

As Trustees, we provide all members with regular information about the level of funding that supports your pension.

This statement summarises the results of the full valuation at 1 January 2023 and the annual funding update at 1 January 2024.

These financial health checks are important for monitoring the Scheme’s progress. The information helps you to understand how the Scheme is developing.

The latest position

The table below shows the full valuation at 1 January 2023 alongside the annual funding update at 1 January 2024 and the last update we gave you at 1 January 2022.

	Update	Valuation	Update
Date	1 January 2022	1 January 2023	1 January 2024
The funding level	115%	119%	119%
The funding target*	£612.6 million	£440.8 million	£436.2million
The value of the Scheme’s assets	£702.1 million	£523.9 million	£517.8 million*
The overall position	Surplus of £89.5 million	Surplus of £83.1 million	Surplus of £81.6 million

*The funding target represents the estimated current value of all benefits to which members will be entitled to in the future.

The latest update shows that the funding level improved over 2022 and stayed broadly similar over 2023. Overall the continued high funding level means that the Scheme is in a very strong position.

It is important to remember that it is normal for pension scheme funding levels to fluctuate over time. Even if funding is temporarily below target, the Scheme will continue to pay benefits in full as long as it continues.

Reasons for the change over 2022

The position improved from January 2022 to January 2023 as a result of:

- interest rates rising sharply in September 2022 which has increased expectations for future

investment returns, reducing the funding target;

- asset values also fell, but by a smaller proportion than the funding target.

The Trustee and Company also agreed to strengthen the assumptions used for the funding target as part of the 1 January 2023 valuation.

Reasons for the change over 2023

The position remained broadly similar from January 2023 to January 2024 as a result of:

- slightly lower than expected investment performance which has meant that the Scheme's assets have decreased in value;
- offset by a rise in interest rates which has increased expectations for future investment returns and reduced the funding target.

Financial support

The Company has historically provided significant financial support for the Scheme which has helped the Scheme to achieve its current funding position.

Due to the strong funding position, the Company is currently not paying any contributions into the Scheme.

The next formal valuation will look at the Scheme's position at 1 January 2026. This will include evaluating whether the Company needs to make further contributions to the Scheme.

If the Scheme came to an end

The Scheme's funding level is worked out in two ways.

- The 'ongoing' basis (shown on the previous page), which assumes that the Scheme will continue into the future.
- The 'full solvency' basis, which shows the funding position if the Scheme started to 'wind up' at the date of the valuation. If this happened, all members' benefits would have to be secured without delay by buying insurance policies.

At 1 January 2023, the Scheme's full solvency funding level was 106% with a surplus of £28.7 million.

We are obliged to tell you if there have been any payments to the Company out of Scheme funds since the last update, and there have not been any such payments.

Contacts

If you have any questions about the Scheme or your pension, please contact the Company Secretarial Department at the following address:

Persimmon Pension Trustees Limited, Persimmon House, Fulford, York YO19 4FE

The Pension Protection Fund

If the Company did become insolvent, the Pension Protection Fund (the 'PPF') may step in and pay some compensation to members. There are more details on the PPF website at:

www.ppf.co.uk

The Pensions Regulator

The Pensions Regulator is the UK watchdog of workplace pension schemes. It has the authority to change the way occupational pension schemes are run though it has not needed to use its powers in this way for our Scheme. You can find out more about The Pensions Regulator online at:

www.thepensionsregulator.gov.uk

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser ('IFA'). You can find an IFA in your area by searching the Money and Pensions Service directory at:

<https://maps.org.uk/>

Before you appoint anyone, you should check that the adviser is suitably qualified and authorised. You can do this online at:

<https://register.fca.org.uk>

or by phoning the Financial Conduct Authority helpline on:

0800 111 6768.

