T-Mobile International UK Pension Scheme

Annual report for the year ended

31 December 2023

Scheme Registration Number 12002887

Table of contents

The Trustee's Report

Introduction

This report relates to the operation of the T-Mobile International UK Pension Scheme ("the Scheme") during the year ended 31 December 2023.

The Scheme commenced on 1 May 2010, following Deutsche Telekom (UK) Limited ceasing to participate in the T-Mobile (UK) Pension Scheme on 30 April 2010.

A Transfer Deed was executed on 8 November 2010, following which the Scheme received a transfer sum in respect of active members, deferred pensioners and pensioners who transferred from the T-Mobile (UK) Pension Scheme to the Scheme on 1 May 2010.

The Scheme was a hybrid arrangement, which consisted of a Defined Benefit (DB) section (which included Money Purchase investments for some Defined Benefit section members) and a Defined Contribution (DC) section, established to provide benefits for the employees of Deutsche Telekom (UK) Limited (the "Employer") and their dependants. The DC Section closed to new entrants and future contributions from 1 November 2021, when all future contributions were directed to a Master Trust. This also applied to Money Purchase investments in the DB Section. With effect from February 2022, all members in the DC Section of the Scheme were transferred to a Master Trust arrangement with Legal & General Investment Management.

The Scheme was governed by the Constitutional Rules and the Final Salary Rules, both made under a Deed executed on 22 March 2010, as amended by Deeds of Amendment dated 15 March 2011, 29 March 2012, 18 December 2013, 2 December 2015, 5 April 2016, 14 December 2017, 30 August 2019, 19 January 2021 and 14 October 2021.

The Scheme is registered for tax purposes with His Majesty's Revenue and Customs (HMRC) in accordance with the Finance Act 2004. Prior to 1 April 2012, all members of the Scheme were contracted-out of the State Second Pension Scheme (S2P) under a certificate issued by the National Insurance Contributions Office. In accordance with the changes to the Scheme effective 1 April 2012, the contracting-out certificate was surrendered with effect from 1 April 2012 and consequently no member of the Scheme was contracted-out of S2P on and from 1 April 2012.

The DC Section included transactions and assets for members who joined the DC Section from 1 April 2012. It did not include transactions or assets in respect of any member who accrued benefits in the DB Section and may have paid AVC's or had a 1% employer defined contribution top up paid by the Employer.

Full details of the Scheme's benefits can be found in the member's explanatory booklet (see "Contact for further information" on page 6).

The Trustee's Report (Cont)

Management of the Scheme

The Scheme has a corporate Trustee, T-Mobile International UK Pension Trustee Limited. The names of the directors who served during the year and those serving at the date of approval of this report are as follows:

Name	Nominated/appointed by	Date of appointment
ZEDRA Governance Limited (Chair) (represented by Joanne Fairbairn)	Employer	28 February 2012
Claire Hilton	Member	1 July 2015
James Rowe	Employer	1 July 2015
Tim Lee	Member	1 July 2015
The Law Debenture Pensions Trust Corporation PLC (represented by Sally Minchella)	Employer	24 August 2020

The power of appointment of a new director and the power of removal of a director of the corporate Trustee is vested in Deutsche Telekom (UK) Limited. As the Trustee is the sole Trustee to the Scheme, the appointment and removal of Trustee Directors is made in accordance with the requirements of the Pensions Act 2004 with regard to member nominated Trustee Directors (MND's).

The Trustee held four full meetings during the year under review. Each Trustee Director is entitled to receive at least ten days' notice of meetings, although in practice dates are normally fixed well in advance. The Scheme Rules provide that decisions of the Trustee may be made by a majority of the Trustee Directors present at any meeting and the Chairman has a casting vote.

The Trustee has delegated the day-to-day management and operation of the Scheme's affairs to professional organisations.

Changes to Scheme Rules

There have been no changes to the Scheme Rules during the year under review.

The Sponsoring Employer

The name and address of the Sponsoring Employer is as follows:

Deutsche Telekom (UK) Limited

Orion House, Bessemer Rd, Welwyn Garden City, AL7 1HH

The Trustee's Report (Cont)

Scheme advisers

The Trustee retains a number of professional advisers in connection with the operation of the Scheme. The advisers currently appointed are as follows:

Scheme Actuary	Colin Downie FFA
Advising Actuaries	Willis Towers Watson
Administrator of the Scheme benefits	Barnett Waddingham LLP
Investment Adviser	Aon Limited
Independent Auditor	Crowe U.K. LLP
Investment Managers	BlackRock Investment Management (UK) Limited
Life Cover Brokers	JLT Benefit Solutions Limited
Legal Advisers	Eversheds Sutherland LLP
Bankers	Lloyds Bank plc
Pension Scheme Manager	Willis Towers Watson

Changes in and other matters relating to Scheme advisers

Except those noted above there have been no other changes to Scheme advisers and other matters during the Scheme year under review.

Financial development of the Scheme

During the year the value of the net assets increased by £2,183,780 to £83,204,215 as at 31 December 2023. The increase comprised net additions from dealings with members of £1,546,968 together with a net increase from the return on investments of £636,812.

Scheme Audit

The financial statements on pages 20 to 30 have been prepared and audited in accordance with regulations made under sections 41(1) and (6) of the Pensions Act 1995.

The Trustee's Report (Cont)

Scheme membership

	Number as at start of year	Changes in year	Number as at end of year
Active members	9	-	9
Preserved pensioners	442		
adjustment		1	
transferred out		(1)	
retired		(7)	
		(7)	435
Pensioners and dependants	63		
new pensioners		7	
		7	70
Total members	**514**		**514**

The member numbers shown above reflect the number of member records held by the Scheme at 31 December 2023.

Adjustment relates to late notifications.

Transfer values

All cash equivalents (transfer values) paid during the year were calculated and verified in the manner required by the Pension Schemes Act 1993 and subsequent amendments. No discretionary benefits are included in the calculation of transfer values.

Codes of Practice

The Trustee is aware of and adhere to the Codes of Practice issued by The Pensions Regulator ("TPR"). The objectives of these codes are to protect members' benefits, reduce the risk of calls on the Pension Protection Fund ("PPF") and to promote good administration.

Data Protection Act 2018 and General Data Protection Regulation

The Data Protection Act 2018 is the United Kingdom's implementation of the General Data Protection Regulation (GDPR). Under the UK GDPR and the Data Protection Act 2018 regulations, a pension scheme trustee is classed as data controller, with legal responsibility for compliance falling to them. Scheme Actuaries are also classed as data controllers (jointly with the trustee) in accordance with guidance issued by the Actuarial Profession. Barnett Waddingham LLP acts as a data processer as the administrator of the Scheme.

The Trustee has worked with its advisers to receive relevant training, and continues to do so to ensure continued compliance with data protection legislation.

The Trustee's Report (Cont)

Pension increases

Pensions payable by the Defined Benefit Section are increased in line with the Rules each year as set out below:

- If you are male and aged over 65 or female and aged over 60 and your pension from the Scheme includes a Guaranteed Minimum Pension (GMP) due to you being contracted-out of the State Second Pension (S2P), formerly the State Earnings Related Pension Scheme (SERPS), after 5 April 1978 and before 6 April 1988, then this element of your pension from the Scheme does not increase.

- If you are male and aged over 65 or female and aged over 60 and your pension from the Scheme includes a GMP due to you being contracted-out of S2P, formerly SERPS after 5 April 1988 and before 6 April 1997, then this element of your pension from the Scheme increases in line with the Consumer Prices Index subject to a maximum increase of 3%.

  As CPI in September 2022 was 10.1%, the increase for these benefits on 1 January 2023 was 3% (2022: 3%).

- Pension (in excess of any GMP that you may have if you are aged over 65 and male or aged over 60 and female) that you earned before 5 April 2006 increases in line with the Retail Princes index (RPI) subject to a maximum increase of 5%.

  As RPI in September 2022 was 12.6%, the increase for these benefits on 1 January 2023 was 5% (2022: 4.9%).

- Pension earned after 5 April 2006 increases in line with RPI subject to a maximum increase of 2.5%.

  As RPI in September 2022 was 12.6%, the increase for these benefits on 1 January 2023 was 2.5% (2022: 2.5%).

No discretionary increases were applied during the year.

The Pensions Regulator: Record Keeping

TPR issues guidance on all aspects of pension scheme data record keeping to all those responsible for the data (the trustees) and those who administer pension schemes. The guidance covers both common data and scheme-specific (conditional) data. The guidance sets out good practice in helping trustees to assess risks associated with record keeping. Improved data means that trustees and employers will be able to make a more precise assessment of their financial liabilities. Schemes are expected to keep their data under regular review and set targets for the improvement in the standard of data recorded.

More information can be found at:

https://www.thepensionsregulator.gov.uk/en/trustees/contributions-data-and-transfers/record-keeping

The Trustee's Report (Cont)

GMP equalisation

On 26 October 2018 the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgement arise in relation to many other defined benefit pension schemes.

The Trustee of the Scheme is aware that the issue will affect the Scheme, and has already considered this in detail. Work is ongoing as further guidance becomes available. Under the ruling schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts. Further details are disclosed in Note 22 of the financial statements.

On 20 November 2020, the High Court handed down a further judgment on the Guaranteed Minimum Pension (GMP) equalisation case in relation to the Lloyds banking group pension schemes. This follows from the original judgment in October 2018 which confirmed that schemes need to equalise pensions for the effect of unequal GMPs between males and females. This latest judgment confirms that Defined Benefit (DB) schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Scheme has experienced significant historical transfers out which will be subject to adjustment as a result of this second ruling. The Trustee will be considering this at a future meeting and decisions will be made as to the next steps. Any adjustments necessary will be recognised in the financial statements in future years. At the date of signing these accounts, it is not possible to estimate the value of any such adjustments at this time.

Contact for further information

General enquiries about the Scheme should be addressed to:

The Trustee of the T-Mobile International UK Pension Scheme
Deutsche Telekom (UK) Limited, Orion House, Bessemer Road
Welwyn Garden City
Hertfordshire AL7 1HH

Enquiries about individual member's defined benefits should be addressed to the Benefits Administrator
Barnett Waddingham LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

Alternatively, you may contact the Scheme administrators online at:

https://logon.bwebstream.com/shared/contact.

Enquiries about individual member's money purchase benefits should be addressed to:

https://www.legalandgeneral.com/workplace/d/deutsche-telekom-uk/

Helpline Telephone Number: 0345 070 8686

Email address: employerdedicatedteam@landg.com

The Trustee's Report (Cont)

Complaints - IDRP procedure and Pensions Ombudsman

The Pensions Act 1995 requires an internal dispute resolution procedure (IDRP) to be in place. A copy of the Scheme's IDRP is available on request from the Scheme Administrator. The IDRP is a two stage procedure: the first stage requires the member to make a formal written complaint to the Pensions Manager. The reply must explain the decision in detail. In the event that the member is not satisfied with the resolution of the first stage, he or she can refer the matter to the Trustee for consideration. Any member complaint will receive a written reply within a prescribed timescale.

If Scheme members have any queries concerning their benefits they should contact Barnett Waddingham LLP by writing to the address shown above.

The Pensions Ombudsman is available to assist members and beneficiaries of the Scheme in connection with difficulties which they have failed to resolve with the Trustee or Scheme Administrator of the Schemes and may investigate and determine any complaint or dispute of fact law in relation to an occupational pension scheme.

If you have more general query regarding your pension savings, which is not a dispute or formal complaint, and is not covered by the Scheme's administrators you may wish to contact the money and pension service.

The address of the Pensions Ombudsman is 1st Floor, 10 South Colannade, Canary Wharf, London, E14 4PU.

A register of Occupational and Personal Pension Schemes has been established as part of a pensions tracing registry to help individuals who have lost touch with their previous employers' pension to trace their pension rights. In response to enquiries received from individuals, information contained on the register will be used to determine the most likely location of their benefits.

The Trustee’s Report (Cont)

Statement of Trustee's Responsibilities

Trustee's responsibilities in respect of the financial statements

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

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme 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 Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for ensuring that the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Scheme will continue as a going concern.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an Annual Report.

The Trustee also has 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 Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Trustee's responsibilities in respect of contributions

The Trustee is 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 Scheme by or on behalf of the Employer and the active members of the Scheme and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions are made to the Scheme by the Employer in accordance with the Schedule of Contributions. Where breaches of the Schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustee's Report (Cont)

Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, the 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 at the valuation date. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Scheme members on request.

The most recent full actuarial valuation of the Scheme was carried out as at 31 December 2022. This showed that on that date:

The value of the Technical Provisions was:	£91.92 million
The value of the assets at that date was:	£81.00 million
Therefore, the Scheme had a funding deficit of	£10.92 million
Corresponding to a funding level of:	88.1%

The method and significant actuarial assumptions used to determine the Technical Provisions are as follows:

Method

The actuarial method to be used in the calculation of the Technical Provisions is the Projected Unit Method with a five-year Control Period.

Significant actuarial assumptions

Discount rate: yield curve structure derived from the yield on UK Government fixed interest gilts at the valuation date plus an addition of 1.5% per annum until May 2028; with the addition reducing down to 0.5% per annum from May 2028 onwards.

Future Retail Price inflation: yield curve structure derived from UK Government gilt yields at the valuation date less an adjustment of 0.1% per annum for an inflation risk premium.

Future Consumer Price inflation: term dependent rates derived from the assumption for future Retail Price inflation less 1.0% per annum up to 2030 and 0% per annum thereafter.

Pension increases: derived from the term dependent rates for future Retail Price inflation and Consumer Price inflation allowing for the minimum and maximum annual pension increases according to the provisions in the Scheme's Rules.

Pay increases: term dependent rates derived from the assumption for future Consumer Price inflation plus an addition of 1.5% per annum.

Mortality: standard base mortality tables S3NMA with an average scaling factor of 95% for males and S3NFA with an average scaling factor of 98% for females. An allowance for future improvements has also been made in line with the industry standard CMI_2022 core projections with a long-term improvement rate of 1.5% pa, a core smoothing parameter and an initial addition of 0.50% pa, with core parameters for post 2019 experience data (i.e. no allowance for 2020 and 2021 mortality data and a 25% allowance for 2022 mortality data).

The Trustee's Report (Cont)

Investments Report

The Trustee is responsible for ensuring the investment strategy is consistent with the Scheme's funding objectives and its assessment of the employer covenant.

The Scheme neither holds Deutsche Telekom (UK) Limited shares nor makes loans to Deutsche Telekom (UK) Limited or any of its subsidiaries; any holding that the DB Scheme has (if any) in the parent company is indirect, that is, as a result of investing in pooled funds which may include shares of Deutsche Telekom AG.

Professional advisers have been appointed by the Trustee to support the running of the Scheme's investments. Roles and responsibilities are as follows:

- Fiduciary Manager (BlackRock):
    - in its capacity as fiduciary manager has been appointed to manage the Scheme's assets in such a way to aim to achieve the Scheme's long-term investment objective.
- Investment Managers – the Scheme gains exposure to asset classes by investing in pooled investment vehicles that are managed by investment managers who are selected by the Fiduciary Manager, as delegated by the Trustee.
- Investment Consultant - in its capacity as investment consultant Aon has been appointed to provide strategic advice to the Scheme in such a way to aim to achieve the Scheme's long-term investment objective.

The broad investment objective of the Scheme is to invest the assets of the Scheme prudently with the intention that the benefits promised to members are provided.

Following professional advice, the Trustee has determined an appropriate asset allocation to be implemented by the Fiduciary Manager, as governed by the IMA. The IMA details the level of delegation afforded to the Fiduciary Manager and outlines the parameters the Fiduciary Manager must operate within. The IMA is subject to change over time as the strategy evolves.

The investment strategy for the Scheme is to:

- Invest in a portfolio of assets to immunise a proportion of the interest rate and inflation risk inherent within the Scheme's liabilities
- Invest in a diversified portfolio of assets to achieve an efficient risk / reward trade off with the objective of generating sufficient returns to close the Scheme's funding deficit
- When the funding level has achieved a predetermined level, the Scheme will seek to achieve a minimum level of interest rate and inflation hedging.

Investment principles

The Trustee must consult with the Principal Employer on the overall investment policy of the Scheme and has delegated day to day decisions to the investment managers. The Trustee receives regular reports on the investment managers dealings and investment performance. The Trustee is responsible for determining the investment strategy of the Scheme. Expert advice is sought whenever appropriate.

In accordance with Section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles which includes the Trustee's policy relating to ethical investment and the exercise of the rights attaching to investments. The latest version of the SIP is available for members to view via the Scheme website: https://tmipensions.co.uk/wp-content/uploads/2024/04/TMI-DB-SIP-march-24.pdf

This Statement may change from time to time according to advice received from the investment manager or consultants. The investments are managed by BlackRock Investment Management (UK) Limited.

The Trustee's Report (Cont)

Departures from investment principles

To the best of its knowledge, the Trustee can report that there has not been any departure from the SIP by the Scheme's investment manager during the year ended 31 December 2023.

Portfolio performance

Investment performance has been measured by asset class since the appointment of the Fiduciary Manager. Performance of the total portfolio and the underlying manager is provided to the Trustee on a quarterly basis in the Quarterly Investment Report.

Performance for the period ending 31 December 2023 is shown in the table below:

	Q4 2023	1 Year	3 Year (p.a.)	5 year (p.a.)	Since Inception (p.a.)
Total Portfolio	13.36%	1.08%	-19.95%	-6.35%	-3.04%
Total Liability	12.46%	-1.34%	-17.66%	-6.52%	-3.61%

Market commentary

The first quarter of the year ended in positive territory with major asset classes enjoying largely positive returns. Equities and bonds rallied in January as recession fears eased, and the energy crisis abated in Europe. Despite this, the financial markets saw significant bouts of volatility, most notably within the banking sector driven by the collapse of Silicon Valley Bank (SVB) and the subsequent acquisition of Credit Suisse by UBS.

Central banks continued their efforts to control inflation and the Federal Reserve (Fed), Bank of England (BoE) and the European Central Bank (ECB) all raised interest rates.

The increase to rates in March was lower than many market participants had anticipated with inflation climbing less than expected and equity markets gained as a result. Elsewhere, the ECB raised interest rates by 50bps in February and a further 50bps in March, expressing Christine Lagarde's ongoing concern of core inflation. Against this backdrop, credit spreads widened throughout the quarter due to the fall in government yields and in general, investment grade credit outperformed high yield credit.

In currency markets, sterling and euro strengthened against the US dollar, driven by the belief that the fallout from the banking crisis had potentially brought the Fed towards the end of its hiking cycle.

The second quarter saw divergence in performance across equities and bonds. While news of persistent inflation, slowing growth and interest rates remaining higher for longer led to the underperformance of government bonds, there was positive sentiment within equities. Major central banks continued their efforts to control inflation and the Bank of England (BoE), European Central Bank (ECB) and Federal Reserve (Fed) all raised interest rates.

The third quarter ended in negative territory across equities and bonds. Equity prices were pushed down by inflation concerns and fixed income yields rose. Developed market equities and emerging market equities declined delivering -2.5% and -2.8% respectively. Developed markets outperformed their emerging market counterparts and value stocks generally outperformed their growth counterparts. Corporate bond markets outperformed government treasuries. Major central banks continued their efforts to control inflation and the Bank of England (BoE), European Central Bank (ECB) and Federal Reserve (Fed) all raised interest rates.

During the quarter, yields rose, and credit spreads narrowed. Global credit was down -1.6% and government treasuries were down -2.9%. Global high yield fared better and delivered positive returns of 0.8%. In terms of central bank policy, the Fed raised its key policy rate by 25bps in July to take the target rate to 5.25%-5.50%.

The Trustee's Report (Cont)

The Fed did not change its target from 5.25-5.50% in September, though the latest projections showed one further rate hike this year. The BoE raised rates by 25bps at the start of August and signs of inflation slowing allowed the BoE to keep rates unchanged in September.

The final quarter of 2023 ended the year in positive territory with major asset classes enjoying largely positive returns. Global equities made strong gains, even as geopolitical tensions increased, supported by cooling inflation and a slowdown of interest rate hikes. Developed market equities outperformed their emerging market counterparts delivering 10% and 5.6% respectively and growth stocks outperformed their value counterparts. Corporate bond markets outperformed government treasuries. Major central banks indicated signs of monetary policy easing with the Bank of England (BoE), European Central Bank (ECB) and Federal Reserve (Fed) keeping interest rates steady over the quarter. Commodities delivered mixed returns, with crude oil falling -18.6% while gold appreciated by 11.2%.

In currency markets, the US dollar weakened against both the Euro and Sterling. The Euro appreciated by 4.3% relative to the USD, while Sterling appreciated by 4.4% against the USD.

Custodian arrangements

The Scheme's assets are held in the form of units in pooled vehicles. The Trustee has appointed Bank of New York Mellon as the custodian of the investments of the DB Section with effect from December 2016.

Investment Matters

Investment Policy

The primary objective of the Scheme's investment strategy is to ensure long-term returns which meet the long-term future obligations of the Scheme.

Investment Strategy

The Trustee has one investment manager employed to manage the Scheme's assets in line with the Scheme benchmark. The manager appointed to manage the Scheme's assets is BlackRock Investment Management (UK) Limited ("BlackRock").

The Trustee continues to monitor the appropriateness of its investment strategy and continually monitors the performance of the manager.

The monitoring of the actual asset allocation versus the target weightings and the control ranges has been delegated by the Trustee to the investment manager.

Environmental, Social and Governance (ESG) Considerations

In setting the Scheme's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk.

The Trustee considers investment risk to include ESG factors and climate change. These risks could negatively impact the Scheme's investments. The Trustee considers these risks by taking advice from its investment adviser and the Manager.

The Trustee has appointed BlackRock to manage the Scheme's assets. BlackRock invests in a range of underlying investment vehicles.

As part of BlackRock's management of the Scheme's assets, the Trustee expects BlackRock to:

- Where relevant, assess the integration of ESG factors in the investment process of underlying managers;
- Use its influence to engage with underlying managers to ensure the Scheme's assets are not exposed to undue risk; and
- Report to the Trustee on its ESG activities as required.

The Trustee's Report (Cont)

Asset Allocation

The table below details the Scheme benchmark asset allocation as at the end of 2023.

Asset Allocation			
Asset Class/Fund	**Q4 2023**		**Range (%)**
	£m	**%**	
Return Seeking Strategy	**34.8**	**42.8**	**0-75**
Equities	**13.4**	**16.5**	
Fixed Income	**7.7**	**9.5**	
Cash	**0.8**	**1.0**	
Illiquid Portfolio	**12.9**	**15.8**	**0-25**
LDI Strategy	**46.6**	**57.2**	**25-100**
Total	**81.4**	**100.0**	

Please note that the above table excludes cash to the value of £1,815,374 (2022: £841,624) that was held in the Trustee Bank Account as at the end of 2023.

The asset allocation was in line with the target ranges as at the end of 2023.

Scheme Objective

The overall return objective has been determined by the Trustee after an assessment of the liabilities and associated risks of the Scheme and consultation with the sponsoring employer and is as follows:

"The objective is for BlackRock to manage the portfolio to achieve full funding with liabilities valued on a gilts only basis by March 2026, taking into account the annual contributions made to the Scheme."

From time to time the Trustee may review and adopt a higher or lower overall return objective, after consultation with the sponsoring employer. Factors the Trustee will take into account in its consideration of the overall return objective include the Scheme's funding level, the Trustee's tolerance to risk and the Trustee's assessment of the employer's covenant to the Scheme.

Delegation to Investment Managers

Subject to restrictions stated and agreed in the Investment Management Agreement, the manager has been delegated the authority to:

- Take all investment decisions in respect of the pooled fund assets;
- Effect transactions in the pooled fund assets and sign any documentation required in connection with these transactions;
- Place orders for the execution of pooled fund transactions, subject to terms agreed with the investment manager or implied by market practice.

The Trustee's Report (Cont)

Approval of Trustee's Report

This report was approved by the Trustee on

Date: ____________________________________

Signed on behalf of the Trustee:

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Trustee Director

Independent Auditor's Report to the Trustee of the T-Mobile International UK Pension Scheme

Opinion

We have audited the financial statements of the T-Mobile International UK Pension Scheme for the year ended 31 December 2023 which comprise the Fund Account, the Statement of Net Assets and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 December 2023, 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 Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The Trustee is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Independent Auditor’s Report to the Trustee of the T-Mobile International UK Pension Scheme (Cont)

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

We have nothing to report in this regard.

Responsibilities of Trustee

As explained more fully in the Statement of Trustee’s Responsibilities set out on page 8, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to wind up the Scheme, 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 Auditors’ 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We set out below the key areas which, in our opinion the financial statements are susceptible to material misstatement by way of irregularities including fraud and the extent to which our procedures are capable of detecting these.

- Management override of controls. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review of journals and accounting estimates for bias.
- Misappropriation of investment assets owned by the Scheme. This is addressed by obtaining direct confirmation from the investment fund manager of investments held at the Statement of Net Assets date.
- Diversion of assets through large investment transactions. A sample of transactions were agreed to supporting documentation.
- Non-receipt of contributions due to the Scheme from the Employer. This is addressed by testing contributions due are paid to the Scheme in accordance with the schedule of contributions agreed between the Employer and Trustee.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Trustee of the T-Mobile International UK Pension Scheme (Cont)

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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. The description forms part of our Auditors' report.

Use of our Report

This report is made solely to the Scheme's Trustee, 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 Scheme's Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Statutory Auditor
London

Date:

Summary of contributions payable in the year

During the year, the contributions payable to the Scheme by the Employer under the Schedule of Contributions were as follows:

	£
Employer normal contributions	360,163
Employer deficit funding contributions	2,780,004
Contributions payable under the Schedule of Contributions	3,140,167

Date: ______________________

Signed on behalf of the Trustee:

____
Trustee Director

Independent Auditor's Statement about Contributions to the Trustee of the T-Mobile International UK Pension Scheme

Statement about contributions payable under the schedule of contributions

We have examined the summary of contributions to the T-Mobile International UK Pension Scheme for the year ended 31 December 2023, which is set out on page 18.

In our opinion contributions for the Scheme year ended 31 December 2023 as reported in the summary of contributions on page 18 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 Actuary on 14 June 2021.

Basis of opinion

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 Scheme and the timing of those payments under the Schedule of Contributions.

Respective responsibilities of Trustee's and the Auditor

As explained more fully in the Statement of Trustee's Responsibilities, the Scheme's Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a Schedule of Contributions, maintained and from time to time revised and for monitoring whether contributions are made to the Scheme 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 statement

This statement is made solely to the Scheme's Trustee, as a body, in accordance with The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the Scheme's Trustee 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 Scheme's Trustee as a body, for our work, for this statement, or for the opinion we have formed.

Crowe U.K. LLP
Statutory Auditor
London

Date:

The Financial Statements

Fund Account

for the year ended 31 December 2023

	Note	31 December 2023	31 December 2022
		£	£
Contributions and benefits			
Employer contributions		3,140,167	3,152,541
Total contributions	5	3,140,167	3,152,541
Transfers in	6	129,018	87,628
		3,269,185	3,240,169
Benefits paid or payable	7	(1,438,407)	(1,389,485)
Payments to and on account of leavers	8	(283,609)	(7,364,056)
Administrative expenses	9	(201)	(2,187)
		(1,722,217)	(8,755,728)
Net additions / (withdrawals) from dealings with members		1,546,968	(5,515,559)
Returns on investments			
Investment income	10	37,432	48,574
Change in market value of investments	11	821,403	(88,406,208)
Investment management expenses	12	(222,023)	(249,049)
Net return on investments		636,812	(88,606,683)
Net increase / (decrease) in the fund during the year		2,183,780	(94,122,242)
Net assets of the Scheme			
At 1 January		81,020,435	175,142,677
At 31 December		83,204,215	81,020,435

The notes on pages 22 to 30 form part of these financial statements.

The Financial Statements (Cont)

Statement of Net Assets

available for benefits as at 31 December 2023

	Note	31 December 2023	31 December 2022
Investment assets:			
Pooled investment vehicles	14	81,034,955	80,114,016
AVC investments	15	-	18,330
Cash deposits	11	31,096	24,640
Other investment balances	11	339,999	-
		81,406,050	80,156,986
Current assets	19	1,880,275	894,154
Current liabilities	20	(82,110)	(30,705)
Net assets of the Scheme at 31 December available for benefits		83,204,215	81,020,435

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations for the Defined Benefit Section, is dealt with in the Report on Actuarial Liabilities on page 9 of the Annual Report and these financial statements should be read in conjunction with this report.

The notes on pages 22 to 30 form part of these financial statements.

These financial statements were approved by the Trustee on

Date: ______________________

Signed on behalf of the Trustee:

____

Trustee Director

Notes to the Financial Statements

1. Basis of preparation

The individual financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice (Revised 2018).

The financial statements have been prepared on the going concern basis which the Trustee believes to be appropriate based on their expectations for a 12 month period from the date of approval of these financial statements which indicate that sufficient funds should be available to enable the Scheme to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due.

2. Identification of the financial statements

The Scheme is established as a trust under English law. The address for enquiries to the Scheme is included in the Trustee's Report.

3. Accounting policies

The principal accounting policies of the Scheme which are applied consistently are as follows:

Currency

- The Scheme's functional and presentational currency is pounds sterling.

Contributions

- Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as the employees' contributions, in accordance with the Schedule of Contributions certified by the Scheme actuary on 14 June 2021.
- Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and Trustee.

Payments to members

- Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.
- Pensions in payment are accounted for in the period to which they relate.
- Individual transfers in or out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is received or paid.

Expenses and other payments

- Expenses are accounted for on an accruals basis.
- Administrative expenses are met by the Sponsoring Employer.
- The investment management fees of the defined benefit investment manager are met by the Scheme, either through the price of pooled fund units or by an explicit charge.

Investment income

- Income from pooled investment vehicles is accounted for when declared by the fund manager.
- Income from cash and short term deposits is accounted for on an accruals basis.

Investments

- 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.
- Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV) determined in accordance with fair value principles, provided by the pooled investment manager.
- The Trustee has determined that there are no Annuity policies, held in the name of the Trustee, that are material to the Scheme.
- Unitised insurance and AVC policies were valued on the same basis as pooled investment vehicles with similar characteristics.

Notes to the Financial Statements (Cont)

4. Comparative disclosures for the Fund Account

	Note	Defined Benefit Section £	Defined Contribution Section £	Total £
				Year ended 31 December 2022
Contributions and benefits				
Employer contributions		3,152,541	-	3,152,541
Total contributions	5	3,152,541	-	3,152,541
Transfers in		87,628	-	87,628
		3,240,169	-	3,240,169
Benefits paid or payable	7	(1,389,485)	-	(1,389,485)
Payments to and on account of leavers	8	(6,215,339)	(1,148,717)	(7,364,056)
Administrative expenses	9	(2,187)	-	(2,187)
		(7,607,011)	(1,148,717)	(8,755,728)
Net additions from dealings with members		(4,366,842)	(1,148,717)	(5,515,559)
Returns on investments				
Investment income	10	48,574	-	48,574
Change in Market value of investments	11	(88,376,455)	(29,753)	(88,406,208)
Investment management expenses	12	(249,049)	-	(249,049)
Net returns on investments		(88,576,930)	(29,753)	(88,606,683)
Net increase in the fund during the year		(92,943,772)	(1,178,470)	(94,122,242)
Net assets of the Scheme				
At the beginning of the year		173,964,207	1,178,470	175,142,677
At the end of the year		81,020,435	-	81,020,435

With effect from February 2022, all members in the DC Section of the Scheme were transferred to a Master Trust arrangement with Legal & General Investment Management.

5. Contributions

	2023 £	2022 £
Employer contributions		
Normal	360,163	372,537
Employer deficit funding contributions	2,780,004	2,780,004
	3,140,167	3,152,541

Employer contributions were paid in accordance with the Contributions Side Letter dated 14 June 2021 until replaced by a new Contributions Side Letter dated 28 March 2024 which applied from 1 April 2024. Under the new Side Letter the Employer will pay deficit contributions of £231,667 a month until 31 March 2032. This includes the deficit contributions payable under the Schedule of Contributions dated 28 March 2024 of £231,667 a month payable until 31 March 2026.

Notes to the Financial Statements (Cont)

6. Transfers in

	2023	2022
	£	£
Individual transfers in from other Schemes	129,018	87,628

The transfer in figure relates to members who opted to switchback from Master Trust arrangement with Legal & General Investment Management upon retiring.

7. Benefits paid or payable

	2023	2022
	£	£
Pensions	801,451	659,071
Commutation of pensions and lump sum retirement benefits	636,956	641,430
Lump sum death benefits	-	30,705
Taxation where lifetime or annual allowance exceeded	-	58,279
	1,438,407	1,389,485

8. Payments to and on account of leavers

	Defined Benefit Section	2023 Defined Contribution Section	Total
	£	£	£
Group transfers to other schemes	-	-	-
Individual transfers to other schemes	283,609	-	283,609
	283,609	-	283,609
		2022	
Group transfers to other schemes	5,092,195	1,148,717	6,240,912
Individual transfers to other schemes	1,123,144	-	1,123,144
	6,215,339	1,148,717	7,364,056

In the prior year the group transfers relate to DB section AVCs and DC Section investments that were transferred to a Master Trust arrangement with Legal & General Investment Management. With effect from February 2022, all members in the DC Section of the Scheme were transferred to a Master Trust arrangement with Legal & General Investment Management.

Notes to the Financial Statements (Cont)

9. Administrative expenses

	2023	2022
	£	£
Bank charges	194	235
Other fees	7	1,952
	201	2,187

Other than bank charges and other fees the Employer bears the full cost of administration of the Scheme.

10. Investment income

	2023	2022
	£	£
Income from pooled investment vehicles	19,242	46,137
Interest on cash deposits	18,190	2,437
	37,432	48,574

11. Reconciliation of investments

	Value at 31 December 2022	Purchases at cost and	Sales proceeds	Change in market value	Value at 31 December 2023
	£	£	£	£	£
Pooled investment vehicles	80,114,016	36,019,053	(35,922,889)	824,775	81,034,955
AVC investments	18,330	-	(18,330)	-	-
	80,132,346	36,019,053	(35,941,219)	824,775	81,034,955
Cash deposits	24,640			(3,372)	31,096
Other investment balance	-			-	339,999
	80,156,986			821,403	81,406,050

The other investment balance relates to a pending transaction as at year end.

The Scheme's assets are held in pooled investment vehicles and are not subject to direct transaction costs.

Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and charges made within those vehicles.

12. Investment management expenses

	2023	2022
	£	£
Administration, management and custody	222,023	249,049

Notes to the Financial Statements (Cont)

13. Taxation

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

14. Pooled investment vehicles

The Scheme's investments in pooled investment vehicles at the year-end comprised:

	2023	2022
	£	£
Defined Benefit Section		
Equities	13,694,777	16,056,112
Bonds	7,348,379	7,327,828
LDI funds	47,013,932	44,451,469
Multi-asset	12,977,867	12,278,607
	81,034,955	80,114,016

The LDI fund includes derivatives, bonds, cash balances and repurchase agreements.

15. Money Purchase Investments (AVC)

The Trustee held assets invested separately from the main fund in the form of individual insurance policies securing additional benefits on a money purchase basis for those members who had benefits provided by the Trustee on a money purchase basis. Members who participated in this arrangement each received an annual statement confirming the amounts held to their account and the movements in the year. The aggregate amounts of money purchase investments are as follows:

	2023	2022
	£	£
Equities	-	16,741
Bonds	-	1,589
	-	18,330

The Money Purchase investments were transferred to a Master Trust arrangement with Legal & General Investment Management during the year.

Notes to the Financial Statements (Cont)

16. Fair value hierarchy

The fair value of financial instruments has been disclosed using the following fair value hierarchy:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

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

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

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

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

	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
	£	£	£	£
Pooled investment vehicles	2,253,292	65,803,796	12,977,867	81,034,955
Cash deposits	31,096	-	-	31,096
AVC investments	-	-	-	-
Other investment balance	339,999	-	-	339,999
	2,624,387	65,803,796	12,977,867	81,406,050

	As at 31 December 2022 (restated)			
	Level 1	Level 2	Level 3	Total
	£	£	£	£
Pooled investment vehicles	2,749,800	65,085,609	12,278,607	80,114,016
AVC investments	-	18,330	-	18,330
Cash deposits	24,640	-	-	24,640
Other investment balance	-	-	-	-
	2,774,440	65,103,939	12,278,607	80,156,986

The Prior year disclosures within note 16 have been restated as the ASG Reditus Fund & The Partners Fund have now been reclassified from level 2 to level 3.

17. Investment risk disclosures

Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks to which the Scheme is exposed to at the end of the reporting period. These risks are set out by FRS 102 as follows:

- **Credit risk** – one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- **Market risk** – comprises the following three types of risk:
  1. Interest rate risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market interest rates
  2. Currency risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in foreign exchange rates
  3. Other price risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market prices (other than those due to interest rates and currency), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustee is responsible for determining the Scheme's investment strategy. The Trustee has set the investment strategy for the Scheme after taking advice from a professional investment adviser. Subject to complying with the agreed strategy, which specifies the target proportions of the Scheme which should be invested in the principal market sectors, the day-to-day management of the asset portfolio of the Scheme, including the full discretion for stock selection, is the responsibility of the investment manager.

Notes to the Financial Statements (Cont)

17. Investment risk disclosures (Cont)

The Scheme has exposure to the above risks because of the investments it makes in following the investment strategy set out below. The Trustee manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives.

These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment manager and monitored by the Trustee by regular reviews of the investment portfolio. The investment objectives and risk limits of the Scheme is further detailed in the Statement of Investment Principles.

Further information on the Trustee's approach to risk management, credit and market risk is set out below.

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.

The Scheme is indirectly exposed to credit risk arising from the instruments held by the pooled investment vehicles.

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

The Scheme has indirect exposure to credit risk because it invests in pooled funds that hold derivatives, bonds, cash balances and repurchase agreements.

- The credit risk arising from derivatives is managed by the underling manager and reduced by collateral or margin requirements,
- The credit risk arising from bond holdings is mitigated by the underlying manager by investing in a diversified portfolio of assets,
- Repurchase agreements are held across a diversified panel of counterparties.

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

	2023	2022
	£	£
Open-ended investment company (OEIC)	64,065,097	63,290,785
Unit-linked insurance contracts	3,991,991	4,553,735
Limited Partnership (LP)	12,977,867	12,289,311
Cash	-	4,825
	81,034,955	80,138,656

Market risk

This comprises currency risk, interest rate risk and other.

Currency risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

The Scheme is exposed to indirect currency risk through some of the Scheme’s investments in overseas markets held in pooled investment vehicles.

The Scheme’s approach to currency risk is to remove non-GBP currency exposure wherever possible in the developed markets, unless a tactical view on currency exposure is taken. All currency hedging is implemented through hedged share classes at the underlying pooled vehicles. The Fiduciary manager may express tactical currency views from time to time via an allocation to unhedged pooled vehicle share classes.

At end of December 2023 the matching strategy £46.6m (2022: £43.5m) was invested in a combination of Liability Driven Investments, all denominated in GBP. The growth strategy was split between currency hedged/GBP denominated and non-currency hedged exposure.

Notes to the Financial Statements (Cont)

17. Investment risk disclosures (Cont)

Interest rates risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

The Scheme has indirect exposure to interest rate risk through its fixed income pooled investments. At the end of December 2023, the Scheme had interest rate risk exposure through its investments in Government Bonds, Global Credit, Emerging Market Debt, High Yield Debt, Cash Funds and the Matching Strategy. At the end of December 2023, the monetary value for the aforementioned assets was £54.7m (2022: £52.6m).

The Scheme targets a minimum level of interest rate and inflation risk to match the sensitives of the Scheme's liabilities and thus reducing the risk of the funding deficit increasing as a result in a fall in government yields. This is primarily executed through the matching strategy by holding a combination of physical and synthetic (derivatives) exposure to Gilts and Index-Linked Gilts. In addition, a portion of the matching strategy is invested in Buy & Maintain Credit.

The level of interest rate exposure is monitored daily. The Scheme's exposure to interest rates will gradually increase over time as the Scheme de-risks, ultimately bringing the interest exposure of the assets in-line with the liabilities exposure (adjusted for the funding ratio).

Other price risk

This is the risk that the fair value or future cash flows of a financial asset 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.

Indirect price risk arises principally from the Scheme's growth strategy, which is designed to generate long term returns. The level of price risk varies for each of the underlying investments. The portfolio has been designed to deliver an appropriate risk-return profile by investing across a diverse range of asset classes. The risk attributes of the portfolio are reviewed on a regular basis and rebalanced accordingly.

As at the end of December 2023 the Scheme's exposure to investments subject to other indirect price risk, namely the growth strategy (liquid assets, Alternatives, and Illiquid assets), was £34.7 (2022: £24.4m).

18. Concentration of investments

The following investments each account for more than 5% of the Scheme's net assets at the year-end:

	2023		2022	
	£	%	£	%
BlackRock ASG Reditus Fund	11,583,825	13.9	9,851,497	12.2
BlackRock LMF – GBP 2040 IL Gilt Flex Fund	10,879,039	13.1	8,666,461	10.7
BlackRock LMF – GBP 2050 IL Gilt Flex Fund	10,672,628	12.8	13,641,104	16.8
BlackRock LMF 2052 Gilt Flex Fund	7,611,971	9.2	-	-
BlackRock LMF – GBP 2062 IL Gilt Flex Fund	4,826,185	5.8	4,933,724	6.1
BlackRock LMF 2068 IL Gilt Fund	5,089,917	6.1	-	-
BlackRock Aquila Life HDG ESG SCR Index	-	-	6,028,410	7.4
BlackRock LMF 2068 Gilt Fund	-	-	4,724,629	5.8

19. Current assets

	2023	2022
	£	£
Prepayments	62,915	50,544
Other debtors	1,986	1,986
Cash balances	1,815,374	841,624
	1,880,275	894,154

Notes to the Financial Statements (Cont)

20. Current liabilities

	2023	2022
	£	£
Accrued expenses	(82,110)	(30,705)

21. Related party transactions

Related parties of the T-Mobile International UK Pension Scheme are as follows:

- Sponsoring Employer
- T-Mobile International UK Pension Trustee Limited

The Sponsoring Employer is provided on page 2 of this Report.

Other than bank charges and other fees, the Employer bears the full cost of administration of the Scheme.

The Trustee is shown on page 2 of this report.

All Trustee Directors, except for ZEDRA Governance Limited and The Law Debenture Pensions Trust Corporation PLC, are members of the Scheme.

The Trustee is not aware of any other additional related party transactions that require disclosure in the financial statements.

22. Guaranteed Minimum Pension ("GMP") Equalisation

GMP equalisation – On 20 November 2020, the High Court handed down a further judgment on the Guaranteed Minimum Pension (GMP) equalisation case in relation to the Lloyds banking group pension schemes This follows from the original judgment in October 2018 which confirmed that schemes need to equalise pensions for the effect of unequal GMPs between males and females This latest judgment confirms that Defined Benefit schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits.

The High Court has ruled that:

- Schemes will be required to equalise for the effect of unequal GMPs accrued between 1990 and 1997;
- A range of methodologies are available, trustee should use the method which results in "minimum interference" with the rights of any party; and
- Back payments are applicable subject to any limitations in the Scheme rules, with interest applied at 1% over the Bank of England base rate.

The Trustee of the Scheme are aware that the issue will affect the Scheme and will be considering this and the impact on the Scheme and decisions will be made as to the next steps. Based on an initial assessment of the likely backdated amounts and related interest the Trustee do not expect these to be material to the financial statements and therefore have not included a liability in respect of these matters in these financial statements. They will be accounted for in the year they are determined.

23. Ruling on amendment of Contracted-Out Salary-Related Pension Schemes

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. The date for the Appeal has been set for June 2024 but, as matters stand, the case has the potential to cause significant issues in the pensions industry. The Trustee will investigate the possible implications with its advisers once the Appeal has been heard but it is not possible at present to estimate the potential impact, if any, on the Scheme.

Certification of Schedule of Contributions dated 28 March 2024

T-Mobile International UK Pension Scheme

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 could have been expected on 31 December 2022 to be met by the end of the period specified in the recovery plan dated 28 March 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 28 March 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 scheme's liabilities by the purchase of annuities, if the Scheme were to be wound up.

Signature: **Date:** 28 March 2024

Name: Colin Downie **Qualification:** Fellow of the Institute and Faculty of Actuaries

Address: 2 Semple Street
Edinburgh
EH3 8BL

Name of employer: Towers Watson Limited, a WTW company

T-Mobile International UK Pension Scheme (the "Scheme")

Schedule of Contributions

Introduction

This schedule of contributions is required by Section 227 of the Pensions Act 2004. It comes into effect on 28 March 2024 and covers the period to 31 March 2029. T-Mobile International UK Pension Trustee Limited (the "Trustee") is responsible for preparing a revised schedule no later than 31 March 2027.

Participating Employer

This schedule covers contributions to the Scheme from Deutsche Telekom (UK) Limited (the "Employer").

Employer Contributions

The Employer will contribute to the Scheme as follows:

Type	Period	Amount
Normal Contributions (in respect of future accrual)	**In respect of Salary Sacrifice members** The five-year period commencing with the date of certification of this schedule by the scheme actuary	23.8% of members' Pensionable Salary PLUS the Notional Contributions LESS the outstanding amount of any Notional Contributions actually paid to Salary Sacrifice members who have left employment with less than two years' qualifying service in the Scheme
	In respect of all other active members The five-year period commencing with the date of certification of this schedule by the scheme actuary	23.0% of members' Pensionable Salary
Deficit Contributions	The period from 1 April 2024 until the end of the recovery plan (31 March 2026)	£231,667 payable monthly

The Employer will ensure that the Trustee receives these contributions within 19 days of the end of the calendar month to which the contributions relate.

The cost of the Pension Protection Fund (PPF) levies, Scheme expenses and life assurance premiums are excluded from the normal contributions rates shown above. The Employer will meet PPF levies, Scheme expenses and life assurance premiums as they fall due unless otherwise agreed with the Trustee.

The Employer may pay additional contributions to the Scheme in excess of those set out above. The amount of these contributions and the timing of their payments will be determined by the Employer.

With regards to contributions due prior to the effective date of this schedule, if the March 2024 contributions of £231,667 and 38.6% of members’ Pensionable Salary was not paid into the Scheme by 28 March 2024 then it should remain payable by 19 April 2024 at the latest.

Payments to cover augmentations or additional benefits

Unless there is no funding shortfall relative to the Scheme's technical provisions, the Employer will:

- Pay additional contributions in respect of any individual benefit uplifts agreed with the Trustee from time to time
- Pay the cost, as determined by the scheme actuary, of any benefit augmentations requested by the Employer and approved by the Trustee

Employee Contributions from 1 April 2024

Employees who are active members of the Scheme and are not Salary Sacrifice members will contribute to the Scheme as follows:

Period	Amount
The five-year period commencing with the date of certification of this schedule by the scheme actuary	5.6% of Pensionable Salary

Salary Sacrifice members are not required to contribute to the Scheme.

These amounts do not include members' Additional Voluntary Contributions.

The Employer will ensure that the Trustee receives the contributions payable by their employees within 19 days of the end of the calendar month in which the contributions were deducted from the employees' salaries.

Definitions

For the purpose of this schedule:

- "Pensionable Salary" is as defined in the Trust Deed and Rules dated 22 March 2010 and any amending deeds; and
- “Notional Contributions” are equal to 4.8% of Pensionable Salary.

Signed on behalf of the Trustee

Signature: ______________________________ Name: ______________________________

Capacity: Trustee Director Date: ______________________________

Signed on behalf of the Employer

Signature: ______________________________ Name: ______________________________

Capacity: ______________________________ Date: ______________________________

Signature: ______________________________ Name: ______________________________

Capacity: ______________________________ Date: ______________________________

Statement of Investment Principles

T-Mobile International UK Pension Scheme (the 'Scheme')
Statement of Investment Principles – Defined Benefit Section
March 2024

The following document outlines the Scheme's Statement of Investment Principles, which sets out the investment objective, the investment strategy, the Trustee's approach to risk management, issues concerning implementation of the strategy and the policy on governance.

The principles outlined in this section of the Statement of Investment Principles became effective following the delegation of certain decision making powers by the Trustee of the T-Mobile International UK Pension Scheme ("the Trustee") to BlackRock (the "Manager"). The Trustee has taken advice from Aon Investments Limited ("Aon") regarding the suitability of the Manager in this capacity. A copy of this Statement is available on the Scheme's publicly available website or on request.

1. INVESTMENT OBJECTIVE

The Trustee aims to invest the assets prudently to ensure that the benefits promised to members are provided. In setting investment strategy, the Trustee first considered the lowest risk asset allocation that it could adopt in relation to the liabilities. The asset allocation strategy it has selected is designed to achieve a higher return (and hence necessitates the taking of a higher level of risk) than the lowest risk strategy while maintaining a prudent approach to meeting the liabilities and is as follows:

"To implement an investment strategy such that the Defined Benefit Section of the Scheme achieves full funding with liabilities valued on a gilts only basis. This objective takes account of contributions paid to the Defined Benefit Section of the Scheme by the sponsoring employer, inclusive of any paid as deficit recovery contributions."

The Trustee recognises that targeting outperformance of the Scheme's liabilities requires the adoption of an asset mix that will perform differently from the liabilities. This implies that the funding level will be subject to volatility. The Trustee will measure and monitor this volatility using Value at Risk (VaR). The Trustee will aim to keep the VaR within an acceptable range (+/-15% of the Scheme's funding level) determined by the Trustee after consultation with the Employer.

Value at Risk estimates the possible downside risk facing the funding level and is usually specified as a monetary amount. Based upon a set of economic assumptions there is a 5% chance in any one year that the funding level could fall by at least this amount. The Trustee's risk objective is as follows:

"To implement an investment strategy which reduces the probability of the Defined Benefit Section of the Scheme's funding level on a technical provisions (gilts+1%) basis falling by more than 15% in any one year to less than a 5% chance."

For example, were the Scheme to be 75% funded, the Trustee's risk objective would be to reduce the probability of the funding level falling below 64% in any one year, to less than a 5% chance.

The absolute level of VaR depends on a number of factors, such as asset allocation but also prevailing market conditions and the assumptions used to calculate it. In addition, the Trustee's risk tolerance will vary over time with certain factors such as sponsor covenant, funding level and liability profile.

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Statement of Investment Principles (Cont)

2. STRATEGY

The initial asset allocation chosen to meet the objective above is set out in the table below The asset allocation was set based on the assumption that equities would outperform gilts over the long term, that active management would add value and that some alternative asse classes offer diversification and outperformance relative to bonds.

	Target allocation %	Range%
Delegated Growth Fund (DGF)	50	0 – 75
Delegated Liability Fund (DLF)	50	25 – 100

(1) DGF is the return seeking portion of the assets.
(2) DLF is the liability matching portion of the assets.

This strategy was decided following consideration of the Scheme's assets, liabilities and funding position as well as expert advice from the Trustee's investment advisers. The Trustee's investment advisers considered the Scheme's liability structure and a range of alternative asset allocation strategies.

This allocation may vary over time as the DLF aims to take into account the movement in the underlying value of the Scheme's liabilities whilst the DGF weighting will be affected by market prices of a broad range of asset classes.

The Trustee recognises the potential volatility in equity returns, particularly relative to the Scheme's liabilities, and the risk that the fund managers chosen by the Manager do no achieve the targets set. When appointing the Manager, the Trustee considered advice from its investment advisers concerning the following:

- The need to consider a full range of asset classes (including alternative asset classes).
- The risks and rewards of a range of alternative asset allocation strategies.
- The suitability of each asset class.
- The need for appropriate diversification.

The Trustee has also set a long-term glide path target (also known as a de-risking target) to help ensure the Scheme meets its long-term objective of being fully funded with liabilities valued on a gilts only basis. The glide plan outlines the investment return the Manager will target once the Scheme's hits certain funding level triggers.

Funding level Trigger	Target Return (% p.a.)
75% (Current)	Gilts + 2.5%
85%	Gilts +2.2%
90%	Gilts +1.75%
95%	Gilts +0.75%

Target returns are based on BlackRock's return assumptions.

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Note that these target returns are subject to change as market conditions evolve subject to the proviso that the objective of the strategy is to deliver cumulative investment returns of gilts +1.85% p.a. over the period from September 2023 through to full funding on a gilts flat basis. The manager will reassess the size of the de-risking step once the trigger is breached, based on prevailing market conditions and the remaining illiquid allocation (subject to the proviso above).

Statement of Investment Principles (Cont)

3. RISK MEASUREMENT AND MANAGEMENT

The Trustee recognises that the key risk to the Scheme is that it has insufficient assets to make provisions for 100% of its liabilities ("funding risk"). The Trustee has identified a number of risks which have the potential to cause deterioration in the Scheme's funding level and therefore contribute to funding risk. These are as follows:

- The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("mismatching risk"). The Trustee and its advisers considered this mismatching risk when setting the investment strategy.
- The risk of a shortfall of liquid assets relative to the Scheme's immediate liabilities ("cash flow risk"). The Trustee and its advisers will manage the Scheme's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.
- The failure by the Manager to achieve the rate of investment return assumed by the Trustee ("manager risk"). This risk is considered by the Trustee and its advisers both upon the initial appointment of the Manager and on an ongoing basis thereafter.
- The failure to spread investment risk ("risk of lack of diversification"). The Trustee and its advisers considered this risk when setting the Scheme's investment strategy.
- The possibility of failure of the Scheme's sponsoring employer ("covenant risk"). The Trustee and its advisers considered this risk when setting investment strategy and consulted with the sponsoring employer as to the suitability of the proposed strategy.
- The risk of fraud, poor advice or acts of negligence ("operational risk"). The Trustee has sought to minimise such risk by ensuring that all advisers and third party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

Due to the complex and interrelated nature of these risks, the Trustee considers the majority of these risks in a qualitative rather than quantitative manner as part of each formal investment strategy review (normally triennially). Some of these risks may also be modelled explicitly during the course of such reviews.

The Trustee's policy is to monitor, where possible, these risks periodically. The Trustee receives quarterly reports showing:

- Performance versus the Scheme's investment objective.

In addition, the Trustee will be notified by Aon of any significant issues that arise.

4. IMPLEMENTATION

The Trustee has delegated all day-to-day decisions in respect of the Scheme's investment to the Manager through a written contract including the allocation of assets between different asset classes and the appointment and monitoring of fund managers. When choosing asset classes and fund managers, the Trustee and Manager are required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4).

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Statement of Investment Principles (Cont)

5. GOVERNANCE

The Trustee is responsible for the investment of the Scheme's assets. The Trustee takes some decisions itself and delegates others. When deciding which decisions to take itself and which to delegate, the Trustee has taken into account whether it has the appropriate training and expert advice in order to take an informed decision. The Trustee has established the following decision making structure:

Trustee	
• Sets structures and processes for carrying out its role • Appoint the Manager • Agree the overall investment objective • Monitors Investment Advisers and the Manager • Select direct investments	
The Manager ("BlackRock")	**Investment Adviser ("Aon")**
• Set the strategy for investing in different asset classes • Determine strategy for selecting fund managers • Implement the investment strategy • Select and appoint investment managers • Monitor investment managers • Adjust asset allocations to reflect medium term market expectations • Report on asset returns against objectives	• Advise on appropriateness of service provided by the Manager • Advise on investment strategy • Advise on the investment liability benchmark • Draft and review the Statement of Investment Principles • Advise on direct investments • Carry out further project work when required

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager under a written contract and those where a product is purchased directly, e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as **direct investments.**

The Trustee's policy is to review its direct investments and to obtain written advice about them at regular intervals. When deciding whether or not to make any new direct investments the Trustee will obtain written advice and consider whether future decisions about those investments should be delegated to the fund managers.

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Statement of Investment Principles (Cont)

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustee (or, to the extent delegated, by the fund managers) against the following criteria.

- The best interests of the members and beneficiaries
- Security
- Quality
- Liquidity
- Profitability
- Nature and duration of liabilities
- Tradability on regulated markets
- Diversification
- Use of derivatives

6. RELATIONSHIP WITH ADVISERS

Aon has been selected as investment adviser to the Trustee. They operate under an agreement to provide a service which ensures the Trustee is fully briefed to take decisions itself and to monitor those it delegates.

The Trustee's investment adviser Aon has the knowledge and experience required under the Pensions Act 1995.

The Manager (and underlying managers) are paid on a combination of an ad valorem and performance fee basis. This structure has been chosen to align the interests of the Manager and those of the Scheme.

The Trustee expects the Manager to handle the assets delegated to them under the terms of the contract and to give effect to the principles in this statement so far as is reasonably practicable.

Aon is authorised and regulated by the Financial Conduct Authority.

7. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CONSIDERATIONS

In setting the Scheme's investment strategy, the Trustee's primary concern is to act in the best financial interests of the Scheme and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk.

The Trustee considers investment risk to include ESG factors and climate change. These risks could negatively impact the Scheme's investments. The Trustee considers these risks by taking advice from its investment adviser and the Manager.

The Trustee has appointed BlackRock to manage the Scheme's assets. BlackRock invests in a range of underlying investment vehicles.

As part of BlackRock's management of the Scheme's assets, the Trustee expects BlackRock to:

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Statement of Investment Principles (Cont)

- Where relevant, assess the integration of ESG factors in the investment process of underlying managers;
- Use its influence to engage with underlying managers to ensure the Scheme's assets are not exposed to undue risk; and
- Report to the Trustee on its ESG activities as required.

8. ARRANGEMENTS WITH ASSET MANAGERS

The Trustee has appointed BlackRock as their fiduciary manager (who they consider to be their asset manager). References in this policy to 'underlying asset managers' refers to those asset managers which BlackRock in turn appoints to manage investment on behalf of the Trustee. The Trustee meets with the Manager on a regular basis and receives reports from the Manager and Aon with regard to the Manager's performance and compliance with its Investment Management Agreement including the costs incurred.

The Trustee recognises that the arrangements with their Manager, and correspondingly the underlying asset managers, are important to ensure that interests are aligned. In particular, the Trustee seeks to ensure that the Manager is incentivised to operate in a manner that generates the best long-term results for the Scheme and its beneficiaries. The Trustee receives regular reports and verbal updates from the Manager on various items including the investment strategy, performance, and the longer-term positioning of the portfolio. The Trustee focuses on longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Scheme objectives, and assesses the Manager over 3-year periods.

The Trustee also receives annual stewardship reports on the monitoring and engagement activities carried out by their Manager, which supports the Trustee in determining the extent to which the Scheme's engagement policy has been followed throughout the year.
The Trustee shares the policies, as set out in this SIP, with the Scheme's Manager and request that they review and confirm whether their approach is in alignment with the Trustee's policies.

The Trustee delegates the ongoing monitoring of underlying asset managers to the Manager. The Manager monitors the Scheme's investments to consider the extent to which the investment strategy and decisions of the underlying asset managers are aligned with the investment objectives of the Scheme. This includes monitoring and reviewing the extent to which the underlying asset managers:

- make decisions based on assessments about medium- to long-term financial and non-financial performance of an issuer of debt or equity; and
- engage with issuers of debt and equity in order to improve their performance in the medium- to long-term.

Before appointment of a new fiduciary manager, or other asset manager, the Trustee will review the governing documentation associated with the investment and will consider the extent to which it aligns with the Trustee's policies. Where possible, the Trustee will seek to amend that documentation or express their expectations (such as through side letters, in writing, or verbally at trustee meetings) so that there is alignment with the Trustee's policy.

The Trustee believes that having appropriate governing documentation, setting clear expectations to the Manager, and regular monitoring of the Manager's performance and investment strategy, is sufficient to incentivise the Manager to make decisions that align with the Trustee's policies and are based on assessments of medium- and long-term financial and non-financial performance. Where the Manager is considered to make decisions that are not in line with the Trustee's policies, expectations, or the other considerations set out above, the Trustee will typically engage with the Manager to understand the circumstances and materiality of the decisions made.

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Statement of Investment Principles (Cont)

The Trustee is aware of potential conflicts for the Manager, for example with regard to the use of in-house funds, and will work with the Manager to review and update where necessary clear conflict management policies in order ensure interests are aligned between the Trustee and the Manager.

There is typically no set duration for arrangements with the Manager although the continued appointment will be reviewed periodically. Similarly, there are no set durations for arrangements with the underlying asset managers that the Manager invests in, although this is regularly reviewed as part of the manager research and portfolio management processes in place.

9. COST MONITORING

The Trustee is aware of the importance of monitoring their asset managers' total costs and the impact these costs can have on the overall value of the Scheme's assets. The Trustee recognises that in addition to annual management charges, there are other costs incurred by asset managers that can increase the overall cost incurred by their investments.

The Trustee receives annual cost transparency reports from the Manager. These reports present information in line with prevailing regulatory requirements for fiduciary managers. They clearly set out on an itemised basis:

- The total amount of investment costs incurred by the Scheme;
- The fees paid to the Manager;
- The fees paid to the asset managers appointed by the Manager;
- The amount of the portfolio turnover costs (transaction costs) incurred by the asset managers appointed by the Manager;
    - The Trustee defines portfolio turnover costs as the costs incurred by buying and selling underlying securities held within the funds of the asset managers appointed by the Manager;
- Any charges incurred through the use of pooled funds (custody, administration, and audit fees);
- The impact of costs on the investment return achieved by the Scheme.

The Trustee acknowledges that portfolio turnover costs are a necessary cost to generate investment returns and that the level of these costs varies across asset classes and asset manager. The Manager monitors and reviews the level of portfolio turnover (defined broadly as the amount of purchases plus sales) of all the investment managers appointed on behalf of the Trustee.

The Trustee benefits from the economies of scale provided by the Manager in two key cost areas:

- The ability of the Manager to negotiate reduced annual management charges with the appointed asset managers;
- The ability of the Manager to monitor ongoing investment costs (including additional fund expenses and portfolio turnover) incurred by the underlying asset managers and achieve efficiencies where possible.

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Statement of Investment Principles (Cont)

10. EVALUATION OF PERFORMANCE AND REMUNERATION

The Trustee assesses the (net of all costs) performance of the Manager on a rolling three-year basis against the Scheme's specific liability benchmark and investment objective. The remuneration paid to the Manager and fees incurred by third parties appointed by the Manager are provided annually by the Manager to the Trustee. This cost information is set out alongside the performance of the Manager to provide context. The Trustee monitors these costs and performance trends over time.

11. STEWARDSHIP

The Trustee recognises the importance of their role as a steward of capital and the need to ensure the highest standards of governance and promotion of corporate responsibility in the underlying companies and assets in which the Scheme invests, as ultimately this creates long-term financial value for the Scheme and its beneficiaries.

The Trustee has delegated all voting and engagement activities to the Scheme's underlying managers, via its fiduciary manager. The Trustee accepts responsibility for how the Underlying Managers steward assets on its behalf, including the casting of votes in line with each Underlying Manager's individual voting policies. The Trustee relies on BlackRock to review manager voting and engagement policies and activities on an annual basis. BlackRock review these factors to check they are aligned with expectations and can reasonably be considered to be in the Trustee's, and therefore the members', best interests.

As part of BlackRock's management of the Scheme's assets, the Trustee expects BlackRock to:

- monitor and engage with Underlying Managers, including prospective Underlying Managers, on the extent to which they exercise voting rights (where appropriate) in relation to the Scheme's assets; and
- report to the Trustee on stewardship activity by Underlying Managers as required.

The Trustee endorses the 2020 UK Stewardship Code (the 'Code') that was by the Financial Reporting Council. The Trustee regularly reviews the fund managers' approach to shareholder activism and their compliance with the Code by enforcing a "comply or explain" philosophy. BlackRock and current underling managers are signatories to the Code. The Trustee expects that, where UK domiciled, underlying managers are signatories to the Code.

Underlying Managers are expected to vote at company meetings and engage with companies on the Trustee's behalf in relation to ESG considerations and other relevant matters (such as the companies' performance, strategy, risks, capital structure, and management of conflicts of interest).

Where possible, the transparency for voting should include voting actions and rationale with relevance to the Scheme, in particular where: votes were cast against management; votes against management generally were significant; votes were abstained; voting differed from the voting policy of the Trustee.

The Trustee may engage with the Manager, who in turn is able to engage with underlying asset managers, investee company or other stakeholders, on matters including the performance, strategy, risks, social and environmental impact, corporate governance, capital structure, and management of actual or potential conflicts of interest, of the underlying investments made.

This engagement aims to ensure that robust active ownership behaviours, reflective of the Trustee's active ownership policies, are being actioned. This will take the form of the Implementation Statement annual reporting and follow up meetings, where necessary, from

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Statement of Investment Principles (Cont)

BlackRock. Such reporting will be made available to Scheme members on request.

Should the Trustee's monitoring process reveal that an Underlying Manager's voting and engagement policies and actions are not aligned with the Trustee's expectations, the Trustee will engage with BlackRock, via different medium such as emails and meetings, to discuss how alignment may be improved to bring about the best long-term outcomes for the Scheme.

12. MEMBERS' VIEWS AND NON-FINANCIAL FACTORS

In setting and implementing the Scheme's investment strategy the Trustee does not explicitly take into account the views of Scheme members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors"[1]).

[1] The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018

13. REVIEW

The Trustee will review this SIP at least every three years and immediately following any significant change in investment policy. The Trustee will take investment advice and consult with the Sponsoring Employer over any changes to the SIP.

Approved by the Trustee of the T-Mobile International UK Pension Scheme.

Dated: March 2024

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Implementation Statement

T-Mobile International (UK) Pension Scheme

1. Introduction

Under the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019, the Trustees are required to produce an annual Engagement Policy Implementation Statement ("EPIS"). This statement outlines how, and the extent to which, the policies relating to stewardship, voting and engagement as outlined in the Statement of Investment Principles ("SIP") have been followed.

This statement covers the Scheme's accounting year to 31 December 2023. It is intended to meet the updated regulations and will be included in the Scheme's Report & Accounts. In preparing this statement, the Trustees have taken advice from their professional advisers.

This statement details some of the activities taken by the Trustees, the Manager and the investment managers during the period, including voting statistics, and provides the Trustees' opinion on the stewardship activities over the period.

2. Policies

The relevant policies regarding stewardship, voting and engagement are outlined in the SIP. The most recent version of the SIP is publicly available being published online and will be updated from time-to-time.

The Trustees have appointed BlackRock as the Fiduciary Manager ("the Manager") for the Scheme. The Trustees delegate the day-to-day investment decisions and asset allocation to the Manager. The Trustees retain responsibility for the strategic investment objective and oversight of the Manager.

During the year to 31 December 2023, the Trustees updated the SIP on 30 September 2023. As such the policies contained in the September 2023 SIP are those which are relevant to this Statement. In March 2024, the Trustee updated the SIP, which can be accessed online. The March 2024 SIP will be relevant to the December 2024 EPIS.

The Trustee notes the "Guidance issued by the DWP relating to Reporting on Stewardship and Other Topics through the Statement of Investment Principles and the Implementation Statement" in July 2022. Going forwards, the Trustee plans to develop its policies and build more elements of this guidance into future iterations of this statement.

3. Scope of this statement

The Trustees acknowledge that the extent to which the policies in relation to stewardship, voting and engagement can be applied varies across the portfolio. For example, in general, voting rights are not attached to fixed income securities, while the applicability to the LDI (liability-driven investment) portfolio is limited. Nonetheless, the Trustees and the Manager expect all investment managers to take an active role in the stewardship of investments where relevant.

4. Scheme activity

The SIP includes the Trustees' policy on Environmental, Social and Governance ("ESG") factors and stewardship. This policy sets out the Trustees' beliefs on ESG and the processes followed by the Trustees in relation to voting rights and stewardship.

The Trustee recognises that the Manager is engaging with the underlying managers to ensure they work to further improve their ESG policies and actions over time. As part of the Trustee's ESG policy, the Manager is required to request the underlying managers' policies and their adherence to them. The Manager reviews the policies of each underlying manager to ensure that these are appropriate.

The Trustee expects the Manager to continue to work with underlying managers in order to ensure those on the weaker side of voting and engagement take action to make improvements. The Manager has acknowledged that all managers have been taking steps to improve both their voting and engagement and "best in class" continues to evolve. The Trustee will be closely monitoring developments over the coming years.

Implementation Statement (cont)

5. Voting and Engagement

The Trustees have delegated to the Manager the responsibility of collecting the stewardship and engagement reports of the underlying managers and assessing the suitability. The Trustees also expect the Manager to monitor the underlying manager's activity to ensure compliance and confirm that it remains a suitable investment for the Scheme. The Trustees are comfortable that under the governance structure the responsibility sits with the Manager to communicate with the underlying managers and on a regular basis collect information as required.

The Manager has noted that there is variability between managers in the extent of their engagement and voting policies, with equity managers generally having made more progress than fixed income. This Implementation Statement focuses on the Scheme's equities managers. It is intended that in future years there will be greater focus on other asset classes, in particular the fixed income managers.

The section below details the investment managers' approach to voting and engagement as well as some examples of significant engagements these managers have made over the 12 months in respect to the funds in which the Scheme is invested.

In addition, summary voting statistics in respect of the Scheme's equities funds over the year to 31 December 2023 have been included. Voting statistics have been reported over the one-year period to 31 December as this likely to result in greater coverage across investment managers and therefore also provide greater comparability and consistency going forwards.

BlackRock:

The Scheme has a portion of its Growth assets invested in funds managed by the Manager. Given the Manager's appointment as both the fiduciary manager as well one of the investment managers, the Trustees recognise the importance of ensuring that the Manager's own policies and actions are appropriate for the Scheme. The Manager publicises its own policies as well as quarterly updates online (which can be accessed www.blackrock.com/corporate/insights/investment-stewardship) which the Trustees have visibility of. This includes details of any changes to policies and also reports at an aggregate level the impact of its voting and engagement. The Trustees are comfortable that the transparency of the Manager in publicising reports and developments online ensures alignment with the interests of the Scheme.

Whilst it is important to monitor the activities of the Manager at a high level through this publicly available information, it is also important to monitor the voting and engagement activities undertaken on behalf of the Trustees by the Manager on a more granular level.

With the exception of the BlackRock European Equities, BlackRock Factor Equities and BlackRock Thematic Equities, the Scheme's BlackRock equities funds are passive (i.e. index) strategies. In respect of passive strategies, there is a wide universe of underlying companies which may number in the hundreds if not thousands. Where strategies are actively managed, investments are typically more concentrated. As such, ownership is more concentrated for actively managed strategies and therefore there will be fewer resolutions in which to vote. In addition, actively managed strategies have the option to sell holdings in companies at its discretion. For these reasons, in the context of passive strategies, it is important that voting and engagement rights are exercised and that this is monitored. Examples of significant votes across the BlackRock strategies are included below. The summary voting statistics below illustrate that the voting rights attached to the underlying investments in these instances have been exercised to a large extent.

The Manager's approach to voting is described in the table below, along with summary voting statistics for the Manager's equities funds.

Approach to voting	BlackRock sees its investment stewardship program, including proxy voting, as part of its fiduciary duty and as a way to enhance the value of clients' assets, using our voice as a shareholder on their behalf to ensure that companies are well led and well managed. The BlackRock Investment Stewardship team does this through engagement with management teams and/or board members on material business issues including environmental, social, and governance matters and, for those clients who have given

Implementation Statement (cont)

	BlackRock's proxy voting process is led by the BlackRock Investment Stewardship team ("BIS"), which consists of three regional teams – Americas ("AMRS"), Asia-Pacific ("APAC"), and Europe, Middle East and Africa ("EMEA") - located in seven offices around the world. The analysts within each team will generally determine how to vote at the meetings of the companies they cover. Voting decisions are made by members of the BlackRock Investment Stewardship team with input from investment colleagues as required, in each case, in accordance with BlackRock's Global Principles and custom market-specific voting guidelines. Whilst BlackRock subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis, it is just one among many inputs into its vote analysis process, and it does not blindly follow their recommendations on how to vote. BlackRock does not follow any single proxy research firm's voting recommendations. It subscribes to two research providers and uses several other inputs in its voting and engagement analysis, including a company's own disclosures, public information and ESG research. BlackRock uses Institutional Shareholder Services' (ISS) electronic platform to execute vote instructions, manage client accounts in relation to voting and facilitate client reporting on voting. In certain markets, BlackRock works with proxy research firms who apply our proxy voting guidelines to filter out routine or non-contentious proposals and refer to us any meetings where additional research and possibly engagement might be required to inform our voting decision.
YUM! Brands, Inc. (Yum!) (US restaurant company)	YUM! Brands, Inc. (Yum!) is a restaurant company that owns and operates the KFC, Pizza Hut, Taco Bell, and The Habit Burger Grill restaurant franchises. At the May 2023 AGM there were five shareholder proposals. Ahead of the May 2023 AGM, BIS engaged with members of Yum!'s management team to help inform their voting and sought to further their understanding of the matters on which shareholders requested additional disclosure and assess the business relevance and financial implications of each proposal. BIS did not believe it was in the financial interests of our clients to support these shareholder proposals and as such BIS voted against all 5 of the shareholder proposals, which was in line with management's recommendation. Of the 5 shareholder proposals, 2 of these were withdrawn and the remaining 3 were not passed. One shareholder proposal addressed the company's plans to reduce single-use plastic packaging. This shareholder proposal requested that Yum!'s board issue a report "...describing how the Company will reduce its plastics use by shifting away from single-use packaging..." in response to recent regulatory trends in certain jurisdictions which have levied taxes on and/or banned the use of single-use plastic products. The proposal further clarified that such a report should explicitly "evaluate dramatically reducing the amount of plastic" used in the company's packaging. BIS did not support this proposal, which requested Yum! to issue a report detailing the company's efforts to reduce plastics use. In their analysis, Yum!'s existing disclosures on plastics use – particularly their new packaging policy and reduction goals – are comprehensive and provide sufficient information to allow investors to understand the company's approach to managing the risks of plastics use. In July 2022, Yum! updated their sustainable packaging policy, outlining the actions they have taken and those that they plan to take to address the issue of plastic-based packaging. Among other things, the company set goals to eliminate unnecessary plastics use, reduce virgin plastic content by 10%, and move consumer-facing plastic packaging to be reusable, recyclable, or compostable by 2025 across all brands. BIS notes that there are areas where, in their assessment, Yum! could improve their disclosure, particularly in setting targets for reusable packaging. However, Yum!'s existing disclosures and commitments are sufficiently comprehensive for investors to understand their approach. BIS did not consider it necessary for shareholders to direct management to undertake a review of Yum!'s sustainable

Implementation Statement (cont)

	packaging policy and targets less than a year after these were introduced as they believed it was not in the financial interest of their clients to support the shareholder proposal.
BE Semiconductor Industries N.V (Besi) (Dutch manufacturer)	Besi is a Dutch multinational company that designs and manufacturers semiconductor equipment. BIS has regularly engaged with Besi due to poor remuneration practices. At Besi's 2020, 2021, and 2022 annual general meetings (AGMs), BIS did not support the company's remuneration policy or remuneration report. This is because in BIS' assessment, the remuneration practices led to excessive payouts. At Besi's 2023 AGM, BIS did not support the 2022 remuneration report given they continue to observe areas for improvement. For example, the metrics introduced were not challenging – the long-term incentive plan still vests for underperformance against peers on a total shareholder return basis. BIS also noted that the company used the same metrics in both the short- and long-term incentive plans, resulting in the rewarding of executives for the same performance twice. However, contrary to the past years, at the 2023 AGM, BIS voted in favor of the 2024 remuneration policy. BIS note that Besi eliminated the ability of the remuneration committee to use discretion, introduced more stretching performance conditions, and limited the award potential to a percentage base salary to reduce the likelihood of excessive payouts. Furthermore, the company introduced share ownership guidelines for executives to reinforce their alignment with shareholders' interests and established a more robust peer company selection process. Overall, BIS are highly encouraged by the company's responsiveness to shareholder feedback and supported the 2024 remuneration policy proposal.

		Year to 31 December 2023
BlackRock Europe Equities (Active)	Votable proposals	859
	% of resolutions voted	83%
	% of resolutions voted against management	7%
	% of resolutions abstained	2%

		Year to 31 December 2023
BlackRock US Equities (Index)	Votable proposals	7,453
	% of resolutions voted	100%
	% of resolutions voted against management	2%
	% of resolutions abstained	0%

		Year to 31 December 2023
BlackRock UK Equities (Index)	Votable proposals	14,905
	% of resolutions voted	97%
	% of resolutions voted against management	3%
	% of resolutions abstained	1%

		Year to 31 December 2023
BlackRock Asia Pacific Equities (Index)	Votable proposals	3,107
	% of resolutions voted	100%
	% of resolutions voted against management	11%
	% of resolutions abstained	0%

		Year to 31 December 2023
BlackRock Japan Equities (Index)	Votable proposals	6,062
	% of resolutions voted	100%
	% of resolutions voted against management	4%
	% of resolutions abstained	0%

Implementation Statement (cont)

iShares S&P 500 ETF (Index)		**Year to 31 December 2023**
	Votable proposals	7,188
	% of resolutions voted	100%
	% of resolutions voted against management	1%
	% of resolutions abstained	0%

iShares Edge MSCI USA Value Factor ETF (Index) *(Bought in February 2023)*		**Year to 31 December 2023**
	Votable proposals	2,082
	% of resolutions voted	100%
	% of resolutions voted against management	1%
	% of resolutions abstained	0%

iShares MSCI EMU ETF (Index) *(Bought in December 2023)*		**Year to 31 December 2023**
	Votable proposals	3,998
	% of resolutions voted	99%
	% of resolutions voted against management	8%
	% of resolutions abstained	1%

BlackRock Factor Equities (Active) *(Bought in February 2023)*		**Year to 31 December 2023**
	Votable proposals	2,900
	% of resolutions voted	94%
	% of resolutions voted against management	2%
	% of resolutions abstained	0%

BlackRock Thematic Equities (Active) *(Bought in February 2023)*		**Year to 31 December 2023**
	Votable proposals	26,761
	% of resolutions voted	96%
	% of resolutions voted against management	8%
	% of resolutions abstained	2%

Other investment managers

The approach to voting and engagement of the Scheme's other equities managers, Schroders, Wellington and JP Morgan are detailed below. These managers are appointed in relation to the Scheme's equity holdings.

Schroders:

Approach	The overriding principle governing Schroders' approach to voting is to act in the best interests of its clients. Schroders' voting policy and guidelines are outlined in its publicly available Environmental, Social and Governance Policy. Schroders evaluates voting issues arising and, where it has the authority to do so, votes on them in line with its fiduciary responsibilities in what it deems to be the interests of its clients. In applying the policy, Schroders considers a range of factors, including the circumstances of each company, performance, governance, strategy and personnel. It is Schroders' policy to vote all shares at all meetings globally, except where there are onerous restrictions – for example, shareblocking. Schroders utilises the services of ISS and the Investment Association's Institutional Voting Information Services ('IVIS') in conjunction with its own research and policies when formulating voting decisions. With regards to abstaining from votes, Schroders' preference is to support or oppose management and only use an abstention sparingly. Schroders may abstain where mitigating circumstances apply, for example where a company has taken some steps to address shareholder issues.

Implementation Statement (cont)

	For certain holdings of less than 0.5% of share capital in the USA, Australia, New Zealand, Japan, and Hong Kong, Schroders has implemented a custom policy that reflects the views of its ESG policy and is administered by Schroders' proxy voting provider, ISS. Schroders votes on both shareholder and management resolutions.
Terna Energy (Greek renewable energy company)	Terna Energy is a Greek renewable energy company that plays a leading role in clean energy production while carrying out innovative projects for the environment, which contribute to sustainable development. Throughout 2023, the Schroders investment team engaged with Terna Energy on the follow issues: • Supply chain management – how much ESG focus is given to their suppliers? • Biodiversity management – how does Terna ensure that environmental risks and depletion are managed across operations? In terms of the supply chain management, Terna adopted a procurement policy in 2022 and suppliers/partners are selected in line with these policy provisions. Terna have been applying the Code of Ethics, GDPR, human rights and purchasing policies to suppliers and as such, suppliers must provide policy statements regarding forced labour and evidence of control and monitoring facilities. Terna has the right to conduct inspections on suppliers and can terminate contracts should a supplier fail to abide by their principles and values. On biodiversity management, Terna is in full compliance with legislation and environmental requirements, whilst climate risks are formulated into the company's strategy. The following impact management initiatives are applied: investigation of project areas and whether they are governed by specific regulatory restrictions (including protected areas); preparation of environmental impact studies and implementation of an environmental management system; and installations of bird protection systems, approved by the environmental terms. For every project that is completed within forest areas, reforestation is performed equal to the project size.
Banco de Chile SA (Chilean bank and financial services company)	Banco de Chile is a Chilean bank and financial services company. At the March 2023 AGM, the re-election of 9 Board Directors was up for a vote. The current board composition doesn't meet best practices in terms of independence and gender diversity. Schroders engaged with the company to address these issues through a formal letter and a follow up meeting. To escalate their concerns, Schroders voted against the re-elections of the 9 Board Directors. Despite their votes, the Directors were re-elected. Schroders will continue to engage with the company on these issues.

Schroders EM Equities		**Year to 31 December 2023**
	Votable proposals	2,188
	% of resolutions voted	94%
	% of resolutions voted against management	7%
	% of resolutions abstained	4%

Wellington:

Approach	Wellington votes according to its Global Proxy Voting Guidelines and employs a third-party vendor, Glass Lewis, to perform administrative tasks related to proxy voting. Wellington does not automatically vote proxies either with management or in accordance with the recommendations of third-party proxy providers, ISS and Glass Lewis. Wellington has its own ESG Research Team, which provides voting recommendations. Based on these resources and in conjunction with Wellington's Global Proxy Voting Guidelines, individual portfolio managers have authority to make final decisions on voting. There is no 'house

Implementation Statement (cont)

	vote". Wellington's proxy voting system allows different votes to be submitted for the same security. Various portfolio managers holding the same securities may arrive at different voting conclusions for their clients' proxies.
NCsoft Corporation (South Korean video game developer)	NCsoft Corporation develops and publishes online games worldwide. The company is also involved in call center management, professional baseball, and media content creation. The company's financial statements and allocation of profits/dividends were up for a vote at the annual general meeting in March 2023. Korean regulation does not require audited financial statements to be published in a meeting notice nor in the meeting circular. Therefore, unless the company discloses its auditor's report around the announcement of the annual general meeting, it is difficult for shareholders to determine whether they received audited financial statements in the meeting circulars. An auditor's opinion is crucial to provide independent examination and verification of a company's financial statements and therefore understand the true financial condition and associated risk of a company. Because at the time of the vote, Wellington could not verify the auditor's opinion of the company's financial statements. Wellington therefore chose to vote against the vote.

Wellington Small Cap Equities		Year to 31 December 2023
	Votable proposals	1,458
	% of resolutions voted	97%
	% of resolutions voted against management	5%
	% of resolutions abstained	0%

J P Morgan:

Approach	JP Morgan has an explicitly stated investment stewardship philosophy, believing that the companies they engage with will produce better long-term financial results, while simultaneously contributing to an improved society. JP Morgan's stewardship activities are based on proprietary environmental, social and governance research, driven by both their broad investment teams in addition to a dedicated Sustainable Investing team. JP Morgan subscribes to research from the proxy advisory firms Institutional Shareholder Services (ISS), GES International (Sustainalytics) and Glass Lewis. JP Morgan's Sustainable Investing Oversight Committee is made up of chief investment officers and leaders from its sustainable investing and control functions, and serves as a single point of strategic oversight, decision-making, review and assurance. The business employs regional heads of stewardship to work with local teams, while the Global Head of Sustainable Investing, Jennifer Wu, oversees the global stewardship effort. With regards to engagement, JP Morgan conducts approximately 500 dedicated ESG engagement meetings per year.
ENN Energy Holdings Ltd (Chinese clean energy distributer)	ENN Energy Holdings Ltd (ENN) is a major gas utility company in China. JP Morgan has been engaging with the company on its emissions disclosures and its energy transition plan. ENN has echoed the Chinese government's carbon neutrality targets and has already set a net zero emissions target without relying on purchases of green certificates and other offsets. The company has also provided 2030 emission reduction targets for its key businesses. In their meeting in 2022, the company mentioned that it would begin disclosing its Scope 3 emissions. The company took action and reported some Scope 3 emissions, including those related to purchased goods and services, fuel and energy related activities and upstream transportation distribution. JP Morgan welcomed the Scope 3 disclosure in the September 2023 meeting and understand that ENN is partnering with an external part on TCFD-aligned reporting including scenario analysis. ENN has advanced its climate change journey from a disclosure perspective. JP Morgan expect the company to report more Scope 3 emissions and TCFD-aligned content with

Implementation Statement (cont)

	respect to climate in its c2024-2025 ESG reports. Looking forward, JP Morgan's climate-related engagement will focus on carbon pricing and the transition beyond gas in the longer term.
China Merchants Bank Co., Ltd (Chinese Bank)	China Merchants Bank operates as a commercial bank in China. JP Morgan believe that a strong independent element to a board is essential to the effective running of a company and they expect that majority of the board should be comprised of independent directors with clear steps being taken to improve board independence over time. At the same time, non-executive directors should have sufficient time to meet their board responsibilities. In order to be able to devote sufficient time to his or her duties, JP Morgan would not normally expect a non-executive to hold more than three significant directorships at any one time. In June 2023, there was a vote to elect a director. The director candidate is a newly proposed non-independent non-executive director who serves five public boards currently, and the company's board independence is at 38%, below JP Morgan's expectation of at least majority independence. As such, JP Morgan voted against his election.

JPM China Equities *(Sold in October 2023)*

	Year to 31 December 2023
Votable proposals	574
% of resolutions voted	100%
% of resolutions voted against management	13%
% of resolutions abstained	0%

6. Concluding remarks

The Trustee is comfortable that the policies in the SIP have been followed over the year to 31 December 2023.

The Trustee recognises the responsibility that institutional investors have to promote high standards of investment stewardship and will continue to use the influence associated with the Scheme's assets in order to positively influence the Scheme's investment managers.