

15 September 2023

Dear Member

Avon Rubber Retirement and Death Benefits Plan (“the Plan”)**Summary Funding Statement at 31 March 2022**

I enclose the annual funding statement for the Plan, which shows the funding position as at 31 March 2022, which is the date of the latest formal triennial valuation. It also contains details of the funding package agreed with the Company as part of this valuation, which took account of improvements to the funding position which have occurred since March 2022.

You will see that the Plan's funding level has increased from 83% to 91% between 31 March 2019 and 31 March 2022. This is predominantly due to contributions made by the Company and asset performance relative to how the Plan's liabilities have changed.

You will see from the enclosed statement that we have also considered the funding position at more recent dates as part of the valuation process as there have been significant changes in financial markets since the 'mini-budget' of September 2022.

The Trustee will receive an update from the Plan's actuary later in the year on the funding position of the Plan as at 31 March 2023, and the results of this update will be sent to all members. We understand that it looks strange to send you a March 2022 position so long after the date but this is a regulatory requirement and the valuation process has only recently concluded. We have to wait until we have signed off this year's Plan accounts before providing a further update.

Member Nominated Director appointment process

Under the Pensions Act 2004, at least one third of the total number of Directors of the Trustee Board of Avon Rubber Pension Trust Limited must be nominated by members. The remaining Directors are Company Nominated Directors nominated by Avon Protection plc. There are currently six Directors, two of whom are MNDs.

The term of office of the current MNDs, **Eric Fielding** and **David Little** will expire on 1 November 2023 and we are inviting members to submit nominations for the role.

The Pensions Regulator expects the Trustee Board to be able to demonstrate that the MND nomination and selection arrangements adopted are fair, proportionate and transparent and we believe that the arrangements set out below meet these principles.

All active, deferred and pensioner members of the Plan are eligible to nominate themselves. Each nomination will require the signature of two other eligible members. Both Eric and David have advised that they are willing to stand again for re-election.

Please note that we have extended the current MND appointment terms from 1 October to 1 November 2023 while we work through the process. Nominations must be received by 13 October 2023.

ADVANCE WITH CONFIDENCE

Prospective MNDs should note that they will be expected to undergo training, including completion of the Pensions Regulator's online training (accessed via www.trusteetoolkit.com), and to attend up to 6 meetings each year.

You may wish to familiarise yourself with the guidance on becoming a new trustee on the Pensions Regulator's website if you are considering applying (www.thepensionsregulator.gov.uk/en/trustees/understanding-your-role).

A more detailed summary of the nomination process, a description of the requirements of the role of Director and the nomination form are available on the Plan's website at www.avon-protection-plc.com/pensions.

Contacting us

If you have any queries then you can contact us using the details provided on the final page of the Summary Funding Statement.

Yours faithfully

Miles Ingrey-Counter

Chair

Avon Rubber Retirement and Death Benefits Plan