



CHAIR'S
statement
ITV DEFINED CONTRIBUTION PLAN
2025

Annual Chair's Statement 2025

For the ITV Defined Contribution Plan for the period 1 April 2024 – 31 March 2025

This Statement has been prepared by the Trustee of the ITV Defined Contribution Plan ('the Trustee') to demonstrate how the ITV Defined Contribution Plan ('the Plan') has complied with the governance standards introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015. This Statement applies to all Benefit Sections of the ITV DC Plan ('DC Plan') and where a difference applies to the Defined Contribution section ('the DC Plan') or the Auto-Enrolment section ('the AE Plan') within the Plan, this has been noted in the Statement.

1. Default arrangements

A copy of the latest Statement of Investment Principles (SIP) prepared in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 can be found appended to this Statement (Appendix 5). This has been agreed by the Trustee after consultation with the Company (as required by law). This SIP details both the default arrangements and all of the investment options under the Plan. Different default arrangements apply to the DC Plan and the AE Plan, which have been outlined below.

DC Plan

The joining process for new members is designed to allow them to make an active investment choice. However, for new members who do not make an active investment choice, the Flexible access (Phased) Guided strategy is the DC Plan's default investment arrangement. The Flexible access (Phased) Guided strategy has two phases and the objectives for each phase are:

- Growth phase – Aims for higher growth in the early period (up to 20 years prior to the member's target retirement age) by investing in equities (via the Global shares (index tracker) fund, Global shares (climate) (index tracker) fund and Global shares (responsible investment) fund). Diversification is then introduced for risk management purposes by gradually switching investments into a combination of the Diversified investments fund and the Diversified investments (responsible investments) fund over the next 10 years.
- Synchronise phase – Starting 10 years prior to a member's target retirement age the strategy gradually switches into a portfolio that is designed for members taking 25% of their savings as a tax-free cash lump sum and who wish to withdraw the remaining savings on a flexible basis throughout their retirement. At retirement, the portfolio is made up of the Diversified investments fund, the Diversified investments (responsible investments) fund, Diversified investments (absolute return) fund and the Money markets fund.

A number of the other Guided strategies, and Customised funds are also default arrangements due to members being previously mapped to these investment options

without their consent. The objectives for these options are set out in the Plan's SIP which is provided in Appendix 5.

The full list of Guided and Customised funds considered default arrangements are:

- One-off cash (Focused)
- One-off cash (Phased)
- One-off cash (Diversified)
- Multiple cash (Focused)
- Multiple cash (Phased)
- Multiple cash (Diversified)
- Flexible access (Focused)
- Flexible access (Phased)
- Flexible access (Diversified)
- Global shares (index tracker)
- Diversified investments
- Diversified investments (uncorrelated)
- UK company bonds
- UK government bonds (index tracker)
- Money markets

The Trustee is currently undertaking a mapping exercise following which it is expected that the UK shares (index tracker) fund will become a default arrangement. The outcome of this exercise will be noted in the Statement for the next reporting period.

The Plan's investment guide provides more details on the different investment options and is available at:

<https://itvdcplan.com/media/mlpaovzd/itv-investment-guide.pdf>

AE Plan

The AE Plan was set up on 1 April 2020 as the pensions vehicle that eligible new employees of the Company would be automatically enrolled into. Once 12 months' employment has passed, employees have the option to move to the DC Plan for future accrual, or they can remain in the AE Plan.

For the reporting period, a two-stage default arrangement for members in the AE Plan was in place:

- In the period before a member is given an option to join the DC Plan, investments are made into the Money markets fund. The objective for this stage is to establish members' pension savings with low capital risk, and to also enable a member to transfer their AE Plan savings to the DC Plan without incurring transaction costs if they take up this option after having completed 12 months' employment.
- For members who remain in the AE Plan and do not elect to join the DC Plan, the second stage of the default arrangement moves their savings automatically to the One-off cash (Diversified) Guided strategy which has two phases and the objectives for each phase are:
 - Growth phase – Aims for a relatively stable but moderate growth by remaining fully invested in a 50/50 blend of the Diversified investments and

Diversified investments (responsible investment) funds throughout the growth phase. This was selected to match the risk profile of the AE Plan membership.

- Synchronise phase – Starting 7 years prior to a member's target retirement age, assets are gradually switched into the Money markets fund. A member will be invested 90% in the Money markets fund and 10% in the Growth phase funds when they reach their target retirement age. The strategy is designed for members looking to withdraw their savings as a single cash lump sum.

The AE Plan guide provides more details on the different investment options available: <https://itvaeplan.com/media/orzjood5/itv-ae-guide.pdf>

DC Plan - Strategic review

No formal review of the default arrangements was undertaken during the Plan year. The last formal review was undertaken during 2021-2023, with the key decisions being agreed by the Trustee at its 5 December 2022 meeting, and the final review concluded by the Trustee at its 7 March 2023 meeting. The changes agreed following this review were implemented in July 2023 and were noted in the previous Statement.

The Trustee's next strategic investment review commenced in May 2025 and the outcome of the review will be included in next year's Statement.

AE Plan - Strategic review

The last formal review of the default arrangement was agreed by the Trustee at its 25 April 2023 Trustee meeting. The changes agreed following this review were implemented in November 2023 and noted in the previous Statement.

The Trustee's next strategic investment review commenced in May 2025 and the outcome of the review will be included in next year's Statement.

Ongoing monitoring – DC Plan and AE Plan

Throughout the reporting period, the Trustee, with investment adviser support, regularly monitored the performance of all default arrangements for the DC Plan and AE Plan. The Trustee received quarterly reports assessing fund performance and objectives against benchmark, including those used in the Guided strategies. In addition, twice yearly the Trustee receives detailed research from its investment adviser regarding the Plan's fund managers, to support the assessment of ongoing suitability. During the reporting period, the Trustee and its investment adviser found that the funds performed in line with expectations and their objectives as outlined in the Plan's SIP.

Asset allocation reporting

The Trustee is required to assess and report on the allocation of assets in each default arrangement for the DC Plan and AE Plan held at the end of the reporting period (31 March 2025). For the Guided strategies, the asset allocation is shown for a member aged 25, 45, 55 and 1 day prior to State Pension Age. When preparing this, the Trustee has taken

account of the Department for Work and Pensions' (DWP) statutory guidance on "Disclose and Explain asset allocation reporting and performance-based fees and the charge cap". The asset allocations can be seen in Appendix 4.

2. Charges and transaction costs for all investment options available to members during the reporting period

The Trustee monitors the fund charges applied by its investment platform providers Legal & General and Scottish Widows (who held one remaining DC Plan fund on that platform up to November 2024). This monitoring is conducted on an annual basis with the help of the Trustee's investment adviser. The Trustee confirms that it is compliant with the Charge Cap Regulations meaning that the charges for the DC Plan and AE Plan's default arrangements do not exceed 0.75%. The Trustee can confirm that no performance-based fees apply to any of the investments held under the Plan.

In some cases, members may also be charged transaction costs when buying or selling units, for example when switching investments or transferring out. These costs are taken into account via the unit price for each of the funds and are not directly charged to the members. Transaction costs are those incurred by the investment managers as a result of buying, selling, lending or borrowing investments. These costs are typically categorised as:

- Explicit costs which are directly observable and include broker commissions and taxes, or
- Implicit costs which cannot be observed in the same way but can also result in a reduction in the value of capital invested, these implicit costs include market impact or delay costs which can also result in a gain for the fund (i.e. a negative transaction cost).

The Financial Conduct Authority (FCA)'s Policy Statement "Transaction Cost Disclosure in WorkPlace Pensions" establishes a defined methodology to calculate transaction costs (known as the 'slippage cost' methodology).

The charges and transaction costs that applied over the reporting period can be seen in Appendix 2. In addition, Appendix 1 to this Statement contains details of illustrations, which demonstrate the cumulative effect over time of the application of costs and charges on the value of a member's benefits across a range of example members and investment options. In preparing these illustrations, the Trustee has taken account of the statutory guidance produced by the DWP.

The Trustee benchmarked the transaction costs incurred during the reporting period for each of the available funds within the DC and AE Plan. The Trustee found that the transaction costs members experienced were typically less than or broadly in line with the average transaction costs observed across the market.

At the Trustee board meeting on 24 June 2024, the Trustee made the decision to disinvest the assets held in the closed Property and Infrastructure Fund on the Scottish Widows platform in which some members had savings as a result of restrictions applied by the fund manager. Agreement had been reached with Scottish Widows to realise the assets in the fund to enable impacted members to access this element of their Plan savings.

The Trustee, following investment advice, mapped affected members' assets as follows:

- Most members were mapped to the Diversified investments (uncorrelated) Fund, as the Trustee and its advisers felt this Fund was the Plan option that was most closely aligned to the Property and Infrastructure Fund. The rationale for this included the fact that the Diversified investments (uncorrelated) Fund looks to provide returns that differ to more traditional asset classes such as shares and bonds which aligns with the approach for the Property and Infrastructure Fund. In addition, the Diversified investments (uncorrelated) Fund invests in listed property companies, which was also a component of the Property and Infrastructure Fund.
- Members who had previously withdrawn or transferred their other Plan savings were mapped to the Money markets fund. This decision was made because these members were expected to access these savings in the short term, and the Money markets Fund is a low-risk option designed to protect capital before disbursement.
- Members have all or some of their other Plan savings invested via a Guided strategy were mapped to the same Guided strategy, for consistency.

In November 2024, this change was implemented. The Trustee worked with Legal & General to minimise non-investment market risk for members by pre-funding 95% of assets at the exact point of sale.

The transaction costs incurred for these changes are below:

Trade	Date of transition	Transaction costs
Sale out of Property & Infrastructure fund on Scottish Widows platform	14 November 2024	0.39%
Purchase into funds on LGIM platform	20 November 2024	0.03%

These costs were in line with the Trustee's expectation, and in the context of the information available, the Trustee has concluded that the transaction costs reported over the Plan year are reasonable.

3. Core financial transactions

The Trustee regularly monitors the core financial transactions of the Plan. These include the investment of contributions, transfer of assets in and out of the Plan, fund switches and payments out of the Plan to and in respect of members/beneficiaries.

During the reporting period, the Plan administrator was XPS. This section of the Statement sets out how the Trustee ensured that core financial transactions were processed promptly and accurately.

Processing of core financial transactions

The Trustee has a service level agreement (SLA) with the Plan administrator, which over the reporting period sets out the Trustee's agreed levels for the promptness of processing financial transactions over the reporting period. Examples of targets for core financial transactions are included in the table overleaf, but this is not an exhaustive list:

Examples of core financial transactions	Target for completion (days)
Contributions processed by XPS	3
Members transferring assets out of the Plan (members are not permitted to transfer in benefits to this Plan)	5
The switching of member assets between the investment options within the Plan	2
Member payments out of the Plan	5

These SLAs are in line with regulatory expectations, and the Trustee is comfortable that these will ensure that core financial transactions are processed promptly. During the reporting period, XPS provided quarterly performance reports against the agreed SLAs, which were reviewed at Trustee meetings. XPS achieved an SLA performance of 98% across all tasks. The quarterly SLA performance over the reporting period was as follows:

DC Plan

Q2 2024	Q3 2024	Q4 2024	Q1 2025
99.3%	98.6%	97.2%	97.4%

AE Plan

Q2 2024	Q3 2024	Q4 2024	Q1 2025
97.5%	99.2%	99.3%	98.7%

The overall SLA performance was in line with Trustee expectations for the service which is to achieve a minimum of 95% of tasks with the agreed SLA.

Over the reporting period there were two errors relating to the processing of core financial transactions as follows:

- ITV Payroll requested the reimbursement of contributions where these had been overpaid for a member, but XPS disinvested too many units. XPS rectified the error ensuring the member suffered no loss via XPS funding the purchase of additional units. XPS has put measures in place to ensure this error does not reoccur.
- Contributions being directed into a fund that shouldn't have been available to the member. XPS rectified the error, and analysis showed the member had not suffered a loss due to the error. XPS has put measures in place to ensure this error does not reoccur.

The time taken for XPS to process member contributions was in line with the Trustee's agreed target for completion (three working days). Where the standard was missed the cases took between 4-5 days. The Trustee, with support from the ITV Pensions Department (ITV Pensions) continues to work with XPS to ensure that the processing of

member contributions remains in line with the expected target for completion every month.

To ensure prompt and accurate processing of contribution payments, ITV Pensions, ITV payroll and XPS undertake monthly monitoring of contribution payments calculated and paid by ITV to ensure these are processed promptly and accurately. A quarterly contribution reconciliation report is produced by ITV Pensions and is monitored by the Trustee. These reports detailed any contribution errors identified during the reporting period and how these were rectified. During the reporting period all contribution errors identified were rectified with the exception of 19 instance(s) outstanding at the end of the period, of which 12 were resolved by ITV.

Data accuracy

To support the accuracy of financial transactions, the Trustee reviews the common and Plan specific data on an annual basis to ensure that financial transactions can be processed promptly and accurately. As at July 2024, the common data score was 99% (2023 score: 99%) and the Plan specific data score was 100% (2023 score: 100%). A monthly validation of active member data is undertaken between XPS, ITV Pensions and the Company. Common data gaps included invalid National Insurance numbers and missing address information. ITV Pensions works with XPS to address these gaps through establishing a data improvement plan which includes tracing of members where an up-to-date address is not held. The Trustee notes that none of the missing data points relate to items that would impact on the XPS's ability to promptly and accurately process a core financial transaction.

Service monitoring

The Trustee relationship with XPS is supported by ITV Pensions to ensure that the service received by members and the Trustee continues to be as expected. Quarterly administration reports on XPS' service performance and reviewed by the Trustee.

As part of service monitoring, XPS and ITV Pensions engaged regularly during the reporting period, including:

- Quarterly calls with senior XPS representatives to discuss the overall administration of the Plan with a focus on the service levels achieved.
- Monthly calls to discuss open projects and plan for future activity.
- Regular calls with the XPS administration team who are responsible for the day to day administration of the Plan to discuss ongoing member cases, service matters and projects.
- XPS produced weekly figures of their service standards performance and monthly statistics for the number of transfers, retirements and switches to assist ITV Pensions review of the ongoing service.

During the reporting period, ITV Pensions reviewed the following XPS process documents and procedures to ensure financial transactions continue to be processed accurately and promptly:

- AAF 01/06 internal controls reports
- Plan specific administration manual
- Business Continuity Plan in place at applicable XPS sites
- Daily monitoring of bank accounts
- Contributions processed by the dedicated team sitting within the administration function
- Ensuring robust checking of all investment and banking transactions including the additional sign off required for larger transactions

ITV Pensions also provided some limited support in relation to the processing of financial transactions in relation to DC administration as follows:

- Assisted XPS in identifying any discrepancies
- Sent on outstanding queries to the payroll department (as outlined above)

The Trustee considered the performance of the ITV Pensions in supporting the processes relating to core financial transactions as part of its review of the administration and contributions reports. The Trustee was satisfied with the service provided.

During the reporting period, there were no issues with the processing of core financial transactions with the exception of the two errors under the DC Plan as described above. The Trustee is satisfied that core financial transactions were on the whole processed promptly and accurately during the reporting period.

4. Net investment returns

The Trustee is required to report on the net investment returns for all investment options held by members during the reporting period. The net investment return takes into account all transaction costs and charges (see above). In Appendix 3 of this Statement, the Trustee has provided these net investment returns for all the Plan's investment options. These returns have been prepared based on the DWP's statutory guidance on "Completing the annual Value for Members assessment (VfM) and Reporting of Net Investment Returns".

5. Value for members (VfM)

Costs of the provision of services under the Plan are split between members and the Company. During the reporting period, members met investment related charges only. All other costs incurred by the Plan, including costs of administration, legal costs, Plan governance and communications, were met by the Company.

The Trustee is legally required to undertake a VfM assessment on at least an annual basis, and report on the outcome of the assessment. The Trustee reviewed its VfM for the reporting period at its 3 July 2025 meeting, which considered:

1. The investment returns of the principal DC Plan default arrangement Guided flexible access (Phased) strategy and how this performed against a range of Master Trusts' 'off the shelf' default arrangements. The assessment also considered the investment performance of the Customised funds against their respective benchmarks.

2. Governance, administration and communication, including a comparison of the services and features offered by the Plan against those observed across best practice DC arrangements.
3. The costs and charges paid by members.

The results of the most recent assessment are set out below.

Investment returns

For the Guided flexible access (Phased) strategy

- For members invested in the growth phase, the performance was higher than the majority of the Master Trust default arrangements compared against.
- For a member who was 5 years from retirement age, the performance was in line with the average seen across the Master Trust default arrangements.
- For a member at retirement, the performance was in line with the average seen across the Master Trust default arrangements.

Where the Master Trust default arrangements have produced higher absolute performance, the Trustee and its advisers believe this relates to the investment approach taken by the Guided strategy during the reporting period. This is because some of the master trust default arrangements have a larger allocation to higher risk assets at the above terms to retirement.

For the Customised funds the majority of the funds had performed in line with their benchmarks over the longest time period considered. However, a number of the actively managed funds had underperformed over the reporting period. Where underperformance has occurred, the Trustee is carefully monitoring this and will take action to address this if it believes it is in the best interests of members.

Plan services

This element of the assessment considered whether the Plan offered services that are seen across best practice arrangements. The assessment showed that the Plan offered the majority of these services with a number of these being bespoke solutions that have been tailored to meet the needs of the membership. The Trustee will continue to review the services provided to members and what improvements could be offered to ensure the Plan provides value for money to members both now and in the future.

Cost and Charges

The Trustee benchmarked the charges paid by members by comparing the charges paid under the growth phase of the Guided strategies to the charges paid across the default options of pension schemes of a similar nature. In addition, the Trustee benchmarked the charges paid against alternative types of pension schemes (contract based and master trust arrangements). The benchmarking showed that the charges were very competitive.

Assessment outcome

The overall conclusion of the assessment was that the Plan was providing good value to members based on the following factors:

- The returns across different stages of the Principal default option were either in line or above the average return seen across a range of Master Trust default comparators.
- The Trustee has a structured governance process in place which enhances the monitoring of the Plan.
- Members currently only pay for the investment charges under the Plan. The member charges and costs applying were below the benchmarking undertaken.
- The investment fund range has been designed based on the detailed analysis of the Plan membership with a wide range of Guided and Customised investment options provided.
- Environmental, social and governance (ESG) factors, including managing climate change risk are integrated throughout the Guided strategies as well as across a number of Customised funds that also integrate these factors.
- The Plan's funds have on the whole performed in line with their stated objectives.
- The administration performance over the Plan Year was above expectation.
- The level of the support provided to members and the Trustee by ITV Pensions Department.
- The Plan offers a range of solutions to support members' with their savings decisions including a high quality website and an investment profiler which supports members in determining what investment approach is most suited to their needs.
- Members have access to a range of retirement solutions including a facilitated drawdown option via the Legal & General Master Trust.

6. Trustee Knowledge and Understanding (TKU)

A TKU process is in place to enable Trustee Directors, with the support of available advice, to properly and appropriately undertake their duties for the Plan and its members. Details of the processes in place and the training received over the reporting period are set out in this section of the Statement.

The Trustee were supported by its advisers over the reporting period in relation to the governance of the Plan including their TKU activities. The Trustee advisers presented at all Trustee meetings where a decision was required on DC related items. The Trustee's advisers include:

- Hogan Lovells International LLP: legal adviser
- WTW: investment and general pensions adviser.

During the reporting period, the Trustee also undertook the following TKU activities:

- The Trustee Board has maintained a training log over the reporting period which outlines all training undertaken by the Trustee Board both collectively and individually. The Trustee TKU process includes regular training incorporated into planned meetings to support Trustee Board agenda items. Training over the reporting period included:
 - Illiquid investments and Long Term Asset Funds
 - Cyber training

- Changes to the taxation of payments on death following the abolition of the lifetime allowance
 - Key changes to the regulation of DC pension arrangements over the past 10 years and expected future developments in this area including the role of collective defined contribution schemes (CDC)
 - Pension Dashboards
 - Consultation on the new VfM Framework
 - Challenges of achieving retirement adequacy for DC arrangements
 - Pension scams and provider transfer pledges
 - Government proposals for DC Consolidation
 - Trustee considerations in relation to corporate activity
- The Trustee Directors also undertake individual training activities on a range of topics to support their TKU needs. Over the reporting period this included:
 - Training on good governance including actionable insights for implementing the General Code
 - Attendance at webinars hosted by professional advisers
 - Attendance at industry conferences and adviser seminars
- The Trustee has an agreed process in place for training new Trustee Directors. All new Trustee Directors receive bespoke training from the Trustee's advisers when they join. This includes training from legal advisers and investment advisers on all relevant aspects of the Pension Regulator's (tPR) Trustee Toolkit. In addition, in advance of being appointed to the Board, Trustee Directors receive training on the role of a trustee and background to the Plan via online videos or training prepared by ITV Pensions Department and the Trustee's investment and legal advisers. New Trustee Directors are also invited to attend a Trustee meeting in advance of their appointment to better understand their new role. No new Trustee Directors were appointed during the Plan year.
- The Trustee Board undertakes annual TKU assessment exercises to consider any training needs for the Trustee Directors or Board as a whole. The latest self-assessment was completed in November 2024. The assessment involved each Trustee Director completing a self-assessment questionnaire. The assessment covered the Trustee's understanding of the following areas:
 - The running of the Plan
 - Pension Trusts, duties, and powers of trustees
 - The Plan Trust Deed and Rules, SIP and Trustee policies
 - Pension Law
 - Principles of investing pension assets and fund management
 - Statement of Investment principles requirements, including ethical, social and governance (ESG) considerations.

The outcome of the assessment was that the Board overall had a good level of knowledge, and no significant knowledge gaps were identified.

In addition to the TKU assessment, the Trustee Board reviews the overall effectiveness of the Board's operation via one to one sessions between each Trustee Director and the Chair and the Plan secretary. The overall conclusion was that the Board was run well with

no significant issues to address however, to further enhance the governance of the Plan it was agreed to change the Trustee meeting framework, allowing each Board meeting to focus on specific aspects of operating the Plan, ensuring different areas receive the right level of time and focus and allowing easier Trustee decision making.

The Trustee Board reviewed or considered key Plan documentation and current Trustee policies to ensure they remain conversant with these. Over the reporting period including:

- The Trustee regularly considers the Plan's Trust Deed and Rules in the normal course of the Plan's operation, for example when considering the payment of discretionary lump sum death benefit.
- The SIP was reviewed at the June 2024 Trustee meeting and approved at the September 2024 Trustee meeting to reflect the Trustee's new policy on investing in illiquid assets and to combine the DC Plan and AE Plan SIPs into a single document.
- Agreeing a new divorce policy at the December 2024 Trustee meeting
- Reviewing the following documents at the September 2024 Trustee meeting:
 - Cyber Security Policy
 - GDPR Policy
 - ITV Pensions incident response plan
 - Information Security Guidelines

The Trustee received advice or updates from its various advisers about matters relevant to the Plan. This and the training noted above, helped ensure that, to the degree to which it is appropriate for the purposes of each Trustee Director to properly exercise his or her functions as a Trustee Director, they have knowledge and understanding of:

- The law relating to pensions and trusts
- The relevant principles relating to the funding and investment of occupational pension arrangements

The advice or updates received over the reporting period included:

- An update from the Plan's investment adviser on the Plan's investments against ESG reporting metrics.
- An update from the Plan's investment adviser on the Plan's fund managers' sustainable investment credentials.
- An update from the Plan's investment adviser on the legacy with-profits and deposit investments held under the Plan.
- A presentation from LGIM as the main underlying fund manager used by the Plan including its approach to stewardship and the LGIM Diversified Fund utilised by the Plan.
- A presentation from Lindsell Train as one of the underlying managers under the UK shares fund covering their investment philosophy and approach, investment performance and ESG and stewardship aspects.
- Advice from the Trustee's legal advisers on annual benefit statements
- Advice from the Trustee's legal advisers on the treatment of lump sum death benefits following the abolition of the Lifetime Allowance
- Advice from the Trustee's legal advisers in connection with Pensions Dashboards
- Update from XPS on developments to its proposition.
- Review of the Trustee's cyber risks by ITV and Crowe

In addition to the above TKU processes, the following factors enable the Trustee to properly exercise its function as Trustee Directors of the Plans:

- Members of the Board are selected following a detailed selection process. This involves identifying and prioritising skills that would enhance the overall effectiveness of the Trustee Board (including considering the diversity of knowledge and skills already represented on the Board) and incorporating these factors into the selection process.
- The Trustee Board includes individuals who have a long and broad experience of the pensions industry, and individuals who, outside of their Trustee role, hold or have held senior positions within ITV or within other professions, e.g., legal.
- Some of the Trustee Directors are long standing members of the Board and have built up detailed knowledge of the Plan trustee responsibilities and the management of pension arrangements.
- The Board has support from an experienced secretariat.

The combined knowledge, understanding and experience of the Trustee Directors together with the advice available to them enables them to properly exercise their duties as Trustee Directors of the Plan.

Signed by the Chair on behalf of ITV DC Trustee Limited

Appendix 1 – Illustrations of the cumulative effects over time of costs and charges

The below illustrations are based on four different example members (see details of these below). The Trustee has taken account of the statutory guidance produced by the Department for Work and Pensions in preparing these illustrations.

The illustrations are based on the projected investment returns and charges for all of the default arrangements under the Plan including the most popular investment option in terms of number of members invested (i.e., the Guided strategies). In addition, illustrations have been included for several Customised options offering a range of potential returns and charges including the fund with the lowest overall charges (UK shares (index tracker)), funds with lower return expectation (Money Markets)) and the fund with the highest overall charges and a high return expectation (Global shares).

We would note that when reviewing the below illustrations, it is important to consider the assumptions used (see details below) and to bear in mind that there are other factors that impact what a member may receive on retirement. In addition, when considering what is a suitable investment choice, charges are only one aspect, and other areas should be considered by members (such as potential for investment return and a member's own preferences and tolerances to various risks). It is important to highlight that lower charges do not necessarily equate to better value.

DC Plan

Example Member	Years	Flexible Access Phased		Flexible Access Diversified		Flexible Access Focused	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£4,400	£4,400	£4,300	£4,300	£4,400	£4,400
	3	£11,900	£11,900	£11,600	£11,500	£11,900	£11,900
	5	£20,000	£19,900	£19,000	£18,900	£20,000	£19,900
	10	£42,700	£42,400	£38,600	£38,100	£42,700	£42,400
	15	£69,600	£68,800	£59,700	£58,500	£69,600	£68,800
	20	£101,300	£99,700	£82,300	£80,200	£101,300	£99,700
	25	£138,900	£136,100	£106,700	£103,300	£138,900	£136,100
	30	£180,000	£175,400	£132,800	£127,800	£183,400	£178,800
	35	£217,600	£210,400	£161,000	£153,800	£235,900	£229,000
	40	£250,700	£238,900	£190,200	£179,500	£292,400	£280,700
	45	£279,500	£259,500	£216,300	£199,300	£334,400	£313,100
	46	£284,100	£262,000	£220,700	£202,100	£339,200	£315,400
Average member	1	£48,600	£48,500	£47,700	£47,600	£48,600	£48,500
	3	£66,600	£66,400	£63,600	£63,200	£66,600	£66,400
	5	£85,800	£85,300	£79,800	£79,100	£86,000	£85,500
	10	£135,500	£133,900	£122,700	£120,600	£140,300	£138,900
	15	£184,200	£180,500	£168,600	£164,600	£204,200	£201,100
	20	£232,100	£223,500	£215,600	£207,000	£269,400	£261,100
	24	£266,700	£251,200	£249,800	£234,800	£309,000	£292,900
Member approaching retirement	1	£94,400	£94,200	£94,400	£94,200	£96,100	£95,900
	3	£114,600	£113,500	£114,600	£113,500	£119,600	£118,800
	5	£135,000	£132,700	£135,000	£132,700	£143,500	£141,500
	10	£183,900	£176,300	£183,900	£176,300	£196,700	£189,200

Example Member	Years	Multiple Cash Phased		Multiple Cash Diversified		Multiple Cash Focused	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£4,400	£4,400	£4,300	£4,300	£4,400	£4,400
	3	£11,900	£11,900	£11,600	£11,500	£11,900	£11,900
	5	£20,000	£19,900	£19,000	£18,900	£20,000	£19,900
	10	£42,700	£42,400	£38,600	£38,100	£42,700	£42,400
	15	£69,600	£68,800	£59,700	£58,500	£69,600	£68,800
	20	£101,300	£99,700	£82,300	£80,200	£101,300	£99,700
	25	£138,900	£136,100	£106,700	£103,300	£138,900	£136,100
	30	£180,000	£175,400	£132,800	£127,800	£183,400	£178,800
	35	£217,600	£210,400	£161,000	£153,800	£235,900	£229,000
	40	£251,600	£240,900	£190,900	£181,000	£296,700	£286,400
	45	£277,300	£260,200	£214,600	£199,900	£337,000	£319,200
	46	£280,800	£262,000	£218,100	£202,100	£340,500	£320,600
Average member	1	£48,600	£48,500	£47,700	£47,600	£48,600	£48,500
	3	£66,600	£66,400	£63,600	£63,200	£66,600	£66,400
	5	£85,800	£85,300	£79,800	£79,100	£86,000	£85,500
	10	£135,500	£133,900	£122,700	£120,600	£140,300	£138,900
	15	£184,300	£180,700	£168,700	£164,800	£204,600	£201,600
	20	£232,200	£225,100	£215,700	£208,500	£273,100	£266,700
	24	£263,600	£251,100	£246,900	£234,600	£309,800	£297,100
Member approaching retirement	1	£94,500	£94,300	£94,500	£94,300	£96,200	£96,100
	3	£114,900	£114,200	£114,900	£114,200	£120,900	£120,500
	5	£135,200	£133,600	£135,200	£133,600	£145,300	£144,200
	10	£181,800	£176,000	£181,800	£176,000	£196,700	£191,100

Example Member	Years	One-off Cash Diversified		One-off Cash Phased		One-off Cash Focused	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£4,300	£4,300	£4,400	£4,400	£4,400	£4,400
	3	£11,600	£11,500	£11,900	£11,900	£11,900	£11,900
	5	£19,000	£18,900	£20,000	£19,900	£20,000	£19,900
	10	£38,600	£38,100	£42,700	£42,400	£42,700	£42,400
	15	£59,700	£58,500	£69,600	£68,800	£69,600	£68,800
	20	£82,300	£80,200	£101,300	£99,700	£101,300	£99,700
	25	£106,700	£103,300	£138,900	£136,100	£138,900	£136,100
	30	£132,800	£127,800	£180,000	£175,400	£183,400	£178,800
	35	£161,000	£153,800	£217,600	£210,400	£235,900	£229,000
	40	£190,800	£181,000	£251,500	£241,000	£296,700	£286,600
	45	£212,800	£200,900	£275,000	£261,700	£336,100	£322,800
	46	£215,700	£203,500	£277,700	£263,900	£339,200	£325,500
Average member	1	£47,700	£47,600	£48,600	£48,500	£48,600	£48,500
	3	£63,600	£63,200	£66,600	£66,400	£66,600	£66,400
	5	£79,800	£79,100	£85,800	£85,300	£86,000	£85,500
	10	£122,700	£120,600	£135,500	£133,900	£140,300	£138,900
	15	£168,700	£164,800	£184,300	£180,700	£204,600	£201,600
	20	£215,200	£208,800	£231,700	£225,500	£272,800	£267,600
	24	£244,200	£236,200	£260,800	£252,800	£308,600	£301,500
Member approaching retirement	1	£94,500	£94,300	£94,500	£94,300	£96,200	£96,100
	3	£114,900	£114,200	£114,900	£114,200	£120,900	£120,500
	5	£135,000	£133,700	£135,000	£133,700	£145,300	£144,400
	10	£180,000	£177,200	£180,000	£177,200	£196,000	£193,800

Example Member	Years	Global Shares	UK Government Bonds (index tracker)		Diversified Investments (uncorrelated)		
		Before charges	After charges	Before charges	After charges	Before charges	Before charges
Youngest member	1	£4,400	£4,400	£4,300	£4,300	£4,300	£4,300
	3	£12,100	£11,900	£11,600	£11,500	£11,600	£11,400
	5	£20,500	£20,000	£19,000	£19,000	£19,000	£18,600
	10	£44,900	£42,900	£38,600	£38,400	£38,600	£37,000
	15	£75,200	£70,000	£59,700	£59,200	£59,700	£56,000
	20	£112,800	£102,200	£82,300	£81,400	£82,300	£75,700
	25	£159,300	£140,400	£106,700	£105,200	£106,700	£95,900
	30	£217,100	£185,700	£132,800	£130,700	£132,800	£116,900
	35	£288,600	£239,600	£161,000	£158,000	£161,000	£138,500
	40	£377,300	£303,500	£191,300	£187,100	£191,300	£160,900
	45	£487,200	£379,400	£223,800	£218,400	£223,800	£183,900
	46	£512,200	£396,200	£230,600	£224,900	£230,600	£188,700
Average member	1	£49,000	£48,600	£47,700	£47,700	£47,700	£47,400
	3	£68,200	£66,800	£63,600	£63,400	£63,600	£62,300
	5	£89,200	£86,200	£79,800	£79,500	£79,800	£77,400
	10	£150,200	£141,100	£122,700	£121,800	£122,700	£116,000
	15	£225,700	£206,200	£168,700	£167,100	£168,700	£155,900
	20	£319,400	£283,500	£218,300	£215,500	£218,300	£197,200
	24	£410,300	£355,600	£260,600	£256,700	£260,600	£231,100
Member approaching retirement	1	£97,100	£96,300	£94,500	£94,400	£94,500	£93,800
	3	£124,000	£121,100	£114,900	£114,600	£114,900	£112,500
	5	£153,300	£147,800	£136,000	£135,400	£136,000	£131,500
	10	£238,500	£222,900	£191,300	£189,900	£191,300	£180,000

Example Member	Years	UK Company Bonds		Global Shares (index tracker)	
		Before charges	After charges	Before charges	After charges
Youngest member	1	£4,300	£4,300	£4,400	£4,400
	3	£11,600	£11,500	£11,900	£11,900
	5	£19,000	£18,800	£20,000	£19,900
	10	£38,600	£37,700	£42,700	£42,400
	15	£59,700	£57,600	£69,600	£68,700
	20	£82,300	£78,500	£101,300	£99,600
	25	£106,700	£100,500	£138,900	£135,900
	30	£132,800	£123,600	£183,400	£178,400
	35	£161,000	£147,900	£235,900	£228,400
	40	£191,300	£173,400	£298,100	£287,100
	45	£223,800	£200,300	£371,700	£355,900
	46	£230,600	£205,800	£387,900	£371,000
Average member	1	£47,700	£47,500	£48,600	£48,500
	3	£63,600	£62,800	£66,600	£66,400
	5	£79,800	£78,500	£86,000	£85,400
	10	£122,700	£118,900	£140,300	£138,800
	15	£168,700	£161,400	£204,600	£201,400
	20	£218,300	£206,100	£280,700	£274,900
	24	£260,600	£243,500	£351,400	£342,700
Member approaching retirement	1	£94,500	£94,100	£96,200	£96,100
	3	£114,900	£113,600	£120,900	£120,400
	5	£136,000	£133,500	£147,300	£146,300
	10	£191,300	£184,900	£221,600	£218,900

Example Member	Years	Diversified Investments		Diversified Investments (responsible investments)		Money Markets	
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£4,300	£4,300	£4,300	£4,300	£4,300	£4,300
	3	£11,600	£11,500	£11,600	£11,500	£11,200	£11,200
	5	£19,000	£18,900	£19,000	£18,900	£18,100	£18,000
	10	£38,600	£38,100	£38,600	£38,200	£34,900	£34,600
	15	£59,700	£58,400	£59,700	£58,600	£51,400	£50,800
	20	£82,300	£80,100	£82,300	£80,400	£67,400	£66,400
	25	£106,700	£103,000	£106,700	£103,600	£83,100	£81,500
	30	£132,800	£127,400	£132,800	£128,200	£98,400	£96,100
	35	£161,000	£153,200	£161,000	£154,400	£113,300	£110,200
	40	£191,300	£180,700	£191,300	£182,300	£127,800	£123,900
	45	£223,800	£209,800	£223,800	£211,900	£142,000	£137,200
	46	£230,600	£215,900	£230,600	£218,100	£144,800	£139,800
Average member	1	£47,700	£47,600	£47,700	£47,600	£46,900	£46,800
	3	£63,600	£63,100	£63,600	£63,200	£60,600	£60,300
	5	£79,800	£79,000	£79,800	£79,200	£74,100	£73,700
	10	£122,700	£120,500	£122,700	£120,800	£107,400	£106,200
	15	£168,700	£164,500	£168,700	£165,100	£139,900	£137,800
	20	£218,300	£211,100	£218,300	£212,200	£171,600	£168,300
	24	£260,600	£250,500	£260,600	£252,100	£196,400	£192,100
Approaching retirement	1	£94,500	£94,300	£94,500	£94,300	£92,800	£92,600
	3	£114,900	£114,100	£114,900	£114,300	£109,200	£108,700
	5	£136,000	£134,500	£136,000	£134,700	£125,400	£124,600
	10	£191,300	£187,600	£191,300	£188,200	£165,400	£163,400

AE Plan

The example member's starting age is based on the youngest members of the AE Plan.

Example Member	Years	One-off Cash Diversified		Diversified Investments			Diversified Investments (responsible investments)
		Before charges	After charges	Before charges	After charges	Before charges	After charges
Youngest member	1	£6,400	£6,300	£6,400	£6,300	£6,400	£6,400
	3	£15,700	£15,600	£15,700	£15,600	£15,700	£15,600
	5	£25,300	£25,100	£25,300	£25,100	£25,300	£25,100
	10	£50,500	£49,900	£50,500	£49,800	£50,500	£49,900
	15	£77,700	£76,200	£77,700	£76,100	£77,700	£76,300
	20	£106,800	£104,100	£106,800	£103,900	£106,800	£104,400
	25	£138,200	£133,800	£138,200	£133,500	£138,200	£134,200
	30	£172,000	£165,400	£172,000	£164,900	£172,000	£165,900
	35	£208,300	£198,900	£208,300	£198,200	£208,300	£199,700
	40	£243,700	£231,300	£247,300	£233,600	£247,300	£235,600
	44	£262,500	£248,300	£280,600	£263,400	£280,600	£266,000

Example Member	Years	Money Markets	
		Before charges	After charges
Youngest member	1	£6,300	£6,300
	3	£15,200	£15,100
	5	£24,000	£23,900
	10	£45,600	£45,300
	15	£66,800	£66,000
	20	£87,400	£86,000
	25	£107,500	£105,400
	30	£127,100	£124,200
	35	£146,300	£142,400
	40	£165,000	£160,000
	44	£179,600	£173,600

Notes and assumptions

The illustrations are calculated based on the following assumptions and limitations:

1. Projected pension account values are shown in today's terms.
2. Projected fund values are rounded to the nearest hundred pounds.
3. For the purpose of the illustrations the contributions are based on an annual amount.
4. For the purpose of the illustrations it is assumed that investment returns, transaction costs and fund charges are applied annually at the end of the year.
5. For each example member, contributions are assumed to be paid from their current age to the assumed retirement age.
6. Values shown are estimates and are not guaranteed.
7. The projected growth rates for each fund (set out below) are shown gross of fees and before accounting for inflation.
 - Flexible Access (phased) from 2.80% to 6.00% (adjusted depending on term to retirement)
 - Flexible Access (diversified) from 2.80% to 4.00% (adjusted depending on term to retirement)
 - Flexible Access (focused) from 2.80% to 6.00% (adjusted depending on term to retirement)
 - One off cash (phased) from 2.20% to 6.00% (adjusted depending on term to retirement)
 - One off cash (diversified) from 2.20% to 6.00% (adjusted depending on term to retirement)

- One off cash (focused) from 2.40% to 6.00% (adjusted depending on term to retirement)
- Multiple cash (phased) from 2.50% to 6.00% (adjusted depending on term to retirement)
- Multiple cash (diversified) from 2.50% to 4.00% (adjusted depending on term to retirement)
- Multiple cash (focused) from 2.50% to 6.00% (adjusted depending on term to retirement)
- Global shares: 7.00%
- UK government bonds (index tracker): 4.00%
- UK Company bonds: 4.00%
- Diversified investments (uncorrelated): 4.00%
- Global shares (index tracker): 6.00%
- Diversified investments: 4.00%
- Diversified investments (responsible investments): 4.00%
- Money markets: 2.00%

We note the above returns are based on a prescribed methodology (set out in Actuarial Standard Technical Memorandum 1 v.5.1) that the Trustee is required to use. The investment assumptions above were determined by the volatility of the funds over a 5 year period to 30 September 2023 and may not reflect the actual returns the funds will deliver.

8. The costs and charges applying to each of the above investment options as set out in the 'Charges and transaction costs' section of the statement are deducted from the above growth rates as part of the calculation of the illustrations.
9. Inflation is assumed to be 2.5% each year and is deducted from the above growth rates as part of the calculation of the illustrations. Salaries and associated contribution levels are assumed to increase in line with the assumed inflation rate.
10. Transactions costs and other charges have been provided by LGIM and covered the period 1st April 2020 to 31st March 2025, except for Global Shares (index tracker) (responsible investments), Global shares (climate) (index tracker) and Diversified investments (responsible investments) funds that reflect the costs for the period 1st August 2023 to 31 March 2025. Where applicable the transaction costs have been averaged by WTW using a time-based approach.
11. Switching costs are not considered under the Guided strategies.
12. Example members – DC Plan
 - Youngest: age 19, total starting annual contribution: £3,500, starting fund value: £800, normal retirement age 65
 - Average: age 41, total starting annual contribution: £7,100, starting fund value £40k, normal retirement age 65:
 - Approaching retirement: age 55, total starting annual contribution £8,700, starting fund value £84,500, normal retirement age 65
13. Example member – AE Plan
 - Age 21, total initial contribution £4,500, starting fund value: £1,800.
14. The assumed pot sizes above were based on the averages for the relevant example member. For example, the pot size for the 'average DC Plan member' was based on the average pot size across all members of the DC Plan.

Appendix 2 – Charges and Transaction Costs

The tables below detail the total expense ratio (TER) for the default arrangements and all other fund options within the DC Plan and AE Plan for the reporting period and have been prepared taking into account the statutory guidance produced by the DWP. The TER is a combination of the fund's annual management charge and any additional charges incurred over the reporting period. The Trustee has shown the charges that applied under the Guided strategies and Customised range during the reporting period.

The transaction costs have been calculated by Legal & General and Scottish Widows in conjunction with the underlying fund managers.

Default arrangements – Guided strategies

Flexible access (Phased)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.16%	0.08%
10	0.20%	0.14%
5	0.32%	0.24%
At retirement	0.42%	0.34%

Flexible access (Diversified)

Years to target retirement date	TER	Transaction cost
20+	0.20%	0.14%
15+	0.20%	0.14%
10	0.20%	0.14%
5	0.32%	0.24%
At retirement	0.42%	0.34%

Flexible access (Focused)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.12%	0.03%
10	0.12%	0.03%
5	0.27%	0.17%
At retirement	0.42%	0.34%

One-off cash (Phased)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.16%	0.08%
10	0.20%	0.14%
5	0.18%	0.13%
At retirement	0.42%	0.13%

One-off cash (Diversified)*

Years to target retirement date	TER	Transaction cost
20+	0.20%	0.14%
15+	0.20%	0.14%
10	0.20%	0.14%
5	0.18%	0.13%
At retirement	0.12%	0.13%

**AE Plan – default arrangement*

One-off cash (Focused)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.12%	0.03%
10	0.12%	0.03%
5	0.12%	0.05%
At retirement	0.11%	0.12%

Multiple cash (Phased)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.16%	0.08%
10	0.20%	0.14%
5	0.24%	0.18%
At retirement	0.36%	0.30%

Multiple cash (Diversified)

Years to target retirement date	TER	Transaction cost
20+	0.20%	0.14%
15+	0.20%	0.14%
10	0.20%	0.14%
5	0.24%	0.18%
At retirement	0.36%	0.30%

Multiple cash (Focused)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.12%	0.03%
10	0.12%	0.03%
5	0.19%	0.10%
At retirement	0.36%	0.30%

Default arrangements - Customised

Fund	TER	Transaction cost
Global shares (index tracker) ^{1,2}	0.12%	0.05%
Diversified investments ^{1,2}	0.19%	0.03%
Diversified investments (uncorrelated)	0.59%	0.43%
UK Company bonds	0.36%	0.18%
UK Government bonds (index tracker) ²	0.08%	0.02%
Money markets ^{1,2}	0.11%	0.13%

¹ Funds also used in the Guided strategies

² Only these funds are available to AE Plan members

Non-default arrangements - Customised

Fund	TER	Transaction cost
Annuity target ¹	0.11%	0.00%
UK Shares (index tracker)	0.08%	0.01%
UK Shares	0.76%	0.17%
Global Shares (environmental) ³	0.73%	0.01%
Shariah Law (index tracker) ³	0.35%	0.00%
Global Shares	0.80%	0.06%
Emerging Markets Shares (index tracker)	0.30%	0.00%
Global Shares (responsible investment) (index tracker) ^{1,3}	0.12%	0.00%
Global Shares (climate) (index tracker) ¹	0.11%	0.00%
Diversified investments (responsible investments) ^{1, 3}	0.20%	0.02%
Property and Infrastructure (SW) ²	0.52%	0.00%*

*Where the reported transaction cost was negative, this has been shown as 0.00%

¹ Funds also used in the Guided strategies

² No assets remained invested in this Fund at the end of the Plan year

³ Only these funds are available to AE Plan members

Non-default arrangement - Guided strategies

Flexible access (longer term) (Phased)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.17%	0.08%
10	0.22%	0.13%
5	0.28%	0.18%
At retirement	0.33%	0.24%

Flexible access (longer term) (Focused)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.12%	0.03%
10	0.12%	0.03%
5	0.22%	0.13%
At retirement	0.33%	0.24%

Annuity (Phased)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.16%	0.08%
10	0.20%	0.14%
5	0.16%	0.07%
At retirement	0.11%	0.03%

Annuity (Diversified)

Years to target retirement date	TER	Transaction cost
20+	0.20%	0.14%
15+	0.20%	0.14%
10	0.20%	0.14%
5	0.16%	0.07%
At retirement	0.11%	0.03%

Annuity (Focused)

Years to target retirement date	TER	Transaction cost
20+	0.12%	0.03%
15+	0.12%	0.03%
10	0.12%	0.03%
5	0.11%	0.01%
At retirement	0.11%	0.03%

Transaction costs notes

During 2020 a number of legacy policies held with Aviva, Prudential and Standard Life were reassigned to the DC Plan from the ITV Pension Scheme. Details of the ongoing charges and transaction costs for the funds under these policies are set out below. We note that as members do not directly hold the investments, any transaction costs may impact on the level of bonuses that are applied rather than being a direct cost to members. Standard Life did not provide data on its transaction costs and the Trustee will continue to liaise with the manager to support the provision of this data in future years.

Legacy funds	Total member borne deductions	Transaction cost
Aviva With-Profits Fund*	An administration cost of 0.88% is applicable. In addition, a deduction is made to the total value of the With-profits Funds to cover the costs of managing the With-profits Funds. These costs are implicit in the annual bonus rate applying and are not deducted directly from members' pots. As a result, no explicit member charge can be disclosed in this Statement relating to these costs.	TBC
Aviva With-Profits Guaranteed Fund*		TBC
Standard Life With-Profits One Fund	A deduction is made to the total value of the With-profits Fund to cover the costs of managing the Fund. In addition, a deduction for the cost of With Profits guarantees is made. These costs are implicit in the annual bonus rate applying and are not deducted directly from members' pots. As a result, no explicit member charge can be disclosed in this Statement.	0.00%
Prudential Cash Accumulation With-Profits Fund	A deduction is made to the total value of the With-profits Fund to cover the costs of managing the With-profits Fund. These costs are implicit in the annual bonus rate applying and are not deducted directly from members' pots. As a result, no explicit member charge can be disclosed in this Statement.	0.10%

* As at the date the Statement was produced, Aviva had not provided the required transaction information. The Trustee is engaging with Aviva to understand if this information can be included in future Statements

Appendix 3 – Net investment returns

The tables on the following pages provide the net investment returns for each of the investment options available under the Plan. The Trustee has taken into account the statutory guidance when providing these investment returns and has not deviated from this.

For all investment options, the Trustee is expected to provide returns net of the Plan specific fees over a 1, 5, 10, 15 and 20 year periods where available. Where members are investing in one of the Guided strategies where returns vary with age, the Trustee is required to show the returns that would have applied for a member aged 25, 45 and 55.

The figures for net investment returns used in the tables below are as at 31 March 2025 and have been provided by LGIM and Scottish Widows.

Guided strategies	Age of member in 2025	1 year (2024-25)	5 years (2020-25)
Growth strategy - (Phased)			
One-off cash, Multiple cash, Flexible access and Annuity	25	3.78%	14.22%
	45	3.78%	14.22%
	55	4.18%	6.62%
Flexible access (longer term)	25	3.78%	14.22%
	45	3.78%	14.22%
	55	3.90%	12.79%
Growth strategy - (Diversified)			
One-off cash and Flexible access	25	4.18%	6.62%
	45	4.18%	6.62%
	55	4.18%	6.62%
Multiple cash and Annuity	25	4.18%	6.62%
	45	4.18%	6.62%
	55	4.18%	6.62%
Growth strategy - (Focused)			
All options: One-off cash, Multiple cash, Flexible access, Flexible access (longer term) and Annuity	25	3.78%	14.22%
	45	3.78%	14.22%
	55	3.78%	14.22%

Customised funds	1 year (2024-25)	5 years (2020-25)
Annuity target	-2.56%	-5.03%
UK shares (index tracker)	9.94%	12.20%
UK shares	4.70%	9.74%
UK government bonds (index tracker)	-0.79%	-5.92%
Global shares (environmental)	-6.75%	11.55%
Shariah law (index tracker) ²	3.57%	16.21%
Diversified investments ²	4.55%	6.58%
Money markets ²	5.01%	2.38%
Diversified investments (absolute return)	4.44%	5.12%
Global shares (index tracker) ²	2.92%	13.78%
Global shares	-1.24%	12.25%
Emerging markets shares (index tracker)	8.07%	7.99%
UK company bonds	2.22%	0.57%
Global shares (responsible investment) (index tracker) ²	4.62%	n/a
Global shares (climate) (Index Tracker) ²	4.67%	n/a
Diversified investments (responsible Investment) ²	3.79%	n/a
Diversified investments (uncorrelated)	7.89%	6.10%
Property and Infrastructure (SW) ¹	N/A	N/A

Notes:

1. Fund held with Scottish Widows up to November 2024 and no assets remained invested in this Fund at the end of the Plan year.
2. Only these funds are available to AE Plan members to select.
3. The returns have been provided by L&G and Scottish Widows as at 31 March 2025.
4. Returns are net of the fund specific charges and factor in the transaction costs incurred by the funds.
5. Age specific returns shown under the Guided strategies arrangements are based on a member with a target retirement age of 65.
6. The DC Plan was only established in 2017 and so performance over 10, 15 and 20 year periods are not available. The Trustee will include longer term fund performance in future Statements for all

funds once the funds have been in place for the required performance period. Where performance is not available over a 5 year this is due to the Fund only being introduced for the Plan in 2023.

During the reporting period, the DC Plan also held DC assets through AVC policies issued by Aviva, Standard Life and Prudential. The Trustee has requested the same investment return information for those arrangements and have been advised of the following:

Legacy AVCs	1 year (2024-25)	5 years (2020-25)	10 years (2015-25)	15 years (2010-25)	20 years (2005-25)
Aviva With-Profits Fund ²	N/A	N/A	N/A	N/A	N/A
Aviva With-Profits Guaranteed Fund ²	N/A	N/A	N/A	N/A	N/A
Standard Life With-Profits One Fund ²	N/A	N/A	N/A	N/A	N/A
Prudential Deposit Fund ¹	0.00%	0.00%	N/A	N/A	N/A
Prudential Cash Accumulation With-Profits Fund ¹	0.00%	0.00%	N/A	N/A	N/A

Notes:

1. Where the performance is not currently available this relates to Prudential not providing this for the longer term periods. The Trustee is working with Prudential to provide this information in future Statements.
2. As at the date the Statement was produced, Aviva and Standard Life had not provided the required net investment returns information. The Trustee is engaging with Standard Life and Aviva to understand if this information can be included in future Statements.

Appendix 4 – Asset allocations

The tables on the following pages provide the asset allocations for each of the default arrangements available under the Plan at the end of the Plan year. The Trustee has taken into account the statutory guidance on “Disclose and Explain asset allocation reporting and performance-based fees and the charge cap”.

Guided - One-off cash (Focused)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	0.0%	35.1%
Bonds	0.0%	0.0%	0.0%	54.9%
Listed equities	100.0%	100.0%	100.0%	10.0%
Private equity	0.0%	0.0%	0.0%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	0.0%	0.0%
Private debt/credit	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%

Guided - One-off cash (Phased)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	2.0%	35.3%
Bonds	0.0%	0.0%	43.2%	59.3%
Listed equities	100.0%	100.0%	51.1%	5.1%
Private equity	0.0%	0.0%	0.5%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	2.3%	0.2%
Private debt/credit	0.0%	0.0%	0.9%	0.1%
Other	0.0%	0.0%	0.0%	0.0%

Guided - One-off cash (Diversified)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	2.0%	2.0%	2.0%	35.3%
Bonds	43.2%	43.2%	43.2%	59.2%
Listed equities	51.1%	51.1%	51.1%	5.1%
Private equity	0.5%	0.5%	0.5%	0.0%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	2.3%	2.3%	2.3%	0.2%
Private debt/ credit	0.9%	0.9%	0.9%	0.1%
Other	0.0%	0.0%	0.0%	0.0%

Guided - Multiple cash (Focused)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	0.0%	23.1%
Bonds	0.0%	0.0%	0.0%	46.8%
Listed equities	100.0%	100.0%	100.0%	28.5%
Private equity	0.0%	0.0%	0.0%	0.1%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	0.0%	0.6%
Private debt/ credit	0.0%	0.0%	0.0%	0.3%
Other	0.0%	0.0%	0.0%	0.6%

Guided - Multiple cash (Phased)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	2.0%	23.1%
Bonds	0.0%	0.0%	43.2%	46.9%
Listed equities	100.0%	100.0%	51.1%	28.5%
Private equity	0.0%	0.0%	0.5%	0.1%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	2.3%	0.6%
Private debt/ credit	0.0%	0.0%	0.9%	0.2%
Other	0.0%	0.0%	0.0%	0.6%

Guided - Multiple cash (Diversified)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	2.0%	2.0%	2.0%	23.1%
Bonds	43.2%	43.2%	43.2%	46.9%
Listed equities	51.1%	51.1%	51.1%	28.5%
Private equity	0.5%	0.5%	0.5%	0.1%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	2.3%	2.3%	2.3%	0.6%
Private debt/ credit	0.9%	0.9%	0.9%	0.2%
Other	0.0%	0.0%	0.0%	0.6%

Guided - Flexible access (Focused)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	0.0%	14.4%
Bonds	0.0%	0.0%	0.0%	41.3%
Listed equities	100.0%	100.0%	100.0%	41.9%
Private equity	0.0%	0.0%	0.0%	0.2%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	0.0%	1.0%
Private debt/ credit	0.0%	0.0%	0.0%	0.4%
Other	0.0%	0.0%	0.0%	0.8%

Guided - Flexible access (Phased)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	0.0%	0.0%	2.0%	14.4%
Bonds	0.0%	0.0%	43.2%	41.3%
Listed equities	100.0%	100.0%	51.2%	41.9%
Private equity	0.0%	0.0%	0.5%	0.2%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	0.0%	0.0%	2.3%	1.0%
Private debt/ credit	0.0%	0.0%	0.9%	0.4%
Other	0.0%	0.0%	0.0%	0.8%

Guided - Flexible access (Diversified)

Asset class	% allocation - average 25 year old (%)	% allocation - average 45 year old (%)	% allocation - average 55 year old (%)	% allocation – average 1 day prior to State Pension Age (%)
Cash	2.0%	2.0%	2.0%	14.4%
Bonds	43.2%	43.2%	43.2%	41.3%
Listed equities	51.1%	51.1%	51.1%	41.9%
Private equity	0.5%	0.5%	0.5%	0.2%
Infrastructure	0.0%	0.0%	0.0%	0.0%
Property/real estate	2.3%	2.3%	2.3%	1.0%
Private debt/credit	0.9%	0.9%	0.9%	0.4%
Other	0.0%	0.0%	0.0%	0.8%

Global shares (index tracker)

Asset class	Percentage
Cash	0.0%
Bonds	0.0
Listed equities	100.0%
Private equity	0.0%
Infrastructure	0.0%
Property/real estate	0.0%
Private debt/credit	0.0%
Other	0.0%

Diversified investments

Asset class	Percentage
Cash	1.9%
Bonds	41.4%
Listed equities	49.3%
Private equity	1.0%
Infrastructure	0.0%
Property/real estate	4.7%
Private debt/credit	1.7%
Other	0.0%

Diversified investments (uncorrelated)

Asset class	Percentage
Cash	0.0%
Bonds	0.0%
Listed equities	50%
Private equity	0.0%
Infrastructure	0.0%
Property/real estate	0.0%
Private debt/credit	0.0%
Other	50%

UK company bonds

Asset class	Percentage
Cash	0.0%
Bonds	100%
Listed equities	0.0%
Private equity	0.0%
Infrastructure	0.0%
Property/real estate	0.0%
Private debt/credit	0.0%
Other	0.0%

UK government bonds (index tracker)

Asset class	Percentage
Cash	0.0%
Bonds	100.0%
Listed equities	0.0%
Private equity	0.0%
Infrastructure	0.0%
Property/real estate	0.0%
Private debt/credit	0.0%
Other	0.0%

Money markets

Asset class	Percentage
Cash	41.0%
Bonds	59.0%
Listed equities	0.0%
Private equity	0.0%
Infrastructure	0.0%
Property/real estate	0.0%
Private debt/credit	0.0%
Other	0.0%

Notes:

1. Age specific asset allocations shown under the Guided strategies arrangements are based on a member with a target retirement age of 65.
2. The asset allocations have been provided by LGIM as at 31 March 2025

STATEMENT OF INVESTMENT PRINCIPLES

Introduction

1. This document describes the defined contribution ('DC') investment policy pursued by the Trustee of the ITV Defined Contribution Plan (the "ITV DC Plan").
2. The Trustee's investment policy detailed in this Statement applies to all Benefit Sections within the ITV DC Plan. There are differences in the investment policies and strategies that are applied to the "DC Section" compared to the "AE Plan" due to factors including the purpose of the Benefit Section, membership demographics and the Trustee's investment beliefs. Where an approach differs between Benefit Sections, this will be clearly stated.
3. The DC Section refers to the sections of the ITV DC Plan called DC Section, United Section and CFM Section. The AE Plan refers to the ITV Auto-Enrolment Plan, which was established by the Principal Employer on 1 April 2020.
4. The ITV DC Plan operates for the exclusive purpose of providing retirement benefits and death benefits to eligible participants and beneficiaries. The ITV DC Plan is Defined Contribution in nature and was established on 17 January 2017.
5. The ITV DC Plan is a registered pension plan under the Finance Act 2004.
6. The ITV DC Plan is administered by XPS and the investment platform is provided by Legal & General and Scottish Widows.
7. The purpose of this Statement is to document those investment principles, guidelines and procedures which are appropriate for the ITV DC Plan, in a manner consistent with the requirements of the Pensions Act 1995 ("the Act") and the Pensions Act 2004 ("the 2004 Act").
8. The ITV DC Plan's Trustee ("the Trustee") has received advice from its investment adviser (WTW) and the Principal Company (ITV Services Limited) has been consulted regarding this Statement as required by the Act.
9. When choosing investments, the Trustee and the Investment Managers, to the extent delegated, are required to have regard to the criteria for investment set out in the Occupational Pension Scheme (Investment) Regulations 2005 and the principles contained in this Statement.
10. In accordance with the Financial Services and Markets Act 2000, the Trustee will set general investment policy, but will delegate the responsibility for selection of specific investments to appointed investment managers, which may include an insurance company or companies. The Investment Managers shall provide the skill and expertise necessary to manage the investments of the ITV DC Plan competently.
11. This document has been drafted with regard to the Pensions Regulator's General Code of Practice and the DWP's minimum governance standards, and specifically the

recommendations relating to the content of Statements of Investment Principles generally.

Compliance and review of this statement

12. The Trustee plans to monitor compliance with this Statement annually and following its planned reviews of the Trustee's investment strategy.
13. The Trustee will review this Statement in response to any material changes to any aspects of the ITV DC Plan, its membership profile and the attitude to risk of the Trustee, which it judges to have a bearing on the stated investment policy.
14. This review will occur no less frequently than every three years. Any such review will be based on written expert investment advice and the Principal Company will be consulted.

Investment objectives

15. The ITV DC Plan's main investment objectives are:
 - To ensure the individual fund options are suitably invested and managed to maximise the return commensurate with an acceptable level of risk.
 - To provide members with a diversified range of investment options designed to give them freedom to structure their own investment policy to suit their individual risk, return, liquidity and retirement planning preferences.

Investment policy

16. The Trustee's policy is to seek to achieve its investment objectives through offering a suitable mixture of asset classes and funds. Pooled funds are made available across a diversified range of asset classes, reflecting the changing requirements of members as they progress towards retirement.
17. The Trustee makes available a range of Guided (lifecycle) strategies for the DC Section, and one Guided (lifecycle) strategy for the AE Plan. Each of these pre-packaged investment options comprises a growth phase and a synchronise phase where members' investments are progressively switched into lower risk investments as retirement approaches. For the DC Section the Guided options provide members with choices in relation to both the level of investment risk taken during the growth phase and how the member plans to use their DC Section savings at retirement. The target outcome choices at retirement are focussed towards single or multiple cash withdrawal, flexible access or annuity purchase. For the AE Plan the Guided strategy aims to deliver a relatively stable but moderate return profile during the growth phase and provides a synchronise phase which targets one-off cash withdrawal at retirement.

18. Members are able to select their own investments from a range of pooled funds under the Customised investment strategies applicable to each of the DC Section and to the AE Plan, which are sometimes referred to as the self-select options.

Risk management

19. The Trustee recognises a number of risks involved in the investment of assets of the ITV DC Plan, including:
- **Capital risk** – the risk that the value of the investment will fall in value over any period of time. The Trustee has made available a cash fund for the purpose of managing this risk.
 - **Inflation risk** – the risk that a member's investments fail to achieve an adequate amount of return in excess of price inflation commensurate with the term of investment, thereby eroding its purchasing power. The Trustee has made available funds which invest in equities or diversified assets for the purpose of managing this risk.
 - **Manager risk** – addressed through ongoing monitoring of the Managers as set out on page 6 of this document. In addition, manager risk is limited through the use, primarily, of a passive (index) approach to investment management, except where the Trustee holds the view that active management may add value (net of fees).
 - **Synchronisation risk** – the risk that members' investment allocation in the years prior to retirement and/or once benefits are being accessed does not match their retirement objectives, exposing members to inefficient or uncertain outcomes.
 - **Currency risk** – where members invest in funds with an exposure to overseas securities, there will be an element of currency risk as these securities are converted back into Sterling. The Trustee has made available to members a number of funds that invest in Sterling and overseas securities to provide choice to members.
 - **Political risk** – the risk of an adverse influence on investment values from political intervention is reduced by the Trustee offering members funds in which assets are diversified across many countries.
 - **Liquidity risk** – the risk that assets are not easily realisable such that cash is not readily available to meet cash flow requirements. The Trustee has had regard to this in selecting appropriate funds.
20. The Trustee continues to monitor these risks on a regular basis in line with the ongoing monitoring outlined on page 6 of this document.

Member investment options

21. Based on the Trustee's investment objectives and analysis of membership demographics and having taken professional investment advice the Trustee has selected a range of investment options available to members. Contributions are invested by XPS onto the Legal & General platform.

22. For the DC Section, the Trustee has selected a range of Guided strategies (lifecycle) and Customised (self-select) options to offer members a balanced range of investment options to allow them to match their investment choice against their own risk tolerance and the different ways in which they may take their benefits. The Guided strategies offer 3 different risk-rated growth phases (phased, focused and diversified) and target a range of retirement outcomes:
- Flexible access (longer term) – drawdown focusing on continued growth beyond normal retirement age (NRA)
 - Flexible access – drawdown
 - Annuity – annuity purchase
 - One-off cash – immediate spend
 - Multiple cash – spend over 5 years
23. For the AE Plan, the Trustee has selected a single Guided lifecycle option (One-off cash (Diversified)) and a more focused range of Customised options. The Trustee believes that the range of funds for AE Plan members is appropriate based on analysis of the membership, consideration of the impact of the automatic enrolment process and the expectation that the majority of members will join the DC Section of the ITV DC Plan after 12 months' employment. The range includes equity, multi-asset, bond and cash funds, as well as those seeking to meet the responsible investment and/or religious considerations of members. The Trustee will review its approach relating to the AE Plan over time.
24. For both the DC Section and the AE Plan, the Customised (self-select) investment options include funds which seek to meet the typical responsible investment and/or religious considerations of members.
25. Details of the Guided strategies and Customised investment funds are contained in the Investment Policy Document (dated June 2024).

Default investment options – DC Section

26. The joining process for new DC Section members is designed so that members make an investment choice, reflecting the Trustee's view that good communications, online tools and support from ITV Pensions equips new members to choose investment options that are better suited to their circumstances than a default option. However, the **Flexible Access (phased)** Guided strategy is set as a default option for new members that fail to select funds when requested to do so. This strategy was set as the default based on the membership analysis conducted as part of the investment strategy review completed in 2018, and re-confirmed following the subsequent review that concluded in 2023.
27. In addition, in introducing the Guided lifecycle strategies, and when making changes to the Customised fund range, the Trustee put in place a default mapping strategy for existing members who did not wish to make an alternative investment decision. This means that a number of other Guided strategies, and some Customised funds are treated as default investment options. The Trustee took advice on the fund mapping and is satisfied that the resulting default options are suitable for members. The Guided

strategies and Customised funds which are deemed default investment options through these mapping exercises are:

- One-off Cash (focused)
- One-off Cash (phased)
- One-off Cash (diversified)
- Multiple Cash (focused)
- Multiple Cash (phased)
- Multiple Cash (diversified)
- Flexible Access (focused)
- Flexible Access (phased)
- Flexible Access (diversified)
- Global shares (index tracker)
- Diversified investments
- Diversified investments (uncorrelated)
- UK company bonds
- UK government bonds (index tracker)
- Money markets

Default investment options – AE Plan

28. Members in the AE Plan are not required to make an investment choice on joining, and therefore a default investment option is needed for these members. The Trustee has adopted a two-stage default for these members: for an initial period, investments are made into the Money markets Fund. This enables members to establish their pension savings with very low capital risk, and would also allow eligible members to transfer their savings to the DC Section of the ITV DC Plan without incurring transition costs as part of their invitation to join the DC Section after having completed 12 months' employment. For members who remain in the AE Plan their investments are moved to the 'One Off Cash (Diversified)' Guided lifecycle strategy. This has been chosen on the basis that the Diversified lifecycle growth phase is expected to offer a suitable level of risk, and the expected level of pension savings at retirement is likely to result in members withdrawing their savings as a single cash lump sum.

Fee basis

29. Members bear the management charges on the funds in which they invest which cover the provision of investment services. These fees are charged by an adjustment to the unit prices within the funds, calculated daily on the value that day. The Trustee believes the charging structure is appropriate and in line with standard market practice. The Principal Company meets the administration and communication costs of the ITV DC Plan.

Expected risk and return

30. The investment options include the following assets and have the following risk and expected return characteristics:

- **Equities** – expected to produce returns in excess of rates of salary and price inflation in the medium to long term. Capital values may be highly volatile in the short term.
- **Diversified assets** – expected to produce returns in excess of rates of salary and price inflation in the medium to long term. Capital values may be volatile in the short term although this is expected to be less than for equities.
- **Property and Infrastructure shares** – aims to provide good growth via diversified exposure to global developed property shares and global listed infrastructure markets.
- **Bonds** – capital values are likely to be less volatile than equities but tend to produce lower returns in the medium to long term. The value of some bonds is expected to move broadly in line with the price of annuities, providing some protection to the ‘purchasing power’ of a member’s account near to retirement when used to provide a pension income (annuity).
- **Cash** – low risk to capital and asset values are easily realisable with limited investment returns associated with the low risk nature of the assets.

Within the DC Section a closed legacy fund exists which invests part of its assets in commercial property. Once the restrictions on transactions imposed by the fund manager are lifted the Trustee will allocate the proceeds to an appropriate alternative option.

Monitoring and reviewing investments under the ITV DC Plan

31. The Pensions Regulator expects Trustee Boards to regularly review their investment fund options and consider the demographics of the membership when doing so.
32. The Trustee reviewed the ITV DC Plan’s investment strategy during the period 2021-2023. Changes to both the Guided and Customised strategies were implemented in 2023. In carrying out its reviews, the Trustee considers all relevant factors in determining whether this Statement and the associated risks remain appropriate.

Monitoring investment performance

33. The Trustee considers regular performance monitoring data with its investment advisers on a quarterly basis.

Investment manager monitoring

34. The continuing suitability of the ITV DC Plan’s investment managers will be reviewed by the Trustee at least annually. The review will be based on the results of the Trustee’s regular monitoring of the Investment Managers’ performance and investment processes and their compliance with the requirements of the Pensions Act concerning diversification and suitability of investments, where relevant.

Other matters

Responsible Investment and corporate governance

35. The Trustee defines Responsible Investment as investing to meet present and future needs through management of long-term risks and opportunities, which involves considering all financially material factors, including environmental (including climate risk), social and governance (ESG) issues within a broader risk management framework. The Trustee takes account of members' investment time horizons and objectives when considering these factors to help the ITV DC Plan and its agents (including the advisors and investment managers) make more informed investment decisions to produce better investment outcomes.
36. The Trustee considers Responsible Investments to be an important and relevant issue and follows a policy of encouraging effective stewardship to influence this with fund managers across the investment strategy. The Trustee recognises the UK Stewardship Code as best practice and encourages its investment managers, via its investment adviser, to comply with the Code or explain where they do not adhere to this policy.
37. The Trustee believes that the incorporation of ESG factors into investment decision making is likely to have a positive impact on the risk-adjusted performance of assets over the medium to long term. The most recent investment strategy review undertaken by the Trustee, supported by its investment adviser, involved detailed analysis of ESG factors and the potential for these factors to impact the future risk and return profile of DC investments. As a result, the Trustee believes that the incorporation of ESG factors is in the best long-term financial interests of its members. Where applicable in the overall fund range, consideration of all financially material factors, including ESG-related issues is delegated to the investment managers. The Trustee explores these issues with its advisers on a regular basis to understand the investment managers' Responsible Investment processes and approach and how they exercise these duties in practice. The extent to which investment managers integrate and consider ESG factors, and their approach to stewardship (comprising voting and engagement) is a criteria used as an input for the selection of new asset managers.
38. In addition the Trustee has incorporated ESG and climate-focused funds within the Guided and Customised investment strategies.
39. The assets of the ITV DC Plan are invested in pooled funds. As such, the day to day management of the ITV DC Plan's assets are delegated to professional investment managers. Therefore, the exercise of the ITV DC Plan's corporate governance powers, including its voting rights, with respect to relevant matters including the capital structure of investee companies, actual and potential conflicts, other stakeholders and the ESG impact of underlying holdings is delegated to and directly carried out by the investment managers, with oversight by the Trustee where appropriate. When considering its policy in relation to stewardship, the Trustee expects investment managers to address broad ESG considerations, but has identified climate change, biodiversity, income equality, governance and remuneration as stewardship priorities, and consequently, these are key areas of focus for the Trustee.

40. The Trustee periodically reviews stewardship activity undertaken by their investment managers to ensure that the policies and priorities outlined above are being met and may explore these issues with its investment managers as part of the ongoing monitoring of the ESG integration and stewardship activities of its investment managers. This includes reviewing significant votes undertaken by the investment managers in the priority areas, and reporting on these in the Trustee's annual Implementation Statement.
41. The Trustee acknowledges that ESG is a complex topic and the Trustee recognises it has a role to inform and communicate these complexities to members as part of its aim to engage with members. To that end, a survey of DC Section members was conducted in the Spring of 2021, seeking views on sustainability, ESG and a range of non-financial (ethical) matters. As part of the review of the Guided and Customised strategies the Trustee considered the extent to which members' views should be incorporated into the range of investment options offered. The Trustee believes that the incorporation of ESG and climate-focused funds within the Guided and Customised investment strategies broadly reflects the views of members, although the Trustee decided to implement this investment change on the basis of financial rather than non-financial factors.

Arrangements with investment managers

42. Alignment between an investment manager's management of the ITV DC Plan's assets and the Trustee's policies and objectives is a fundamental part of the appointment process of a new investment manager. As the ITV DC Plan only invests in pooled investment funds, the Trustee cannot directly influence or incentivise investment managers to align their management of the funds with the Trustee's own policies and objectives. However, the Trustee will seek to ensure that the investment objectives and guidelines of any investment fund used are consistent with its own policies and objectives. The Trustee will also seek to understand the investment manager's approach to Responsible Investment (including engagement).
43. The Trustee is responsible for monitoring the investment funds and managers. As part of this, the Trustee will provide investment managers with the most recent version of this Statement of Investment Principles on a regular basis to ensure managers are aware of the Trustee's expectations regarding how the ITV DC Plan's assets are being managed.
44. Should the Trustee's monitoring processes reveal that an investment fund's objectives and guidelines, or an investment manager's approach to Responsible Investment, do not appear to be sufficiently aligned with the Trustee's policies, the Trustee will, with the assistance with its advisers, engage with the investment manager to ascertain the reasons for this and whether closer alignment can be achieved. If this is not possible the Trustee may consider alternative options available in order to terminate and replace the manager.
45. The Trustee appoints its investment managers with an expectation of a long-term partnership, which encourages active ownership of the ITV DC Plan's assets. For most of the ITV DC Plan's investments, the Trustee expects the investment managers to invest with a medium to long time horizon, and the Trustee incentivises investment managers to use their engagement activity to drive improved performance over these periods.

46. When assessing an investment manager's performance, the focus is on longer-term outcomes, and the Trustee would not expect to terminate an investment manager's appointment based purely on short term performance. However, an investment manager's appointment could be terminated within a shorter timeframe due to other factors such as a significant change in business structure or the investment team.
47. Investment managers are paid a fee expressed as a percentage of assets managed, in line with normal market practice, for a given scope of services which includes consideration of long-term factors and engagement.
48. The Trustee reviews the costs incurred in managing the ITV DC Plan's assets on a regular basis, which includes the costs associated with portfolio turnover. In assessing the appropriateness of the portfolio turnover costs at an individual investment manager level, the Trustee will have regard to the actual portfolio turnover and how this compares with the expected turnover range for that type of fund.

Realisation of investments

49. The ITV DC Plan seeks to offer only investment options that can be readily realised which allows members to access funds quickly and easily. The investments are daily dealt and this aims to provide benefits on retirement or transfer to another pension arrangement without delay. However, for the DC Section the Plan does invest in one legacy fund which has had historic occurrences of when the funds were not readily realisable due to liquidity issues linked to the fund's investments in direct property. This fund is in the process of being wound up.

Illiquid investments

50. The Trustee has considered carefully whether to make an allocation to illiquid assets within the default arrangements. The Trustee believes allocating to illiquid assets is likely to improve diversification and offers the potential for higher risk adjusted returns. The Plan currently accesses illiquid assets indirectly, through the investments in the pooled fund underlying the Diversified investments fund, a component of the Guided strategies which are classified as defaults, and is also a stand-alone default arrangement in the Customised range. Any investments in illiquid assets in this pooled fund are at the discretion of the investment manager, with decisions taken in the context of the fund's overall risk and return objectives, and currently the investments include property and private market credit investments. The Trustee does not currently have any plans to invest directly in illiquid assets.
51. The age profile of members investing in illiquid assets through this pooled fund will vary and, for the Guided strategies, will be driven by the term to their target retirement age. For Focused strategies members will start to invest in the fund between 7 and 10 years before retirement, and for Phased strategies this will start 20 years before retirement. For Diversified strategies (including the default for the AE Plan) the investment in the pooled fund starts when the member first invests in the strategy. In all cases, members in these Guided strategies will continue to hold a portion of their total investments in this fund through to retirement.

52. The Trustee will continue to consider the use of illiquid investments in the context of improving the Plan's overall risk and return characteristics to improve long-term outcomes for members.

Legacy Additional Voluntary Contribution policies transferred from the ITV Pension Scheme

53. In 2020 an exercise was undertaken to transfer a number of members of the ITV Pension Scheme into the DC Section of the ITV DC Plan. Some of these members held investments with legacy Additional Voluntary Contribution (AVC) providers, and as part of the transfer exercise those policies were also transferred into the ITV DC Plan. These AVC providers are Aviva, Prudential, and Standard Life. These legacy providers are no longer open for members to contribute to or switch into. WTW provides assistance to the Trustee with regards to the monitoring of these legacy AVC policies.
54. The Trustee also regularly monitors the AVC arrangements to ensure that they remain appropriate, noting that these policies have certain terms that may be valued by members, for example capital guarantees or guaranteed annual bonus rates.

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