



# LANDIS GRINDING SYSTEMS PENSION FUND

ANNUAL REPORT

YEAR ENDED 5 APRIL 2025

SCHEME REGISTRATION NUMBER: 10273536

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**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES AND THEIR ADVISERS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**Trustees**

BESTrustees Limited – represented by Ann Rigby (Employer-Appointed) (Chair)  
Anthony Howarth (Member-Nominated)  
Philip Snowden (Employer-Appointed)

**Secretary to the Trustees**

Jay Solanki  
Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CRO 2LX

**Principal Employer**

Fives Landis Limited  
Eastburn Works  
Skipton Road  
Cross Hills  
Keighley  
BD20 7SD

**Plan Actuary**

David Jarman (Resigned 2 September 2024)  
Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CRO 2LX

Sangeeta Shah (Appointed 5 September 2024)

Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CRO 2LX

**Plan Administrator**

Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CRO 2LX

**Independent Auditor**

Nortons Assurance Limited  
Second Floor  
NOW Building  
Thames Valley Park  
Reading  
Berkshire  
RG6 1RB

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES AND THEIR ADVISERS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**Bank**

Clydesdale Bank PLC (trading as Virgin Money)  
48-50 Market Street  
Manchester  
M1 1PW

**Fiduciary Investment Manager**

Schroders Solutions  
1 Wall Place  
London  
EC2Y 5AU

Aon Solutions UK Limited  
The Aon Centre  
The Leadenhall Building  
122 Leadenhall Street  
London  
EC3V 4AN

**Legal Adviser**

Field Fisher  
Riverbank House  
2 Swan Lake  
London  
EC4R 3TT

**Custodian**

CACEIS  
Broadwalk House  
5 Appold Street  
London  
EC2A 2AG

The Bank of New York Mellon SA/NV  
Riverside Two  
Sir John Rogerson's Quay  
Grand Canal Dock  
Dublin 2  
Ireland

**Insurance Policy Provider**

Legal and General  
PO Box 6080  
Wolverhampton  
WV1 9RB

**Enquiries**

Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CR0 2LX

Email: [Landisclient@isio.com](mailto:Landisclient@isio.com)

## LANDIS GRINDING SYSTEMS PENSION FUND

### TRUSTEES' REPORT

### FOR THE YEAR ENDED 5 APRIL 2025

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#### INTRODUCTION

The Trustees of the Landis Grinding Systems Pension Fund (the "Plan") are pleased to present their report together with the financial statements for the year ended 5 April 2025. The Plan is a defined benefit scheme.

The Plan was established on 1 July 2005 and is governed by a definitive trust deed dated 30 June 2006.

With effect from 5 April 2008 the Plan became a Career Average Revalued Earnings ("CARE") Scheme in relation to future service. The past service benefits were calculated as at 5 April 2008 using Final Pensionable Salary as at 6 April 2008. The Plan was closed to new entrants with effect from 30 April 2012. The Plan has also been closed for future accrual with effect from November 2013. There is now a new category of Employed Deferred membership which consists of Fives Landis Limited employees who are no longer accruing benefits due to the closure of the Plan.

#### Management of the Plan

A list of Trustees is on page 1.

Under the Pensions Act 2004, from 6 April 2006, scheme trustees (including those whose Sponsoring Employers opted out of the 1996 Member-Nominated Trustee requirements) are required to ensure that at least one third of Trustees are nominated and selected by the members.

The Member-Nominated Trustee may be removed before the end of their three-year term only by agreement of the remaining Trustees, although their appointment ceases if they cease to be a member of the Plan.

In accordance with the trust deed, the Principal Employer, Fives Landis Limited, has the power to appoint and remove the other Trustees of the Plan.

Further information about the Plan is given in the explanatory booklets, which are issued to all relevant members.

During the year, four Trustee Meetings were held.

#### Governance and Risk Management

The Trustees have in place a risk register and business plan that sets out their objectives in areas such as administration, investment, funding and communication. This, together with a list of the main priorities and timetable for completion, helps the Trustees run the Plan efficiently and serves as a useful reference document.

#### Trustee Knowledge and Understanding

The Pensions Act 2004 requires Trustees to have sufficient knowledge and understanding of pensions and trust law and be conversant with the Plan documentation. The Pensions Regulator has published a Code of Practice on Trustee Knowledge and Understanding, to assist Trustees on this matter, which became effective from 6 April 2006. The Trustees receive regular training and have agreed a training plan. This enables the Trustees to meet the Trustee Knowledge and Understanding requirements.

#### Change of Actuary

During the year David Jarman resigned as Actuary for the Plan he is not aware of any circumstances connected with his resignation as Plan Actuary which would significantly affect the interests of members, prospective members or beneficiaries of the Plan. He wrote separately to Sangeeta Shah regarding his appointment.

#### Calculation of Transfer Values

No allowance is made in the calculation of transfer values for discretionary pension increases.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**MEMBERSHIP**

Details of the Plan's membership for the year ended 5 April are given below:

	<u>Total 2025</u>	<u>Total 2024</u>
<b>PENSIONERS</b>		
Pensioners at the start of the year	113	107
Retirements	10	7
New Dependants	1	-
Deaths	(2)	(1)
<b>Pensioners at the end of the year</b>	<u><b>122</b></u>	<u><b>113</b></u>
<b>MEMBERS WITH DEFERRED BENEFITS</b>		
Members with deferred benefits at the start of the year	144	151
Retirements	(10)	(7)
<b>Members with deferred benefits at the end of the year</b>	<u><b>134</b></u>	<u><b>144</b></u>
<b>TOTAL MEMBERSHIP AT THE END OF THE YEAR</b>	<u><b>257</b></u>	<u><b>257</b></u>

Deferred members at the year end included Employed Deferred members totalling 84 (2024: 84).

These membership figures do not include movements notified to the Plan Administrator after the completion of the annual renewal. The adjustments relate to late notifications of member movements.

Included in the above are 3 (2024: 3) pensioners whose benefits are provided by annuities.

**Financial Development of the Plan**

The financial statements on pages 15 to 28 have been prepared and audited in accordance with the Regulations made under Sections 41 (1) and (6) of the Pensions Act 1995. They show that the value of the Plan has decreased from £23,454,027 at 5 April 2024 to £21,707,958 as at 5 April 2025.

**Pension Increases**

The increases for pensions in payment on 1 April were as follows:

	2025 %	2024 %
GMP for service after 5 April 1988:	3.0	3.0
Pension relating to service after 6 April 1997:	5.0	5.0
Pensions relating to service after 6 April 2007:	2.5	2.5

No increase was applied to the Guaranteed Minimum Pension earned in respect of service before April 1988 since this pension is increased separately by the State. Increases calculated in this manner are guaranteed. No discretionary increases were made during the year.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**REPORT ON ACTUARIAL LIABILITIES**

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

A summary of the funding position as at 5 April 2023, the date of the latest actuarial valuation of the Plan, showed the following:

	<b>£m</b>
Value of liabilities:	(38.1)
Value of assets:	25.0
Funding deficit:	(13.1)
Funding level:	66%

If the Employer goes out of business or decides to stop contributing to the Plan, the Plan may be "wound up" and the Employer would be required to pay additional money to buy all members' benefits from an insurance company. The comparison of the Plan's assets to the cost of buying the benefits from an insurance company is known as the "buy-out position". A pension scheme's buy-out position will often show a larger shortfall than the standard actuarial valuation as insurers are obliged to take a very cautious view of the future, and they also seek to make a profit.

The actuarial valuation at 5 April 2023 showed that the Plan's assets would not have been enough to buy all members' benefits from an insurance company, as the "buy-out position" at that date was:

	<b>£m</b>
Estimated cost of buying benefits with an insurance company:	(48.3)
Value of assets:	25.0
Buy-out position deficit:	(23.3)
Funding level:	52%

This does not mean that the Employer is thinking of winding up the Plan. The fact that there was a shortfall at the last valuation has not affected the pensions being paid from the Plan and all members who have retired have received the full amount of their pension.

It is worth remembering that a valuation is just a "snap shot" of the Plan's funding position, and it can change considerably if there are sudden changes in share prices, gilt yields, or members live longer than expected.

**Method**

The actuarial method used in the calculation of the technical provisions is the Defined Accrued Benefits Method.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
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**FOR THE YEAR ENDED 5 APRIL 2025**

**REPORT ON ACTUARIAL LIABILITIES (CONTINUED)**

**Significant Actuarial Assumptions**

The key assumptions used for calculating the technical provisions as at 5 April 2023, and future contribution requirement for the Plan were:

<b>Financial Assumptions</b>	
<b>Discount Rate:</b>	
Pre-Retirement	A full yield curve approach is used where the discount rate is selected by reference to the Bank of England gilt yield curve plus an additional 1% p.a. 20-year example assumption 4.92% p.a.
Post-retirement	A full yield curve approach is used where the discount rate is selected by reference to the Bank of England gilt yield curve plus an additional 0.5% p.a. 10-year example assumption 3.96% p.a. 20-year example assumption 4.42% p.a.
<b>Price inflation:</b>	
Retail Prices Index (RPI) Inflation	full yield curve approach is used where the RPI inflation is assumed to be in line with implied Bank of England inflation expectations at appropriate durations. 10-year example assumption 3.54% p.a. 20-year example assumption 3.57% p.a.
Consumer Price Index (CPI) Inflation	Assumed to be 0.7% p.a. lower than RPI prior to the year 2030 and equal to RPI after 2030.
<b>Pension increases in payment:</b>	
Post 1997 and Pre 2007 accruals	CPI (subject to a maximum of 5% p.a.)
Post 2007 accruals	CPI (subject to a maximum of 2.5% p.a.)
<b>Demographic Assumptions</b>	
Mortality – base table	S4PA base table with an allowance for future improvements based on the CMI_2023 projections including a long-term improvement rate of 1.5% p.a.

**Recovery Plan**

The Trustees and Employer have agreed the following Recovery Plan that will make good the deficit over a period of 12 years and 4 months from the valuation date, ending on 31 August 2032:

- Contributions of £83,333 per month between 1 July 2024 and 30 June 2027.
- Contributions of £125,000 per month payable from 1 August 2027 to 30 June 2035 (inclusive), increasing by 3% p.a. each April.

The funding shortfall is expected to be eliminated in 12 years 3 months from the valuation date or 10 years 10 months from August 2024, which is by 30 June 2035.

The Actuarial Certificate in relation to the Schedule of Contributions is shown on page 28 of the Annual Report.

The next full valuation due as at 5 April 2026.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES' REPORT**  
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**INVESTMENT MATTERS**

**Fiduciary Investment Manager**

The Fiduciary Investment Manager, Aon Investments Limited (AIL), manages the Plan's assets and investments as agreed in the Investment Management Agreement ("IMA"). The investment objective is set out in the IMA and AIL have been given the discretion to make the day-to-day decisions to invest the assets in an appropriate way to meet the investment objective.

In addition, BNY Mellon act as custodian of the Plan's assets.

**INVESTMENT STRATEGY**

The Plan previously had Schroders Solutions ("Schroders") as their fiduciary manager. The majority of the Plan's assets have been transferred to AIL, but some residual assets remain invested with Schroders. As such, assets were invested with both managers at year-end.

Over the past year, one of the illiquid holdings previously held with Schroders was re-registered into Trustee ownership. This holding currently sits outside of Schroders and AIL and will be regularly paying out liquidation proceeds as the holding winds down.

Post year-end, the final remaining illiquid holding invested with Schroders was sold. The entire investment fund was sold to another investment company, with the cash proceeds being returned to the Plan over May – August 2025. Once the final cash proceeds have been received, these will be transferred from Schroders to AIL, and the Schroders portfolio will be terminated.

The allocation between the two managers and individual fund held by the Trustees as at 5 April 2025 was as follows:

Fiduciary Manager	Value '£'	%
AIL	19,111,336	95.9
Schroders	323,275	1.6
Orchard Taiga	517,433	2.5
Total	19,952,044	100.0

The investment objectives for the Plan with its fiduciary manager, AIL, are as follows (this objective only applies to the Main Sub-Portfolio):

- Outperform the Liability Benchmark by 1.6% p.a. (net of fees) over rolling three-year periods.
- Target interest rate and inflation hedge ratios of 100% of assets (scaled to the market value of the assets in the Main Sub-Portfolio).

The Trustees determine their investment strategy after taking advice from a professional investment adviser.

The Plan has an allocation to a growth portfolio ("the Growth Portfolio") and allocation to liability matching funds ("the Matching Portfolio") based on gilts. Within the Main Sub-Portfolio structure:

- The allocation to the Growth Portfolio is set so that the expected return, together with the planned contributions is expected to be sufficient to meet the funding objectives by the target date. The Growth Portfolio is well diversified and is managed actively between asset classes.
- The Matching Portfolio's asset profile is selected to provide protection against movements in interest rates and inflation. The Matching Portfolio is tailored to match the Plan's liability cash flows as far as is practically possible and AIL will choose the matching instruments as appropriate.

The Trustees delegate responsibility for managing their asset allocation within the Main Sub-Portfolio to AIL.

There is no benchmark or investment objective set for the residual assets with Schroders.

The Trustees review their investment strategy in conjunction with each formal actuarial valuation of the Plan (or more frequently should the circumstances of the Plan change in a material way). The Trustees take written advice from their professional advisers regarding an appropriate investment strategy for the Plan.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**TRUSTEES' REPORT**  
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**STATEMENT OF INVESTMENT PRINCIPLES**

The Trustees have produced a Statement of Investment Principles ("SIP") in accordance with Section 35 of the Pensions Act 1995, dated October 2023. A copy of the Statement is available on request and is published: <https://www.landis.yourisio.com/infosheets/#statement-of-investment-principles>

**INVESTMENT PERFORMANCE**

As at 5 April 2025, the Plan was almost entirely invested with AIL and successfully transferred the vast majority of its assets from the incumbent fiduciary manager, Schroders. Performance monitoring for AIL began from 28 April 2023.

The table below details the performance of the Plan for periods ending 31 March 2025, which is the closest available performance to the Plan year end.

	1 year (%)	3 years (%)	5 years (%)
The Plan	-7.6	-18.8	-9.0
Target Return	-6.0	n/a	n/a

Source: Schroders Solutions and Aon Investments Limited. Returns are net of fees. Returns for periods in excess of one year are annualised.

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

During the year, the Bank of England (BoE) reduced its policy interest rate three times by 25bps each to 4.50%, with rate cuts coming in July 2024, November 2024 and February 2025. The central bank now projects GDP growth of 0.25% for Q1 2025, with inflation expected to rise to 3.7% by Q3 2025. In its latest Financial Stability Report (FSR), released in Q4 2024, the BoE identified several key risks to the UK economy: global geopolitical uncertainty, high levels of government debt in major economies, and vulnerabilities in market-based finance. The FSR notes that a slowdown in economic growth or persistent inflation could lead to significant corrections in the valuations and premiums of risky assets, affecting the cost and availability of credit for businesses and households. While the UK banking sector remains resilient, vulnerabilities in market-based finance — such as leveraged positions and liquidity mismatches — could further.

The UK nominal gilt curve mostly shifted upwards over the year, with yields rising across maturities, except for the short-term maturities where it fell. The MSCI UK property index returned 8.5% over the year. The income return was 5.9%, and the capital values rose by 2.5%. The industrial and retail sectors rose by 10.4% and 11.4%, respectively, while the office sector rose by 2.4%.

## LANDIS GRINDING SYSTEMS PENSION FUND

### TRUSTEES' REPORT

### FOR THE YEAR ENDED 5 APRIL 2025

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#### COMPLIANCE

##### Data Protection

The Trustees are registered as Data Controllers within the meaning of GDPR guidelines (formerly under the Data Protection Act 1998) to hold such information as is necessary for the management of the Plan. Isio Ltd is registered as a Data Processor under GDPR guidelines (formerly under the Act).

##### The Pensions Regulator

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

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

Telephone: 0345 600 1101  
Email: [customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)  
Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

##### The Pension Tracing Service

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

Pension Tracing Service  
Post Handling Site A  
Wolverhampton  
WV98 1AF

Telephone: 0800 731 0193  
Website: [www.thepensionsservice.gov.uk](http://www.thepensionsservice.gov.uk)

##### MoneyHelper

For any general enquiries on their pensions, members can contact the MoneyHelper Service. A local advisor can usually be contacted through a Citizen's Advice Bureau. Alternatively, the Service can be contacted at:

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

Telephone: 0800 011 3797  
Email: [contact.pensionwise@moneyhelper.org.uk](mailto:contact.pensionwise@moneyhelper.org.uk)  
Website: [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)

**LANDIS GRINDING SYSTEMS PENSION FUND**  
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**FOR THE YEAR ENDED 5 APRIL 2025**

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**COMPLIANCE (CONTINUED)**

**The Pensions Ombudsman**

Any concerns connected with the Plan should be referred to Isio Group, PO Box 163, Blyth, NE24 9GS as quickly as possible. Members and beneficiaries of pension schemes who have problems concerning their Plan which are not satisfied by the information or explanation given by the administrators or the Trustees can consult with The Pensions Ombudsman. The address is:

Pensions Ombudsman  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

Telephone: 0800 917 4487

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

**Enquiries**

Members can obtain information about their own pension benefits, copies of the Plan's governing documentation or further information about the Plan by contacting:

Landis Grinding Systems Pension Fund  
Isio Group Limited  
AMP House  
Dingwall Road  
Croydon  
CRO 2LX

Telephone: 0800 122 3200

Email: [Landisclient@isio.com](mailto:Landisclient@isio.com)

## LANDIS GRINDING SYSTEMS PENSION FUND

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 5 APRIL 2025

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#### Statement of Trustee's Responsibilities

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

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

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

The Trustees are also responsible for making available certain other information about the Plan in the form of an annual report.

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

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

#### Approval

The Trustees' report was approved by the Trustees and signed on their behalf by:

A Rigby

Date: 4/11/2025

Trustee

P Snowden

Date: 4/11/2025

Trustee

## LANDIS GRINDING SYSTEMS PENSION FUND

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2025

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#### Opinion

We have audited the financial statements of the Landis Grinding Systems Pension Fund for the year ended 5 April 2025, which comprise the Fund account, the Statement of Net Assets (Available for Benefits) and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Plan during the year ended 5 April 2025 and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions Relating to Going Concern

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

Based on the work 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 Trustees with respect to going concern are described in the relevant sections of this report.

#### Other Information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## LANDIS GRINDING SYSTEMS PENSION FUND

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

### FOR THE YEAR ENDED 5 APRIL 2025

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#### Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement on page 11, the Trustees are 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 Trustees determine 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 Trustees are 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 Trustees either intend to liquidate the Plan or to cease operations, 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.

The extent to which the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Plan through discussions with the Trustees and other management, and from our knowledge and experience of pension schemes;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Plan, including the Pensions Act 1995;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the Trustees; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Plan's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the Trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

## LANDIS GRINDING SYSTEMS PENSION FUND

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE FOR THE YEAR ENDED 5 APRIL 2025

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of Trustees meetings;
- enquiring of the Trustees as to actual and potential litigation and claims; and
- reviewing correspondence with the Pensions Regulator.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's Report.

#### **Use of Our Report**

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

*Nortons Assurance Limited*

**Nortons Assurance Limited**  
Statutory Auditor  
Reading

Date: 4 November 2025

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**FUND ACCOUNT**  
**FOR THE YEAR ENDED 5 APRIL 2025**

	Notes	2025 £	2024 £
<b>Contributions and Benefits</b>			
Employer contributions	4	1,248,036	1,214,556
Other income	5	21,392	12,569
		<u>1,269,428</u>	<u>1,227,125</u>
<b>Benefits paid or payable</b>			
Benefits paid or payable	6	(1,898,310)	(1,595,979)
Administrative expenses	7	(377,133)	(283,241)
		<u>(2,275,443)</u>	<u>(1,879,220)</u>
<b>Net Withdrawals from Dealings with Members</b>		<u>(1,006,015)</u>	<u>(652,095)</u>
<b>Returns on Investments</b>			
Investment management expenses	8	(118,371)	(124,451)
Investment income	9	464,173	402,637
Change in market value of investments	10	(1,085,856)	(1,148,699)
		<u>(740,054)</u>	<u>(864,513)</u>
<b>Net Returns on Investments</b>		<u>(740,054)</u>	<u>(864,513)</u>
<b>Net Decrease in the Fund</b>		<u>(1,746,069)</u>	<u>(1,516,608)</u>
<b>Net Assets at 6 April</b>		<u>23,454,027</u>	<u>24,976,635</u>
<b>Net Assets at 5 April</b>		<u>21,707,958</u>	<u>23,454,027</u>

The notes on pages 17 to 26 form part of these financial statements.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS)**  
**AS AT 5 APRIL 2025**

	Notes	2025 £	2024 £
<b>Investment Assets</b>			
Pooled investment vehicles	10-16	19,952,044	22,042,777
Insurance policies	10-16	539,000	585,700
Derivatives	10-16	-	-
Cash	10-16	202,901	229,797
<b>Total Net Investments</b>		<u>20,693,945</u>	<u>22,928,274</u>
<b>Current Assets</b>	17	1,014,013	577,337
<b>Current Liabilities</b>	18	-	(51,584)
<b>Net Assets at 5 April</b>		<u>21,707,958</u>	<u>23,454,027</u>

The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustees. 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 on pages 5 and 6 and the Actuarial Certificate on page 27 of the annual report and these financial statements should be read in conjunction with them.

The notes on pages 17 to 26 form part of these financial statements.

The financial statements were approved and signed on behalf of the Trustees by:

A Rigby

Date: 4/11/2025

Trustee

P Snowden

Date: 4/11/2025

Trustee

## LANDIS GRINDING SYSTEMS PENSION FUND

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2025

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#### 1. BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis 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 with the guidelines set out in the Statement of Recommended Practice Financial Reports of Pension Schemes (revised 2018) (the “SORP”).

#### 2. IDENTIFICATION OF THE FINANCIAL STATEMENTS

The Plan is registered as a trust under English law. The address for enquiries is included in the Trustees’ Report.

#### 3. ACCOUNTING POLICIES

The following principal accounting policies have been adopted in the preparation of the financial statements and have been applied consistently.

##### 3.1 Contributions and Benefits

- a) Employer deficit funding and expense contributions are accounted for on the due dates in accordance with the Schedule of Contributions.
- b) Benefits are accounted for on an accruals basis in the period in which they relate.
- c) Pensions are accounted for on an accruals basis.
- d) Where members can choose whether to take their benefits as a full pension or as a lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement and the date the option is exercised.
- e) Other benefits are accounted for on an accruals basis on the date of retirement, death or leaving the Plan as appropriate.

##### 3.2 Other Income

Interest on cash held with the Plan Administrator is accounted for as it accrues.

##### 3.3 Investment Income

- a) Income from bonds is accounted for as it accrues.
- b) Income from pooled investment vehicles is accounted for when declared by the fund manager.
- c) Income arising on the underlying investments of accumulation funds is reflected within the change in market value.
- d) Income from insurance policies is accounted for when the Plan is entitled to receive the monies.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**3. ACCOUNTING POLICIES (CONTINUED)**

**3.4 Valuation of Investments**

- a) The market value of pooled investment vehicles is based on the bid price or, if only single priced, the single unit price operating at the accounting date, as advised by the investment manager.
- b) Insurance policies purchased in the name of the Trustees which fully provide the pension benefits for certain members are included in these financial statements at the amount of the related obligation, determined using the most recent Actuarial Valuation Report assumptions and methodology. Annuity valuations are provided by the Plan Actuary. Annuities are secured by Legal & General.
- c) The changes in investment market value are accounted for in the year in which they arise and include profits and losses on investments sold as well as unrealised gains and losses in the value of investments held at the year-end.

**3.5 Administrative and Investment Management Expenses**

Administrative and investment manager's expenses are met by the Plan and are accounted for on an accruals basis.

**3.6 Currency**

- a) The Plan's functional currency and presentational currency is Pounds Sterling (GBP).
- b) Foreign currency transactions are recorded in Sterling at the spot exchange rate at the date of the transaction. Monetary items denominated in foreign currency are translated into Sterling using the closing exchange rates at the year end.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**4. EMPLOYER CONTRIBUTIONS**

	2025	2024
	£	£
Deficit funding	999,996	999,996
Expense	<u>248,040</u>	<u>214,560</u>
	<u>1,248,036</u>	<u>1,214,556</u>

Contributions were received in accordance with the Schedules of Contributions certified by the Plan Actuary on 5 July 2021 and 16 August 2024.

In accordance with the latest Schedule of Contributions certified by the Plan Actuary on 16 August 2024 the Employer will pay deficit contributions as follows:

- Contributions of £83,333 per month between 1 July 2024 and 30 June 2027.
- Contributions of £125,000 per month payable from 1 August 2027 to 30 June 2035 (inclusive), increasing by 3% p.a. each April.

**5. OTHER INCOME**

	2025	2024
	£	£
Interest on cash held with the Plan Administrator	<u>21,392</u>	<u>12,569</u>

**6. BENEFITS PAID OR PAYABLE**

	2025	2024
	£	£
Pensions	1,252,164	1,078,492
Commutations and lump sum retirement benefits	<u>646,146</u>	<u>517,487</u>
	<u>1,898,310</u>	<u>1,595,979</u>

**7. ADMINISTRATIVE EXPENSES**

	2025	2024
	£	£
Consultancy	95,621	106,456
Administration	177,100	87,196
Actuarial	71,820	51,317
Other professional fees	12,940	27,576
Audit	8,940	8,520
Legal	8,892	-
Trustee	1,674	2,000
Bank charges	<u>146</u>	<u>176</u>
	<u>377,133</u>	<u>283,241</u>

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**8. INVESTMENT MANAGEMENT EXPENSES**

	2025	2024
	£	£
Administration, management and custody	<u>118,371</u>	<u>124,451</u>

**9. INVESTMENT INCOME**

	2025	2024
	£	£
Income from pooled investment vehicles	498,752	97,481
Interest on cash held with investment managers	7,830	276,840
Loss/Gain on currency exchange	(71,558)	-
Income from insurance policies	<u>29,149</u>	<u>28,316</u>
	<u>464,173</u>	<u>402,637</u>

**10. INVESTMENT RECONCILIATION**

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

	Value at 6 April 2024 £	Cost of Purchases and Derivative Payments £	Proceeds of Sales and Derivative Receipts £	Change in Market Value £	Value at 5 April 2025 £
Pooled investment vehicles	22,042,777	13,656,041	(14,707,618)	(1,039,156)	19,952,044
Insurance policies	<u>585,700</u>	<u>-</u>	<u>-</u>	<u>(46,700)</u>	<u>539,000</u>
	22,628,477	<u>13,656,041</u>	<u>(14,707,618)</u>	<u>(1,085,856)</u>	20,491,044
Cash	<u>299,797</u>				<u>202,901</u>
	<u>22,928,274</u>				<u>20,693,945</u>

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

Where the investments are held in a unitised fund, the change in market value also includes expenses, both implicit and explicit, for the year and any reinvested income, where income is not distributed.

No direct transaction costs have been incurred. Indirect transaction costs are incurred within pooled vehicles via bid/offer spreads and charges made within those vehicles. Such costs are taken into account in calculating the bid/offer spread of these investments and are not separately reported.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**11. POOLED INVESTMENT VEHICLES**

The holdings of the Pooled Investment Vehicles are analysed below:

	2025	2024
	£	£
Alternative	3,588,809	2,211,306
Cash	424,746	130,592
Property	323,275	360,547
Bonds	5,576,419	9,342,369
Equities	2,231,757	2,468,617
LDI	7,807,038	7,529,346
	<u>19,952,044</u>	<u>22,042,777</u>

**12. INSURANCE POLICIES**

The legacy insurance policies relate to benefits due for three individuals. The Trustees no longer purchase such policies to meet Plan liabilities. The value of the insurance policy is calculated by the Plan Actuary using the most recent Plan funding valuation assumptions. The value as at the 5 April 2025 was £539,000 (2024: £585,700).

**13. INVESTMENT FAIR VALUE HIERARCHY**

FRS102 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 dates;
- 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 Fund's investment assets fall within the above hierarchy as follows:

	Level 1	Level 2	Level 3	2025
	£	£	£	£
Pooled investment vehicles	-	19,111,336	840,708	19,952,044
Insurance policies	-	-	539,000	539,000
Cash	202,901	-	-	202,901
	<u>202,901</u>	<u>19,111,336</u>	<u>1,379,708</u>	<u>20,693,945</u>
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>2024</i>
	£	£	£	£
<i>Pooled investment vehicles</i>	-	20,936,762	1,106,015	22,042,777
<i>Insurance policies</i>	-	-	585,700	585,700
<i>Cash</i>	299,797	-	-	299,797
	<u>299,797</u>	<u>20,936,762</u>	<u>1,691,715</u>	<u>22,928,274</u>

## LANDIS GRINDING SYSTEMS PENSION FUND

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2025

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#### 14. INVESTMENT RISKS

FRS 102 requires the disclosure of information in relation to certain investment risks. FRS 102 sets out these risks as follows:

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

**Market Risk:** This comprises currency risk, interest rate risk and other price risk.

**Currency Risk:** This is the risk that the fair value or future cash flows of a financial 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 Plan has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustees manage 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 Trustees by regular reviews of the investment portfolio.

The Trustees monitor the Plan's risks periodically.

The Trustees measure risks both qualitatively and quantitatively.

The Trustees monitor and measure the overall risk in relation to the aggregate risk exposure across all risk types and activities, including employer covenant and funding risks.

The Plan has investment guidelines that set out its overall investment strategy and its general approach to risk management, as set out in the Statement of Investment Principles.

The Trustees have appointed an investment adviser to assist them in determining and implementing the investment strategy for the Plan.

The Trustees acknowledge that the Plan's investment managers may use derivatives and other instruments for trading purposes and in connection with its risk management activities.

#### **Credit Risk**

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

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

The Plan's holdings in pooled investment vehicles are unrated. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled managers, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The manager carries out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the operating environment of the pooled managers.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**15. INVESTMENT RISKS (CONTINUED)**

**Credit Risk (continued)**

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

**Currency Risk**

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

Some of the pooled investment vehicles held by the Plan are denominated in overseas currencies and are therefore subject to direct currency risk. At the year end, the non-GBP balances comprised 2.6% (2024: 3.9%) of the Plan's total assets (representing assets held with Schroders, ALL, and the Trustee in non-GBP).

**Interest Rate Risk**

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

**Other Price Risk**

Other price risk arises principally in relation to the Plan's return seeking portfolio which includes a range of strategies invested in pooled vehicles (equities, bonds, alternatives, property and cash). This exposure to overall price movements is managed by constructing a diverse portfolio of investments across various markets.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**15. INVESTMENT RISKS (CONTINUED)**

The table below summarises the extent to which the various classes of the Plan's investments are affected by indirect financial risks.

StrategyFund	Credit Risk	Currency Risk	Interest Rate Risk	Other Price Risk	5 April 2025	5 April 2024
					Market Value (£)	Market Value (£)
<b>Total assets (AIL + Schroders+Orchard Taiga)</b>					<b>20,154,945</b>	<b>22,342,566</b>
<b>AIL</b>					<b>19,310,543</b>	<b>21,072,827</b>
Multi-Factor LGIM Developed Factor Index Fund	✓	✓	✓	✓	234,339	2,468,617
Multi-Factor LGIM Developed Factor Index Fund – Hedged	✓	-	-	✓	1,023,654	-
Climate Transition Equity Strategy UBS Global Equity Climate Transition Fund	✓	✓	-	✓	729,817	-
Climate Transition Equity Strategy UBS Global EM Equity Climate Transition Fund	✓	✓	-	✓	243,946	-
Active Global Fixed Income Strategy Adept Strategy 2	✓	✓	✓	✓	3,065,760	4,301,665
Sustainable Multi-Asset Credit Strategy Adept Strategy 18	✓	✓	✓	✓	1,123,150	2,145,424
Low Risk Bonds Strategy Adept strategy 25	✓	✓	✓	✓	1,387,509	2,149,813
Diversified Alternatives Strategy Adept Strategy 31	✓	✓	✓	✓	2,592,708	1,454,036
Opportunities Strategy Adept Strategy 5	✓	✓	✓	✓	375,735	514,379
Illiquid Assets Leadenhall ILS	✓	✓	✓	✓	102,934	242,892
Hedging Component	✓	-	✓	✓	8,231,783	7,659,937
Cash	✓	-	-	-	186,317	136,064
<b>Schroders</b>					<b>339,859</b>	<b>1,269,740</b>
Investment Fund cash	✓	✓	✓	✓	16,584	163,725
Investment Fund Securities	✓	✓	✓	✓	323,275	1,106,015
<b>Orchard Taiga</b>					<b>517,433</b>	<b>-</b>
Orchard Taiga	✓	✓	✓	✓	517,433	-

Source: Schroders Solutions, Aon / Bank of New York Mellon / Managers.

Cash balances held in LDI accounts are included in the Hedging Component market value.

(1) Non-Discretionary assets are held outside of the Discretionary Portfolio managed by Aon Investment Limited.

Please note that figures may not sum due to rounding.

In the table above, the risk noted affects the investment class [✓] as at 5 April 2025.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

**16. CONCENTRATION OF INVESTMENTS**

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

	2025		2024	
	£	%	£	%
ADEPT 2 ACTIVE GBL FI GBP	3,065,760	14.4	4,301,664	18.3
ADEPT 31 DIV ALT GBP 50	2,592,708	12.2	1,454,036	6.2
SCHR MP-SY ID N-2038-2057	1,950,658	9.2	1,579,299	6.7
Schroder-SYN N G 2058-207	1,405,951	6.6	1,209,796	5.1
ADEPT 25 LOW RISK BOND GB	1,387,509	6.5	2,149,813	9.2
ADEPT 18 GBP 30 2021	1,123,150	5.3	2,145,424	9.1
DMVI-Developed Balanc GBP*	-	-	2,468,617	10.5
Schroder SSF-STE LIQ P-X2*	-	-	1,266,648	5.4

\*Funds still held this year, but account for less than 5% of the Plan's net assets

**17. CURRENT ASSETS**

	2025	2024
	£	£
Cash held with the Plan Administrator	819,300	390,013
Employer contributions due	104,933	101,213
Pensions paid in advance	89,780	86,111
	<u>1,014,013</u>	<u>577,337</u>

The contributions due at the year end were received in accordance with the Schedules of Contributions certified by the Plan Actuary on 5 July 2021 and 16 August 2024.

**18. CURRENT LIABILITIES**

	2025	2024
	£	£
Investment management expenses due	-	6,000
Administrative expenses due	-	45,584
	<u>-</u>	<u>51,584</u>

**19. RELATED PARTY TRANSACTIONS**

The Principal Employer has provided certain administrative services during the year without charge and meets the costs of all statutory levies. The Member-Nominated Trustee does not receive any remuneration for this service to the Plan but has been reimbursed for expenses of £1,674 (2024: £2,000). The Independent Trustee, BESTrustees Ltd, is appointed by the Employer, and the fees are paid by the Employer amounting to £31,194 (2024: £24,543).

**20. EMPLOYER-RELATED INVESTMENTS**

There were no Employer-related investments during the year.

**21. TAXATION**

In accordance with the provisions of Schedule 36 of Finance Act 2004, the Plan is a registered pension scheme under Chapter 2 of part 4 of the Finance Act 2004 with effect from 6 April 2006.

## LANDIS GRINDING SYSTEMS PENSION FUND

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2025

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#### 22. CONTINGENT LIABILITIES AND CONTRACTUAL COMMITMENTS

##### GMP Equalisation

On 26 October 2018, the High Court ruled that benefits provided to members who had contracted out of their Plan must be recalculated to reflect the equalisation of state pension ages between 17 May 1990 and 6 April 1997. Following the ruling, it is expected that the Trustees will need to equalise Guaranteed Minimum Pensions between men and women. This is likely to result in additional liabilities for the Plan for equalisation of the benefits already crystallised e.g., historical transfers out, retirement benefits etc.

As a result, from the latest actuarial valuation an allowance has been made for GMP equalisation, the Plan Actuary advised the total increase to the Technical Provisions was estimated to be £1.12m.

Subsequently, on 20 November 2020, the High Court issued a follow up judgment in respect of the Lloyds Banking Group ruling that any transfers out paid since 17 May 1990 must be potentially be increased to reflect additional liabilities arising from the equalisation of GMPs accrued between 17 May 1990 and 5 April 1997. This could potentially result in top-up payments to members but presents significant challenges for the Trustees and Plan Administrator in terms of:

- Identifying transfers paid since 1990.
- Equalising the transfer payment.
- Tracking the relevant members and the arrangements they transferred to.

The Trustees are currently reviewing all options with their Plan Advisers.

##### Virgin Media Ltd v NTL Pension Trustees

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023 considered the implications of section 37 of the Pension Schemes Act 1993. We do not know at this stage whether the case will be appealed but, as matters stand, the case has the potential to cause significant issues in the pension industry. The Trustees will investigate the possible implications with their advisers but, it is not possible at present to estimate the potential impact, if any, on the Plan.

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**ACTUARIAL CERTIFICATE**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**Certificate of Schedule of Contributions**

**Adequacy of Rates of Contributions**

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 16 August 2024.

**Adherence to Statement of Funding Principles**

I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated 16 August 2024.

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

<b>Signature:</b>	David Jarman
<b>Name:</b>	David Jarman
<b>Date of Signing:</b>	16 August 2024
<b>Address:</b>	Isio Group Limited AMP House Dingwall Road Croydon CR0 2LX
<b>Qualification:</b>	Fellow of the Institute and Faculty of Actuaries

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS**  
**FOR THE YEAR ENDED 5 APRIL 2025**

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**Independent Auditor's Statement about Contributions to the Trustees of the Landis Grinding Systems Pension Fund**

We have examined the Summary of Contributions payable to the Landis Grinding Systems Pension Fund for the Plan year ended 5 April 2025 which is set out on the following page.

In our opinion contributions for the Plan year ended 5 April 2025 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 16 August 2024.

**Scope of Work on Statement about Contributions**

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

**Respective Responsibilities of Trustees and the Auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the Plan's Trustees are responsible for preparing, and from time to time reviewing and if necessary, revising, a Schedule of Contributions and for monitoring whether contributions are made to the Plan by the Employer in accordance with the Schedule of Contributions.

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

**Use of Our Report**

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

*Nortons Assurance Limited*

**Nortons Assurance Limited**  
Statutory Auditor  
Reading

Date: 4 November 2025

**LANDIS GRINDING SYSTEMS PENSION FUND**  
**SUMMARY OF CONTRIBUTIONS PAYABLE**  
**FOR THE YEAR ENDED 5 APRIL 2025**

During the year ended 5 April 2025, the contributions payable to the Plan by the Employer were as follows:

	2024 £
<b>Employer Contributions payable under the Schedule of Contributions</b>	
Deficit funding	999,996
Expense	248,040
	<hr/>
<b>Contributions payable under the Schedule and reported in the Financial Statements</b>	<b><u>1,248,036</u></b>

Signed for and on behalf of the Trustees by:

A Rigby

Date: 4/11/2025

Trustee

P Snowden

Date: 4/11/2025

Trustee

# Appendix Divider referenced in contents

LANDIS GRINDING SYSTEMS PENSION FUND  
IMPLEMENTATION STATEMENT  
FOR THE YEAR ENDED 5 APRIL 2025

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## Engagement Policy Implementation Statement (“EPIS”)

### Landis Grinding Systems Pension Fund

year end – 5 April 2025

The purpose of the EPIS is for us, the Trustees of the Landis Grinding Systems Pension Fund (the “Fund”), to explain what we have done during the year ending 5 April 2025 to achieve certain policies and objectives set out in the Statement of Investment Principles (“SIP”). It includes:

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

#### Our conclusion

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

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

We delegate the management of the Fund’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. We believe our voting rights have been implemented effectively on our behalf.

There are some residual assets that remain invested with the Fund’s previous fiduciary manager, Schroders Solutions (“Schroders”). However, the residual funds are not considered to be material and therefore no details on these assets are included in this report.

## How voting and engagement policies have been followed

The Fund is invested in pooled funds, and so the responsibility for voting and engagement is delegated to the Fund'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 Fund year and in our view, most of the investment managers were able to disclose good evidence of voting and/or engagement activity. More information on the stewardship activity carried out by the Fund's investment managers can be found in the following sections of this report.

Over the reporting year, we monitored the performance of the Fund'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 Fund is invested in where available.

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

The Fund's stewardship policy can be found in the SIP: <https://www.landis.yourisio.com/infosheets/#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. Whilst Legal and General Investment Management ("LGIM") provided all information required, there were some issues with the way in which this was reported in comparison to industry peers. Our fiduciary manager, Aon, will engage with the manager to encourage better transparency and reporting practices going forwards.
2. We will invite our fiduciary manager to a meeting to get a better understanding of how it is monitoring voting practices and engaging with underlying managers on our behalf, and how these help us fulfil our Responsible Investment policies.
3. 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 Governance ("ESG") issues to focus on, engaging with investees/issuers, and exercising voting rights.

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

*Source: UN PRI*

## Our fiduciary manager's engagement activity

We delegate the management of the Fund's defined benefit assets to our fiduciary manager, Aon. Aon manages the Fund'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 managers to Aon. We have reviewed Aon's latest annual Stewardship Report and we believe it shows that Aon is using its resources to effectively influence positive outcomes in the funds in which it invests.

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.

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

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

### What is fiduciary management?

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

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

## Our managers' voting activity

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

Voting rights are attached to listed equity shares, including equities held in multi-asset funds. We expect the Fund's equity-owning investment managers to responsibly exercise their voting rights.

### Why is voting important?

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

Source: UN PRI

## Voting statistics

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

Funds	Number of resolutions eligible to vote on	% of resolutions voted	% of votes against management	% of votes abstained from
LGIM - Multi-Factor Equity Fund (Hedged)	11,446	99.8%	20.8%	0.4%
UBS - Global EM Equity Climate Transition Fund	7,747	85.0%	6.6%	4.3%
UBS - Global Equity Climate Transition Fund	12,234	93.0%	8.1%	0.1%

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

## Use of proxy voting advisers

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

Responsible investors will dedicate time and resources towards making their own informed decisions, rather than solely relying on their adviser's recommendations.

The table below describes how the Fund's equity fund managers use proxy voting advisers.

### Why use a proxy voting adviser?

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

Managers	Description of use of proxy voting adviser(s) (in the managers' own words)
LGIM	LGIM's Investment Stewardship team uses Institutional Shareholder Services' ("ISS") 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and we do not outsource any part of the strategic decisions. To ensure our proxy provider votes in accordance with our position on ESG, we have put in place a custom voting policy with specific voting instructions.
UBS	UBS AM retains the services of ISS for the physical exercise of voting rights and for supporting voting research. UBS retains full discretion when determining how to vote at shareholder meetings.

Source: Managers

## Significant voting examples

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

## The underlying 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 Fund's material managers. The managers have provided information for the most recent calendar year available.

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

Source: Managers

## Data limitations

At the time of writing, LGIM has provided a complete list of engagements for the invested funds, however, did not include as much detail as recommended in the best practice industry standard Investment Consultants Sustainability Working Group (“ICSWG”) reporting guide. In addition, whilst LGIM has provided firm level info, the reporting methodology for the number of engagements is out of line with what we view as industry best practice and as compared to peers.

This report also does not include commentary on the residual assets held with Schroders as they are considered to be immaterial.

## Appendix – Significant Voting Examples

In the table below is an example of a significant vote as provided by the Fund’s material equity manager. We consider a significant vote to be one which the manager considers significant. Managers use a wide variety of criteria to determine what they consider a significant vote, some of which are outlined in the examples below:

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

	<b>On which criteria have you assessed this vote to be most significant?</b>	Over 32% of shareholders voted against the resolution.
<b>UBS - Global Equity Climate Transition Fund</b>	<b>Company name</b>	Bank of America Corporation
	<b>Date of vote</b>	24 April 2024
	<b>Approximate size of fund's/mandate's holding as at the date of the vote (as % of portfolio)</b>	<i>Not provided</i>
	<b>Summary of the resolution</b>	Report on Clean Energy Supply Financing Ratio
	<b>How you voted?</b>	Votes supporting resolution
	<b>Where you voted against management, did you communicate your intent to the company ahead of the vote?</b>	No
	<b>Rationale for the voting decision</b>	We will support proposals that seek to promote greater disclosure and transparency in corporate environmental policies as long as: a) the issues are not already effectively dealt with through legislation or regulation; b) the company has not already responded in a sufficient manner; and c) the proposal is not unduly burdensome or overly prescriptive.
	<b>Outcome of the vote</b>	Fail
	<b>Implications of the outcome eg were there any lessons learned and what likely future steps will you take in response to the outcome?</b>	Given strong shareholder support, we shall monitor further developments.
		<b>On which criteria have you assessed this vote to be most significant?</b>

Source: Managers