

Annual statement regarding governance of the DC Section of the PPG Industries (UK) Limited Pension Plan ("the Plan"), including Additional Voluntary Contributions

The Occupational Pension Schemes (Scheme Administration) Regulations 1996 ("the Administration Regulations") require the Trustee to prepare an annual statement regarding governance, which should be included in the annual trustee report and accounts. The governance requirements apply to defined contribution ("DC") pension arrangements that are classified as "relevant schemes" and aim to help members achieve a good outcome from their pension savings.

This statement has been prepared by the Trustee and covers the period from 6 April 2025 to 5 April 2026 ("the Plan Year") and is signed on behalf of the Trustee by the Chair.

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

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

1. The Plan's default arrangement

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

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

The Trustee is responsible for the Plan's investment governance, which includes setting and monitoring the investment strategy for the Plan's default arrangement - the Aon Managed Retirement Pathway 'flexible glidepath'. This reflects the Trustee's expectation that members will take their benefits flexibly through income drawdown in retirement.

This statement is accompanied by the Plan's Statement of Investment Principles (SIP) which is located here: [PPG Industries \(UK\) Limited Pension Plan](#). This governs decisions about investments made available to members, including the default arrangement, along with their aims and objectives.

The default arrangement is a series of Target Date Funds (TDFs), which provide an asset allocation based on the retirement date of the member. The aim of the TDFs is to provide opportunity for growth in the early years of investment by investing in growth seeking assets such as equities. As retirement approaches, assets in the TDFs are gradually switched into a

more diversified range of investments with the aim of reducing overall volatility, and to align the distribution of assets to the different options members have when they take their benefits from the Plan.

Investment strategy review

The Trustee implements the Plan's investment strategy through the Aon Delegated DC Service. Under this approach, the Trustee delegates the selection of the platform provider and the day to day management of the funds to Aon Investments Limited ("AIL"), acting through its Investment Management team ("the Manager").

The selection of the underlying investment managers and the structure of each blended fund is delegated to the Manager. The Trustee retains overall responsibility for the Plan's investment arrangements and monitors the delegated service with support from its professional advisors.

The Plan's last investment strategy review was completed on 20 June 2024. As part of the review, the membership and investment objectives of the Plan were considered to assess the suitability of the current investment options. The review concluded that these options remain appropriate. The next formal review is due to take place by 20 June 2027.

Performance Monitoring

Investment performance is reviewed quarterly. The Manager provides regular reports, supplemented by commentary from the investment adviser, covering fund performance against benchmarks and targets, together with updates on the default arrangement and the key factors influencing returns over the period. The Trustee also receives analysis of the default arrangement's risk and return characteristics relative to comparable market solutions at different stages before retirement. Updates on any changes to the underlying funds made during the quarter are also provided.

Default arrangement asset allocation

The Trustee is required to disclose their full asset allocations in the default arrangement. These are shown in the table below as at 31 March 2026 for four sample ages:

Asset class	Asset allocation as at 31 March 2026 (%)			
	25 years old	45 years old	55 years old	65 years old
Cash	0.0%	0.0%	1.9%	3.0%
Bonds				
<i>Corporate bonds</i>	0.0%	0.0%	1.6%	2.5%
<i>Fixed interest government bonds</i>	10.0%	10.0%	11.1%	11.4%
<i>Index-linked government bonds</i>	0.0%	0.0%	6.3%	29.6%
<i>Other bonds</i>	0.0%	0.0%	5.5%	8.5%
Listed equities				
<i>UK equities</i>	2.8%	2.8%	2.1%	1.1%
<i>Developed market equities (excluding UK)</i>	71.3%	71.3%	53.5%	28.1%
<i>Emerging markets</i>	7.8%	7.8%	5.9%	3.1%
Private equity	0.0%	0.0%	0.0%	0.0%
Infrastructure	1.2%	1.2%	0.8%	0.3%
Property	6.9%	6.9%	4.7%	2.0%
Private debt	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	6.7%	10.4%

Source: AIL

2. Net investment returns

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

The net annualised returns have been prepared having regard to statutory guidance and are shown in tables (i) to (iii).

The net returns for the default arrangement and other TDFs are based on a member having a Target Retirement Age of 65. As the default arrangement and other TDFs have the same type and composition of assets until five years before retirement (until age 60 where the Target Retirement Age is 65), the net returns are the same up until this age, and can vary thereafter as the type and composition of assets changes to better match how the member is expected to take their benefits in retirement (income drawdown, annuity, cash).

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

(i) Target Date Funds

- Default arrangement:
 - Aon Managed Retirement Pathway Funds 'flexible glidepath'
- Other Target Date Funds:
 - Aon Managed Retirement Pathway to Annuity Fund
 - Aon Managed Retirement Pathway to Cash Funds.

Performance to 31 March 2026	Net return (% p.a.)	
Age of member at start of reporting period	1 year	5 years
25	13.6	7.8
45	13.6	7.8
55	11.9	7.0

Source: AIL

(ii) Self-select individual funds

Performance to 31 March 2026	Net return (% p.a.)	
Fund name	1 year	5 years
Aon Managed Bond Phase Fund	3.8	1.1
Aon Managed Long Term Inflation Linked Fund	2.4	-9.1
Aon Managed Pre-Retirement Bond Fund	2.8	-5.3
Aon Managed Liquidity Fund	3.8	3.0
Aon Managed Global Equity Fund	15.3	8.8
Aon Managed Active Global Equity Fund	8.7	5.4
Aon Managed Global Impact Fund	11.3	4.3
Aon Managed Property and Infrastructure Fund	6.5	3.4
Aon Managed Diversified Multi Asset Fund	9.8	4.5
Aon Managed Passive Corporate Bond Fund	4.0	-1.0
Aegon HSBC Islamic Global Equity Index Fund	19.5	13.1
Aegon LGIM FTSE4GOOD Developed Equity Index Fund	18.8	11.8
Aegon BlackRock UK Equity Index Fund	18.9	9.5
Aegon BlackRock World (ex-UK) Equity Index Fund	16.9	10.8
Aegon BlackRock Emerging Markets Equity Index Fund	26.4	4.1

Source: AIL

(iii) Additional Voluntary Contributions

Performance to 31 March 2026	Net return (% p.a.)	
	1 year	5 years
Aviva		
Aviva Deposit (NU) Fund	3.4	2.5
Aviva European Equity (NU) Fund	4.8	6.8
Aviva Global Equity (NU) Fund	12.0	8.3
Aviva Mixed Investment (40-85%) Shares (NU) Fund	10.9	5.5
Aviva Pacific Equity (NU) Fund	33.0	8.3
Aviva UK Equity (NU) Fund	16.5	9.3
Aviva US Equity (NU) Fund	12.2	11.2
Aviva With Profit Guaranteed (NU) Fund	4.0	4.0
Aviva With Profit (NU) Fund*	4.8	3.8
Prudential		
Prudential With Profits Cash Accumulation Fund*	2.8	1.7

Source: Providers, Financial Express Analytics

*The Aviva With Profit (NU) and Prudential With Profits Cash Accumulation 5-year net return is based on bonus rates. The Aviva With Profits (NU) Fund uses annualised bonus rates up until 31 December 2025. The Prudential With Profits Cash Accumulation Fund uses annualised bonus rates up until 15 March 2026.

For the With Profits funds, the net returns shown are the bonus rates declared on the funds over the relevant period. Whilst in practice we would expect a final bonus to increase returns close to the returns on the underlying assets in the With Profits funds over the period held (after all costs of running the funds, including the cost of any guarantees), these amounts are unknown and are not guaranteed. Furthermore, a market value reduction which can reduce the return delivered to investors may be applied on exit at any time other than maturity date, or in the event of death before retirement.

3. Member borne charges and transaction costs

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

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

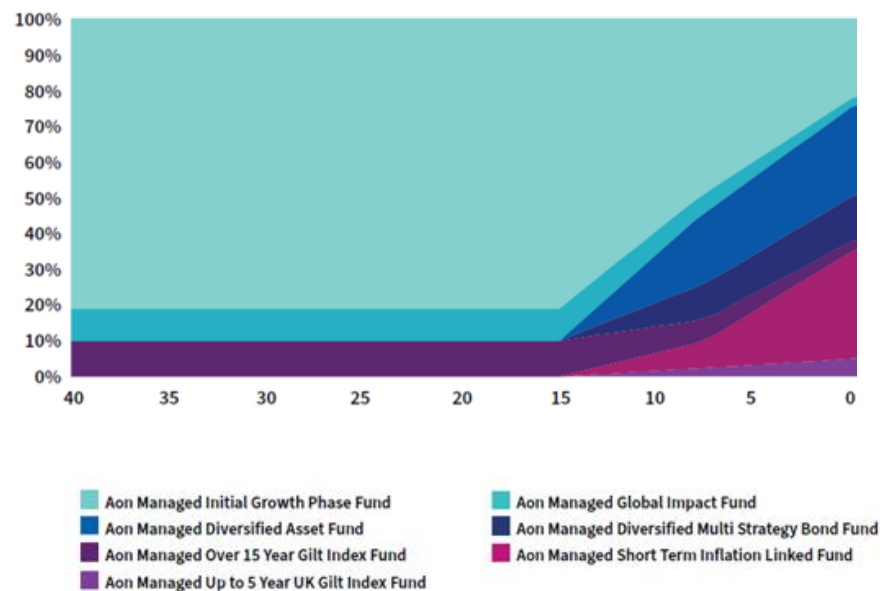
The Trustee is also required to confirm that the charges on the default arrangement have not exceeded 0.75% p.a. (the charge cap) and produce an illustration of the cumulative effect of the costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration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

Details of the charges and transaction costs for the funds available to members are shown below and in the Appendix.

(i) Default arrangement: Aon Managed Retirement Pathway 'flexible glidepath'

The Aon Managed Retirement Pathway Funds are TDFs. Members' assets are invested in the TDFs relative to their retirement date e.g. a member due to retire in 2027 will be invested in the Retirement Pathway 2025-2027 Fund. The funds relating to different retirement years are known as "vintages".

The following glidepath shows the type and composition of the assets with term to retirement as at 5 April 2026.



The table below shows the TER and transaction costs for the funds available to members. The TERs have been supplied by the Manager and transaction costs, by Aegon, the platform provider for the Plan.

	TER (% p.a.)	Transaction costs (% p.a.)	Total costs (% p.a.)
Default arrangement			
Perpetual	0.43	0.13	0.56
2016 - 2018	0.43	0.13	0.56
2019 - 2021	0.43	0.13	0.56
2022 - 2024	0.44	0.13	0.57
2025 - 2027	0.44	0.13	0.57
2028 - 2030	0.44	0.12	0.56
2031 – 2033	0.44	0.12	0.56
2034+	0.44	0.04 – 0.10	0.48 – 0.54

The TER range is within the 0.75% p.a. charge cap for schemes that are used for auto-enrolment.

Where a fee is calculated by reference to the returns from investments held by the Plan and is not calculated by reference to the value of the member's rights under the Plan, the Trustee must

state the amount of any such performance-based fees in relation to the default arrangement. The Trustee confirms that, over the Plan year, no performance based fees were incurred by members in the default arrangement.

(ii) Self-select funds

There are two further TDFs that are available to members that target Annuity or Cash at retirement. The Cash TDFs did not contain any member monies during the reporting period and have therefore been excluded from this statement.

	TER (% p.a.)	Transaction costs (% p.a.)	Total costs (% p.a.)
Aon Managed Retirement Pathway to Annuity			
2022 - 2024	0.41	0.01	0.42
2025 - 2027	0.42	0.01	0.43
2028 - 2030	0.44	0.08	0.52

A full listing of the underlying funds in each of the Retirement Pathway Funds, and the respective transaction costs is shown in the Appendix.

The following self-select funds are available to members of the Plan.

Fund name	TER (% p.a.)	Transaction costs (%)	Total cost (% p.a.)
Aon Managed Bond Phase Fund	0.44	0.24	0.68
Aon Managed Long Term Inflation Linked Fund	0.28	0.01	0.29
Aon Managed Pre-Retirement Bond Fund	0.39	0.00	0.39
Aon Managed Liquidity Fund	0.37	0.02	0.39
Aon Managed Global Equity Fund	0.33	0.04	0.37
Aon Managed Active Global Equity Fund	0.72	0.15	0.87
Aon Managed Global Impact Fund	0.87	0.08	0.95
Aon Managed Property and Infrastructure Fund	0.48	0.09	0.57
Aon Managed Diversified Multi-Asset Fund	0.45	0.17	0.62
Aon Managed Passive Corporate Bond Fund	0.28	0.01	0.29
Aegon BlackRock UK Equity Index Fund	0.25	0.22	0.47
Aegon BlackRock World (ex UK) Equity Index Fund	0.25	0.03	0.28
Aegon BlackRock Emerging Markets Equity Index Fund	0.48	0.00	0.48
Aegon LGIM FTSE4GOOD Developed Equity Index Fund	0.54	0.01	0.55
Aegon HSBC Islamic Global Equity Index Fund	0.39	0.00	0.39

TERs are as at 31 March 2026 and include Additional Fund Expenses. Transaction costs are as at 31 March 2026.

(iii) Additional Voluntary Contributions (AVCs)

Charges and transaction costs for the funds held with the Plan's AVC providers are shown in the table below.

Fund / Provider	AMC (% p.a.)	Transaction costs (%) ¹	Total costs (% p.a.)
Aviva¹			
Aviva Deposit NU	0.88	0.00	0.88
Aviva European Equity NU	0.88	0.06	0.94
Aviva Global Equity NU	0.88	0.09	0.97
Aviva Mixed Investment (40-85% Shares) NU	0.88	0.04	0.92
Aviva Pacific Equity (NU) Fund	0.88	0.10	0.98
Aviva UK Equity (NU) Fund	0.88	0.10	0.98
Aviva US Equity (NU) Fund	0.88	0.00	0.88
Aviva With-Profit Guaranteed (NU) Fund	0.88	0.02	0.90
Aviva With-Profit (NU) Fund	0.88	0.02	0.90
Prudential²			
With-Profits Cash Accumulation ²	See note 3	0.11	See note 3

Notes:

1. Aviva AMC and transaction costs as at 31 March 2026.

2. Prudential transaction costs as at 31 December 2025.

3. Charges on the Prudential With-Profits fund are inherent within the annual bonus declarations. This charge is deducted through the bonus mechanism.

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

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

In order to help members understand the impact that costs and charges can have on their retirement savings, the Trustee has provided three illustrations of their cumulative effect on the value of typical Plan members' savings over the period to their retirement.

The illustrations have been prepared having regard to statutory guidance and selecting suitable representative members. They are based on a number of assumptions about the future which are set out below. Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. As the illustrations are based on typical example members, the information provided here is not a substitute for the individual and personalised illustrations which are provided to members in their annual benefit statements.

Each illustration, A, B and C is shown for a different type of member invested in the Aon Managed Retirement Pathway 'flexible glidepath', which is the default arrangement. As the projected retirement savings are dependent on investment returns as well as the level of costs and charges, we have included comparison figures with two other investments:

- Aon Managed Global Impact Fund – the highest charging self-select fund in which members are invested; and
- Aegon BlackRock World (ex UK) Equity Index Fund – the lowest charging self-select fund in which members are invested.

All projected fund values are shown in today's terms, and do not need to be reduced further for the effect of future expected inflation.

Assumptions and data for illustrations

The following assumptions have been made for the purposes of the above illustrations:

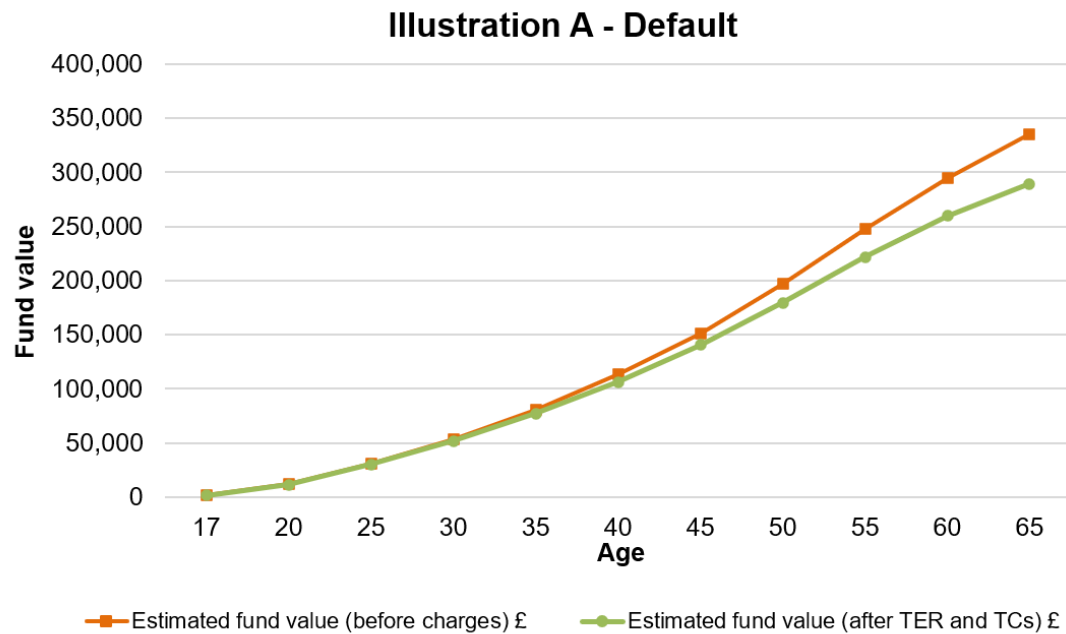
- Annual salary growth and inflation are assumed to be 2.5% per annum.
- The starting fund values and future contributions used in the projections are representative of each illustrative member based on the Plan membership demographics.
- The projected annual gross returns are as follows:

Fund name	Projected annual gross returns (% p.a.)
Aon Managed Global Impact Fund*	6.0
Aon Managed Initial Growth Phase Fund*	6.0
Aon Managed Diversified Asset Fund*	4.0
Aon Managed Diversified Multi Strategy Bond Fund*	2.0
Aon Managed Short Term Inflation Linked Fund*	2.0
Aon Managed up to 5-year UK Gilt Index Fund*	2.0
Aon Managed Over 15-year Gilt Index Fund*	7.0
Aegon BlackRock World (ex UK) Equity Index Fund	6.0

**Funds underlying the default arrangement*

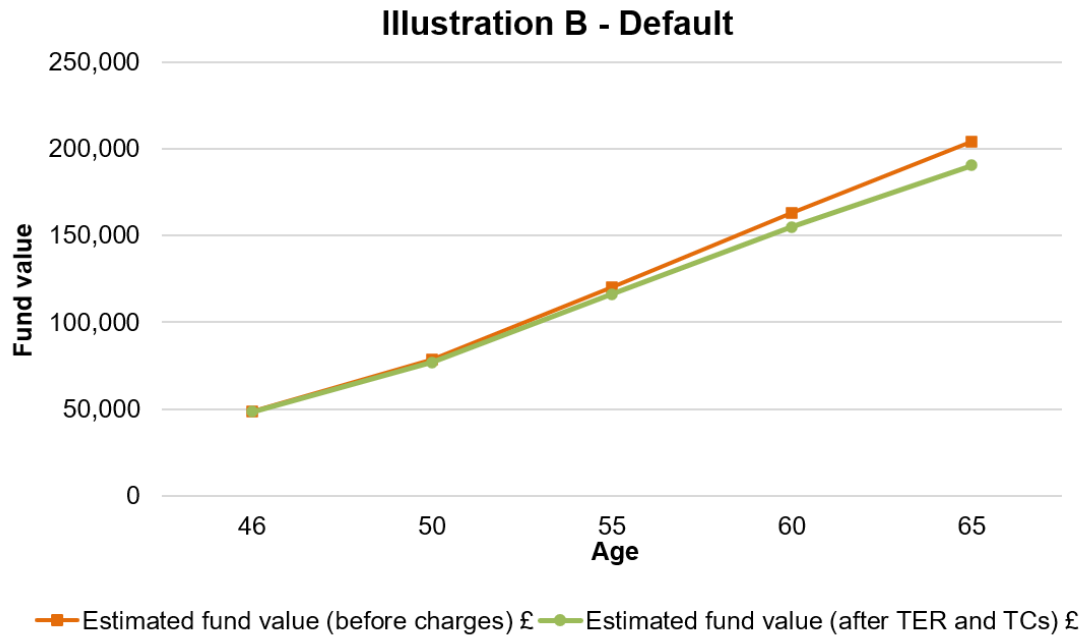
- The assumptions used for projecting fund values are those set out in Actuarial Standards Technical Memorandum version 5.2. This specifies the actuarial assumptions and methods to be used in the calculation of Statutory Money Purchase Illustrations.
- The transaction costs have been averaged over a five year period in line with statutory guidance to reduce the level of volatility, and a floor of 0% p.a. has been used for the transaction costs if these were negative in any year so as not to potentially understate the effect of charges on fund values over time.

Illustration A: Active Plan member who is currently age 17 and has 48 years to go until their retirement at age 65. The member has a salary of £22,500 and contributions of 14% p.a. of salary. The member has a current fund value of £1,800 and is invested in the default arrangement: Aon Managed Retirement Pathway 'flexible glidepath' (2073-2075).



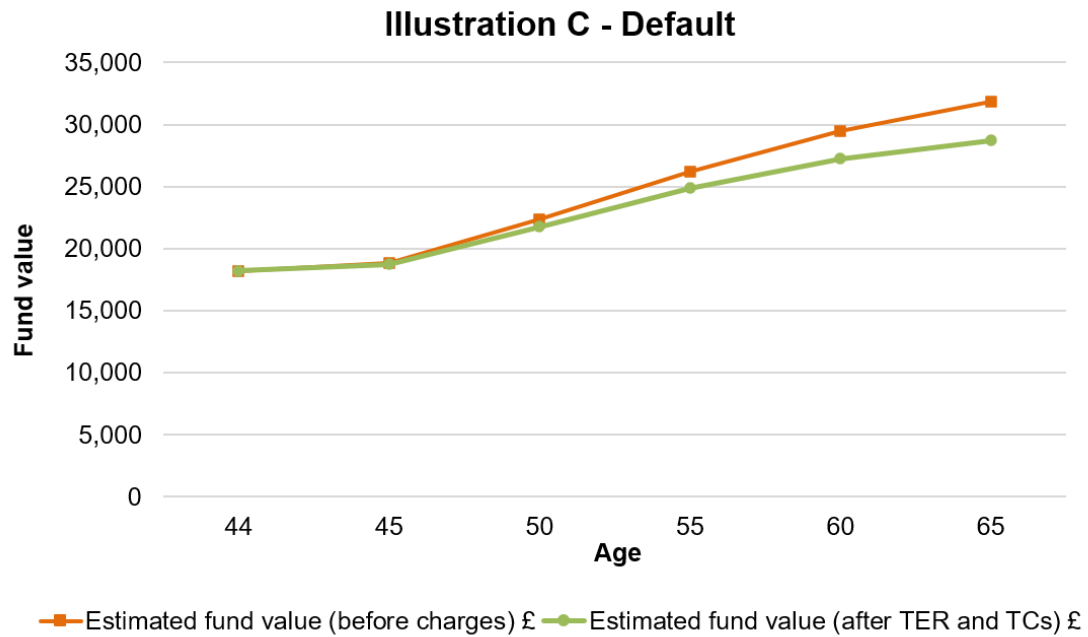
Projected retirement savings in today's money									
Age	Aon Managed Retirement Pathway 'flexible glidepath' (2073-2075)			Aon Managed Global Impact Fund			Aegon BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
17	1,800	1,800	0	1,800	1,800	0	1,800	1,800	0
20	11,830	11,733	97	11,811	11,621	190	11,811	11,757	54
25	31,038	30,398	640	30,908	29,679	1,229	30,908	30,555	353
30	53,864	52,066	1,798	53,495	50,083	3,412	53,495	52,506	989
35	80,991	77,221	3,770	80,212	73,140	7,072	80,212	78,138	2,074
40	113,228	106,424	6,804	111,813	99,193	12,620	111,813	108,068	3,745
45	151,537	140,326	11,211	149,190	128,633	20,557	149,190	143,017	6,173
50	197,064	179,684	17,380	193,399	161,899	31,500	193,399	183,827	9,572
55	247,349	221,805	25,544	245,690	199,489	46,201	245,690	231,481	14,209
60	294,720	259,425	35,295	307,539	241,965	65,574	307,539	287,126	20,413
65	334,894	289,182	45,712	380,694	289,962	90,732	380,694	352,103	28,591

Illustration B: Active Plan member who is currently age 46 and has 19 years to go until their retirement at age 65. The member has a salary of £38,200 and contributions of 14% p.a. of salary. The member has a current fund value of £48,500 and is invested in the default arrangement: Aon Managed Retirement Pathway 'flexible glidepath' (2043-2045).



Projected retirement savings in today's money									
Age	Aon Managed Retirement Pathway 'flexible glidepath' (2043-2045)			Aon Managed Global Impact Fund			Aegon BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
46	48,500	48,500	0	48,500	48,500	0	48,500	48,500	0
50	78,338	77,091	1,247	78,085	75,677	2,408	78,085	77,399	686
55	120,160	116,202	3,958	121,115	113,606	7,509	121,115	118,947	2,168
60	163,119	154,977	8,142	172,012	156,465	15,547	172,012	167,461	4,551
65	203,813	190,268	13,545	232,212	204,895	27,317	232,212	224,112	8,100

Illustration C: Deferred Plan member (a member who is no longer making contributions to the Plan) who is currently age 44 and has 21 years to go until their retirement at age 65. The member has a current fund value of £18,200 and is invested in the default arrangement: Aon Managed Retirement Pathway 'flexible glidepath' (2046-2048).



Projected Pension Account in today's money									
Age	Aon Managed Retirement Pathway 'flexible glidepath' (2046-2048)			Aon Managed Global Impact Fund			Aegon BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
44	18,200	18,200	0	18,200	18,200	0	18,200	18,200	0
45	18,839	18,751	88	18,821	18,650	171	18,821	18,773	48
50	22,388	21,769	619	22,262	21,074	1,188	22,262	21,921	341
55	26,194	24,863	1,331	26,331	23,814	2,517	26,331	25,597	734
60	29,467	27,259	2,208	31,145	26,909	4,236	31,145	29,890	1,255
65	31,871	28,713	3,158	36,838	30,407	6,431	36,838	34,902	1,936

Members are encouraged to consider both the level of costs and charges and the expected return on investments (i.e. the risk profile of the funds) in making investment decisions.

4. Value for Members assessment

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

There is no legal definition of “good value” or prescribed process for assessing it. Working with its advisers, Aon, the Trustee has therefore developed a cost-benefit assessment framework to consider whether the costs and charges borne by members are reasonable relative to the benefits provided by the Plan.

The costs considered include Total Expense Ratios and transaction costs, as set out in section 3 and the Appendix. The benefits of membership have been assessed across five categories: governance, investments, administration, retirement support and member communications. Benchmarking relative to other pension arrangements is also undertaken.

The Trustee’s beliefs underpin the assessment of each benefit category. The main findings are summarised below.

(i) Governance

The Trustee believes robust governance processes and structures support effective risk management, protect members’ interests and increase the likelihood of good member outcomes.

The Trustee has established a strong governance framework for the Plan, including quarterly administration reporting, regular reviews of the Plan’s risk register, and regular assessments of the effectiveness of the Trustee Board in their oversight of the Plan. The DC and Communications Sub-Committee (DCCSC) provides greater strategic focus and time commitment to the DC arrangements, while the Governance Sub-Committee, which includes DC representation, helps support a whole-of-trust governance approach.

The Trustee has continued to work alongside its advisers to develop and refine its effective system of governance to meet the Pensions Regulator’s expectations set out in the General Code of Practice. This included completion of its first Own Risk Assessment.

(ii) Investments

The Trustee believes that a well-designed investment strategy, subject to regular performance monitoring and assessment of its suitability for the Plan’s membership, is a key driver in the delivery of good member outcomes.

The Plan offers target date funds designed to support members who wish to access savings flexibly, purchase an annuity or take benefits as cash. Members can also choose from a range of self-select funds covering different objectives, asset classes and risk profiles.

The Trustee, with advice from its investment adviser, monitors fund performance quarterly against agreed benchmarks and objectives. The most recent triennial investment strategy review concluded that the default arrangement and wider fund range remain appropriate for members. Changes made to the default arrangement during the year are expected to support improved overall member outcomes.

(iii) Administration

The Trustee believes that good administration and record keeping are essential to ensuring members receive the benefits due to them. The type and quality of service experienced by members also has a bearing on the level of member engagement.

The Trustee monitors administration standards through quarterly reporting, agreed service levels and discussions with the administrator. Service credits are payable if performance falls short of agreed core service levels. No service credits were payable during the Plan year. The Trustee also reviews complaints and service experience through the quarterly reporting.

(iv) Member communications

The Trustee believes effective communications, tools and support help members understand their benefits and make informed decisions to improve their retirement outcomes.

The Trustee delegates responsibility for most communications to the DCCSC. The DCCSC review member communications for accuracy and clarity to ensure key messages are delivered consistently. Members have access to TargetPlan, the PPG microsite and the PPG Pension Hub, which brings online resources together securely and provides members with a clearer view of their savings in one place to enhance the member experience.

The Trustee continues to consider ways to improve member understanding and support the retirement journey, particularly for hybrid members.

(v) Retirement support

The Trustee believes it is important to have retirement processes and access to information that supports members to make informed decisions at retirement.

Members are able to access support to help select appropriate options at retirement in a variety of ways. Members have access to a dedicated support helpline and they can access one free round of advice with the Independent Financial Adviser who the Trustee has facilitated access to.

Additional support and information, including modelling tools, is available on the member website, TargetPlan.

Value for Members

The Trustee concluded that the charges and transaction costs borne by members of the DC Section are competitive when compared with current market rates and represent good value relative to the benefits of Plan membership.

The Trustee also assessed the remaining legacy AVC arrangements and concluded that better value may be available through the Plan's DC investment platform. The Trustee continues to monitor the legacy AVC arrangements and post Plan year communicated with members to remind them of the need to review their investments and the option to transfer to the Plan's DC investment platform.

5. Processing of Core Financial Transactions

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

The bulk of the core financial transactions are undertaken on behalf of the Trustee by Aegon, who are the administrator and platform provider for the DC Section of the Plan. The Company is responsible for ensuring that contributions are paid to members DC accounts promptly. The timing of such payments is monitored by the Trustee and documented in quarterly administration reports provided by the administrator.

In order to determine how well the administrator is performing the Trustee has service level agreements ("SLAs") in place. These SLAs detail a number of key administration processes to be performed and the target timescales within which each of these processes must be completed. Processes are divided into groups, each with a target SLA. Performance against these groups are shown in quarterly administration reports.

The administrator attends quarterly DCCSC meetings to present the administration reports and discuss the service. Attendance at these meetings provides an opportunity for the DCCSC to discuss any issues and take action as required. Some core financial transactions are service

creditable items where a service credit payment is made if performance falls short of agreed core service levels. No service credits were payable over the Plan year and so the Trustee has taken comfort that these transactions have been processed as promptly as possible.

The Trustee has also reviewed the key processes adopted by the administrator, in order to minimise the risks of inaccurate or late payment of core financial transactions. Key processes include:

- Provision of quarterly administration reports – enabling the Trustee to check core financial transactions and review processes relative to any member complaints made.
- Monthly contribution checks and daily reconciliation of the Trustee's bank account.
- Checks for all investment and banking transactions prior to processing.
- Straight-through processing for many tasks, avoiding the need for manual intervention and, in turn, significantly reducing the risk of error.
- Documentation and operation in line with quality assurance policies and procedures.
- Operation in line with the business continuity plan and confirmation that the administrator has prioritised core financial transactions during this period.

The Trustee is satisfied that over the period:

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

6. Trustee Knowledge and Understanding

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for Trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as Trustees properly.

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

The Trustee has processes and procedures in place to meet the Pensions Regulator's Trustee Knowledge and Understanding requirement; some of which are identified below:

- A structured training programme for newly appointed Trustee Directors including completion, within their first six months of formal appointment, of the Pensions Regulator's Trustee toolkit, which is an online learning programme. New Trustee Directors are also required to complete a Trustee knowledge and understanding self-assessment within their first year in the role.
- All current Trustee Directors have completed the Pensions Regulator's Trustee toolkit, including completion of the latest pension scams module.
- The Trustee assesses training needs and identify gaps in knowledge through periodic assessments.
- The Trustee undergoes annual training, which included training on the new standardised Value for Money framework, Asset classes, ORA refresher training, Pensions Bill/Act 2026, Pensions Ombudsman cases training and Master trusts training.

- Training logs are maintained for each Trustee Director, recording collective training undertaken as a Trustee board and any training Trustee Directors undertake individually.
- Trustee policy and practices are detailed in the Trustee Manual which is designed to be used as a key reference document for all new and existing Trustee Directors.
- Regular one-to-one Trustee performance assessments are undertaken.

The Trustee has engaged with their professional advisers regularly throughout the year to ensure that they exercise their functions properly and take professional advice where needed. Exercising their functions requires the Trustee to have knowledge of the key Plan documents, such as the Trust Deed & Rules, Trustee Report & Accounts and SIP. All Plan documents are accessible to the Trustee via a secure online web sharing facility.

The Trustee is familiar with trust and pension law and the Trustee legal adviser regularly attends meetings to answer any questions that may arise.

A few of the activities undertaken during the period of review are set out below:

- Review of quarterly administration reports to monitor service delivery against agreed service levels standards and assessing the member experience.
- Review of quarterly investment reports to assess fund performance against benchmarks and market peers and assess funds against overall Plan aims and objectives, as set out in the SIP.
- Maintaining a regime for proper governance through quarterly reviews and assessment of progress against the annual business plan for each sub-committee.
- Work in relation to reviewing and updating Plan policies, processes and procedures in accordance with the General Code of Practice and completing its first Own Risk Assessment (ORA).

The Trustee board is made up of nine Trustee Directors, including one independent professional Trustee. The Trustee Directors bring a diverse range of skills and experience to the board.

There are three sub-committees that provide support to the Trustee with the effective running of the Plan – the DC and Communications Sub-Committee (DCCSC), the Governance Sub-Committee (GSC) and the Funding and Investment Sub-Committee (FISC). The purpose of the DCCSC is to focus attention on DC members of the Plan in support of the delivery of good member outcomes and communication matters. The composition of the DCCSC, GSC and FISC utilise the different strengths and backgrounds of the Trustee Directors in the required areas. All the sub-committees have Terms of Reference which set out how they operate and their overall roles and responsibilities.

As a minimum, the full Trustee board and sub-committees meet at least four times per year.

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

Signed on behalf of the PPG Industries (UK) Pension Trustee Limited (the Trustee)

Name	Claire Sherwood, Chair of Trustee
Signature	
Date	

Appendix

The table sets out the transaction costs for the underlying funds in each Retirement Pathway Fund. The TER for each Retirement Pathway Fund and the blended transaction cost, reflecting the mix of the underlying funds at each age, is set out in the tables shown in section 3 of this statement.

Fund name	Transaction costs (% p.a.)
Aon Managed Retirement Pathway 'flexible glidepath'	
<i>Aon Managed Initial Growth Phase Fund</i>	0.04
<i>Aon Managed Global Impact Fund</i>	0.08
<i>Aon Managed Diversified Multi-Asset Fund</i>	0.17
<i>Aon Managed Diversified Multi Strategy Bond Fund</i>	0.47
<i>Aon Managed Short Term Inflation Linked Fund</i>	0.04
<i>Aon Managed up to 5-year UK Gilt Index Fund</i>	0.04
Aon Managed Retirement Pathway 'annuity'	
<i>Aon Managed Initial Growth Phase Fund</i>	0.04
<i>Aon Managed Global Impact Fund</i>	0.08
<i>Aon Managed Diversified Multi-Asset Fund</i>	0.17
<i>Aon Managed Diversified Multi Strategy Bond Fund</i>	0.47
<i>Aon Managed Short Term Inflation Linked Fund</i>	0.04
<i>Aon Managed up to 5-year UK Gilt Index Fund</i>	0.04
<i>Aon Managed Pre-Retirement Bond Fund</i>	0.00
<i>Aon Managed Liquidity Fund</i>	0.02
Aon Managed Retirement Pathway 'cash'	
<i>Aon Managed Initial Growth Phase Fund</i>	0.04
<i>Aon Managed Global Impact Fund</i>	0.08
<i>Aon Managed Diversified Multi-Asset Fund</i>	0.17
<i>Aon Managed Diversified Multi Strategy Bond Fund</i>	0.47
<i>Aon Managed Short Term Inflation Linked Fund</i>	0.04
<i>Aon Managed up to 5-year UK Gilt Index Fund</i>	0.04
<i>Aon Managed Liquidity Fund</i>	0.02