 May 2006. A new DC Section commenced 1 June 2006. With effect from 1 July 2022, except for the AVC arrangements, the DC section of the Plan was transferred to the Aon MasterTrust in the members' individual names. During the year ended 31 December 2023 the remaining DC section net assets were transferred to the DB section.

The Trustee and its Directors are shown on page 1.

Under the Trust Deed and Rules of the Plan, the Trustee is appointed and removed by AMG Chrome Limited subject to the Member-Nominated arrangements.

The power of appointing and removing the Trustee Directors is contained in the Articles of Association of AMG UK Group Pension Trustee Limited subject to the Member-Nominated arrangements.

In accordance with the Pensions Act 2004, at least one third of the total number of Trustee Directors must be nominated by Plan members and are referred to as Member-Nominated Trustee Directors ('MNTDs'). Members of the Plan are able to nominate themselves or another member by completing a nomination form.

A Trustee Director can choose to retire from office at any time. A Member-Nominated Trustee Director can only be removed with the agreement of all other Trustee Directors. Company Appointed Trustee Directors are removed by AMG Chrome Limited.

The Trustee has appointed professional advisers and other organisations to support it in delivering the Plan's objectives. These individuals and organisations are listed on page 1. The Trustee has written agreements in place with each of them.

Trustee meetings

The Trustee Board met formally four times during the year to consider the business of the Plan.

Plan changes

In the year ended 31 December 2023, the Trustee agreed to transfer the remaining DC Section residual net assets, predominantly AVC investments, of £835,636 to the DB Section. The Trustee is currently reviewing the AVC arrangements with Aviva and Utmost (Santander has been fully disinvested in the year) with a view to transferring these to the Aon MasterTrust or other pension providers.

There were no other changes to the Plan in the year.

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TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Financial statements

The financial statements included in this annual report have been prepared and audited in accordance with the regulations made under Sections 41 (1) and (6) of the Pensions Act 1995.

Membership

Details of the membership changes of the Plan in the year are as follows:

	Deferreds	Pensioners	Total
Members at the start of the year	24	382	406
Adjustments to members	(1)	(1)	(2)
New spouses	-	4	4
Retirements	(2)	2	-
Deaths	-	(21)	(21)
Members at the end of the year	21	366	387

Pensioners include 84 (2023: 83) individuals receiving a pension upon the death of their spouse who was a member of the Plan.

The adjustments to members shown above are the result of retrospective updating of member records.

Pension increases

Pensions in payment are subject to increases in accordance with the Trust Deed and Rules, and increases applied are equal to or greater than those required by statutory regulations. Pension increases are awarded on 15 April each year, as follows:

- For members who left prior to 6 April 1988, 3% per annum; the increase in 2024 was 3%.
- For members who left post 6 April 1988 on pension accrued prior to 31 December 1999, 5% per annum; The increase in 2024 was 5%.
- For members who left post 6 April 1988 on pension accrued post 31 December 1999, in line with the Retail Price Index ('RPI'), subject to a maximum of 5% per annum. The increase in 2024 was 5%.
- For AVC pensions, in line with the RPI, subject to a maximum of 5% per annum. The increase in 2024 was 5%.

There were no discretionary pension increases in the year.

Deferred benefits are increased in line with legislation and the Plan Rules.

Transfers

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

No discretionary increases are included in the calculation of transfer values.

Transfers into the Plan are not allowed.

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Contributions

Contributions were paid in accordance with the Schedule of Contributions certified by the Plan Actuary on 30 March 2023.

Schedule of Contributions

The Employer will pay the following annual amounts on a monthly basis between 1 January 2022 and 31 December 2026 towards the Plan's deficit and to cover ongoing expenses, PPF levies and other levies collected by the Pensions Regulator:

	Deficit funding	Expenses
January – December 2023	£1.844m	£0.404m
January – December 2024	£1.899m	£0.416m
January – December 2025	£1.956m	£0.428m
January – December 2026	£2.015m	£0.441m

Additional Employer contributions are payable of 10% of any dividends paid by the Employer to its shareholders, within 1 month of the dividend being paid. In 2024, no additional contribution was received (2023: £3,551,428).

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TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Report on Actuarial Liabilities

As required by Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ('FRS 102'), the financial statements do not include liabilities in respect of promised retirement benefits.

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 Employer and set out in the Statement of Funding Principles, which is available to Plan members on request.

The most recent triennial actuarial valuation of the Plan effective as at 31 December 2021 showed that the accumulated assets of the Plan represented 96% of the Plan's technical provisions in respect of past service benefits; this corresponds to a deficit of £3.4m at the valuation date. The results of this valuation, together with the most recent Annual Actuarial updates as at 31 December 2022 and 31 December 2023 are detailed below.

	31 December 2021	31 December 2022	31 December 2023
The value of the technical provisions	£80.3 m	£57.0 m	£55.0 m
The value of the assets	£76.9 m	£48.2 m	£50.7 m

If the Plan had been discontinued and wound up at 31 December 2021 there would have been insufficient assets to buy out the accrued benefits through the purchase of annuity policies with an insurer. The estimated discontinuance (or wind up) funding level was 89% corresponding to a deficit of £9.3m.

The value of technical provisions is based on Pensionable Service to the valuation date and assumptions about various factors that will influence the Plan in the future, such as the levels of investment returns and pay increases, when members will retire and how long members will live. The method and significant actuarial assumptions used in the calculations are as follows:

Method

The actuarial method used in the calculation of the technical provisions is the projected unit method.

Significant Actuarial Assumptions

Discount rate - Fixed interest gilt yield curve plus 0.5% p.a.

RPI inflation - RPI yield curve derived from the gilt market at the valuation date.

Consumer Prices Index ('CPI') Inflation - The assumption for RPI inflation less 0.9% p.a. pre-2030 and less 0.1% p.a. post-2030.

Pension increases - Derived from the RPI or CPI inflation assumptions allowing for the maximum and minimum annual increases using term dependent best estimates of future inflation volatility.

Post-retirement mortality base table - Deferreds: 100% of S3PMA 'all' tables for males and 100% of S3PFA 'middle' tables for females. Pensioners: 91% of S3PMA 'heavy' tables for males and 101% of S3PFA 'heavy' tables for females.

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TRUSTEE’S REPORT
YEAR ENDED 31 DECEMBER 2024

Report on Actuarial Liabilities (continued)

Post-retirement mortality improvements - CM1_ 2021 core projections with Sk=7.0, A parameter= 0.5% and a long-term improvement rate of 1.5% p.a.

Recovery Plan

To eliminate the funding shortfall, the Employer will pay the following amounts for 5 years from 1 January 2022 towards the Plan's deficit:

2022	£1.305m
2023	£1.844m
2024	£1.899m
2025	£1.956m
2026	£2.015m

These arrangements were formalised in a Schedule of Contributions which the Plan Actuary certified on 30 March 2023. A copy of this certificate is included on page 37 of this report.

Next actuarial valuation

The next triennial valuation is due to be carried out as at 31 December 2024 and is currently underway.

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TRUSTEE’S REPORT
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Investment matters

Management and custody of investments

As required by Section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles (‘SIP’). A copy of the SIP can be found on the Plan’s website at <https://amgukgrouppensions.com> and is available on request from the Administrator.

The Trustee has delegated management of investments to the investment managers who are regulated by the Financial Conduct Authority (‘FCA’) in the United Kingdom and manage the investments in line with the investment managers agreements which are designed to ensure that the objectives and policies captured in the SIP are followed.

The Trustee has considered environmental, social and governance (‘ESG’) factors for investments (including but not limited to climate change) and has delegated to the investment managers the responsibility for taking these considerations into account when assessing the financial potential and suitability of an investment and for exercising the rights (including voting rights) relating to the Plan’s investments.

The investment managers are paid fees for their services. The fees are calculated as a percentage of the market value of the part of the Plan that they manage.

The Trustee has not appointed a custodian to the Plan as the investment managers appoint a custodian for the assets underlying the investments they manage for the Trustee. The Custodians appointed by the investment managers are shown below:

Managers	Custodians
Aon Investments Limited	BNY Mellon Asset Management
Mobius Life Limited (as platform provider):	
Legal & General Investment Management Limited	The Northern Trust Company
Columbia Threadneedle Investments	State Street Bank & Trust Company

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 company, in line with common practice for pension scheme investments.

The Trustee has considered the nature, disposition, marketability, security and valuation of the Plan’s investments and believe them to be appropriate relative to the reasons for holding each class of investments.

Investment report

Manager allocation and performance summary

Commentary

Global equity markets rose over the last twelve months. The MSCI ACWI rose 20.7% in local currency and 20.1% in sterling terms, with sterling appreciating against major global currencies except the US Dollar. Inflation slowed down in most major economies and the global economy proved more resilient than previously anticipated.

Major political developments dominated the last 12 months, with the UK and US elections delivering a clear mandate to the respective Labour and Republican parties, while Europe saw political instability.

In Q3 2024, the Labour Party returned to government in the UK after 14 years, winning 412 seats with a vote share of 33.8%. The Conservative party came second, winning 121 seats with a vote share of 23.7%. Keir Starmer was appointed as the Prime Minister. Rachel Reeves was named as the Chancellor, and Liz Kendall was appointed as the Secretary of State for Work and Pensions.

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TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Investment report (continued)

The outcome of the US Presidential Elections, which were held in Q4 2024, resulted in a decisive victory for the Republican Party candidate, Donald Trump, who secured 312 electoral college votes, surpassing the 270 needed to become President. The Republican Party gained a majority in the US Senate, holding 53 seats, and gained a majority in the House of Representatives, securing 220 seats (218 required).

Political instability in Europe increased over Q4 as the French government led by Prime Minister ('PM') Michel Barnier collapsed after being ousted in a parliamentary vote of no confidence. The vote came in response to Barnier's use of Article 49.3 of the Constitution, which allowed him to push through budgetary measures without parliamentary approval. The widely contested budget, introduced in October, aimed at reducing the French budget deficit by €60 billion through a mix of lower government expenditure and higher taxes.

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

In Germany, the coalition government comprising the Social Democratic Party ('SPD'), the Green Party, and the Free Democratic Party ('FDP'), collapsed when Chancellor Olaf Scholz dismissed Christian Lindner, the finance minister and Chairman of the FDP. German snap elections will now be held on February 23, after the minority government lost a vote of confidence in the parliament.

In its latest update, the International Monetary Fund ('IMF') upgraded the global economic growth forecast for 2025 by 0.1% to 3.3%. For advanced economies, the growth rate for 2025 is raised by 0.1% to 1.9%. The growth projection for emerging markets and developing economies is upgraded by 0.1% to 4.3% for 2026. The UK's growth projection was increased by 0.1% to 1.6% for 2025. The growth forecast for the US for 2025 and 2026 has been increased by 0.5% and 0.1% to 2.7% and 2.1%, respectively. For the Euro area, the growth forecast for 2025 and 2026 was downgraded by 0.2% and 0.1% to 1.0% and 1.4%, respectively.

In the UK Spring Budget (Q1 2024), former Chancellor Jeremy Hunt announced a further 2% reduction in employee National Insurance rates, to 8%, which followed the 2% cut announced in the Autumn Statement. Meanwhile, the Office for Budget Responsibility ('OBR') anticipated that underlying government debt would continue to rise in each of the subsequent 4 years, peaking at 93.2% of GDP, before falling back somewhat to 92.9% in 2028-29.

In the Labour Party's first Autumn budget presented in Q4 2024, Chancellor Rachel Reeves announced a sweeping set of changes to the UK's tax system amounting to £40bn of tax rises. The bulk of the increased tax revenue is set to be derived from Employer's National Insurance Contributions ('NIC'), with an estimated £25.7bn of revenue raised. However, the amount employers can now claim back from their National Insurance bill will increase from £5,000 to £10,500. For Capital Gains Tax, the lower rate will rise from 10% to 18% while the higher rate will rise from 20% to 24%.

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

In Q4 2024, the UK and Germany signed a landmark defence agreement called the "Trinity House Agreement," which aims to enhance security, investment, and job creation. This pact includes increased coordination in mutual defence, allowing British and German troops to participate in joint military exercises along NATO's eastern border with Russia. Additionally, the agreement focuses on safeguarding vital underwater cables that transmit data beneath the North Sea. Britain's Defence Secretary, John Healey, described the deal as "a milestone moment in our relationship with Germany." Meanwhile, the UK became the first European nation to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ('CPTPP'). The trade pact is expected to boost the UK economy by £2 billion annually in the long run.

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Investment report (continued)

Trade and geopolitical tensions remained elevated over the past 12 months. In Q1 2024, the European Union ('EU') introduced a new set of sanctions against Russia, targeting nearly 200 individuals and entities. The US also announced 500 new sanctions against Russia, including measures in response to the death of opposition activist Alexei Navalny. These sanctions are aimed at officials involved in Navalny's imprisonment and Russia's financial sector, defense industry, and procurement networks. In Q2 2024, the EU applied extra tariffs ranging from 17% to 38% on electric vehicles ('EVs') imported from China, in addition to the existing 10% tariff. Chinese officials have criticised the tariffs as "blatant protectionism" and have vowed to take necessary measures to protect China's interests. In Q4 2024, the US government imposed licensing restrictions on exporting essential semiconductor manufacturing tools to 140 Chinese companies. In retaliation, the Chinese government banned the export of certain minerals which are critical for semiconductor manufacturing and military applications, to the US. The US government also increased tariffs on the import of certain tungsten products and polysilicon and solar wafers from China to 25% and 50%, respectively.

During the year, the Bank of England ('BoE') reduced its policy interest rate twice by 0.25% each to 4.75%, with the first rate cut coming in July and the second in November. In its latest meeting, the BoE indicated a weakness in near-term activity indicators, projecting zero GDP growth for the fourth quarter of 2024, a revision from the previously anticipated 0.3% growth. The Monetary Policy Committee also expressed uncertainty about how the measures announced in the Autumn budget and the trade policy of the incoming US administration will affect the overall economic outlook. The BoE also postponed the implementation of Basel 3.1 standards until January 2027, reducing the increase in capital requirements for UK banks to less than 1% from the previously estimated 3%.

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

Over the year, the US Federal Reserve ('Fed') cut its benchmark interest rate by 1.0% to a range of 4.25%-4.50%. The Federal Open Market Committee ('FOMC') stated that the risks to achieving its employment and inflation targets were fairly balanced. The latest Fed "dot plot," showed FOMC members projecting a reduction of only half a percentage point in interest rates for 2025 with the rate expected to decline to 3% beyond 2027. In 2024, the European Central Bank ('ECB') reduced its policy interest rate four times by 25bps each to 3.0% in response to lower inflation and weak eurozone growth. The bank also revised its economic growth projections downwards from those made in September, now forecasting growth rates of 0.7% for 2024, 1.1% for 2025, and 1.4% for 2026. Additionally, headline inflation is expected to rise to 2.4% in 2024, 2.1% in 2025, and 1.9% in 2026. According to Christine Lagarde, the ECB President, consumption has remained lower than expected, leading to a downward revision in growth projections.

The Bank of Japan ('BoJ') ended its era of negative interest rates by raising its interest rate to 0-0.1% range in Q1 2024 from the previous -0.1%. In Q3 2024, the BoJ further raised its policy interest rate by 0.15% to 0.25%, the highest since 2008. The BoJ plans to reduce its monthly purchase of Japanese government bonds by 400 billion yen each quarter, from the current 5.7 trillion yen to 2.9 trillion yen by Q1 2026. In Q2 2024, Japan's 10-year government bond yield surpassed 1% for the first time in 11 years. By the end of Q4 2024, it remained close to its 1-year high at 1.09%. The BoJ Governor Kazuo Ueda stated that if the outlook for the economy and prices is realised, then they will need to continue raising interest rates and adjust the level of monetary easing accordingly.

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Investment report (continued)

To address the economic slowdown, in Q3 2024, the People's Bank of China ('PBOC') decreased the reserve requirement ratio (RRR) for financial institutions by 50 basis points and reduced its 7-day reverse repo rate by 20 basis points to 1.5% from 1.7%. The RRR cut will inject RMB1 trillion (\$142 billion) into the banking system to stimulate the economy. Additionally, in a move to bolster the property markets, the PBOC also lowered mortgage down payments for second homes from 25% to 15%. In Q4 2024, the PBOC decreased the one-year and five-year loan prime rates — which serve as references for business loans and mortgages, by 25 basis points each to 3.1% and 3.6%, respectively.

Brent crude oil prices fell by 3.1% to \$74.6/BBL over the last twelve months. Meanwhile, in Q4 2024, the OPEC+ members agreed to postpone the 2.2 million barrels planned increases in oil production until the end of March 2025, phasing out the adjustments gradually by the end of September 2026.

Market focus

The UK equities delivered positive returns over the year, rising by 9.5%. The Financial sector, the largest sector in the MSCI UK Index (22.2% of the index weight), outperformed with a return of 30.8%. Consumer Staples and Industrials rose by 14.7% and 15.1%, respectively. Real Estate and Materials sector were the worst performers, declining by 16.5% and 10.0% respectively, over the year.

US equities were the best-performing market in local currency (25.1%) and sterling terms (27.3%) over the year. Several amongst the "Magnificent-7" stocks performed well after reporting solid earnings amidst high demand for A.I. technology. The Communication Services sector outperformed, delivering 39.0% returns over the year. Information Technology, the largest sector in the MSCI US Index (32.2% of the index weight), was the second-best performer with a return of 36.5% during the past 12 months. Among other heavyweight sectors, the Financials and Consumer Discretionary sectors rose by 31.7% and 30.3%, respectively.

Emerging markets ('EM') have delivered positive returns both in local currency (13.7%) and sterling terms (10.0%) over the year. Taiwan equities rose the most at 44.3% while Korean equities were the worst performer, falling by 12.1%. Chinese and Indian equities rose 19.8% and 15.7%, respectively over the year. Brazilian equities fell by 11.4%. Meanwhile, JP Morgan added Indian government bonds to its GBI-EM index in June 2024 with a maximum weight threshold of 10%.

On a global sector level over the last twelve months, Information Technology (33.7%) and Communication Services (33.5%) were the best performers in local currency terms. Materials (-3.4%) and Health Care (3.6%) were the worst-performing sectors.

Global bond yields generally trended higher over the last twelve months with the JP Morgan Global Aggregate Bond Index falling 1.1% in local currency terms. In the first half of 2024, bond yields moved higher following falling market expectations for central bank rate cuts in 2025. In Q3 2024, bond yields trended lower. In Q4 2024, bond yields resumed their upward journey amid a stronger-than-expected US economy and lesser interest rate cuts in 2025. The JP Morgan Global Aggregate Bond Index rose 0.7% in sterling terms.

The UK nominal gilt curve shifted upwards over the year, with yields rising across maturities. Yields rose more sharply towards the medium and long end of the yield curve compared to the short-term maturities. The 10-year nominal bond yield rose by 103bps to 4.68%. Overall, according to FTSE All-Stocks indices, UK fixed-interest gilts fell by 3.3% and index-linked gilts fell by 8.3% over the last twelve months.

The UK credit market performed positively over the past twelve months. UK investment-grade credit spreads (the difference between corporate and government bond yields), based on the iBoxx Sterling Non-Gilt Index, narrowed by 29bps to 93bps. The index rose 1.7% over the year.

Sterling ended the twelve months 3.5% higher on a trade-weighted basis.

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Investment report (continued)

The MSCI UK property index returned 7.0% over the year. The income return was 5.9% and the capital values rose by 1.1%. The industrial and retail sectors rose by 9.2% and 10.4%, respectively while the office sector fell by 0.2%.

Manager allocation and performance summary

During the year, the Trustees appointed Aon Investments Limited (AIL) as the fiduciary manager for the Plan. The Plan transitioned into the new fiduciary portfolio in March 2024.

The Plan invested in the following AIL funds as part of the new fiduciary portfolio:

- Aon Active Global Fixed Income Strategy
- Aon Sustainable Multi-Asset Credit Strategy
- Aon Opportunities Strategy
- Aon Hedging Component

The Plan fully redeemed from the following funds, held on the Mobius platform, to fund the implementation of the new fiduciary portfolio:

- Columbia Threadneedle (CT) LDI Regular Profile Leveraged Real Gilt Fund
- Columbia Threadneedle (CT) LDI Regular Profile Leveraged Nominal Gilt Fund
- LGIM Sterling Liquidity Fund

Additionally, the Plan fully redeemed from the Aon Managed Growth Strategy as part of the fiduciary transfer.

The table below details the Plan's manager structure and their objectives at 31 December 2024:

Manager	Objective
<u>Aon Investments Limited</u> Aon Low Risk Bonds Strategy	To achieve a return of 1% p.a., net of fees, in excess of SONIA over a market cycle.
<u>Aon Investments Limited</u> Aon Active Global Fixed Income Strategy	To achieve a return of 2% p.a., net of fees, in excess of SONIA over a market cycle.
<u>Aon Investments Limited</u> Aon Sustainable Multi-Asset Credit Strategy	To achieve a return, net of fees, in excess of its composite benchmark of 1/3 corporate emerging market debt, 1/3 high-yield debt, and 1/3 1-10 year global investment grade credit
<u>Aon Investments Limited</u> Aon Opportunities Strategy	To achieve long-term total returns in excess of SONIA.
<u>Aon Investments Limited</u> Aon Hedging Component	To match the Plan's liability cashflow benchmark, scaled to the value of the assets

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YEAR ENDED 31 DECEMBER 2024****Investment report (continued)**

The table below details the performance (net of fees) of the Plan's managers for the periods ending 31 December 2024.

	1 year %		3 years % p.a.		5 years % p.a.	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Aon Low Risk Bonds Strategy(1)	6.4	5.2	n/a	n/a	n/a	n/a
Aon Active Global Fixed Income Strategy(2)	4.4	3.8	n/a	n/a	n/a	n/a
Aon Sustainable Multi-Asset Credit Strategy(2)	4.7	5.2	n/a	n/a	n/a	n/a
Aon Opportunities Strategy(2)	5.5	7.8	n/a	n/a	n/a	n/a
Aon Hedging Component(2)	-3.1	-2.8	n/a	n/a	n/a	n/a
TOTAL PLAN(3)	-5.4	-5.4	-13.8	n/a	-5.9	n/a

Source: Individual fund managers.

Notes: (1) The Plan first invested in Aon Low Risk Bonds Strategy on 5 August 2022, therefore performance is not applicable over three, or five years. (2) The Plan restructured the portfolio in 2024 with performance monitoring commencing on 28 March 2024, therefore performance is shown since inception. (3) 3-year and 5-year performance of the Total Plan is shown which includes performance of previous investments held by the Plan. Performance shown net of fees where available.

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TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Investment report (continued)

The distributions of the Plan's investments between the managers and investments at 31 December 2024 is set out in the table below.

<u>Manager Allocations</u>	2024 Market Value (£m)	2024 Allocation (%)	2023 Market Value (£m)	2023 Allocation (%)
Growth	12.5	26.9	31.4	66.8
<i>Aon Managed Growth Strategy</i>	-	-	10.0	21.2
<i>Aon Low Risk Bonds Strategy</i>	3.1	6.8	21.4	45.6
<i>Aon Active Global Fixed Income Strategy</i>	6.6	14.2	-	-
<i>Aon Sustainable Multi-Asset Credit Strategy</i>	2.5	5.3	-	-
<i>Aon Opportunities Strategy</i>	0.3	0.6	-	-
Matching	33.9	73.1	15.6	33.2
<i>CT LDI Regular Profile Leveraged Nominal Gilt Fund</i>	-	-	12.0	25.4
<i>CT LDI Regular Profile Leveraged Real Gilt Fund</i>	-	-	1.7	3.7
<i>LGIM Sterling Liquidity Fund</i>	-	-	1.9	4.1
<i>Aon Hedging Component</i>	33.9	73.0	-	-
<i>Aon Cash</i>	0.0	0.1	-	-
TOTAL ASSETS	46.4	100.0	47.0	100.0

Engagement Policy Implementation Statement ('EPIS')

The Trustee has prepared an Engagement Policy Implementation Statement in accordance with legislation. This statement is shown on pages 38 to 41.

Employer related investments

The investments of the Plan are invested in accordance with Section 40 of the Pensions Act 1995. Details of any Employer related investments are disclosed in note 20 to the financial statements.

AMG UK GROUP 2006 PENSION PLAN

**TRUSTEE'S REPORT
YEAR ENDED 31 DECEMBER 2024****Further information**

Further information about the Plan is available, on request, to members, their spouses and other beneficiaries. In particular, the documents constituting the Plan, the Rules and a copy of the latest actuarial report and the Trustee's SIP can be inspected.

Individual benefit statements are provided to deferred members on request. In addition to the information shown on these statements members can request details of the amount of their current transfer value. Such requests are available free of charge once a year. All members may access information online via the Pensionline website (www.mypensionline.com/amg), which includes, for example, pension payslips for those members in receipt of a pension, and estimated retirement benefits and transfer values for those members yet to retire.

If members have any queries concerning the Plan or their own pension position, or wish to obtain further information, they should contact Aon at the contact details on page 1 who will also be able to provide them with a further copy of the Plan's booklet should they require one and answer any queries that they may have about entitlement to benefits.

Aon Solutions UK Limited processes the personal data as contained in this report and financial statements for the purpose of providing the Trustee with a report and financial statements on the operation of the Plan. Aon Solutions UK Limited processes personal data in the context of providing pension scheme administration services on behalf of the Trustee, the data controller. Aon Solutions UK Limited, when operating in its capacity as a data processor who provides the members of the Plan with pension scheme administration services on behalf of the Trustee, will comply with the applicable legislation including any data protection legislation and the instructions of the Trustee.

The Trustee or the Employer will ensure the data subjects of whom personal data is processed for the purposes of this report and financial statements are informed of the processing activities in accordance with the requirements of the applicable data protection legislation.

AMG UK GROUP 2006 PENSION PLAN

TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Governing bodies, regulators and sources of reference

Pension Tracing

The Plan is registered with the Pension Tracing Service which maintains a list of up to date addresses of schemes to assist ex-members in tracing their rights if they have lost contact with the previous Employers' scheme. The Pension Tracing Service can be contacted at:

The Pensions Service
Post Handling Site A
Wolverhampton
WV98 1AF

0800 731 0175
www.gov.uk/find-pension-contact-details

The Pensions Regulator

The Pensions Regulator ('TPR') is the United Kingdom ('UK') regulator of work-based pension schemes.

TPR's role is to act to protect the interest of pension scheme members and to enforce the law as it applies to occupational pension schemes.

The regulations set out clearly the areas that TPR covers and the powers that are vested in it. For example, TPR can prohibit or disqualify trustees for acting unlawfully, and can impose fines on wrong doers.

TPR can be contacted at:

The Pensions Regulator
Telecom House
125-135 Preston Road
Brighton
BN1 6AF

0345 600 0707
customersupport@tpr.gov.uk
www.thepensionsregulator.gov.uk

The Pension Protection Fund

The Pension Protection Fund was established to provide compensation to members of eligible 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 Pension Protection Fund levels of compensation.

The Pension Protection Fund can be contacted at:

PPF Member Services
Pension Protection Fund
PO Box 254
Wymondham
NR18 8DN

0330 123 2222
ppfmembers@ppf.co.uk
www.ppf.co.uk

AMG UK GROUP 2006 PENSION PLAN

TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Governing bodies, regulators and sources of reference (continued)

Questions about pensions

If you have any questions about your pension, MoneyHelper, which is part of the Money and Pensions Service, provides professional, independent and impartial help with pensions for free. Services include independent information and general guidance on pension matters.

MoneyHelper can be contacted at:

Money and Pensions Service
Borough Hall
Cauldwell Street
Bedford
MK42 9AP

0800 011 3797
www.moneyhelper.org.uk

Resolving difficulties/Internal Dispute Resolution

It is expected that most queries relating to benefits can be resolved with the Plan's Administrator. In the event that a member's complaint cannot be resolved by the Administrator they may make a formal complaint using the Plan's Internal Dispute Resolution ('IDR') procedure, details of which can be obtained from the Administrator or use the Pensions Ombudsman's informal Early Resolution Service.

The Government appointed Pensions Ombudsman can investigate complaints brought by members and beneficiaries against the Trustee or the Plan's Administrator in relation to maladministration or disputes of fact of law. The Pensions Ombudsman can be contacted at:

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU

0800 917 4487
enquiries@pensions-ombudsman.org.uk
www.pensions-ombudsman.org.uk

AMG UK GROUP 2006 PENSION PLAN

TRUSTEE'S REPORT YEAR ENDED 31 DECEMBER 2024

Trustee's responsibilities in respect of the financial statements

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

- show a true and fair view of the financial transactions of the 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 these responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Plan will continue as a going concern.

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 accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Plan and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is also responsible for the maintenance and integrity of the <https://amgukgrouppensions.com/> website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustee's responsibilities in respect of contributions

The Trustee is responsible under pensions legislation for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions showing the rates of contributions payable to the Plan by or on behalf of employers 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 and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Plan 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 to members.

Approval

The Trustee's Report was approved by the Trustee and signed on its behalf by:

Trustee Director: *Leonora Scaife*

Trustee Director: *Samantha Scarfe*

Date: 01 July 2025

AMG UK GROUP 2006 PENSION PLAN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF AMG UK GROUP 2006 PENSION PLAN

Opinion on the financial statements

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Plan during the year ended 31 December 2024 and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

We have audited the financial statements of AMG UK Group 2006 Pension Plan ('the Plan') for the year ended 31 December 2024 which comprise the Fund Account, Statement of Net Assets (available for benefits) and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice - Financial Reports of Pension Schemes (revised 2018).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Plan's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

AMG UK GROUP 2006 PENSION PLAN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF AMG UK GROUP 2006 PENSION PLAN

Other information (continued)

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Plan or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the Plan's legal and regulatory frameworks, focusing on those which we determine to be the most significant, and how the Plan complies with these.
- Enquiring of the Trustee, and where appropriate, the administrators or consultants as to whether
 - the Plan is in compliance with laws and regulations that have a material effect on the financial statements;
 - they have knowledge of any actual, suspected or alleged fraud;
 - any reports have been made to the Pensions Regulator.

Based on our understanding of the Plan, we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Acts 1995 and 2004 and those that relate to the reporting framework (Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 and the Statement of Recommended Practice 'Financial Reports of Pensions Schemes' 2018 ('The SORP')); and we considered the extent to which non-compliance might have a material effect on the financial statements.

AMG UK GROUP 2006 PENSION PLAN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF AMG UK GROUP 2006 PENSION PLAN

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

We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls by the Trustee and those involved in the preparation of the financial statements and underlying accounting records. We determined that the principal risk was related to the posting of inappropriate journals, which may act to conceal fraudulent activity.

Audit procedures performed to respond to the identified risks included, but were not limited to, the following:

- Testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Enquiring of management and the Trustee with regard to actual and potential litigation and claims.
- Reviewing the disclosures in the financial statements and testing to supporting documentation to assess compliance with relevant laws and regulations, as detailed above.
- Reviewing minutes of meetings of the Trustee.
- Reviewing any significant correspondence with the Pensions Regulator.
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Evaluating the design and implementation of controls associated with the journal entry process.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

BDO LLP
 Statutory auditor
 Leeds
 United Kingdom

Date: 17 July 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

AMG UK GROUP 2006 PENSION PLAN

FUND ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Employer contributions	4	2,315,000	-	2,315,000	5,799,428	-	5,799,428
Employee contributions	4	2,987	-	2,987	4,870	-	4,870
		<u>2,317,987</u>	<u>-</u>	<u>2,317,987</u>	<u>5,804,298</u>	<u>-</u>	<u>5,804,298</u>
Benefits paid and payable	5	(3,871,361)	-	(3,871,361)	(4,024,118)	-	(4,024,118)
Payments to and on account of leavers	6	(638,481)	-	(638,481)	(602,928)	-	(602,928)
Administrative expenses	7	(433,889)	-	(433,889)	(463,968)	-	(463,968)
		<u>(4,943,731)</u>	<u>-</u>	<u>(4,943,731)</u>	<u>(5,091,014)</u>	<u>-</u>	<u>(5,091,014)</u>
Net (withdrawals)/additions from dealing with members		<u>(2,625,744)</u>	<u>-</u>	<u>(2,625,744)</u>	<u>713,284</u>	<u>-</u>	<u>713,284</u>
Investment income	8	123,187	-	123,187	32,818	-	32,818
Change in market value of investments	9	(1,768,408)	-	(1,768,408)	1,747,924	-	1,747,924
Investment management expenses	10	(132,191)	-	(132,191)	(73,962)	-	(73,962)
Net returns on investments		<u>(1,777,412)</u>	<u>-</u>	<u>(1,777,412)</u>	<u>1,706,780</u>	<u>-</u>	<u>1,706,780</u>
Net (decrease)/increase in the fund during the year		<u>(4,403,156)</u>	<u>-</u>	<u>(4,403,156)</u>	<u>2,420,064</u>	<u>-</u>	<u>2,420,064</u>
Transfers between sections		-	-	-	835,636	(835,636)	-
Net assets of the Plan at 1 January		<u>51,416,284</u>	<u>-</u>	<u>51,416,284</u>	<u>48,160,584</u>	<u>835,636</u>	<u>48,996,220</u>
at 31 December		<u>47,013,128</u>	<u>-</u>	<u>47,013,128</u>	<u>51,416,284</u>	<u>-</u>	<u>51,416,284</u>

The notes on pages 23 to 34 form part of these financial statements.

AMG UK GROUP 2006 PENSION PLAN**STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS)
AS AT 31 DECEMBER 2024**

	Note	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Investment assets							
Pooled investment vehicles	12	46,338,841	-	46,338,841	46,968,894	-	46,968,894
AVC investments	13	165,353	-	165,353	723,943	-	723,943
Cash	14	31,708	-	31,708	-	-	-
		<u>46,535,902</u>	<u>-</u>	<u>46,535,902</u>	<u>47,692,837</u>	<u>-</u>	<u>47,692,837</u>
Total net investments		<u>46,535,902</u>	<u>-</u>	<u>46,535,902</u>	<u>47,692,837</u>	<u>-</u>	<u>47,692,837</u>
Current assets	18	667,058	-	667,058	4,018,230	-	4,018,230
Current liabilities	19	(189,832)	-	(189,832)	(294,783)	-	(294,783)
Net assets available for benefits at 31 December		<u>47,013,128</u>	<u>-</u>	<u>47,013,128</u>	<u>51,416,284</u>	<u>-</u>	<u>51,416,284</u>

The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year. The actuarial position of the Plan, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities included in the Trustee's Report on pages 5 and 6. These financial statements and Actuarial Certificate should be read in conjunction with this report.

The notes on pages 21 to 34 form part of these financial statements.

These financial statements on pages 21 to 22 were approved by the Trustee and were signed on its behalf by:

Trustee Director: *Leonora Scarfe*

Trustee Director: *Samantha Scarfe*

Date: 01 July 2025

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Basis of preparation

The individual financial statements 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 and the guidance set out in the Statement of Recommended Practice ('SORP') (2018) - Financial Reports of Pension Schemes, published by the Pensions Research Accountants Group ('PRAG').

The financial statements are prepared on a going concern basis, which the Trustee believes to be appropriate as it believes that the Plan has adequate resources to realise its assets and meet pension payments in the normal course of affairs (continue to operate) for at least twelve months from the date of approval of these financial statements. In reaching this conclusion, the Trustee considered the plausible downside assumptions of the sponsoring Employer and its position to gain comfort that it will continue to make contributions as they fall due. This assessment, together with income and capital growth from its assets, gives the Trustee confidence to prepare the financial statements on a going concern basis.

2. Identification of financial statements

AMG UK Group 2006 Pension Plan is a Defined Benefit occupational pension scheme established under trust under English Law.

The address of the Plan's principal place of business is AMG Chrome Limited, Fullerton Road, Rotherham, South Yorkshire, S60 1DL.

3. Accounting policies

The principal accounting policies applied to the preparation of the financial statements are set out below. These policies have been consistently applied unless otherwise stated.

Functional and presentational currency

The Plan's functional and presentational currency is GBP.

Assets and liabilities in other currencies are converted to GBP at the rates of exchange ruling at the year end. Transactions in other currencies are translated into GBP at the spot exchange rate at the date of the transaction.

Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

Contributions

Additional voluntary contributions, from the employees, are accounted for on an accruals basis in the period to which they relate.

Employer's deficit funding and additional contributions are accounted for in the year in which they fall due in line with the Schedules of Contributions.

AMG UK GROUP 2006 PENSION PLAN

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3. Accounting policies (continued)****Benefits paid or payable**

Pensions in payment, including pensions funded by insurance (annuity) contracts, are accounted for in the period to which they relate.

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

Payments to and on account of leavers

Individual transfers to other schemes are accounted for when member liability is discharged which is normally when the transfer amount is paid.

Administrative expenses

Administrative expenses are accounted for on an accruals basis, net of recoverable VAT.

Investment income

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

Income from cash and short-term deposits is accounted for in these financial statements on an accruals basis.

Income arising from insurance (annuity) policies held by the Trustee to fund benefits payable to Plan members is included within investment income and is accounted for on an accruals basis.

Change in market value of investments

The change in market value of investments during the year comprise all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, where income is reinvested within the fund without issue of further units, change in market value also includes such income.

Investment management expenses

Investment management, consultancy fees and rebates are accounted for on an accruals basis, net of recoverable VAT.

Investment management fees for pooled investment vehicles are incorporated in the unit price and reflected in change in the market value of investments in the Fund Account.

Custody charges are accounted for on an accruals basis.

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

3. Accounting policies (continued)

Valuation of investment assets

Investments

Investment assets are included in the financial statements at fair value. The methods of determining fair value for the principal classes of investment are:

Pooled investment vehicles which are unquoted or not actively traded are stated at bid price or single price where there is no bid/offer spread as provided by the investment managers at the year end.

The Trustee has reviewed the Plan's insurance (annuity) policies and has concluded that these are not material to the Plan assets and Fund Account movement. Therefore, insurance (annuity) policies are not reported within these financial statements.

AVC funds are included within the Statement of Net Assets (Available for Benefits) on the basis of fair values provided by the AVC provider at the year end.

4. Contributions

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Employer						
Deficit funding	2,315,000	-	2,315,000	2,248,000	-	2,248,000
Additional	-	-	-	3,551,428	-	3,551,428
	2,315,000	-	2,315,000	5,799,428	-	5,799,428
Employee						
Additional voluntary contributions	2,987	-	2,987	4,870	-	4,870

The figures above for deficit funding include expense contributions, as detailed in the table below. These are being paid by the Employer to the Plan in accordance with the Recovery Plan dated 30 March 2023 in order to improve the Plan funding position.

	Deficit funding	Expenses
January – December 2023	£1.844m	£0.404m
January – December 2024	£1.899m	£0.416m
January – December 2025	£1.956m	£0.428m
January – December 2026	£2.015m	£0.441m

Additional Employer contributions are payable of 10% of any dividends paid by the Employer to its shareholders, within 1 month of the dividend being paid. In 2024, no additional contributions were received (2023:£3,551,428).

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

5. Benefits paid or payable

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Pensions	3,800,968	-	3,800,968	3,752,285	-	3,752,285
Commutations of pensions and lump sum retirement benefits	70,393	-	70,393	271,833	-	271,833
	<u>3,871,361</u>	<u>-</u>	<u>3,871,361</u>	<u>4,024,118</u>	<u>-</u>	<u>4,024,118</u>

6. Payments to and on account of leavers

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Individual transfers to other schemes	638,481	-	638,481	602,928	-	602,928

The above amounts represent a transfer out of £114,423 to the Aon Master Trust in respect of one former DC Section member, £nil (2023: £602,928) in respect of individual transfers out as well as a transfer out of £524,058 (2023:nil) from AVC funds.

7. Administrative expenses

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Administration and processing	118,189	-	118,189	154,660	-	154,660
Actuarial fees	211,743	-	211,743	163,675	-	163,675
Audit fees	13,860	-	13,860	15,860	-	15,860
Legal fees	26,669	-	26,669	6,799	-	6,799
Other professional fees	16,789	-	16,789	89,204	-	89,204
Scheme levies	4,133	-	4,133	7,432	-	7,432
Trustee fees and expenses	42,460	-	42,460	26,245	-	26,245
Bank charges	46	-	46	93	-	93
	<u>433,889</u>	<u>-</u>	<u>433,889</u>	<u>463,968</u>	<u>-</u>	<u>463,968</u>

Included in actuarial fees are Aon Solutions UK Limited secretarial and consultancy costs.

Included in Trustee fees and expenses is trustee indemnity insurance.

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

8. Investment income

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Income from pooled investment vehicles	52,192	-	52,192	15,386	-	15,386
Interest on cash deposits	70,768	-	70,768	14,310	-	14,310
Annuity income	227	-	227	3,122	-	3,122
	<u>123,187</u>	<u>-</u>	<u>123,187</u>	<u>32,818</u>	<u>-</u>	<u>32,818</u>

9. Investments

	Opening value at 1 Jan 2024 £	Purchases at cost £	Sales proceeds £	Change in market value £	Closing value at 31 Dec 2024 £
Pooled investment vehicles	46,968,894	82,467,517	(81,279,471)	(1,818,099)	46,338,841
AVC investments	723,943	2,714	(610,995)	49,691	165,353
	<u>47,692,837</u>	<u>82,470,231</u>	<u>(81,890,466)</u>	<u>(1,768,408)</u>	<u>46,504,194</u>
Cash	-				31,708
Total net investments	<u>47,692,837</u>				<u>46,535,902</u>

The rise in purchases and sales during the year is due to the transition of Assets from Mobius to Aon Investments Limited ('AIL'), as well as AIL moving from being a direct investor to a full fiduciary mandate.

Transaction costs

There are no direct transaction costs in the year nor in the previous year. Indirect costs are incurred through the bid-offer spread on pooled investment vehicles. It is not possible for the Trustee to quantify these indirect costs.

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

10. Investment manager expenses

	DB £000	DC £000	2024 Total £000	DB £000	DC £000	2023 Total £000
Administration and management fees	96,457	-	96,457	22,251	-	22,251
Consultancy fees	12,521	-	12,521	51,711	-	51,711
Custody fees	24,152	-	24,152	-	-	-
Management fee rebates	(939)	-	(939)	-	-	-
	132,191	-	132,191	73,962	-	73,962

Consultancy fees ceased in February 2025, after which fees are deducted from the assets managed by AIL.

11. Taxation

The Plan is a registered pension scheme in accordance with the Finance Act 2004 and is exempt from income tax and capital gains tax except for withholding tax on overseas investment income. This means that the contributions paid by both the Employer and the members qualify for full tax relief.

12. Pooled investment vehicles

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Bond funds	12,461,317	-	12,461,317	31,382,736	-	31,382,736
Liability Driven Investment funds	13,044,128	-	13,044,128	13,646,658	-	13,646,658
Cash and liquidity funds	20,833,396	-	20,833,396	1,939,500	-	1,939,500
	46,338,841	-	46,338,841	46,968,894	-	46,968,894

13. AVC investments

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Utmost	20,666	-	20,666	24,649	-	24,649
Aviva	144,687	-	144,687	616,922	-	616,922
Santander	-	-	-	82,372	-	82,372
	165,353	-	165,353	723,943	-	723,943

The Trustee holds assets which are separately invested from the main Plan to secure additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions. Members participating in this arrangement each receive an annual statement made up to 31 December each year confirming the amounts held to their account and movements during the year.

The Santander AVCs were disinvested on the 4 November 2024 and are currently held in the Scheme bank account. The intention is for this to be moved into the AMG Aon Mastertrust Plan in due course.

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

13. AVC Investments (continued)

The AVC investments can be further analysed as:

	2024 £	2023 £
Money deposit	-	82,372
Unit-linked policies	20,666	24,649
Various investment funds	144,687	616,922
	165,353	723,943

14. Cash and other investment balances

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Cash	31,708	-	31,708	-	-	-

15. Fair value of investments

FRS 102 requires for each class of financial instrument an analysis of the level in the following fair value hierarchy into which the fair value measurements are categorised. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Level 1: The unadjusted quoted price in an active market for an identical asset or liability that the entity can access at the assessment date;

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

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

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

As at 31 December 2024

DB Section	Level 1 £	Level 2 £	Level 3 £	2024 Total £
Pooled investment vehicles	-	46,338,841	-	46,338,841
AVC investments	-	-	165,353	165,353
Cash	31,708	-	-	31,708
	31,708	46,338,841	165,353	46,535,902

As at 31 December 2023

DB Section	Level 1 £	Level 2 £	Level 3 £	2023 Total £
Pooled investment vehicles	-	46,968,894	-	46,968,894
AVC investments	-	-	723,943	723,943
Cash	-	-	-	-
	-	46,968,894	723,943	47,692,837

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16. Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks.

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 instrument 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 instrument will fluctuate because of changes in market interest rates.

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

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

The main investment objective for the Trustee of the Plan is to maintain a portfolio of suitable assets to meet, together with future contributions, the benefits payable under the Trust Deed and Rules as they fall due. The Plan has exposure to investment risks because of the investments it makes to implement its investment strategy as detailed in the most recent Statement of Investment Principles.

The following table summarises the extent to which the various classes of investments are affected by financial risks:

	Credit risk	Market risk			2024	2023
		Currency	Interest rate	Other price	£m	£m
Managed Growth Strategy	✓	✓	✓	✓	-	10.0
Low Risk Bonds Strategy	✓	✓	✓	✓	3.1	21.4
Active Global Fixed Income Strategy	✓	✓	✓	✓	6.6	-
Sustainable Multi-Asset Credit Strategy	✓	✓	✓	✓	2.5	-
Opportunities Strategy	✓	✓	✓	✓	0.3	-
Hedging Component	✓	✗	✓	✓	33.9	13.7
Cash	✓	✗	✓	✗	0.0	1.9
Total Assets					46.4	47.0

Source: Investment managers. Total may not sum due to rounding.

In the table above, the risk noted affects the asset class [✓] or hardly/not at all [✗].

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16. Investment risks (continued)

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

The SORP recommends adopting an asset class approach (rather than a look through approach) for pooled investment vehicles. As such, some funds are disclosed below to be 100% exposed to certain investment risks. In practice the underlying assets would only be partially exposed to those risks.

Credit risk

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

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

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

	2024 £	2023 £
Unit linked insurance policy	-	15,586,158
Investment company with variable capital	-	31,382,736
Open ended investment company	44,321,917	-
Irish Collective Asset-management Vehicles	2,016,924	
Total	46,338,841	46,968,894

Indirect credit risk arises in relation to underlying investments held in the pooled fund investments. The Trustee manages the indirect credit risk of the Plan by investing in funds which hold a majority of investment grade credit rated investments.

At the year end, the Defined Benefit Section of the Plan was exposed to indirect credit risk of £46,338,841 on pooled investment vehicles (2023: £46,968,894 on pooled investment vehicles).

Currency risk

The Plan's assets are subject to indirect currency risk because some of the Plan's investments are held in overseas markets via pooled investment vehicles.

At the year end, the Defined Benefit Section of the Plan was not invested in any funds that invest specifically in overseas currencies (2023: nil).

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16. Investment risks (continued)

Interest rate risk

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

At the year end, the Defined Benefit Section of the Plan was exposed to indirect interest rate risk of £46,338,841 on bond and LDI pooled investment vehicles (2023: £46,968,894 on bond, LDI and cash pooled investment vehicles).

Other price risk

Other price risk arises principally in relation to the Plan's return seeking portfolio which includes a range of strategies invested in pooled vehicles (return-seeking bonds (active global fixed income), return-seeking bonds (multi-asset credit), low risk bonds, opportunities portfolio).

Inflation risk is also considered within other price risk in relation to the LDI investments which invest in index-linked gilts. As with interest rate risk, changes in inflation can lead to changes in the actuarial liabilities. If inflation rises, the value of the LDI investments will rise to help match the increase in actuarial liabilities.

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

At the year end, the Defined Benefit Section of the Plan was exposed to indirect other price risk of £46,338,841 on LDI pooled investment vehicles (2023: £45,029,394 on LDI and bond pooled investment vehicles).

17. Concentration of investments

The following investments account for more than 5% of the net assets of the Plan.

	2024		2023	
	£	%	£	%
SCHRODER SSF-STE LIQ P-X2*	19,712,110	41.9	-	-
Adept Strategy 2 Fund*	6,605,456	14.1	-	-
SCHRODER MP-SYN GF-2018-2*	5,529,331	11.8	-	-
SCHR MP-SY ID N-2038-2057*	3,657,924	7.8	-	-
Adept Strategy 25 Fund GBP 20 Class*	3,145,123	6.7	-	-
Adept Strategy 18 Fund*	2,435,566	5.2	-	-
Adept Strategy 25 Fund GBP 20 Class)**	-	-	21,402,586	41.6
CT LOI Regular Profile Leveraged Nominal Gilt Fund**	-	-	11,931,060	23.2
Adept Strategy 9 Fund GBP 25 Class**	-	-	9,980,150	19.4

*Invested in during the year

**Disinvested during the year

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

18. Current assets

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Prepayments	746	-	746	1,896	-	1,896
Cash balances	664,604	-	664,604	3,971,078	-	3,971,078
Sundry debtors	1,708	-	1,708	22,491	-	22,491
Due from employer	-	-	-	22,765	-	22,765
	667,058	-	667,058	4,018,230	-	4,018,230

19. Current liabilities

	DB £	DC £	2024 Total £	DB £	DC £	2023 Total £
Accrued expenses	111,023	-	111,023	80,928	-	80,928
Accrued benefits	-	-	-	136,079	-	136,079
HM Revenue & Customs	78,809	-	78,809	72,820	-	72,820
Sundry creditors	-	-	-	4,956	-	4,956
	189,832	-	189,832	294,783	-	294,783

20. Employer related investments

There were no direct or indirect Employer related investments during the year or at the year end (2023: Nil).

21. Related party transactions

Related party transactions and balances comprise:

Key management personnel

Some of the Trustee directors are members of the Plan, and their benefits are calculated in accordance with the Rules of the Plan.

The membership status of the Trustee Directors at the year end is as below:

D Bristow* – pensioner

E Butler - non-member (2023: non-member)

J Murrie - pensioner (2023: pensioner)

L Scaife - deferred (2023: deferred)

S Scarfe - non-member (2023: non-member)

Ross Trustees Services Limited, represented by J Branagh and S Barber** - Non-member

*Appointed 1 October 2024

**Appointed 1 December 2024

AMG UK GROUP 2006 PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Employer and other related parties

Trustee fees charged to AMG UK Group 2006 Pension Plan for the Plan year in respect of the Independent Trustee amounted to £2,499 (2023: £nil).

The Plan share AMG Chrome Limited as the Principal Employer with LSM Additional Pension Plan. No fees (2023: £20,783) were due for reimbursement as at the year end. No fees (2023: £4,728) relating to the Plan are due for reimbursement to LSM Additional Pension Plan as at the year end.

The Employer pays administrative expenses, except bank charges, on behalf of the Plan, which are then recharged to the Plan. Administrative fees for the year ended 31 December 2024 totalled £433,889 (2023: £463,875). No fees (2023: £22,765) were due from the Employer at the year end in respect of net over paid reimbursements.

AMG UK GROUP 2006 PENSION PLAN**INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS
TO THE TRUSTEE OF AMG UK GROUP 2006 PENSION PLAN**

We have examined the Summary of Contributions to AMG UK Group 2006 Pension Plan (the 'Plan') for the year ended 31 December 2024, which is set out on page 36.

In our opinion contributions for the year ended 31 December 2024, as reported in the Summary of Contributions and payable under the Schedule of Contributions have in all material respects been paid at least in accordance with the Schedule of Contributions certified by the Plan Actuary on 30 March 2023.

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 Schedule of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Plan and the timing of those payments under the Schedule of Contributions.

Responsibilities of the Trustee

As explained more fully in the Statement of Trustee's Responsibilities set out on page 17, 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. The Trustee is also responsible for keeping records in respect of contributions received and for monitoring whether contributions are made to the Plan by the Employer in accordance with the Schedules of Contributions.

Auditor's responsibilities for the preparation of a Statement about Contributions

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

Use of our report

This statement is made solely to the Plan's Trustee in accordance with Regulation 4 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Plan's Trustee those matters we are required to state to it in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan's Trustee, for our audit work, for this statement or for the opinions we have formed.

DocuSigned by:

6D984F7FE0924BD...
BDO LLP

Statutory Auditor
Leeds
United Kingdom

Date: 17 July 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

AMG UK GROUP 2006 PENSION PLAN

SUMMARY OF CONTRIBUTIONS
FOR THE YEAR ENDED 31 DECEMBER 2024

During the year ended 31 December 2024 the contributions payable to the Plan were as follows:

	Employer £	Employees £	Total £
Contributions payable under the Schedule of Contributions and as reported by the Plan auditor			
Deficit funding	2,315,000	-	2,315,000
<hr/>			
Contributions payable in addition to those payable under the Schedule			
Additional voluntary contributions	2,987	-	2,987
<hr/>			
Total contributions reported in the financial statements			
	2,317,987	-	2,317,987
<hr/>			

The Summary of Contributions was approved by the Trustee and signed on its behalf by:

Trustee Director: *Leonora Scaife*

Trustee Director: *Samantha Scarfe*

Date: 01 July 2025

AMG UK GROUP 2006 PENSION PLAN

ACTUARIAL CERTIFICATE

AMG UK Group 2006 Pension Plan (“the Plan”)
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 can be expected to be met by the end of the period specified in the recovery plan dated 30 March 2023

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 30 March 2023

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

Signature: PAUL CROCKER

Date: 30 March 2023

Name: Paul Crocker

Qualification: Fellow of the Institute and Faculty of Actuaries

Address: Colmore Gate
2 Colmore Row
Birmingham
B3 2QD

Name of employer: Aon Solutions UK Limited

AMG UK GROUP 2006 PENSION PLAN

APPENDIX – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustee’s Report)

Engagement Policy Implementation Statement (“EPIS”)

AMG UK Group 2006 Pension Plan (the “Plan”)

Plan Year End – 31 December 2024

The purpose of the EPIS is for us, the Trustee of the AMG UK Group 2006 Pension Plan, to explain what we have done during the year ending 31 December 2024 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

1. How our policies in the SIP about asset stewardship (including both voting and engagement activity) in relation to the Plan’s investments have been followed during the year; and
2. How we have exercised our voting rights or how these rights have been exercised on our behalf, including the use of any proxy voting advisory services, and the ‘most significant’ votes cast over the reporting year.

The EPIS has been prepared by the Trustee and covers the Retirement Benefits Plan (RBP) Section of the Plan covering the Plan year from 1 January 2024 to 31 December 2024.

Our conclusion

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

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

We delegate the management of the Plan’s assets to our fiduciary manager, Aon Investments Limited (“Aon”). We believe the activities completed by our fiduciary manager to review the underlying managers’ voting and engagement policies, and activities align with our stewardship expectations. The Plan does not invest in equities and so does not have any voting responsibilities.

The appointed fiduciary manager selects the underlying investments managers on behalf of the Trustee. As such, the Plan delegates monitoring of ESG integration and stewardship of the underlying managers to the fiduciary manager.

AMG UK GROUP 2006 PENSION PLAN

APPENDIX – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustee's Report)

How voting and engagement policies have been followed

The Plan is invested entirely in pooled funds, and so the responsibility for voting and engagement is delegated to the Plan's investment managers, which is in line with the policies set out in our SIP. We reviewed the stewardship activity of the material investment managers carried out over the Plan year and in our view, most of the investment managers were able to disclose good evidence of engagement activity. More information on the stewardship activity carried out by the Plan's investment managers can be found in the following sections of this report. As noted earlier, given the Plan does not invest in equities, it does not have any voting responsibilities. Resultantly, there is no voting activity to report on.

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

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

The Plan's stewardship policy can be found in the SIP: [Statement of Investment Principles](#)

Our Engagement Action Plan

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

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

What is stewardship?

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

This includes prioritising which Environmental, Social and Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights. Differing ownership structures means stewardship practices often differ between asset classes.

Source: UN PRI

AMG UK GROUP 2006 PENSION PLAN

APPENDIX – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustee’s Report)

Our fiduciary manager’s engagement activity

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

We delegate monitoring of ESG integration and stewardship of the underlying investment managers to Aon.

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

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

In 2021, Aon committed to achieve net zero emissions by 2050, with a 50% reduction by 2030 for its fully delegated clients’ portfolios and defined contribution default strategies (relative to baseline year of 2019).

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

What is fiduciary management?

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

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

AMG UK GROUP 2006 PENSION PLAN

APPENDIX – ENGAGEMENT POLICY IMPLEMENTATION STATEMENT (forming part of the Trustee's Report)

Our managers' engagement activity

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

The table below shows some of the engagement activity carried out by the Plan's material investment managers. The managers have provided information for the most recent calendar year available.

Funds	Number of engagements		Themes engaged on at a fund level
	Fund level	Firm level	
PIMCO - Climate Bond Strategy	254	>1,517	Environment - Climate Change; Natural Resource Use/Impact Social - Human and Labour Rights Governance - Board, Management and Ownership Strategy, Financial & Reporting - Capital Allocation Other - ESG Bonds
Robeco - Sustainable Development Goals ("SDG") Credit Income Fund	12	324	Environment - Climate Change Social - Human and Labour Rights Governance - Shareholder Rights; Board Effectiveness - Other
Aegon Asset Management ("Aegon") - European Asset Backed Securities ("ABS") Fund	115	422	Environment - Climate Change Social - Human and Labour Rights; Public Health Governance - Leadership - Chair/CEO; Remuneration Other - General Disclosure
M&G Investments ("M&G") - Sustainable Total Return Credit Investment Fund	12	406	Environment - Net Zero/Decarbonisation; Climate Action 100+ Engagements; Climate Change; Nature & Biodiversity Social - Diversity & Inclusion Governance - Remuneration
Royal London Asset Management ("RLAM") - Absolute Return Government Bond Fund	33	710	Environment - Climate Transition Risk Social - Just Transition; Mental Health; Financial Inclusion Governance - Remuneration; Corporate Governance

Source: Investment managers

Data limitations

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