Contributory Pension Fund Annual Report & Accounts

for the year ended 31st December 2023

Cambridge University Press

Contents

Trustee report

Introduction

The Trustee presents its annual report on the Cambridge University Press Contributory Pension Fund, (the "CPF"), together with the investment report, actuary's statements, auditor's report and statements and audited financial accounts for the year ended 31 December 2023.

Nature of the Fund

The CPF is a defined benefit fund which provides retirement and death benefits for eligible permanent employees of the Press (as defined below) and (up until its cessation of participation on 29 June 2012) Cambridge Printing Services Ltd.

The principal employer of the CPF (and now the sole participating and statutory employer) is the Chancellor, Masters and Scholars of the University of Cambridge. The Syndicate of the Press & Assessment of the University of Cambridge (the "Press") acts on behalf of the University in relation to the Fund.

The CPF was established under irrevocable trusts with effect from 12 March 1930, and governed by rules adopted on 21 April 2011, as subsequently amended (the "Rules"). To the extent that these Rules formally document the benefit structure for Cambridge Printing Services Ltd members for the first time, the Rules have backdated effect (so far as is lawful) from 1 September 2007.

IMPORTANT: This report gives a broad summary of the position in relation to the CPF. The legal position, including benefit entitlements for members, is governed by legislation and the formal governing documents for the CPF (including the Rules mentioned above). If there is any discrepancy between this report and either legislation or the formal governing documents, then the legislation and the formal governing documents will prevail. No benefit entitlement arises from this report and no member should rely on this report to take any decision about their benefits.

The CPF is registered with HM Revenue and Customs as a registered pension fund for the purposes of Chapter 2 Part IV of the Finance Act 2004.

A contracting-out certificate, effective from 1 July 1988, was issued to the CPF. The employer's scheme number (ECON) is E3027876C. The scheme number (SCON) is S4003727Q. The CPF ceased to contract out on 5 April 2016.

Additional Voluntary Contributions ("AVCs") paid by members do not secure additional pensionable service under the CPF. Contributions are invested with the Prudential Assurance Society in the name of the individual contributor, and contributors receive an annual benefit statement. When an AVC Fund generated by such contributions reaches maturity on the retirement or death of the member, it may be used to provide either an additional pension or a cash sum, or a combination of both.

Management of the CPF

The CPF is managed by a Trustee company called Press CPF Limited.

Under the Trustee's articles of association, the Press has the power to remove from or appoint any director of the Trustee to their office, subject to the requirements of the Pensions Act 2004 (which requires arrangements to be put in place allowing for at least one-third of the total number of directors of the Trustee Company to be nominated by members of the CPF).

The following list shows the names of the Trustee Directors who served during the year. The list is split between Press nominated and member nominated.

Name of Trustee Director:	Press/member nominated:	Date term expires:
Capital Cranfield Pension Trustees Limited represented by William Medlicott	Press	
Catherine Armor	Press	
John Haslam	Press	
Roger Astley	Member nominated	06/03/2024
Catherine Ashbee	Member nominated	08/09/2024
Mark Whitehouse	Press	08/09/2025

Changes in rules

There were no changes to the rules during 2023.

Trustee meetings

Trustee meetings are normally held quarterly.

The Trustee of the Senior Staff Pension Scheme (SSPS), together with the trustee of the CPF, also meet jointly.

Terms of reference for the management of joint meetings and decision-making processes were signed on 17 February 2015, which make clear that all decisions in relation to investment for the CPF are made solely by Trustee of the CPF.

Trustee responsibilities

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

- show a true and fair view of the financial transactions of the CPF during the fund year and of the amount and disposition at the end of the fund year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the fund year; and
- contain the information specified in the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the Statement of Recommended Practice ''Financial Reports of Pension Schemes''.

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the CPF will not be wound up.

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

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the CPF and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Advisers and service providers

Name	Advice/service provided
Mr Keith Williams FIA, First Actuarial LLP	Actuarial
Crowe U.K. LLP	Auditing of accounts
Barclays Bank PLC	Banking
Addleshaw Goddard LLP	Legal
Barnett Waddingham LLP	Investment Fund advice
Baillie Gifford Life Ltd (until January 2023)	Fund management
Legal & General Investment Management	Fund management
CBRE	Fund management
Hermes	Fund management
Apollo	Fund management
Insight Investments	Fund management

Scheme administration

The day-to-day administration of the Scheme was provided throughout 2023 by the University of Cambridge Pensions Office led by Sue Curryer, Head of Pensions Administration. Fiona Kelly is the Scheme Secretary. The Scheme Secretary is responsible for organising Trustee meetings and managing liaison between Trustee, Press, University, and advisers.

The contact address for general and benefit enquiries is University of Cambridge Pensions Office, Greenwich House, Madingley Road, Cambridge CB3 0TX; Email address: pensionsonline@admin.cam.ac.uk

Transfer values

Transfer values are accepted at the discretion of the Trustee for contributing members and are applied to awarding additional pensionable service.

All cash equivalents (transfer values) paid during the year were calculated and verified in the manner required by regulations issued under the Pension Schemes Act 1993. There are no discretionary benefits included in cash equivalent transfer values. A revised basis for calculating transfer values was adopted on 7 March 2017 following recommendations from the CPF actuary following the completion of the triennial valuation.

Increases in pension benefits

The Rules make provision for increases in pensions in payment and deferred pensions. Both pensions in payment and deferred pensions (excluding any benefits accrued under the Printing section post 1 September 2007) were increased from 1 January 2023 by a 6% increase. Any proportion of pension accrued under the Printing section post 1 September 2007 was increased by 2.5% and deferred members 5%. These increases were made in accordance with the Rules. Any members who retired or left the schemes during the current scheme year, will receive a pro rata increase. There were no discretionary increases during the year.

As set out in note 12, the Trustee is aware that there has been some deviation between administrative practice and the rules of the Scheme in revaluing pensions at the point of being put into payment from active or deferment for the first time. As a result, some members may have received a lower first increase in deferment or payment than required under the CPF Rules. The Trustee is seeking to correct this issue as quickly as possible.

At this stage, no accrual is made for any additional liability in these accounts and the 2022 valuation and subsequent updates to that valuation do not reflect the resolution of this issue.

Scheme membership

The total membership of the Scheme was 761 at 31 December 2023. The breakdown of this total, showing the movement between categories of members since the previous year, is:

Active members	**2023**	**2022**
Number at start of period	43	48
Adjustment for late notification	-2	-
Transfers to deferred	-3	-1
Transfers to pensioners	-2	-4
Death in service	-	-
Number at end of period	**36**	**43**
Deferred members		
Number at start of period	147	164
Adjustment for late notification	4	
Brought in to payment	-15	-18
Transfers from Active membership	3	1
Died	-2	
Number at end of period	**137**	**147**
Pensioners		
Number at start of period	481	480
Transfers from active membership	2	4
Deferred into payment	15	18
Died	-9	-21
Number at end of period	**489**	**481**
Dependants in payment		
Number at start of period	101	105
Adjustment for late notification	3	3
New dependants	3	5
Dependant child pensions ceased	-	
Death of dependants	-8	-12
Number at end of period	**99**	**101**
Total membership	**761**	**772**

Financial development of the Scheme

The audited financial accounts on pages 24 to 31 of this report show that the value of the Scheme's assets increased by £9.5 million to £161.6 million. The increase was comprised of investment gains of £16.5 million, less net outgoings from dealing with members of £7.0 million. These accounts have been prepared and audited in accordance with regulations made under s41(1) and (6) of the Pensions Act 1995. The Trustee's responsibilities in relation to the financial accounts are set out on page 3.

The CPF, like other pension funds, is mainly concerned with long-term results. Short-term movements in capital values, up or down, are of limited relevance, when considering pension liabilities many years ahead.

The Trustee has considered the nature, disposition, marketability, security and valuation of the CPF's investments and considers them to be appropriate relative to the reasons for holding each class of investment.

The remaining investments (approx. 0.9%) are with Prudential (Members' Funds) and interest- bearing deposits. No part of the PIVs (Pooled investment vehicles) are invested in Cambridge University Press or the University of Cambridge.

Actuarial position

The most recent triennial actuarial valuation was carried out as at 1 January 2022 in a report dated 30 March 2023. The results of the valuation showed that the market value of the assets at £178.7m was equal to 90.9% of the technical provisions of £196.6m. The funding position was updated to 31 January 2023 allowing for post valuation date experience and this showed a surplus of £1.8m. After considering the results of the valuation and of the updated funding position as at 31 January 2023, the Trustee and the Press agreed that the Press was not required to pay any shortfall contributions. The Trustee agreed a revised Schedule of Contributions on 8 March 2023 (see pages 18, 20 and 21) with the Press, which includes contributions in respect of continuing accrual. In addition, the Press continues to pay all CPF administration costs and PPF levies.

The Scheme Actuary's valuation report indicated that at 1 January 2022 the assets of the CPF should be sufficient to support approximately 61% of its liabilities if it became necessary to buy out members' benefits with an insurer, in the event of the CPF winding-up. The valuation for Pension Protection Fund (the "PPF") purposes (pursuant to section 179 of Pensions Act 2004) showed a funding level of 91%. This means that as at the valuation date of 1 January 2022 the assets of the CPF would not have been sufficient, if the Fund were to be wound up in circumstances where the University was unable to make good the full funding shortfall, to provide benefits whose value exceeds the PPF levels of compensation.

Investment objectives and strategies

The Trustee's main investment objectives are:

- That the Fund should be able to meet benefit payments as they fall due, by maintaining an adequate level of funding for members' benefits. The benefit payments payable are defined by the Fund's Trust Deed and Rules. The Fund's assets are held by the Trustee for this purpose.
- That the Fund's funding position (i.e., value of its assets relative to the assessed value of its liabilities) should remain at an appropriate level.

The Trustee is aware that there are various measures of funding and have given due weight to those considered most relevant to the Fund. In particular, the Trustee has considered the funding requirements detailed in the Occupational Pension Schemes (Scheme Funding) Regulations 2005 and subsequent amendments.

The Cambridge University Press Joint Trustee boards have taken advice on the suitability of the investments of both the Senior Staff Pension Scheme ("SSPS") and the Fund considering the liability profiles of both schemes.

The Fund's assets are invested in pooled funds managed by the Fund's investment managers.

At the year end, the Fund invests primarily in the following asset classes: equities, corporate bonds, multi asset credit, and UK property. The Trustee Boards believe that by diversifying appropriately across both asset classes and investment managers, the risk from individual securities is minimised. The majority of the funds that the Fund invests in deal on a daily or weekly basis.

Safekeeping of the physical assets underlying the pooled funds is performed by the custodians appointed by the investment managers.

The Fund does not invest in any employer-related investments.

Strategy as at 31 December 2023

At the end of 2023 the Fund's assets were invested in nine funds with five asset managers. In January 2023 the Fund made a 20% allocation to Insight's Index-Linked Gilts and increased the strategic allocation to Insight's Maturing Buy & Maintain Credit Funds from 10% to 20%. The Fund made these changes using proceeds from disinvesting from the LGIM Short-Dated Sterling Corporate Bond Index Fund, LGIM Sterling Liquidity Fund and Baillie Gifford Diversified Growth Fund.

The Fund invests in two funds with LGIM, four funds with Insight and in one fund each with CBRE, Hermes Investment Management, and Apollo Global Management.

The table below sets out the Fund's broad allocation of assets as at 31 December 2023.

Manager	Asset Class	Allocation	Investment Objective
LGIM	Future World Global Equity Index Fund	22%	To track the performance of the Solactive L&G ESG Global Markets Index (less withholding tax where applicable) to within +/-0.60% p.a. for two years out of three
	Future World Global Equity Index Fund – GBP hedged	22%	To track the performance of the Solactive L&G ESG Global Markets Index - GBP Hedged (less withholding tax where applicable) to within +/-0.60% p.a. for two years out of three
CBRE	Property	2%	The fund is winding up and so the objective no longer applies
Hermes	Multi Asset Credit	9%	To generate a high level of income by primarily investing in a diversified portfolio of credit securities including investment grade bonds, high yield bonds, credit default swaps and money market securities (including commercial bank loans) while exhibiting lower volatility relative to the global high yield market
Apollo	Multi Asset Credit	8%	To outperform SONIA by 6-8% pa before fees (equivalent to 5.2 – 7.2% pa after fees)
Insight	Maturing Buy & Maintain Credit Funds	18%	To generate a return for investors by investing primarily in a portfolio of debt securities. Each fund aims to deliver annual returns for investors principally from the maturity of investments within the maturity period specified in the name of each fund.
	Index-Linked Gilt Funds	19%	To deliver nominal and inflation-linked return through primarily investing in UK government index-linked gilts, on a fully funded basis
	Total	**100%**	

This strategy is implemented through investments in pooled funds. The investment managers and AVC providers are authorised and regulated by the Financial Conduct Authority, the Central Bank of Ireland or the U.S. Securities and Exchange Commission.

Since the year-end, the Trustees have made some additional changes to the Fund's investment strategy and a new SIP was agreed in April 2024. In particular, the Fund has made an 18% allocation to Insight's Leveraged Gilt and Index-Linked Gilt Funds, a 6% allocation to Insight's Global ABS Fund, a 4% allocation to Insight's Liquidity Plus Fund and a 2% allocation to Insight's Liquid ABS Fund. The Fund has made these changes using proceeds from disinvesting from the Insight Index-Linked Gilt Funds and reducing the strategic allocation to the LGIM Future World Global Equity Index Funds (hedged and unhedged versions) from 40% to 30%.

In addition, the CBRE UK Osiris Property Fund was terminated on 19th March 2020 and as such is undergoing an orderly wind up. The Property allocation will be gradually diminished over time as the Fund's holdings are distributed.

Statement of investment principles

The Trustee is required under The Occupational Pension Schemes (Investment) Regulations 2005 to prepare and maintain a Statement of Investment Principles as described by Section 35 of the Pensions Act 1995, as amended by the Pensions Act 2004. A statement has been prepared in accordance with these regulations, approved by the Trustee having taken appropriate advice and consulting the Employer. A copy of the statement may be obtained from the Secretary to the Trustee at the administration office and is also available publicly online:

https://www.pensions.admin.cam.ac.uk/files/cpf_sip.pdf

The Trustee aims to be a responsible investor in a manner which is consistent with its investment objectives and legal duties, believing this approach to protect and to enhance the value of the Fund's assets. The Trustee therefore expects its investment managers to integrate material extra-financial factors (such as corporate, environmental, social, governance and ethical considerations) into the selection, retention and realisation of the Fund's investments;

- to give appropriate weight to such extra-financial factors in the monitoring of the policies and practices of current and potential investee companies;
- to follow good practice themselves;
- to encourage good practice in investee companies, including where feasible by the exercise of voting rights attaching to the Fund's investments;
- to consider collaboration with others, as permitted by relevant legal and regulatory codes, where collaboration is likely to be the most effective mechanism for encouraging issues to be addressed;
- to choose the investment which seems best to reflect material extra-financial factors if there is a choice to be made between two or more investments with identical financial properties;

Environmental, Social and Governance ("ESG")

The Trustee believes that Environmental, Social and Governance ("ESG") factors are financially material – that is, they have the potential to impact the value of the members' investments from time-to-time. The Trustee takes these factors into account, alongside other factors, in their decisions in relation to the selection, retention and realisation of the Fund's investments. Given the Fund remains open to accrual and the objective to fund future member benefits from the Fund's assets as they fall due, the Trustee has a long-term time horizon, which is not likely to be less than 20 years from the date of this Statement of Investment Principles, over which it takes into account the financial materiality of ESG factors (including, but not limited to, climate change). The Trustee appreciates that the method of incorporating ESG in the investment strategy and process will differ between asset classes.

The Trustee has elected to invest the Fund's assets through pooled funds. The choice of underlying funds is made by the Trustee after taking advice from their investment consultant and having reviewed the managers of the underlying funds approach to incorporating ESG factors in their decisions in relation to the selection, retention and realisation of investments and taking into account UNPRI scores where appropriate.

The Trustee is comfortable that the funds currently invested in by the Fund are managed in accordance with their views on financially material factors, as set out in this policy. This position is monitored annually. As part of the monitoring process the Trustee is provided with quarterly updates on governance and engagement activities of the managers and input from the investment advisors on ESG matters. The Trustee has the opportunity to meet the managers and question them on policies, such as how ESG considerations are taken into account in decisions to realise investments. The views set out below will be taken into account when appointing and reviewing managers.

A summary of the Trustee's views for each asset class in which the Fund invests is outlined below.

Passive Equities

The Trustee accepts that fund managers must invest in line with the specified index and, however, the Trustee invest the passive equities via a fund where ESG considerations are reflected and some exclusions and adjustments are made on ESG grounds provided that it does not have a meaningful impact on the tracking error of the fund. The Trustee believes that positive engagement on ESG issues can lead to improved risk-adjusted returns. Therefore, the Trustee looks to the passive equity manager to positively engage with companies where there is scope to improve the way ESG issues are taken into account when running the company. However, engagement activities (including the exercise of rights) should be consistent with, and proportionate to, the rest of the investment process.

Multi-asset funds

The Trustee believes that ESG issues will be financially material to the risk-adjusted returns achieved by the Fund's multi-asset fund managers. The investment process for any multi-asset fund manager should take ESG into account when selecting holdings. The Trustee also supports engagement activities and, where relevant, the exercise of rights attaching the investments by the Fund's multi-asset fund manager. However, the process for incorporating ESG issues should be consistent with, and proportionate to, the rest of the investment process.

Credit

The Trustee believes that ESG issues will be financially material to the risk-adjusted returns achieved by the Fund's credit holdings. The investment process for the manager should take ESG into account when selecting holdings. The Trustee also supports engagement activities, although they appreciate that fixed income assets do not typically provide voting rights. The process for incorporating ESG issues should be consistent with, and proportionate to, the rest of the investment process.

Policy on the exercise of voting rights and engagement activities

The Trustee's policy on the exercise of rights attaching to investments, including voting rights, and in undertaking engagement activities in respect of the investments is that these rights should be exercised by the investment managers on the Trustee's behalf. The Trustee has taken into consideration the Financial Reporting Council's UK Stewardship Code, and is supportive of the Code. However, the Trustee cannot usually directly influence the managers' policies on the exercise of investment rights where the Trustee holds assets in pooled funds. This is due to the nature of these investments. The Trustee receives reporting on the voting and engagement policies of the fund managers and considers these as part of manager appointment and review processes.

The Trustee expects that the investment managers will use their influence as major institutional investors to exercise the Trustee's rights and duties as shareholders and will reflect the recommendations of the Code. This includes where appropriate engaging with underlying investee companies to promote good corporate governance, accountability and to understand how those companies take account of ESG issues in their businesses.

The Trustee does not undertake engagement activities itself, however, the Trustee will monitor and engage with the investment managers about relevant matters (including matters concerning an issuer of debt or equity, including their performance, strategy, capital structure, management of actual or potential conflicts of interest, risks, social and environmental impact and corporate governance), through the Fund's investment consultant.

Investment managers will be asked to provide details of their stewardship policy and engagement activities on at least an annual basis including information on the proportion of voting rights which have been exercised and key voting decisions. The Trustee will, with input from their investment consultant, monitor and review the information provided by the investment managers and will review data on this on an annual basis. Where possible and appropriate, the Trustee will engage with their investment managers for more information and ask them to confirm that their policies comply with the principles set out in the Financial Reporting Council's UK Stewardship Code.

The Trustee acknowledges the importance of ESG and climate risk within their investment framework. When delegating investment decision making to their investment managers they provide their investment managers with a benchmark they expect the investment managers to either follow or outperform. The investment manager has discretion over where in an investee company's capital structure it invests (subject to the restrictions of the mandate), whether directly or as an asset within a pooled fund.

The Trustee is of the belief that ESG and climate risk considerations extend over the entirety of a company's corporate structure and activities, i.e. that they apply to equity, credit and property instruments or holdings. The Trustee also recognises that ESG and climate related issues are constantly evolving and along with them so too are the products available within the investment management industry to help manage these risks.

The Trustee considers it to be a part of their investment managers' roles to assess and monitor developments in the capital structure for each of the companies in which the managers invest on behalf of the Fund or as part of the pooled fund in which the Fund holds units.

The Trustee also considers it to be part of their investment managers' roles to assess and monitor how the companies in which they are investing are managing developments in ESG related issues, and in particular climate risk, across the relevant parts of the capital structure for each of the companies in which the managers invest on behalf of the Fund.

Should an investment manager be failing in these respects, this should be captured in the Fund's regular quarterly performance monitoring and annual ESG monitoring. In the event of an investment manager not meeting expectations in respect of these matters, further engagement would take place with the investment manager and further action could include a review of the appointment.

Through their consultation with the employer when setting this Statement of Investment Principles, the Trustee has made the employer aware of their policy on ESG and climate related risks, how they intend to manage them and the importance that the pensions industry as a whole, and its regulators, place on them.

The Fund's investment consultant is independent and no arm of their business provides asset management services. This, and their FCA Regulated status, makes the Trustee confident that the investment manager recommendations they make are free from conflict of interest.

The Trustee expects all investment managers to have a conflict of interest policy in relation to their engagement and ongoing operations. In doing so the Trustee believes they have managed the potential for conflicts of interest in the appointment of the investment manager and conflicts of interest between the Trustee/investment manager and the investee companies.

In selecting and reviewing their investment managers, where appropriate, the Trustee will consider investment managers' policies on engagement and how these policies have been implemented.

Policy for taking into account non-financial matters

The Trustee does not consider any non-financial matters when constructing the investment strategy and/or when selecting or reviewing fund managers. That is that the Trustee does not take into account the views of Fund members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future qualify of life of the members and beneficiaries of the Fund (referred to as "non-financial matters" in the relevant Regulations) in the selection, retention and realisation of investments. The Trustee does not expect their managers to consider any non-financial factors in the selection, retention and realisation of underlying holdings in the pooled funds. The Trustee expects that exclusions made by the fund managers are made on the basis of financial risk and returns.

Incentivising alignment with the Trustee's investment policies

Prior to appointing an investment manager, the Trustee discusses the investment manager's approach to the management of ESG and climate related risks with the Fund's investment consultant, and how their policies are aligned with the Trustee's own investment beliefs.

When appointing an investment manager, in addition to considering the investment manager's investment philosophy, process and policies to establish how the manager intends to make the required investment returns, the Trustee also considers how ESG and climate risk are integrated into these. If the Trustee deems any aspect of these policies to be out of line with their own investment objectives for the part of the portfolio being considered, they will consider using another manager for the mandate.

The Trustee carries out a strategy review at least every three years where they assess the continuing relevance of the strategy in the context of the Fund's membership and their aims, beliefs and constraints. The Trustee monitors the investment managers' approach to ESG and climate related risks on an annual basis.

In the event that an investment manager ceases to meet the Trustee's desired aims, including the management of ESG and climate related risks, using the approach expected of them, their appointment may be terminated. The investment managers have been informed of this by the Trustee.

Investment manager ESG policies are reviewed in the context of best industry practice and feedback will be provided to the investment manager.

Incentivising decisions based on assessments about medium to long term, financial and non-financial considerations

The Trustee is mindful that the impact of ESG and climate change has a long-term nature. However, the Trustee recognises that the potential for change in value as a result of ESG and climate risk may occur over a much shorter term than climate change itself. The Trustee acknowledges this in their investment management arrangements.

When considering the management of objectives for an investment manager (including ESG and climate risk objectives), and then assessing their effectiveness and performance, the Trustee assesses these over a rolling timeframe. The Trustee believes the use of rolling timeframes, typically 3 to 5 years, is consistent with ensuring the investment manager makes decisions based on an appropriate time horizon. Where a fund may have an absolute return or shorter term target, this is generally supplementary to a longer term performance target. In the case of assets that are actively managed, the Trustee expects this longer term performance target to be sufficient to ensure an appropriate alignment of interests.

The Trustee expects investment managers to be voting and engaging on behalf of the Fund's holdings and the Trustee (assisted by the Trustee's investment consultants) monitors this activity and reports on these areas within the Implementation Statement in the Fund's Annual Report and Accounts. The Trustee does not expect ESG considerations to be disregarded by the investment managers in an effort to achieve any short term targets.

The Trustee does not expect their asset managers to consider or make decisions based on non-financial matters as set out in Appendix 2 of the Statement of Investment Principles (SIP).

Method and time horizon for assessing performance

The Trustee monitors the performance of their investment managers over medium to long term periods that are consistent with the Trustee's investment aims, beliefs and constraints. Investment monitoring is provided to the Trustees on a quarterly basis at an individual fund and total Fund level and covering quarterly, annual and multi-year performance. Investment manager performance is monitored relative to their respective benchmarks and objectives as well as relative to peers, expectations for the mandate and the wider market. .

The Fund invests exclusively in pooled funds. The investment manager is remunerated by the Trustee based on the assets they manage on behalf of the Trustee. As the funds grow, due to successful investment by the investment manager, they receive more and as values fall they receive less.

The Trustee believes that this fee structure, including the balance between any fixed and performance related element, enables the investment manager to focus on long-term performance without worrying about short term dips in performance significantly affecting their revenue. The Trustee considers that the fee structure is consistent with their investment policies.

The Trustee asks the Fund's investment consultant to assess if the asset management fee is in line with the market when the manager is selected, and the appropriateness of the annual management charges are considered annually and as part of any review of the Statement of Investment Principles.

Portfolio turnover costs

The Trustee acknowledges that portfolio turnover costs can impact on the performance of their investments. Overall performance is assessed as part of the quarterly investment monitoring process.

During the investment manager appointment process, the Trustee may consider both past and anticipated portfolio turnover levels. When underperformance is identified, deviations from the expected level of turnover may be investigated with the investment manager concerned if it is felt they may have been a significant contributor to the underperformance. Assessments reflect the market conditions and peer group practices. The Trustee acknowledges that for some asset classes, such as LDI, a higher turnover of contracts such as repurchase agreements, can be beneficial to the fund from both a risk and cost perspective.

Duration of arrangement with asset manager

For the open-ended pooled funds in which the Fund invests, there are no predetermined terms of agreement with the investment managers.

The suitability of the Fund's asset allocation and its ongoing alignment with the Trustee's investment beliefs is assessed every three years, or when changes deem it appropriate to do so more frequently. As part of this review the ongoing appropriateness of the investment managers, and the specific funds used, is assessed.

Performance to 31 December 2023

Over the course of 2023, the Fund's investment portfolio returned 10.8%.

The table below gives the performance of the individual funds over periods to 31 December 2023. Performance is shown after the deduction of fees with the exception of LGIM and CBRE whose performance are shown before the deduction of fees. Longer term performance of the Insight funds is not currently available as the Fund has not been invested over that period.

LGIM*	1 year (%)	3 year (% pa)	5 year (% pa)
Unhedged overseas equities	16.5	8.5	n/a
Solactive L&G ESG Global Markets Index	16.2	8.2	n/a
Hedged overseas equities	21.6	7.1	n/a
Solactive L&G ESG Global Markets Index - GBP Hedged	21.3	6.8	n/a

CBRE	1 year (%)	3 year (% pa)	5 year (% pa)
Property	-3.8	-1.0	-1.5
MSCI/AREF UK QPFI All Balanced Property Fund Index	-1.4	2.1	1.3

Hermes	1 year (%)	3 year (% pa)	5 year (% pa)
Multi Asset Credit	8.2	-0.7	4.3
Bank of America Merrill Lynch High Yield Credit Index	11.9	0.2	3.5
Apollo	1 year (%)	3 year (% pa)	5 year (% pa)
Multi Asset Credit	9.1	3.0	5.0
SONIA + 5.2% pa	10.0	7.1	6.6

Insight**	1 year (%)	3 year (% pa)	5 year (% pa)
Maturing Buy and Maintain Credit Fund 2021-2025	6.3	n/a	n/a
Benchmark based on iBoxx GBP Corporates Index	5.6	n/a	n/a
Maturing Buy and Maintain Credit Fund 2026-2030	10.5	n/a	n/a
Benchmark based on iBoxx GBP Corporates Index	9.7	n/a	n/a
Index-Linked Gilts 2041-2050 Fund	n/a	n/a	n/a
UK Index-Linked Gilts of the same maturity	n/a	n/a	n/a
Index-Linked Gilts 2041-2050 Fund	n/a	n/a	n/a
UK Index-Linked Gilts of the same maturity	n/a	n/a	n/a

*The Fund first invested in the LGIM Future World funds in October 2020 and so 5-year performance is not currently available.

**The Fund first invested in the Insight MBAM funds on 8 July 2022 and the Insight Index-Linked Gilt Funds on 16 January 2023 and so long-term performance is not currently available.

Investment Adviser Commentary

Economic and market conditions to 31 December 2023

Economic environment

In the 12-month period to 31 December 2023, the dominant economic factors have been persistently high but falling inflation and further rises in interest rates. After inflation reached its highest rate since the early 1980's in both the UK and US during the second half of 2022, the Federal Reserve, Bank of England, and European Central Bank raised interest rates considerably over the year to 31 December 2023. However, by the end of the year inflation had fallen significantly and markets began to price in interest rate cuts in 2024.

US CPI inflation peaked in June 2022 at 9.1%, whilst UK and EU inflation reached a higher and later peak in October 2022, with UK CPI inflation reaching 11.1% and Eurozone inflation reaching 10.6%. This high level of inflation forced central banks to raise interest rates at the fastest pace in several decades and to reduce or reverse asset purchase programmes. By the end of 2022, interest rates had reached 3.5% (Bank of England), 4.25-4.50% (Federal Reserve) and 2.5% (ECB), their highest levels since the Global Financial Crisis.

The scale and pace of the rate rises enacted by central banks in 2022 and early 2023 contributed to significant disruption across markets. In March 2023 two US banks, Silicon Valley Bank and Signature Bank, failed with the US government having to step in to guarantee deposits. These were the first failures of a large US bank since 2008. The failure of Silicon Valley Bank in particular, was closely tied to its inability to adjust to the swift rise in central bank interest rates. The failures caused wider disruption in banking markets that spread to Credit Suisse, which had been suffering from falling deposits for some time. This required the Swiss government to step in and arrange for UBS to purchase Credit Suisse. By the end of the second quarter of 2023 the disruption had subsided, and the overall market impact was limited outside the banking sector.

Through the second and third quarters of 2023 inflation continued to fall but remained well above its target range in most major economies. As a result, while central banks continued to raise interest rates, the pace of rate rises began to slow. In the US, inflation fell sharply in the second quarter to 3.0% in June 2023, allowing the Federal Reserve to leave interest rates unchanged at its June and September meetings. While the Bank of England also chose not to raise rates for the first time in 21 months at its September 2023 meeting, UK and Eurozone inflation did not experience such a sharp slowdown until the final quarter of 2023. UK CPI fell from 6.7% in September to 4.0% in December and Eurozone inflation fell from 4.3% and 2.9% over the same period. As a result, while central banks continued to hold interest rates steady over the fourth quarter, markets began to price in aggressive rate cuts with markets pricing in approximately five 0.25% cuts to occur in both the US and UK over 2024.

Growth in the US was stronger than expected, growing by 3.0% over the first three quarters of the 2023. Falling inflation, coupled with strong US economic growth over 2023 boosted market hopes for a "soft landing" in the global economy (where inflation falls back to target without a significant recession). This caused global equities to enjoy a very strong final quarter, adding to gains made earlier in the year by large US technology stocks. Growth prospects appear much less favourable in the UK and Eurozone economies, which both grew by only 0.2% over the first three quarters of 2023.

Over the year, all major central banks tightened monetary policy in response to significantly above target inflation.

- The Bank of England (BoE) raised the base rate from 3.50% to 5.25% over the year to 31 December 2023. In September 2023 meeting, the Bank announced that it would increase the pace at which it will reduce the stock of gilts held on its balance sheet to £100 billion per year. Around half of this reduction will come from not reinvesting proceeds as bonds reach maturity and around half from active sales.

- The European Central Bank (ECB) raised its main lending rate from 2.50% to 4.50% over the year to 31 December 2023. The ECB decided to cease all reinvestment of the proceeds from the Asset Purchase Programme assets in July 2023.

- The Federal Reserve (The Fed) raised the Federal Funds Rate range from 4.25%-4.50% at the beginning of the year to 5.25%-5.50% in December 2023. Since September 2022, the Federal Reserve has partially halted reinvestment of the proceeds of maturing assets such that its balance sheet will shrink by $60 billion per month.

Market Performance

The 12 months to 31 December 2023 saw positive returns across equities and bonds, but negative returns for property.

- **Equities:** Overall, global equities produced a positive return across all major regions. The FTSE All World rose by 22.1% over the year to 31 December 2023. The best performing region, in local currency terms, was Japan (+28.2%), and the worst performing region was UK (+7.9%).

- **Bonds:** Over the year to 31 December 2023, UK gilt yields fell slightly at maturities below 15 years but have risen at longer maturities. UK fixed interest gilts (all stocks) produced positive returns (+3.7%) and UK index-linked gilts (all stocks) delivered weaker returns (+0.9%) as implied inflation fell slightly over the year. UK corporate bond spreads (all stocks) tightened (-0.6%) over the year.

- **Property:** The MSCI UK All Property Index fell by 0.5% over the year to 31 December 2023.

GMP Equalisation

As set out in Note 11 the Trustee has commenced work on the GMP equalisation exercise, initial calculations indicate that any liability will be immaterial, and we will only accrue when we can quantify the liability.

Disputes and queries

Members of pension schemes have statutory rights to ensure that complaints, queries and problems concerning pension rights are properly resolved.

To facilitate this process, the Trustee has established an Internal Disputes Resolution Procedure which is published in the Members' Booklet. Basically, in the first instance, members are expected to take up matters informally with the CPF Administrator. If the matter remains unresolved, then a 2-stage process is in place whereby your complaint will first be considered by the CPF Secretary and subsequently by the Trustee if no resolution has proved possible.

If the problem remains unresolved, members then have the facility to refer the matter to the Pensions Ombudsman. The Pensions Ombudsman can be contacted at 10 South Colonnade, Canary Wharf, E14 4PU.

The statutory body responsible for the regulation of pension schemes in the United Kingdom is The Pensions Regulator (TPR) and can be contacted at Napier House, Trafalgar Place, Brighton, East Sussex BN1 4DW.

Further information
For information about the CPF generally, further information about resolving disputes, or requests for benefit calculations please contact Pensions Administration, Greenwich House, Madingley Road, Cambridge, CB3 0TX. E-mail address: pensionsonline@admin.cam.ac.uk

A number of documents about the CPF are also available on request and can be supplied in electronic or hard copy form, and include the:

- Statement of Investment Principles. This explains how the Trustee directors invest the CPF.
- Actuarial Valuation Report (Triennial). This is the full report of the Actuary on the valuation as at 1 January 2022.
- Members' Booklet.

The Trustee Report, the Report of Actuarial Liabilities, and the Investment Adviser commentary were approved by the Trustee and signed on their behalf by:

Signed by:
William Medlicott
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William Medlicott
Chairman of the Trustee

Date: 30 July 2024

Report on Actuarial Liabilities (forming part of the Trustee Report)

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits members are entitled to, based on pensionable service at the valuation date or date of leaving if earlier. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles dated 8 March 2023, which is available to the Fund members on request.

The most recent full actuarial valuation of the Fund was carried out as at 1 January 2022.

	1 January 2022	1 January 2023	1 January 2024
The value of the technical provisions was	£196.6m	£150.9m	£152.6m
The value of the assets was	£178.7m	£150.2m	£160.1m

The method and significant actuarial assumptions used to determine the technical provisions are as follows:

Method

The actuarial method to be used in the calculation of the technical provisions is the projected unit method.

Significant actuarial assumptions

Assumption		Value as at 1 January 2022	Value as at 1 January 2023 & 1 January 2024
Discount rate	A yield curve approach has been adopted for future asset returns. The prudent discount rate for the 2022 valuation was set as equal to 2.3% pa in excess of the Bank of England implied nominal gilt spot yield curve. For calculation dates from 30 September 2022, the margin above the gilt curve is set equal to 1.5% pa.	Bank of England Nominal Yield Curve plus 2.3% pa	Bank of England Nominal Yield Curve plus 1.5% pa
Retail Prices Index (RPI) inflation	A yield curve approach has been adopted for the future inflation assumptions. The assumed rate of Retail Prices Index (RPI) inflation is in line with the Bank of England implied inflation yield curve.	Bank of England Implied Inflation Yield Curve	
Pension increases in payment	The assumed pension increase rate for benefits linked to RPI inflation, but subject to an annual minimum and cap, is set consistently with the relevant inflation assumption and calculated by reference to a probability distribution derived from historical inflation.		
Mortality	The S3PMA/S3PFA tables with future improvements in line with CMI 2021 model with a long-term rate of improvement of 1.5% pa.		
Partner/Spouse	85% of males and 75% of females are assumed to be married at retirement or earlier death, with husbands three years older than their wives.		
Cash commutation allowance	Members are assumed to commute pension to provide 50% of the maximum tax-free cash.		

Actuarial Certificates

Actuarial Certificate for the purposes of Section 227(5) of The Pensions Act 2004

Name of scheme: Cambridge University Press Contributory Pension Fund

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the statutory funding objective can be expected to continue to be met for the period for which the schedule is to be in force.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated 8 March 2023.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature:		Date:	8 March 2023
Name:	Keith Williams	Qualification:	Fellow of the Institute and Faculty of Actuaries
Address:	First Actuarial LLP Network House Basing View Basingstoke Hampshire RG21 4HG		

Schedule of Contributions

Schedule of Contributions

Cambridge University Press Contributory Pension Fund (the Fund)

I Status

This Schedule of Contributions has been prepared by the Trustee of the Cambridge University Press Contributory Pension Fund (the Fund), after obtaining the advice of Keith Williams, the Scheme Actuary.

This document replaces the schedule signed 11 December 2019 and comes into force on the date the Scheme Actuary certifies this Schedule of Contributions.

The Principal Employer of the Fund is the Chancellor, Masters and Scholars of the University of Cambridge. The Syndicate of the Press & Assessment of the University of Cambridge acts on behalf of the University in relation to the Fund.

For the purpose of this Schedule of Contributions, the term "Employer" refers to the Press & Assessment or the University as appropriate.

I Contributions covering the period from 1 April 2023 to 31 March 2028

By active members:

6% of Contribution Salary.

To be deducted from salaries by the Employer and paid to the Fund on or before the 19th of the calendar month following deduction.

Additional Voluntary Contributions may be paid in addition to the above

By the Employer:

In respect of future accrual of benefits and the provision of death-in-service lump sum benefits the Employer will pay 50.8% of Contribution Salary.

To be paid to the Fund on or before the 19th of the calendar month following that to which the payment relates.

No funding shortfall contributions are due.

Expenses

The Employer will meet all running expenses of the Fund including the Pension Protection Fund levy. The Employer will pay the full amount of the levy following the receipt of the levy invoice by the Trustee.

Additional Contributions

The Employer may pay contributions in excess of those listed after notifying the Trustee.

Contribution Salary

Basic salary as at 1 January 2007 plus shift pay as at 1 January 2007, pro-rated for part-time hours worked.

Schedule of Contributions

Cambridge University Press Contributory Pension Fund (the Fund)

This Schedule of Contributions has been agreed by the Trustee:

Signed on behalf of the Trustee of the Cambridge University Press Contributory Pension Fund:	
Name:	WILLIAM [illegible]
Position:	Trustee Director
Date:	8/3/2023

This Schedule of Contributions has been agreed by the Employer:

Signed on behalf of the Chancellor, Masters and Scholars of the University of Cambridge:	
Name:	[illegible]
Position:	CFO.
Date:	8/3/23

Independent Auditor's Report to the Trustee of the Cambridge University Press Contributory Pension Fund

Opinion

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

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the scheme during the year ended 31 December 2023, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 3, the trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to wind up the scheme or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- Management override of controls. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities and the review of journals and accounting estimates for bias.
- Misappropriation of investment assets owned by the scheme. This is addressed by obtaining direct confirmation from the investment fund managers of investments held at the Statement of Net Assets date.
- Diversion of assets through large investment transactions. A sample of transactions within an investment transition were agreed to trustee authorisation.
- Non-receipt of contributions due to the scheme from the employer. This is addressed by testing contributions due are paid to the scheme in accordance with the schedules of contributions agreed between the employer and trustees.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the scheme's trustees, as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the scheme's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the scheme's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Crowe U.K. LLP

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Crowe U.K. LLP

Statutory Auditor

London

Date

Independent Auditor's Qualified Statement about Contributions payable under the schedule of contributions

We have examined the summary of contributions payable to the Cambridge University Press Contributory Pension Fund for the CPF year ended 31 December 2023 which is set out on page 23.

In our opinion, except for the late payment of contributions as detailed in the summary of contributions on page 25, the contributions for the CPF year ended 31 December 2023 as reported in the summary of contributions and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions certified by the CPF actuary on 11 December 2019 and 8 March 2023.

Basis for qualified opinion

As explained on page 25, normal employer contributions were paid late to the CPF.

Basis of Statement about Contributions

Our objective is to obtain sufficient evidence to give reasonable assurance that contributions reported in the attached summary of contributions have in all material respects been paid at least in accordance with the schedule of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the schedule of contributions.

Responsibilities of Trustee

As explained more fully in the Statement of Trustee's Responsibilities, the CPF's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions which sets out the rates and due dates of certain contributions payable towards the CPF by or on behalf of the employer and the active members of the CPF. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the CPF and for monitoring whether contributions are made to the CPF by the employer in accordance with the schedule of contributions.

Auditor's responsibilities for the statement about contributions

It is our responsibility to provide a Statement about Contributions paid under the schedule of contributions and to report our opinion to you.

Use of our statement

This statement is made solely to the CPFs Trustee, as a body, in accordance with The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our work has been undertaken so that we might state to the CPF's Trustee those matters we are required to state to them in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the CPF's Trustee as a body, for our work, for this statement, or for the opinion we have formed.

Signed by:

Crowe U.K. LLP

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Crowe U.K. LLP
Statutory Auditor
London

Summary of contributions payable during the Scheme year ended 31 December 2023

This summary of contributions has been prepared by, and is the responsibility of, the Trustee. It sets out the employer and member contributions payable to the CPF under the Schedule of Contributions certified by the actuary on 11 December 2019 and 8 March 2023 in respect of the CPF year ended 31 December 2023. The CPF's auditor reports on contributions payable under the schedule in the auditor's Statement about Contributions.

During the year ended 31 December 2023, the contributions payable to the CPF by the employer were as follows:

Contributions payable under the schedule of contributions	**2023**
	£
Employer normal contributions	474,032
Employer costs for members in receipt of long-term sickness	15,849
Employee normal contribution	57,532
Deficit Funding contributions	216,667
Total contributions payable under the schedule	764,080
Other contributions payable	
Employee additional voluntary contributions	43,043
Press paid Employee additional voluntary contributions	14,607
Total contributions payable to the CPF per the financial statements	**821,730**

Under the revised Schedule of Contributions certified by the Scheme Actuary on 8 March 2023, employer normal contribution rates were required to be increased from 46.4% to 50.8% from 1 April 2023. The increases were not implemented until June 2024 and back payments of £31,897 for the year ended 31 December 2023 were paid on 17 July 2024.

Approved by the Trustee and signed on their behalf by:

Signed by:

William Medlicott

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William Medlicott

Chairman of the Trustee

Date 30 July 2024

Financial Statements

Scheme account for the year ended 31 December 2023

	Notes	2023 £	2022 £
Contributions and benefits			
Employer contributions receivable	3	706,548	1,826,578
Employee contributions receivable	3	115,182	143,727
Benefits payable	4	(7,940,566)	(7,598,969)
Net (outflow) from dealings with members		(7,118,836)	(5,628,664)
Returns on investments			
Change in market value of investments	8	9,965,132	(25,125,913)
Investment income	7	6,803,762	2,394,664
Net returns on investments		**16,768,894**	**(22,731,249)**
Net movement in the Scheme during the year		**9,650,058**	**(28,359,913)**
Net assets of the Scheme at 1 January		152,082,145	180,442,058
Net assets of the Scheme at 31 December		**161,732,203**	**152,082,145**

Net asset statement for the year ended 31 December 2023

	Notes	2023	2022
		£	£
Investments – Pooled Investment Vehicle	8	157,319,211	149,604,591
Investments - AVC Funds	8	1,432,071	1,583,176
Current assets	5	3,188,099	1,124,675
Current liabilities	6	(207,178)	(230,297)
Total net assets at 31 December		**161,732,203**	**152,082,145**

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme year. The actuarial position of the Scheme, which does take account of such obligations, is dealt with in the report on Actuarial Liabilities on page 15 of this Annual Report and these financial statements should be read in conjunction with them.

The notes on pages 28 to 35 form part of these financial statements.

The financial statements on pages 26 to 35 were approved by the Trustee Directors and signed on their behalf by:

Signed by:
William Medlicott
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William Medlicott

Chairman of the Trustee

Date 30 July 2024

Notes forming part of the Financial Statements

1. Basis of presentation

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

Accounting policies

Valuation of investments

Pooled investment vehicles are stated at bid price for funds with bid/offer spreads, or single price where there are no bid/offer spreads, as provided by the investment manager. AVC funds are valued at the unit prices quoted by Prudential Pensions Ltd.

Investment income

Income distributed from pooled investment vehicles and on cash deposits is accounted for on an accruals basis.

Income arising from pooled investment vehicles which is rolled up in the investment fund and reflected in the value of the units is not separately reported.

Interest is accrued daily.

Contributions

Employee normal contributions are accounted for when deducted from pay. Employer normal contributions which are expressed as a rate of salary are accounted for on the same basis as employees' contributions, otherwise they are accounted for in the period they are due under the Schedule of Contributions.

Employer deficit funding contributions are accounted for on the due dates on which they are payable in accordance with the Schedule of Contributions and Recovery Plan under which they are being paid.

Payments to members

Benefits are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for in the period in which the member notifies the Trustee of his decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

Individual transfers in or out are accounted for when paid or received which is normally when member liability is accepted or discharged.

Expenses

Expenses are accounted for on an accruals basis. The employer bears all the costs of administration, other than investment management expenses, which are included within the change in market value of investments.

Additional Voluntary Contributions ('AVCs')

AVCs paid by members do not secure additional pensionable service under the Scheme. Contributions received are invested with an insurance company in the name of the individual contributor. All additional voluntary contributions are recognised as forming part of the overall assets which are under the supervision of the Trustee and accordingly, they are included within the net assets of the Scheme. Contributions received from members and monies payable by the Trustee in respect of benefits arising under AVC arrangements are similarly included within the fund account.

Identification of the financial statements

The Scheme is established as a trust under English Law. The address for enquiries to the Scheme is included in the Trustee's Report under the heading Further Information on page 13.

Functional Currency

The Scheme functional and presentation currency is pounds sterling

3. Contributions receivable

	2023 £	2022 £
Members' contributions:		
Normal	57,532	*66,370
AVCs	43,043	55,832
AVC's (Press)	14,607	21,525
	115,182	**143,727**
Employers' contributions:		
Normal (including death in service benefits)	474,032	″511,781
Contributions for members in receipt of long-term sickness benefits	15,849	14,797
Deficit funding contribution	216,667	1,300,000
	706,548	**1,826,578**
Total contributions receivable	**821,730**	**1,970,305**

*Restated

Under the Schedule of Contributions certified by the Actuary on 11 December 2019, deficit funding contributions were receivable at £1,300,000 per annum until 31 December 2022 in order to meet the shortfall in funding. Following the actuarial valuation as at 1 January 2022, a revised Schedule of Contributions was certified by the Actuary on 8 March 2023. Under this Schedule of Contributions, deficit funding contributions were not required from the date of certification.

4. Benefits payable

	2023 £	2022 £
Pensions payable	7,089,118	6,731,431
Lump sums payable on retirement	548,268	721,014
AVC funds disinvested	303,180	146,524
Total benefits payable	**7,940,566**	**7,598,969**

5. Current assets

	2023 £	2022 £
Cash and bank deposits	2,801,913	1,064,202
Employer contributions due	31,897	-
Accrued income	238,124	60,473
Cash in transit	116,165	-
Total current assets	**3,188,099**	**1,124,675**

6. Current liabilities	**2023 £**	**2022 £**
HMRC – PAYE	(104,125)	(90,890)
Lump sum benefits due	(103,053)	(139,407)
Total current liabilities	**(207,178)**	**(230,297)**

7. Investment income	**2023 £**	**2022 £**
Income from pooled investment vehicles	6,767,506	2,394,135
Interest on cash deposits	36,256	529
Total investment income	**6,803,762**	**2,394,664**

(Income increased during the year due to the Buy and Maintain Insight Investments)

8. Investments

	2023 £	**2022 £**
Pooled investment vehicles	157,319,211	149,604,591
AVC fund	1,432,071	1,583,176
Total	**158,751,282**	**151,187,767**

Movements in investments during the year, and during the previous year, were as follows:

	Pooled Investment Vehicles	**AVC Fund**	**Total**
	£	£	£
Market value at 1 January 2022	**176,518,542**	**1,766,066**	**178,284,608**
Amounts invested during the year	15,348,000	77,357	15,425,357
Amounts withdrawn during the year	(17,249,761)	(146,524)	(17,396,285)
Change in market value	(25,012,190)	(113,723)	(25,125,913)
Market value at 31 December 2022	**149,604,591**	**1,583,176**	**151,187,767**
Market value at 1 January 2023	**149,604,591**	**1,583,176**	**151,187,767**
Amounts invested during the year	48,371,974	57,735	48,429,709
Amounts withdrawn during the year	(50,518,953)	(312,373)	(50,831,326)
Change in market value	9,861,599	103,533	9,965,132
Market value at 31 December 2023	**157,319,211**	**1,432,071**	**158,751,282**

Amounts invested during the year reflect the investment in Insight Investments Buy and Maintain funds (£18,091,448) and LDI SOL+ funded gilts (£30,8280,525) Amounts withdrawn reflect the sale from Future World Global Equity Funds (hedged and unhedged versions) managed by Legal and General Investment Management (£8,141,962), capital repayments from the CBRE Property fund (£455,018), disinvestment from Legal and General Investment Management Sterling Liquidity fund (£3,807,874) and their Short dated sterling fund (£6,922,651) and the disinvestment of the holding with Baille Gifford (£31,191,448)

8.1 Pooled investment vehicles:

The Scheme's holding of pooled investment vehicles are analysed below:

	2023 £	2023%	2022 £	2022%
Overseas equity funds	68,895,106	43.79%	65,015,238	43.46%
Diversified growth funds	-	-%	30,160,926	20.16%
Property fund	2,794,432	1.78%	3,439,652	2.30%
Multi-Asset Credit Funds	27,719,625	17.62%	26,815,151	17.92%
Maturing Buy and Maintain Credit Funds	28,740,004	18.27%	13,542,272	9.05%
Bonds	-	-%	10,631,352	7.11%
Gilts	29,170,044	18.54%	-	-%
	157,319,211	**100.00%**	**149,604,591**	**100.00%**

8.2 Transaction costs

Indirect transaction costs are borne by the scheme in relation to transactions in pooled investment vehicles. Such costs are taken into account in calculating the bid/offer spread of these investments and are not separately reported. There are no direct transaction costs borne by the scheme.

8.3 Investment fair value hierarchy

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

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

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

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

The CPF's assets have been fair valued using the above hierarchy categories as follows:

As at 31 December 2023				
	Level 1	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Pooled investment vehicles	-	154,524,779	2,794,432	157,319,211
AVC investments	-	1,432,071	-	1,432,071
Total	**-**	**155,956,850**	**2,794,432**	**158,751,282**

As at 31 December 2022				
	Level 1	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Pooled investment vehicles	-	146,164,939	3,439,652	149,604,591
AVC investments	-	1,583,176	-	1,583,176
Total	**-**	**147,748,115**	**3,439,652**	**151,187,767**

The legal structure of the Scheme's pooled investments is shown in the table below.

Fund	**Manager**	**Legal structure**	**31/12/2022**	**31/12/2023**
Diversified Growth Fund	Baillie Gifford	Open-Ended Investment Company (OEIC)	30,160,926	-
Total Return Fund	Apollo Global Management	Limited Partnership	13,072,096	13,371,305
Osiris Property Fund	CBRE	Unit Trust	3,439,652	2,794,432
Multi Strategy Credit Fund	Hermes	UCITS	13,743,055	14,348,320
Future World Global Equity Index Fund	Legal & General Investment Management	Unit-Linked Insurance Fund	33,666,879	35,004,609
Future World Global Equity Index Fund GBP Hdg	Legal & General Investment Management	Unit-Linked Insurance Fund	31,348,358	33,890,497
Short-Dated Sterling Corporate Bond Index Fund	Legal & General Investment Management	Unit-Linked Insurance Fund	6,846,122	-
Sterling Liquidity Fund	Legal & General Investment Management	Unit-Linked Insurance Fund	3,785,230	-
Maturing Buy and Maintain Credit Fund 2021-2025	Insight Investment Management (Global) Limited	Irish Collective Asset-management Vehicle (ICAV)	5,773,824	7,429,013
Maturing Buy and Maintain Credit Fund 2026-2030	Insight Investment Management (Global) Limited	Irish Collective Asset-management Vehicle (ICAV)	7,768,449	21,310,991
LDI Index-Linked Gilts 2041-2050	Insight Investment Management (Global) Limited	Irish Collective Asset-management Vehicle (ICAV)	-	22,260,817
LDI Index-Linked Gilts 2051-2060	Insight Investment Management (Global) Limited	Irish Collective Asset-management Vehicle (ICAV)	-	6,909,227
Total			**149,604,591**	**157,319,211**

Investment risk disclosures

FRS102 requires the disclosure of information in relation to certain investment risks as follows:

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

The Joint Trustee boards determine the investment strategy after taking advice from a professional investment adviser, which is described in "Investment objectives and strategy" on page 5. The Fund has exposure to these risks because of the investments it makes in following the investment strategy set out above. The Joint Trustee boards manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Fund's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreement in place with the

Fund's investment manager and monitored by the Joint Trustee boards by regular reviews of the investment portfolio.

Further information on the Joint Trustee board's approach to risk management, credit and market risk is set out below. This does not include any AVC investments as these are not considered significant in relation to the overall investments of the Fund.

Credit risk

The Fund has indirect exposure to credit risks from the underlying investments held by the Multi-Asset Credit Funds, Maturing Buy and Maintain Credit Funds and the Index-Linked Gilt Funds. In particular the Multi Asset Credit fund managers are credit specialists with the flexibility to invest in a wide variety of asset classes, such as investment grade and high yield corporate bonds, loans, structured credit and derivatives. Although these type of credit holdings are of lower credit quality relative to say government bonds, the higher risk is expected to be rewarded with higher returns over the longer term. Diversification and active management by the fund managers mitigate some of this additional credit risk and is expected to be a source of outperformance. The Maturing Buy and Maintain Credit Funds invest in investment grade credit, focusing on credit quality, avoidance of default and stability of cash flows. The Index-Linked Gilt Funds invest in UK government inflation-linked bonds.

The pooled investment arrangements used by the Fund comprise insurance contracts and pooled investment vehicles. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and the ongoing due diligence of the pooled manager. Due to the nature of the investments, units in the pooled investment vehicles are unrated. The pooled investment vehicles held by the Fund consist of £68,895,106 (2022: £75,646,589) unit linked insurance contracts and £88,424,105 (2022: £73,958,002) open ended investment funds.

The Joint Trustee boards monitor the performance of the Fund's investment managers on a regular basis in addition to having meetings with the manager from time to time as necessary. The Joint Trustee boards have written agreements with the investment manager, which contains several restrictions on how the investment manager may operate.

Market risk: Interest rates

The Fund is subject to interest rate risk because some of the Fund's investments are held in bonds, through pooled vehicles, and cash. These funds are specifically the Multi-Asset Credit Funds, Maturing Buy and Maintain Credit Funds and the Index-Linked Gilt Funds.

The Joint Trustee boards have set a benchmark for total exposure of 60% (2022: 57%) to these funds. As at 31 December 2023, this allocation amounted to £85,629,672 (2022: £81,149,701) and made up 54% of total assets (2022: 54%) although not all of this allocation will have interest rate risk. The fund managers also have the ability to reduce and mitigate this risk by managing the duration of the holdings and through the use of derivatives.

The value of the holdings exposed to interest rates will rise if interest rates fall, this will help match the increase in actuarial liabilities arising from a fall in the discount rate. Similarly, if interest rates rise, the underlying holdings exposed to interest rate risk will fall in value, as will the actuarial liabilities because of an increase in the discount rate.

Market risk: Currency

The Fund's investments are denominated in sterling and therefore the Fund is not directly exposed to currency risk. The Fund is indirectly exposed to currency risk due to holdings in overseas equities and other asset classes through pooled investment vehicles.

The Fund's liabilities are denominated in sterling and some currency hedging is employed to manage the impact of exchange rate fluctuations on the Fund's investments. 49.2% (2022: 48.2%) of the overseas equity holdings as detailed in note 9.1 are hedged to sterling.

In addition, the Scheme was exposed to indirect currency risk as a result of the overseas investments held via the Diversified Growth Funds as detail in note 9.1 and the pooled investments funds' holdings in overseas assets may alter over time

Market risk: Other price

Other price risk arises due to the market volatility of return-seeking assets. As at 31 December 2023, the Joint Trustee boards had set a 20% target for investment in government bonds or cash and so as at December 2023 around 80% of the Fund's assets were exposed to other price risk.

The Fund manages this exposure by investing in pooled funds that invest in a diverse portfolio across various markets. As set out in the Fund's SIP, the investment manager is expected to manage a broadly diversified portfolio and to spread assets across a number of individual shares and securities. This is reflected in the underlying holdings of the pooled funds in which the Fund invests which are governed by guidelines published by the investment manager.

In addition, the Fund's asset allocation is detailed in the Appendix of the SIP document and is monitored on a regular basis by the Trustee.

9. Contingent liabilities and commitments

Other than the liability to pay future retirement benefits, there were no contingent liabilities (2022: £nil) or capital commitments as at 31 December 2023 (2022: £19,721,974).

10. Concentration of Investments

As at 31 December 2023, the following investments represented greater than 5% of the Scheme's Net Assets.

	2023	**2023**	**2022**	**2022**
	£	**%**	**£**	**%**
Baillie Gifford Diversified Growth Fund	-	-	30,160,926	19.83
Apollo Global Management Total Return Fund	13,371,305	8.26	13,072,096	8.60
Hermes Multi Strategy Credit Fund	14,348,320	8.87	13,743,055	9.04
LGIM Future World Global Equity Index Fund	35,004,609	21.63	33,666,879	22.14
LGIM Future World Global Equity Index Fund GBP Hdg	33,890,497	20.94	31,348,358	20.61
Insight Maturing Buy and Maintain Credit Fund 2026-2030	21,310,991	13.17	7,768,448	5.11
Insight LDI Index-Linked Gilts 2041-2050	22,260,816	13.76	-	-

11. Related party transactions

Contributions received in respect of Trustee directors who are members of the scheme have been made in accordance with the Trust Deed and Rules. Administration expenses of the Fund are borne by the Employer.

12. GMP Equalisation and First pensions increases

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustee is aware that the issue will affect the CPF and will be considering this at future meetings and decisions will be made as to the next steps. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts.

There is a separate matter relating to the treatment of first increases after a member leaves service. The current and past CPF administration practice is to apply a proportionate first increase whether that first increase arises whilst the member is in deferment or when their pension is in payment. The Trustee understands that for most members the CPF Rules require the first increase to be a full increase in the first year after leaving service. This is not in line with the administration practice. As a result, some members may have received a lower first increase in deferment or payment than required under the CPF Rules. The Trustee is seeking to correct this issue as quickly as possible.

Based on an initial assessment of the matters noted above, the likely backdated amounts and related interest the Trustee does not expect these to be material to the financial statements and therefore have not included a liability in respect of these matters in these financial statements. They will be accounted for in the year they are determined.

13. Taxation

The CPF is a registered pension schemed for tax purposes under the Finance Act 2004. The Scheme is therefore exempt from taxation except for certain withholding taxes relating to overseas investment income. Tax charges are accrued on the same basis as the investment income to which they relate.

Appendix 1

Cambridge University Press Contributory Pension Fund

Implementation Statement

This is the Implementation Statement prepared by the Trustee, Press CPF Limited, of the Cambridge University Press Contributory Pension Fund ("the Fund") and sets out:

- How the Trustee's policies on exercising rights (including voting rights) and engagement have been followed over the year.
- The voting behaviour of the Trustee, or that undertaken on their behalf, over the year to 31 December 2023.

Stewardship policy

The Trustee's Statement of Investment Principles (SIP) in force at 31 December 2023 describes the Trustee's stewardship policy on the exercise of rights (including voting rights) and engagement activities. It was last reviewed in May 2023 and has been made available online here:

https://www.pensions.admin.cam.ac.uk/files/cpf_sip.pdf

Since the end of December 2023, the Trustee is in the process of making changes to the investment strategy and then updating the SIP. Once finalised, a copy of the updated SIP will be made available online.

The were no changes made to the stewardship policy over the year.

The Trustee has delegated the exercise of rights attaching to investments, including voting rights, and in undertaking engagement activities to the Fund's investment managers.

At this time, the Trustee has not set stewardship priorities or themes for the Fund but will be considering the extent that they wish to do this in due course, in line with other Fund risks.

How voting and engagement policies have been followed

The Fund invests entirely in pooled funds, and as such delegates responsibility for carrying out voting and engagement activities to the Fund's fund managers. The Trustee has taken into consideration the Financial Reporting Council's UK Stewardship Code, and is supportive of the Code. However, the Trustee cannot usually directly influence the managers' policies on the exercise of investment rights where the Trustee holds assets in pooled funds. This is due to the nature of these investments. The Trustee receives reporting on the voting and engagement policies of the fund managers and considers these as part of manager appointment and review processes.

The Trustee acknowledges the importance of ESG and climate risk within their investment framework and believes that integrating these risks will lead to a better long-term outcome in terms of risk and return.

The Trustee reviewed the stewardship and engagement activities of the current managers during the year, alongside preparation of the Implementation Statement. The Trustee monitors the ESG performance of its managers on a regular basis. The Trustee considers it to be part of their investment managers' roles to assess and monitor how the companies in which they are investing are managing developments in ESG related issues, and in particular climate risk, across the relevant parts of the capital structure for each of the companies in which the managers invest on behalf of the Fund. This applies to the bond-only managers as well as the equity and multi-asset managers.

While the bond managers do not vote on behalf of the Trustee, the Trustee does monitor their investment process with reference to ESG characteristics and the managers' alignment with Principles for Responsible Investment. The Trustee is aware that some bond managers engage with issues on ESG matters and are supportive of them doing so.

The Trustee was satisfied that the managers' policies were reasonable and no further remedial action was required during the period.

Having reviewed the above in accordance with their policies, the Trustee is comfortable the actions of the fund managers are in alignment with the Fund's stewardship policies.

Voting Data

Voting only applies to equities held in the portfolio. The Fund's equity investments are held through pooled funds, and as such the investment managers of these funds vote on behalf of the Trustee.

As at 31 December 2023, the Fund's equity investments were managed by Legal and General Investment Management ("LGIM"). The table below provides a summary of the voting activity undertaken by each manager during the year to 31 December 2023.

Manager	LGIM
Fund name	LGIM Future World Global Equity Index Fund – Unhedged and hedged
Structure	Pooled
Does manager vote at a fund level or at a firm-wide level?	Fund
Ability to influence voting behaviour of manager	The pooled fund structure means that there is limited scope for the Trustee to influence the manager's voting behaviour.
Number of company meetings the manager was eligible to vote at over the year	5,080
Number of resolutions the manager was eligible to vote on over the year	52,639
Percentage of resolutions the manager voted on	99.9%
Percentage of resolutions the manager abstained from	0.4%
Percentage of resolutions voted *with* management, as a percentage of the total number of resolutions voted on	80.3%
Percentage of resolutions voted *against* management, as a percentage of the total number of resolutions voted on	19.3%
Percentage of resolutions voted contrary to the recommendation of the proxy advisor	11.0%

Significant votes

We have delegated to the investment managers to define what a "significant vote" is. In future, the Trustee will consider the most significant votes in conjunction with any agreed stewardship priorities or themes. A summary of the data they have provided is set out in the Appendix 1 to this statement.

Fund level engagement

The investment managers may engage with their investee companies on behalf of the Trustee. Whilst the Fund's credit holdings do not attach any voting rights, the Trustee focuses on how the investment process and profile of the managers is aligned with the Fund's ESG policies.

The table below provides a summary of the engagement activity undertaken by LGIM, Insight Investment ("Insight"), Federated Hermes ("Hermes") and Apollo Global Management ("Apollo") during the year. Examples of engagement undertaken have been set out in Appendix 2 to this statement.

The CBRE Osiris Property Fund, invested in by the Fund, was terminated with effect from 19th March 2020, and is in the process of an orderly wind up. For this reason, longer term engagement by the manager has ceased and therefore no engagement information is shown below.

Engagement activities are limited for the Fund's index-linked gilts holdings with Insight due to the nature of the underlying holdings, so engagement information for these assets has not been shown.

The Trustee has reviewed the information below and was satisfied that the managers' engagements were reasonable and no further remedial action was required during the period.

Manager	LGIM	Hermes	Apollo	Insight
Fund name	LGIM Future World Global Equity Index Fund – Unhedged and hedged	Hermes Multi Strategy Credit Fund	Apollo Total Return Fund	Maturing Buy and Maintain Credit Funds
Does the manager perform engagement on behalf of the holdings of the fund	Yes	Yes	Yes	Yes
Has the manager engaged with companies to influence them in relation to ESG factors in the year?	Yes	Yes	Yes	Yes
Number of engagements undertaken on behalf of the holdings in this fund in the year	886	825	64	2021-2025: 66 2026-2030: 106
Number of engagements undertaken at a firm level in the year	2,486	4,272	Data not provided by manager	2,521

The Trustee receives annual independent reporting on the ESG performance of their investment managers and this is used to compare the actual performance to the Trustee's expectations. In addition the Trustee receives quarterly reporting covering investment performance (net of fees and costs) and highlighting any other governance issues with managers.

Summary

Based on the information received, the Trustee are satisfied that the fund managers have acted in accordance with the Fund's stewardship policies.

Where information is not included, it has been requested but has not been provided in a useable format or at all by the investment manager. The Trustee's investment consultants are in discussion with the managers around how this data will be provided for future statements.

Prepared by the Trustee of the Cambridge University Press Contributory Pension Fund
April 2024

Appendix 1 – Significant Votes

The change in Investment and Disclosure Regulations that came into force from October 2020 requires information on significant votes carried out on behalf of the Trustee over the year to be set out. Recent guidance states that a significant vote is likely to be one that is linked to one or more of a scheme's stewardship priorities or themes. At this time, the Trustee has not set stewardship priorities or themes for the Fund but will be considering the extent that they wish to do this in due course, in line with other Fund risks. As a result, for this Implementation Statement, the Trustee has asked the investment managers to determine what they believe to be a "significant vote". The Trustee has not communicated voting preferences to their investment managers over the period, including in relation to what they considered to be significant votes prior to these votes taking place. This is because the Trustee is yet to develop a specific voting policy. In future, the Trustee will consider the most significant votes in conjunction with any agreed stewardship priorities or themes.

LGIM have provided a selection of over 800 votes which they believe to be significant. In the absence of agreed stewardship priorities or themes, the Trustee has selected 3 votes that cover a range of themes to represent what they consider the most significant votes cast on behalf of the Fund. To represent the most significant votes, the votes of the largest holdings relating to each topic are shown below.

	Vote 1	Vote 2	Vote 3
Funds affected	LGIM FW Global Equity Index Funds (unhedged & hedged)	LGIM FW Global Equity Index Funds (unhedged & hedged)	LGIM FW Global Equity Index Funds (unhedged & hedged)
Company name	Microsoft Corporation	NVIDIA Corporation	Amazon.com, Inc.
Date of vote	7 December 2023	22 June 2023	24 May 2023
Approximate size of fund's holding as at the date of the vote (as % of portfolio)	5.67% for unhedged fund; 5.47% for hedged fund	2.06% for unhedged & hedged funds	1.34% for unhedged fund; 1.30% for hedged fund
Summary of the resolution	Resolution 1.06 - Elect Director Satya Nadella	Resolution 1i - Elect Director Stephen C. Neal	Resolution 13 – Report on Median and Adjusted Gender/Racial Pay Gaps
How the manager voted	Against	Against (against management recommendation)	For (against management recommendation)
If the vote was against management, did the manager communicate their intent to the company ahead of the vote?	LGIM publicly communicates its vote instructions on its website with the rationale for all votes against management. It is their policy not to engage with their investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.		LGIM pre-declared its vote intention for this meeting on the LGIM Blog. As part of this process, a communication was set to the company ahead of the meeting.
Rationale for the voting decision	Joint Chair/CEO: A vote against is applied as LGIM expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns.	Diversity: A vote against is applied as LGIM expects a company to have at least one-third women on the board. Average board tenure: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background.	A vote in favour is applied as LGIM expects companies to disclose meaningful information on its gender pay gap and the initiatives it is applying to close any stated gap. This is an important disclosure so that investors can assess the progress of the company's diversity and inclusion initiatives. Board diversity is an engagement and voting issue, as LGIM believe cognitive diversity in business – the bringing together of people of different ages, experiences, genders, ethnicities, sexual orientations, and social and economic backgrounds – is a crucial step

	Vote 1	Vote 2	Vote 3
			towards building a better company, economy and society.
Outcome of the vote	94% of shareholders supported the resolution	89% of shareholders supported the resolution	29% of shareholders supported the resolution
Implications of the outcome	LGIM will continue to engage with their investee companies, publicly advocate their position on this issue and monitor company and market-level progress.		LGIM will continue to engage with the company and monitor progress.
Criteria on which the vote is considered "significant"	Thematic - Board Leadership: LGIM considers this vote to be significant as it is in application of an escalation of their vote policy on the topic of the combination of the board chair and CEO.	Thematic - Diversity: LGIM views gender diversity as a financially material issue for their clients, with implications for the assets LGIM manage on their behalf.	Pre-declaration and Thematic – Diversity: LGIM views gender diversity as a financially material issue for their clients, with implications for the assets LGIM manage on their behalf.

Appendix 2 – Examples of engagement undertaken

The table below summarises examples of engagement activity undertaken across all funds held by the Fund during the year.

Fund	Engagement example
LGIM Future World Global Equity Index Fund – Unhedged and hedged*	**Rolls-Royce –** LGIM had a relationship with Rolls-Royce's new CEO prior to his appointment and had a meeting with him early in his tenure to discuss their views on the importance of positioning the company for the climate transition, while also focusing on nearer-term challenges and objectives, such as returning the company to an investment-grade credit rating. LGIM also engaged in person with the chair of the board of Rolls Royce to understand institutional barriers to imposing necessary structural changes. LGIM have also had two subsequent meetings with the CEO of the company, before and after its strategy day in November 2023. The company was receptive to LGIM's communications and as such announced a strategic review in November 2023 that appeared well balanced in making appropriate structural and cultural changes without sacrificing options that allow them to remain an active participant of the climate transition.
Hermes Multi Strategy Credit Fund	**Cleveland-Cliffs –** This company is the largest flat-rolled steel and iron ore pellet producer in North America. The firm has a target to reduce greenhouse gas emissions by 25% by 2030. Hermes engaged with the company to understand it's ambitions and how these might be delivered, taking into account two strategic acquisitions. The firm was unable to initially provide great depth of insight and Hermes expressed a preference that the emissions target should become science-based. As such the company announced a target to reduce scope 1 and 2 emissions by 25% by 2030. At subsequent meetings the company has further fleshed out how it will achieve the emissions target, for example, by purchasing two million megawatt-hours of renewable energy from newly constructed projects, rather than sources that are already operating.
Apollo Total Return Fund	**Adani Ports and Special Economic Zone Limited –** Apollo engaged with Adani Ports in December 2023 on their thermal coal exposure and emissions reduction strategy. The company has reduced its thermal coal usage to less than 25% of the company's cargo mix, down from 100%. Apollo questioned the company about their approach to reducing its own emissions footprint, to which the company confirmed targets to be carbon neutral by 2025 and net zero by 2040. An example of how they are going to achieve this is through the electrification of their inter terminal vehicles and cranes with the goal that they can run entirely on renewable energy.
Insight Maturing Buy and Maintain Funds*	**Net Zero Asset Managers Initiative** - Insight have been a signatory of the Net Zero Asset Managers Initiative since April 2021, which commits to reaching net zero by 2050 at the latest. As such Insight are looking to ensure that at least 50% of finance emissions are either net zero, aligned to a net-zero pathway, aligning to a net zero pathway or subject of engagement with a view to moving into alignment to a net zero pathway by 2030. The company has engaged with 35% of its financed emissions as part of this target.

*Engagement data provided at a firm level