

The One Ecolab Pension Plan Annual Governance Statement – year ended 31 March 2025

Governance requirements apply to defined contribution (DC) pension schemes, to help members achieve a good outcome from their pension savings. This statement has been prepared by the Trustee of the One Ecolab Pension Plan (the ‘Trustee’ of the ‘Plan’) in respect of the DC section of the Plan (the ‘DC Section’) and the arrangements for payments by members of additional voluntary contributions (‘AVCs’) to demonstrate how the Plan has complied with the governance standards introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015. The Pensions Regulator (TPR) has also published its expectations of DC pension schemes in the General Code.

This statement covers the following key areas:

- The investment options in which members’ funds are invested during the Plan year (this means the “default strategy” and other funds members are (or were) able to select such as self-select or “legacy” funds)
- The requirements for processing financial transactions
- The charges and transaction costs borne by members, including an illustration of the cumulative effect of these costs and charges
- The net return on investments for the default strategy and self-select funds (including those used historically that still hold assets)
- The asset allocation assessment of the default investment strategy
- Assessing the value for members in relation to charges and transaction costs borne by members, and
- Trustee Knowledge and Understanding (TKU) in relation to individual Trustees and the Board as a whole.

The Trustee’s statements in respect of these requirements are set out below and cover the period 1 April 2024 to 31 March 2025.

The requirement to produce an Annual Governance Statement is separate to the requirement for the Trustee to assess the Plan against the Pensions Regulator’s General Code of Practice, which combines and replaces 10 of the 16 previous codes of practice, including the Code of Practice for DC pension schemes entitled “Governance and administration of occupational trust-based schemes providing money purchase benefits”.

The Trustee receives professional Defined Contribution (‘DC’) investment and governance advice from WTW (the ‘Professional Adviser’). The DC Section is administered by Legal & General Assurance Society (the ‘DC Section Administrator’). The DC Section is being used as a qualifying scheme for automatic enrolment purposes and as the option for members that choose to make Additional Voluntary Contributions (‘AVCs’).

Investment strategy – relating to the DC Section’s default arrangement

The statement below outlines the various processes and components that together govern the Trustee’s decision-making process in connection with the DC Section’s default investment arrangement. The DC Section’s default arrangement is the OEPP Lifestyle Strategy Targeting Annuity Purchase.

The Trustee’s investment beliefs & objectives

The Trustee is responsible for the Plan’s investment governance, which includes setting and monitoring the investment strategy for the Plan’s default arrangement(s). Details of the objectives and the Trustee’s policies regarding the default arrangement(s) are set out in a document called the ‘Statement of Investment

Principles' (SIP). A copy of the Plan's latest SIP for the default arrangement dated September 2025 is appended to this statement. The SIP captures:

- 1 The aims and objectives of the Trustee in respect of the default investment arrangement.
- 2 The Trustee's/manager's policies in relation to the:
 - Kinds of investments to be held
 - Balance between the different kinds of investment
 - Risks, including how these are measured and managed
 - Expected return on investments
 - The realisation of investments
 - Financially material considerations over the appropriate time horizon of the investments, including how those considerations are taken into account in the selection, retention and realisation of investments
 - The extent (if at all) to which non-financial matters are taken into account in the selection, retention and realisation of investments
 - Disclosure of the Trustee's policy in relation to investment in illiquid assets and private markets.
- 3 The Trustee's policy in relation to:
 - The exercise of the rights (including voting rights) attaching to the investments, and
 - Undertaking engagement activities in respect of the investments (including the methods by which, and the circumstances under which, the Trustee would monitor and engage with relevant persons about relevant matters)
- 4 The Trustee's policy in relation to their arrangement with any fund manager, setting out the following matters:
 - How the arrangement with the fund manager incentivises the fund manager to align its investment strategy and decisions with the Trustee's policies.
 - How that arrangement incentivises the fund manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their medium to long-term performance.
 - How the method (and time horizon) of the evaluation of the fund manager's performance and the remuneration for fund management services are in line with the trustees' policies.
 - How the Trustee monitors portfolio turnover costs incurred by the fund manager, and how they define and monitor targeted portfolio turnover or turnover range, and
 - The duration of the arrangement with the fund manager.

Recent and current reviews of the DC Section's default option

Members who join the DC Section and who do not choose an investment option are placed into the default strategy. The Trustee receives regular updates from its Professional Adviser with regards to market practice for default investment strategies in DC trust-based pension plans.

The Trustee is required to formally review the default investment strategy at least every three years and completed its last review in December 2023.

No further formal review of the default strategy was carried out during the period covered by this statement.

However, the Trustee regularly monitors the performance of the default arrangement at each Trustee Meeting and will formally review both this and the strategy at least every three years or immediately following any significant change in investment policy or the DC Section's membership profile. The next formal review is due to begin in May 2026.

The DC Section offers three lifestyle strategies – one targeting the purchase of an annuity (the default strategy), one assuming a member wishes to use the flexibility of drawdown and one assuming a member will take their DC account as a cash lump sum. Six self-select funds are also available.

The default strategy has been designed by the Trustee, in conjunction with its Professional Adviser, taking into account the typical risk profile of the DC section membership and the expected retirement decisions by members.

The default strategy initially invests in return seeking funds; 70% in the L&G PMC Global Equity Index Blend Fund and 30% in the L&G PMC Diversified Growth Fund, with the aim being to grow a member's DC account in the 'accumulation phase' and mitigate inflation and opportunity cost risks.

Over the 5 years before retirement, investments are moved into funds that are expected to be less volatile and aligned to the expectation members will use their DC account to purchase an annuity; the Legal & General Future World Annuity Aware Fund and the Legal & General Sterling Liquidity Fund. The asset allocation at the member's selected retirement date assumes a member will take 25% of their account as a lump sum with the remainder used to purchase an annuity.

The other two alternative lifestyle options follow the same strategy in the accumulation stage up to the 5 years before retirement, before moving into assets that are aligned to an expectation of using drawdown or taking savings out as a cash lump sum.

Performance monitoring

The Trustee reviews how the funds within the default strategy (and self-select fund range) have performed against the investment managers' objectives and benchmarks. An update has been provided at each Trustee meeting as part of the Professional Adviser's investment performance monitoring report. The analysis and advice provided supports the Trustee in determining whether or not it should consider making any changes as a result of the performance of funds.

The Trustee is satisfied that the investment strategy for the DC Section remains appropriate because:

- (a) during the period of this statement, all funds (including the default strategy) produced returns in line with their stated objectives and respective benchmarks over the long term and in line with the aims and objectives of the SIP;
- (b) the strategy for investment in the default arrangement, alternative lifestyle strategies and self-select funds continues to meet the Trustee's objectives; and
- (c) the funds within the default strategy (and alternative lifestyle strategies) and self-select funds provide broad investment opportunities for members and comply with the Trustee's requirement to consider Environmental, Social and Governance (ESG) factors in making investments available in accordance with the SIP.

Default arrangement asset allocations

Trustees or managers of relevant occupational pension schemes are required to disclose their full asset allocation of investments from their default arrangements. This information has been provided by the investment platform provider (Legal & General) as follows:

OEPP Lifestyle Strategy Targeting Annuity Purchase

	Percentage allocation – average 25 years (%)	Percentage allocation – average 45 years (%)	Percentage allocation – average 55 years (%)	Percentage allocation – average 65 years (%)
Equities	80.9	80.9	80.9	0.0
Developed Corporate Bonds	4.2	4.2	4.2	38.5
Developed Government Bonds	2.3	2.3	2.3	36.5
Alternative Credit	5.9	5.9	5.9	0.0
Other	6.7	6.7	6.7	0.0
Cash	0.0	0.0	0.0	25.0

On reporting the results of the asset allocation assessment, the Trustee considered the relevant guidance issued by the Secretary of State.

Net investment returns

The Trustee is required to report on the net investment returns for the default strategy and for each self-select fund in which members have assets invested during the Plan year. Net investment returns refer to the returns on funds minus all transaction costs and member-borne charges.

The figures for net investment returns used in the table below to 31 March 2025 are based on those provided by Legal & General over the past five years (where available). Returns for the Global Equity Index Blend Fund (which also forms part of the default strategy and alternative lifestyle strategies) are not yet available over 5 years given the Fund was created and launched in August 2021.

Returns are net of the applicable Fund Management Charges (FMCs) but do not include deduction of the Plan Annual Management Charge (AMC) of 0.19%.

None of the funds or strategies available operate with performance-based fees.

Default fund – OEPP Lifestyle Strategy Targeting Annuity Purchase

Age of member	1 year net investment return to 31 March 2025	3 year net investment return to 31 March 2025	5 year net investment return to 31 March 2025
25	5.34%	5.76%	N/A
45	5.34%	5.76%	N/A
55	5.34%	5.76%	N/A

Alternative lifestyle fund - OEPP Lifestyle Strategy Targeting Cash

Age of member	1 year net investment return to 31 March 2025	3 year net investment return to 31 March 2025	5 year net investment return to 31 March 2025
25	5.34%	5.76%	N/A
45	5.34%	5.76%	N/A
55	5.34%	5.76%	N/A

Alternative lifestyle fund - OEPP Lifestyle Strategy Targeting Drawdown

Age of member	1 year net investment return to 31 March 2025	3 year net investment return to 31 March 2025	5 year net investment return to 31 March 2025
25	5.34%	5.76%	N/A
45	5.34%	5.76%	N/A
55	5.34%	5.76%	N/A

Individual self-select funds

	1 year	3 year	5 year
Legal & General Global Equity Index Blend Fund*	5.68%	7.20%	N/A
Legal & General Diversified Fund*	4.54%	2.40%	6.54%
Legal & General Emerging Markets Equity Index Fund	8.14%	2.82%	8.03%
Legal & General World ex UK Equity Index Fund	3.37%	7.36%	14.88%
Legal & General Future World Annuity Aware Fund*	-2.61%	-6.83%	-4.96%
Legal & General Sterling Liquidity Fund*	5.09%	4.10%	2.46%

Source: Legal & General

* funds that form part of the default strategy – the OEPP Lifestyle Strategy Targeting Annuity Purchase

When preparing this section of the statement, the Trustee has taken account of the DWP’s statutory guidance on “Completing the annual Value for Members assessment and Reporting of Net Investment Returns.”

Additional Voluntary Contribution (AVC) arrangements

Members of the Plan can pay AVCs into the DC Section with Legal & General, with access to the same funds as DC Section members.

Legacy AVC arrangements

There have historically been legacy AVC arrangements in the Plan provided through policies placed through insurers. Many of those policies were consolidated into the DC Section in December 2023. However, two small legacy arrangements remain in place with Prudential and Phoenix Life because the members in those policies are entitled to guarantees that might otherwise have been forfeited.

These policies will remain in place until the last remaining members withdraw their benefits, at which time they will be closed.

Core financial transactions

The Trustee has received confirmation from the DC Section’s administrator (Legal & General) that it has taken steps to establish adequate internal controls to ensure that the DC Section’s core financial transactions were processed promptly and accurately during the Plan year. This includes the investment of contributions, processing of transfers in and out of the DC Section, transfers of assets between different investments within the DC Section, and payments to members/beneficiaries.

The Trustee monitors the core financial transactions of the DC Section via the DC Section’s administration reports, prepared by Legal & General, which are provided on a quarterly basis. Furthermore, an Administration Sub-Committee is in place which reviews all administration items for the Plan. The DC Section Administrator attends some of the Administration Sub-Committee meetings.

The administration report contains details of Legal & General's timeliness of completing administration tasks (i.e. transfers, retirement cases, responding to member queries etc.) against the administration service level agreement ("SLA") that the Trustee has in place with Legal & General.

Performance against the SLA is reviewed at each Trustee meeting, and no administration issues have been identified during the Plan year. The administration report also highlights any complaints raised during the period since the previous report, and in the first instance they are raised with the Trustee Secretary to ensure the appropriate steps are taken to resolve the complaint as quickly as possible. Five complaints were received during the reporting period relating to delays in timescales and general customer service. These complaints have all been resolved.

There are internal controls in place to ensure that core financial transactions relating to the DC Section are processed promptly and accurately by the DC Section administrator – Legal & General.

Quality controls are reviewed at a monthly "Risk and Controls Committee", which is overseen by Legal & General's Workplace DC Pensions Senior Leadership team. Legal & General's workplace pensions business is also subject to regular independent internal auditing from the L&G Group Internal Audit department, which is independent of all business and operational functions in the L&G Group plc and reports to the Group Audit Committee on the effectiveness of the control environment in mitigating the key risks of the group.

The key processes adopted by Legal & General as the DC Section Administrator to help it meet the SLA and ensure core financial transactions are processed correctly are as follows:

- Full reconciliations are taken on every transaction both into and out of Legal & General. Legal & General utilise a 'Strategic Reconciliation Tool' which is monitored daily by all areas processing money in and money out of Legal & General.
This provides a complete picture of benefits into and out of Legal & General whenever a transaction is made, and the Trustee can identify and resolve issues with benefit values or personal data as soon as they arise.
- For monies coming into the DC Section, a fully automated check is completed daily to ensure the money on the contribution file matches the money allocated to members' plans via Straight through Processing. For all money going out of the DC Section, these are 100% peer checked and authorised by a more senior member of staff prior to any disinvestment taking place.
This allows daily review of incoming transfers, and multiple eyes on any potential transfer of benefits out of the DC Section to ensure smooth, error-free transfers.
- Legal & General has a robust review process in place and is audited by the Trustee's auditors on an annual basis. In addition, Legal & General produce an Audit and Assurance Faculty report on an annual basis that details the controls and procedures in place regarding the investment administration function.
The Trustee's and Legal & General's auditing processes make sure investment of DC funds and administration of benefits are continually monitored by an objective third party. This prevents issues arising and allows early detection of any inconsistencies.
- Legal & General use an online scheme management system, "Manage Your Scheme", which allows the Plan employer (the 'Company') to manage and oversee the day to day running of the DC Section.
- Investment of contributions – investment instructions (including when a member elects to switch investments) are issued to the investment managers within five working days of receipt of final contributions.
Investments are made quickly following receipt of contributions into the member's pension pot, reducing delays.

- Transfers of members' assets out of the DC Section – disinvestment instructions are issued within ten working days of receipt of completed transfer out documentation.

Once Legal & General has the completed transfer forms they quickly disinvest the part of the fund relating to the member reducing delays transferring the member to another arrangement.

- Payments from the DC Section to, or in respect of members – a disinvestment instruction in respect of the member's designated account in normal course of events be issued up to ten working days prior to normal retirement date, or up to ten working days after receipt of written confirmation from the member. A disinvestment will not be made until confirmation has been received from the member which enables benefits to be paid in a timely manner. Payments in relation to death benefits are treated in a similar manner to retirements, but a disinvestment instruction is issued within five working days of the Trustee confirming who should receive benefits.

A member's pension pot will not stop being invested without multiple confirmations. This process reduces errors and provides greater levels of security, ensuring benefits are only moved out of the DC Section when requested by a member.

- The Legal & General administration team delivered strong service levels throughout the year with most member journeys tracking green. Measured against its SLA targets, Legal & General carried out 99.9% of tasks within SLA for the Plan year. The Legal & General administration team also survey the interactions they have with all the different members they support and use an independent company called Watermelon who randomly decide the sample to be taken across all journeys and email members from all L&G clients to get scores and feedback. The Net Promoter Score derived from the feedback for 2024 was on average +48, compared to +36 in 2023, +30 in 2022 and +28 in 2021.
- Enhancements at Legal & General – Transitioned to a new strategic Live Chat technology, to unlock the power of AI and maintain the record level Net Promoter Scores and Customer Satisfaction results, modernised its mainframe platform using cloud based developments, enhanced its "DocuSort" AI document management solution which has now processed over 400k items (each case in under 1 min) resulting in a 10 point increase in customer satisfaction for members using its postal communication channel, deployed a new Retail Mobile App which has driven increased digital self-service, leveraged robotics which are currently processing 119+ FTE of work per month and moved the "Be Secure" email system to more Transport Layer Security (encryption that ensures privacy and data integrity between two communicating applications). The operations team also have an ongoing process transformation programme which involves improving the core system and processes, the programme will run between 2022-2026 with the core objectives being to enhance operational efficiency, enhance colleague and member experience, enhance future business scalability and enhance future transformation efficiencies.

Any contribution payment discrepancies are investigated and reconciled on a monthly basis with the Company Human Resources department. The Plan's accounts are also audited annually by the Plan's appointed auditors.

Processes are in place to review the internal controls above annually, identify any data gaps and consider and implement improvements for efficiency and effectiveness. Legal & General has confirmed that there have been no material administration issues in relation to processing core financial transactions, as a result of core financial transactions (contributions in and payments out) being carried out via Straight Through Processing. In addition, Legal & General publish an AAF report which provides an independently audited assessment of the suitability of the design, implementation and operating effectiveness of its controls. The latest report covers the period 1 January 2024 to 31 December 2024 and was published in February 2025.

On the basis of the internal controls which are in place and the monitoring which has been carried out by the Trustee through the year, the Trustee is satisfied that the DC Section's core financial transactions have been processed promptly and accurately during the year. The Plan is also compliant with the Occupational Pension Schemes (Scheme Administration) Regulations 1996 and the Pensions Regulator's General Code, relating to payment of contributions.

Charges, transaction costs & value for money

Charges and transaction costs

The Trustee is required to set out the on-going charges borne by members in this statement, which are annual fund management charges plus any additional fund expenses, such as custody costs, but excluding transaction costs; this is also known as the total expense ratio (TER). The TER is paid by the members and is reflected in the unit price of the funds.

The Trustee is also required to separately disclose transaction cost figures that are borne by members. In the context of this statement, the transaction costs shown are those incurred when the DC Section's fund managers buy and sell assets within investment funds. These transaction costs are also reflected in the unit price of the funds that members invest in. These charges and transaction costs have been supplied by Legal & General. No other charges are borne by members.

When preparing this section of the statement, the Trustee has taken account of the DWP's statutory guidance on "Reporting costs, charges and other information: guidance for Trustees and managers of occupational pension schemes". The total expense ratios and the aggregate transaction cost % for the funds available for selection are outlined below.

Fund option	Charge (per annum) ¹	Aggregate transaction cost (%) ²
Legal & General Global Equity Blend Index Fund*	0.28%	0.04%
Legal & General World ex UK Equity Index Fund	0.24%	0.02%
Legal & General Emerging Markets Equity Index Fund	0.52%	0.00%
Legal & General Diversified Fund*	0.46%	0.03%
Legal & General Future World Annuity Aware Fund*	0.24%	0.00%
Legal & General Sterling Liquidity Fund*	0.22%	0.00%

¹ The charge (or Total Expense Ratio) provides investors with details of the total annual costs involved in running an investment fund. This includes the annual management charge, plus other charges incurred in administering the fund (these include share registration fees, legal fees, auditor fees, custodian fees etc.).

² Legal & General has provided the Trustee with a calculation of the aggregate transaction costs for each of the available funds for the Plan Year and adopted the transaction cost methodology outlined by the FCA guidelines

* Funds that form part of the default strategy – the OEPP Lifestyle Strategy Targeting Annuity Purchase

None of the funds within the DC Section are subject to performance-based fees. The Trustee has also received advice from its Professional Adviser confirming that the DC Section default strategy is compliant with the Charge Cap of 0.75% pa of funds under management.

Illustration of charges

Over a period of time, the charges and transaction costs that are taken out of a member's pension savings can reduce the amount available to the member at retirement. The Trustee has set out below illustrations of the impact of charges and transaction costs on different investment options in the DC Section of the Plan.

The illustrations have been prepared in conjunction with Legal & General in accordance with the relevant DWP's statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension schemes" on the projection of an example member's pension savings.

The Trustee has produced illustrations of the effect of the costs and charges on the value of the fund commonly used by DC Section members (the OEPP Lifestyle Strategy Targeting Annuity Purchase) and the fund that has the highest member borne cost (the L&G PMC World Emerging Markets Equity Index). The illustrations below give a summary of the projected fund and the impact of all charges and other costs (including transaction costs) up to a normal retirement age of 65.

Illustration a) – Member aged 18 (the youngest age member in the DC Section) who invests in the OEPP Lifestyle Strategy Targeting Annuity Purchase until age 65

Pot value at end of year	Current fund value: £2,000.00 Contribution: £200.00 per month		Current fund value: £2,000.00 Contribution: £400.00 per month		Current fund value: £2,000.00 Contribution: £600.00 per month	
	Investment growth after inflation reduced from 2.8% a year to 2.4%.		Investment growth after inflation reduced from 2.8% a year to 2.4%.		Investment growth after inflation reduced from 2.8% a year to 2.4%.	
	No charges	After all charges	No charges	After all charges	No charges	After all charges
1	4,466	4,453	6,875	6,857	9,285	9,261
3	9,432	9,363	16,690	16,576	23,948	23,790
5	14,457	14,288	26,614	26,322	38,772	38,355
10	27,365	26,746	52,086	50,949	76,808	75,152
20	55,476	52,909	107,459	102,585	159,443	152,262
30	88,402	82,032	172,187	159,955	255,973	237,877
40	128,613	115,823	251,126	226,423	373,639	337,023
47	161,156	142,185	314,968	278,238	468,780	414,292

Illustration b) – Member aged 45 (the average age of a DC Section member) who invests in the OEPP Lifestyle Strategy Targeting Annuity Purchase until age 65

Pot value at end of year	Current fund value: £2,000.00 Contribution: £250.00 per month		Current fund value: £2,000.00 Contribution: £500.00 per month		Current fund value: £2,000.00 Contribution: £1,000.00 per month	
	Investment growth after inflation reduced from 2.7% a year to 2.4%.		Investment growth after inflation reduced from 2.7% a year to 2.4%.		Investment growth after inflation reduced from 2.7% a year to 2.4%.	
	No charges	After all charges	No charges	After all charges	No charges	After all charges
1	5,068	5,054	8,080	8,059	14,103	14,070
3	11,247	11,166	20,319	20,183	38,464	38,217
5	17,496	17,297	32,693	32,338	63,086	62,421
10	33,545	32,797	64,447	63,051	126,251	123,559
20	67,844	64,840	132,229	126,474	260,998	249,740

Illustration c) – Member aged 45 who invests in the L&G PMC World Emerging Markets Equity Index until age 65 (the highest charging fund)

Pot value at end of year	Current fund value: £2,000.00 Contribution: £250.00 per month		Current fund value: £2,000.00 Contribution: £500.00 per month		Current fund value: £2,000.00 Contribution: £1,000.00 per month	
	Investment growth after inflation reduced from 3.4% a year to 2.9%.		Investment growth after inflation reduced from 3.4% a year to 2.9%.		Investment growth after inflation reduced from 3.4% a year to 2.9%.	
	No charges	After all charges	No charges	After all charges	No charges	After all charges
1	5,089	5,071	8,111	8,084	14,153	14,110
3	11,366	11,263	20,521	20,347	38,830	38,515
5	17,794	17,537	33,223	32,766	64,080	63,224
10	34,683	33,701	66,569	64,738	130,340	126,812
20	73,431	69,139	142,948	134,729	281,982	265,910

Illustration d) – Member aged 45 who invests in the L&G PMC Sterling Liquidity Fund until age 65 (the lowest charging fund)

Pot value at end of year	Current fund value: £2,000.00 Contribution: £250.00 per month		Current fund value: £2,000.00 Contribution: £500.00 per month		Current fund value: £2,000.00 Contribution: £1,000.00 per month	
	Investment growth after inflation reduced from -0.5% a year to -0.8%.		Investment growth after inflation reduced from -0.5% a year to -0.8%.		Investment growth after inflation reduced from -0.5% a year to -0.8%.	
	No charges	After all charges	No charges	After all charges	No charges	After all charges
1	4,949	4,938	7,907	7,892	13,824	13,799
3	10,589	10,531	19,206	19,108	36,442	36,264
5	15,900	15,763	29,847	29,603	57,743	57,284
10	27,843	27,386	53,782	52,924	105,660	103,999
20	46,778	45,258	91,742	88,809	181,671	175,909

Assumptions

- Amounts paid into the pension account will not change over time and that the frequency will not vary.
- Assumed inflation remains constant at 2.50% per year. In reality this will vary over time.
- Assumed the charges that we have taken into account do not change over time.
- Assumed growth rates make an allowance for inflation.
- Drawdown is not permitted under the Plan and therefore no withdrawal rates have been assumed.
- The 'current fund value' assumptions above are based on the average fund values within the DC Section for a 'young' and the 'average aged' member of the DC Section. In addition, monthly contribution amounts are based on the default contribution rates for the DC Section (3% employee and 7% Company contribution) and typical salary levels across the active membership. Therefore, in the Trustee's view, the assumptions used are broadly representative of the DC Section membership.

Value for money assessment – current status

The Trustee is committed to ensuring that the DC Section represents value for members ('VFM') (i.e. the costs and charges deducted from members' pots and contributions paid provide good value in relation to the benefits and services provided by or on behalf of the DC Section). The Trustee is required to review members' VFM every year with the aim of ensuring that members are obtaining value for their money, given the circumstances of the DC Section.

Assessment

The Trustee undertook an assessment of the DC Section's value for members (VfM) in July 2025, with assistance from its Professional Advisers. This assessment was undertaken in line with the Professional Adviser's approach to VfM assessment which it believes reflects best practice and takes into account guidance from the Department for Work and Pensions.

The assessment looked at three areas including:

1. Costs and charges
2. Net investment returns, and
3. Governance, administration and communications.

Results

Having considered the review, the Trustee concluded that the DC Section offers overall 'good value' for members. Key findings from the assessment were as follows:

- The total charges, which include both investment charges and administration charges, are assessed as "fair value" when benchmarked against the market, noting that members of the Plan pay for the cost of administration as well as investment fund management.
- All of the components of the default investment strategy and self-select funds have performed broadly in line with their benchmarks over 3- and 5-year periods to 31 March 2025, noting that some of the funds use comparators as opposed to tracking actual indices. The growth phase of the DC

Section's default investment strategy has produced returns in the Upper Quartile against a sample of Master Trust default strategies over a 3-year period. Accepting longer term performance figures are not yet available for the default fund, the default investment strategy and self-select fund net returns were assessed to deliver overall "good value" to members.

- When benchmarked against similar asset classes in the market, the transaction costs for the DC funds are in line with the average charges in the market.
- Its Professional Adviser has a checklist of key features typically available within the leading DC schemes. This covers areas including scheme governance, risk management, core financial transactions and record-keeping, the default investment strategy and investment governance, communication and engagement, at-retirement options and support and broader financial support. The DC Section exhibits 92% of the key features expected of a leading DC scheme and was therefore rated to offer "good value" to members.

The Trustee will continue to work its advisers to ensure that the DC Section continues to provide value, address any recommendations that may serve to improve value and stay abreast of market developments where appropriate.

Trustee's knowledge and understanding ('TKU')

The Pensions Act 2004 sets out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of pension scheme assets and other matters to enable them to exercise their functions as trustees properly. The comments in this section relate to the Trustee as a body in dealing with the whole Plan and are not restricted to the DC Section.

The Trustee Board has a good working knowledge of the documentation in place for the Plan (including the SIP, the Plan's Trust Deed and Rules, Trustee's Report & Accounts and Risk Register and all Trustee policies) and reviews this documentation when appropriate. All Plan documentation is saved onto an online web sharing facility, in order for the Trustee to easily find documents relating to the Plan and previous meeting papers and minutes.

The Trustee has a governance framework document in place which outlines the key governance documents and procedures that the Trustee is required to be familiar with. The Trustee, with the help of its advisers, regularly considers training requirements to identify any knowledge gaps and strengthen the Trustee Board's TKU as required.

The Trustee Board has a multi-layered TKU process in place which enables it, together with the advice available, to exercise its function as Trustee of the Plan. For the period covered by this statement, the Trustee's approach to meeting the TKU requirements included (but was not limited to):

- Receiving training at each trustee meeting as a standing agenda item, covering subjects proposed by the Professional Adviser or requested by the Trustee. This included:

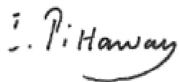
Subject	Date of training
DC market update – covering Mansion House speech, Chancellor's autumn budget, General election and new government, Kings speech, proposal for pension review and budget 30 October 2024	5/9/2024
DC Investment consultant's objectives	6/12/2024
WTW DC Savings survey – covering DC objectives- covering compliance, retirement adequacy, employer focus and improve DC communications	6/12/2024
DC governance requirements	27/3/2025

- On an ongoing basis, the Trustee also receives reports and updates concerning legislative, regulatory, provider and wider market developments from its Professional Adviser where relevant to the Plan and/or the members.
- An induction programme is in place for new trustee directors when appointed.
- An independent trustee director is in place to provide additional expertise on the Trustee Board.
- If necessary, the Trustee receives relevant ad-hoc training delivered by the Professional Adviser as and when specific issues arise.
- All training is logged.
- As appropriate, completion of the Pensions Regulator's Trustee Toolkit. The Trustee Toolkit is a free, online learning programme from the Pensions Regulator aimed at trustees of occupational pension schemes. All Trustees have completed the Trustee Toolkit.
- The Trustee, in conjunction with independent advisers, identifies any knowledge gaps in relation to further training required.
- The Trustee intends to introduce an evaluation of the effectiveness of the Trustee Board which would be carried out every two years. The first review was undertaken during the 2024/25 Plan year.

Following the above approach, the Trustee is satisfied that it has, and continues to develop, a good knowledge of the provisions of the Plan's governing trust deed and rules, the pension and trust law principles and the funding and investment principles relevant to its role as Trustee of the Plan.

For the period covered by this statement, the TKU requirements were met through a combination of the above methods, and the Trustee is satisfied both that it has met the relevant legislative requirements and that it has sufficient knowledge and understanding which, together with available advice, enables it to properly exercise its functions.

Chair of the Trustee of the One Ecolab Pension Plan



Ian Pittaway

Date: 2025