SLIDE 1 SHOWS BEFORE THE PRESENTATION STARTS

Kate

SLIDE 2

Good afternoon, everyone. Welcome to our 71st Annual General Meeting of Scheme members.

My name is Kate Barker and I am the Chairman of the Committee of Management of BCSSS.

The AGM provides you, our members, with the opportunity to hear presentations on the financial position of the Scheme and on some of the key challenges we have to manage. After the presentations, you will have an opportunity to ask questions.

The last time the AGM was in Durham, (at this same hotel in fact!) was in 2012 – before I joined as a Trustee. We do try to hold the AGM in different mining locations around the country, to give as many members as possible the opportunity to attend a meeting in their local area. It is nice to see so many of you here today.

Let me introduce the other members of the Committee of Management of your Scheme (often referred to as the Trustees) and explain to you a little bit about what we do.

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The other members of the Committee are sitting in the front row. I'll start with the Pensioner Representative members – could you please stand up and make yourself known to the meeting when I introduce you:

Bleddyn Hancock.	Bleddyn is the Pensioner Representative for the North West England, West Midlands, Wales and Northern Ireland constituency and is the longest standing Pensioner Representative member, serving on the Committee of Management for 23 years.
Stuart Jukes.	Stuart is the Pensioner Representative for the Yorkshire and North Lincolnshire constituency and has been a member of the Committee of Management for 22 years.
John Sheldon.	John is the Pensioner Representative for the East Midlands, Southern England and Overseas constituency, joining the Committee of Management four years ago. I'd like to congratulate John, who has just been re-elected for a further four-year term from 1 October – a good proportion of members voted and it's pleasing to see continuing interest in the Scheme.
James Grant.	James is the Pensioner Representative for your constituency (Scotland and North East England) and joined the Committee of Management last year. James replaced Allen Clark, who retired after being a member of the Committee of Management for 14 years. Unfortunately, James is unable to attend the meeting today following a family bereavement, he has sent his apologies. I am pleased to see that Allen is with us in the audience today.

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The other appointed members are:

Alan Whalley. Alan was appointed by the Committee of Management three and a half years ago and is Chairman of the Risk and Assurance Sub-Committee.

Jim Shearer. Jim was appointed by the Committee of Management two and a half years ago. Jim is the Chairman of both the Administration and Benefits Sub-Committee and the Discretions and Appeals Sub-Committee.

Alan Rubenstein, the Chairman of our Investment Sub-committee, is unfortunately not able to be with us today. Alan was appointed by the Committee of Management on 1 February this year, when this date had already been agreed, but regrettably he already had a prior commitment for today which he was unable to change.

So, as you can see, the Committee of Management is made up of individuals with varying lengths of Scheme experience. I think we've a good balance between retention of knowledge and the challenge of new ideas and ways of working.

By way of background for those of you who haven't been to an AGM recently, the Committee of Management works as a team and our collective focus is on paying you the benefits you are due under the Scheme Rules and providing the best service for you, our members. Our duties and powers are set out under the Scheme Rules and Trust law – we must abide by these Rules and are not allowed to act outside of them.

The Committee of Management has delegated some of its powers to four Sub-committees. Each of these Sub-committee comprises two appointed and two Pensioner Representative Trustee members and each Sub-committee is Chaired by an appointed Trustee (a requirement under the Trustee Company's constitution). The Committee of Management meets on a quarterly basis, or more often if required. As well as receiving reports from the various Sub-committees, the Committee of Management sets the strategic objectives and risk constraints, and monitors progress towards these objectives.

I would like to take this opportunity to highlight the commitment each member of the Committee of Management has shown in looking after the interests of the members. Over the year to March 2018, we had 28 Committee of Management and Sub-committee meetings, together with a number of working group meetings. Papers for each meeting are issued in advance and the amount of preparation required for each meeting should not be underestimated. In addition, each Trustee has continued to improve their knowledge and understanding, through attendance at external courses and seminars, and through formal and informal training.

Joining myself at the front from the staff of Coal Pension Trustees is Geoff Mellor, one of the Co-CEOs and Jon Heathfield, the Scheme's Secretary.

Coal Pension Trustees employs 37 staff, who provide Executive Management, secretarial, actuarial, benefits management, finance and accounting, investment and risk management services. They support not only the BCSSS but also the Mineworkers' Pension Scheme.

SLIDE 5

The programme for this afternoon's meeting is shown on the slide. In a moment I will summarise the areas we have been focusing on this past year. I shall then hand over to Geoff Mellor, who will give you an update on the Scheme's funding position and investment strategy.

Jon Heathfield will then summarise some of the key statistics and provide the answers to the written questions received in advance.

Finally, I will invite questions from the floor, which we will endeavour to answer, before I draw the formal proceedings to a close.

There will be time at the end of the meeting for further refreshments – and I hope you will take the opportunity to chat with the Trustees and Scheme Officials before you head home today. Representatives from the Scheme's administrators (Capita Employee Benefits) and the Coal Industry Social Welfare Organisation are also with us this afternoon, so if you have not had the chance yet to visit their stands, you may wish to do so at the end of the formal proceedings.

As you will have seen from the copy that we sent to you with your AGM ticket, we have made a few changes to the Report & Accounts, including the addition of a 'Chairman's Introduction' and some 'Key Statistics', to provide some more information about the Scheme membership and assets, as well as highlighting those areas that the Trustees have been focussed on over the past year.

The Report and Accounts themselves have to be prepared in accordance with accounting standards, which are quite prescriptive and don't always make them easy to understand. We have made some minor changes within the Accounts this year and simplification of the Statement of Net Assets to try to make them a little easier to follow.

SLIDE 6

Over the year we have continued to evolve our funding strategy, following the changes made to the Scheme in 2015. As a brief reminder, before 2015, much of our focus was on member bonuses, primarily on the protection of the total level of bonuses, recognising that they could be lost over time. The changes made in 2015 allowed us to provide both protection to the level of your bonuses and certainty to you about your pension and future pension increases. We also continue to have the Government Guarantee in place, which means that you, and your dependants, can be confident that your benefits will be paid in full throughout your lifetimes.

As I highlighted at last year's AGM, following the 2015 changes to the Scheme, we reviewed our primary funding objective, which is to ensure that all future benefits can be paid to members as they fall due without requiring funding from the Guarantor.

The level of investment return required on the Scheme's assets over the future to meet all the pension liabilities has reduced due to buoyant investment markets in recent years, but remains demanding. This means the Committee has to invest in assets that generate higher returns than can be achieved with 'low risk' assets such as government bonds for example. We have also highlighted at previous AGMs that the Scheme is one of the most mature in the country with annual benefit payments in excess of £600 million. These payments out of the Scheme are greater than the income we receive from the assets, meaning that we have to sell assets over time to pay the pensions. Therefore, our funding strategy has to have regard to the high return targets and the high cash payments.

We have been able to benefit from the recent strong investment markets, with high returns generated from across a whole range of asset classes. The Committee has been able to take advantage of these good returns, and as a result, the funding position of the Scheme has improved. But looking ahead, investing with markets at their current high levels has its own challenges. Our expectations of future returns on assets is lower than we have projected historically. In addition, due to low interest rates, there are many investors competing for those assets that provide high cash yields, which has driven up their price. As a result, the Committee has looked to broaden the investment universe to identify assets that provide both high cash yields and good return prospects. That is the reason why we now have significant allocations to a number of assets of this nature, including property, private credit and ships, and we have recently also committed to a significant allocation to UK infrastructure. Many of these newer assets to the portfolio are 'illiquid', which means that they can't be sold quickly to generate cash to pay benefits. Managing the portfolio with high levels of illiquid assets brings some new challenges.

A different aspect which we consider, as indeed do many other investors, is the environmental, social and governance factors affecting investments. This has gained profile recently, and covers a range of factors that investors should consider, such as the impact of climate change, the use of child labour or the levels of senior management pay within companies. Geoff will explain a little further how we think about some of these factors in our investment strategy and how that is developing.

As Geoff will explain later, there is a fair degree of complexity in our portfolio, recognising the need to provide both a high level of return together with cash to meet benefit payments to members. Under our new Chief Investment Officer, Mark Walker (who joined us in January this year and is with us in Durham today), we have strengthened our internal investment team to recognise these challenges, including bringing in individuals with experience in these new investment areas. In addition, we have also reviewed our Risk Management Framework and now have included a greater focus on cash-flows to and from investments, the management of illiquidity and the need for growth.

I'm sure that all of you will be aware of the other major change during the year, namely the change to the Scheme's benefits administration. Capita Employee Benefits have been responsible for the administration for just over a year now, let's have a look at how things are going.

SLIDE 7

In 2016 we undertook a major review of the administration contract with Aon Hewitt that was coming up for renewal. It is good governance to regularly review all of our service providers as it enables us to ensure that the levels of service being delivered remain at a high quality and also that the Scheme is getting the best value for money. The review was partly prompted by our concerns about the long-term commitment of Aon Hewitt to the pension administration sector, and those concerns were borne out when, in 2017, Aon announced that they were withdrawing from providing pension 'administration only' services to concentrate on their 'core' consulting business.

Following a market tendering exercise and further significant due diligence the Committee appointed Capita Employee Benefits as the new Scheme's pension administrator. Capita Employee Benefits are a very experienced provider of pension administration in the UK, serving many other large schemes. In addition, their costs for provision of the services were significantly lower than Aon's and we were satisfied that they would offer a good service to you and represent the best value for money. The services are provided from their Sheffield office which also meant that nearly half of the existing Aon staff were able to transfer across to the new administrator. I am pleased to report that the transition to Capita Employee Benefits on 1 August 2017 went very smoothly and has been operating successfully since that time.

You are all probably aware, however, that that Capita Group has in recent times been in the press due to its poor financial performance and corporate restructuring plans. I would like to reassure you that, as a major service provider to the Scheme, we very closely monitor Capita Group's financial strength and regularly request and receives updates from Capita Employee Benefits. We are assured that the Capita Employee Benefits business is a core part of the wider Capita Group going forwards and that it will receive continued new investment to maintain and improve member services, and that the financial position of the wider Capita Group will be improved, following the business transformation, and strengthening of the balance sheet and management teams.

SLIDE 8

We have also been working hard over the past year to improve the look and feel of member communications. We undertook an extensive review of member letters as part of the administration transition to simplify the language wherever possible and, for pensioners, provided a more detailed breakdown of benefits in the January pension increase letter. We launched a new Scheme website last year, with improved navigation and design to make it easier to read and to provide additional content about the Scheme, including some helpful videos. In addition, we have similarly refreshed Pension News to help deliver information about the Scheme in a clearer way. We will continue to look at ways in which we can improve our communication with you in the most cost effective way – you will have noticed that we have sent you leaflets with updates about the Scheme at the same time as sending other Scheme correspondence and, where we hold an email address for you, may send you email updates from time to time. We welcome comments on our communications.

Finally, I'm sure that you are all aware of the EU wide changes made to strengthen data protection regulations that came into effect in May this year, and have been inundated with emails from various organisations asking you to opt in to continue to receive communication from them! As you would expect, the Scheme has undergone an extensive review of its policies and procedures in this key area of ensuring the protection of member data. We too have updated our data protection policies and procedures and also ensured that the Scheme's administrator and all other third parties who have access to the Scheme's data are compliant with the new legislation. We sent all members a leaflet highlighting the changes and explaining how your personal data is handled. We have also produced a new Scheme privacy statement and the full version of this is on the Scheme's website.

SLIDE 9

I would now like to hand over to Geoff who will outline the funding and investment strategy of the committee. Geoff.

Geoff

Thanks Kate. Good afternoon everyone.

As Kate has already highlighted, our primary funding objective is to pay all future pensions without requiring new money from the Guarantor in future. Following the changes to the Scheme structure in 2015, we reviewed our investment objectives, strategy and levels of risk to ensure we remain best placed to achieve the funding objective.

SLIDE 10

The slide shows our projections of the payments due from the Scheme each year over the future. **[SLIDE]** In the current year, we expect to pay £623 million, **[SLIDE] [SLIDE]** next year that will be £613 million **[SLIDE] [SLIDE]** and if we look at, say 2030, **[SLIDE] [SLIDE]** the amount is £499 million.

SLIDE 11

[SLIDE] In 2033, we are also due to pay the Investment Reserve to the Government. We estimate that this will have grown to about £2.4 billion at that time. **[SLIDE] [SLIDE]**

SLIDE 12

These projected payments do of course rely on certain assumptions. We need to make assumptions about how long members and their dependants are going to live, and the levels of future inflation. If inflation is higher than expected, the total pensions paid will be higher. And if members live longer than expected, the payments will be higher. And vice versa, of course. **[SLIDE]**

If we add all these payments up, we arrive at a total of nearly £18 billion.

SLIDE 13

The assets of the Scheme had a market value of £9.4 billion at the end of March. **[SLIDE]** So our funding challenge is to convert £9.4 billion of assets into £18 billion of future payments to members and the Government. We need to earn annual returns of over 5% over the future life of the Scheme to do this.

SLIDE 14

Turning back to the annual payments out of the Scheme, we currently receive about £250 million each year in income from the assets. **[SLIDE] [SLIDE]** I'll talk about where that income comes from in a moment. But we have to pay out £623 million this year in benefits. **[SLIDE] [SLIDE]** So we're nearly £400 million a year short. **[SLIDE]** We have to fund this £400 million by selling assets. **[SLIDE]**

Over time, as you can see, the level of annual pension payments will fall as members and their dependants die, but we expect that the value of the assets will also fall as a result of the need to sell assets every year to pay benefits. We often get asked what happens to the money that is left after everyone has died. I hope this shows that there is unlikely to be any money left at that time.

Now, the investments you would own if you just had to deliver annual returns of 5% per annum over the long-term future are different from the investments that would deliver high levels of cash, with certainty, over the shorter term. For the former, you would invest in assets with high return expectations, accepting some volatility of returns. For the latter, you would look for certainty of cash-flows and assets that maintain a steady value. These safe assets generally don't deliver high returns.

Therefore, we have two conflicting challenges, both of which are likely to get bigger over time. We need to grow the assets and we need to sell the assets. So, what are we doing to manage these two conflicting challenges?

SLIDE 15

Let's start with the cash requirements. The first thing that we do is look for assets that provide income – we get income from various sources: property rents, infrastructure income, shipping charters, interest from fixed income securities and equity dividends. The slide shows the table which is on page 29 of the Report & Accounts, showing where the income came from last year. As Kate touched on earlier, we have increased income-generating assets in the Scheme's portfolio and now have significant allocations to private credit, property, infrastructure and ships which will all help increase this level of income.

We hope to increase the income still further. However, that is challenging in the current environment, with low interest rates and a lot of other investors also seeking income.

SLIDE 16

Even if we are able to increase income, we still won't receive enough to be able to pay all of the pensions each month, so we also need to sell some assets. The slide shows the asset allocation of the Scheme at the end of March – it's from page 20 of the Report & Accounts. Some of the best income-generating assets are 'illiquid', which means that we can't just go into the market and sell them. Property, infrastructure, ships and private credit fall into this category. So, let's look at the other assets. Firstly, public equities. These are generally liquid and are expected to deliver good returns over longer time periods. However, their price can go up and down quite markedly, especially over the short-term. We don't want to be forced into selling equities after their price has gone down. That leaves sales and redemptions of government bonds and investment grade credit. These are also generally liquid and their price tends to go up and down less than that of equities. We expect to pay for this greater reliability of price in lower returns, but it gives us the assurance that we can meet our pension obligations over time without being forced to sell our equities at depressed prices.

We've looked at how we manage the Scheme's cash requirements, now we'll move on to the growth requirements. As I mentioned earlier, our required return is over 5% per year. Public and private equities, private credit, and property and infrastructure are all assets in the portfolio that we expect to deliver good returns over the longer term. We hold different assets in order to diversify the risks in the portfolio. For example, we look to hold some assets that should do well in a strong economic environment (such as equities) but also assets that might do better in a recession (bonds) or in periods of high inflation (property and infrastructure) and make sure that we have a balance across the portfolio.

SLIDE 17

So, how are we doing in achieving that 5% per annum return target I mentioned earlier? If you look at the returns table on page 20 of your Report and Accounts you'll see that the returns have been higher than the 5% per annum that we needed over the last five years. In addition, the managers in aggregate have exceeded the targets they were set. This is of course good news! These strong returns have reflected the recent buoyant investment markets and have certainly left us in a stronger position than we were a few years ago. However, the recent stock market wobbles remind us that the return requirement remains challenging and should help us guard against complacency.

SLIDE 18

Finally, I'd like to summarise the Trustees' policy around environmental, social and governance (or ESG) factors. Firstly, a few words of explanation of what we mean by these terms. The E, or 'environmental' factors could cover things such as climate, pollution or scarcity of resource. The S, or 'social' aspect might include health, education and human rights. And the G, or 'governance' includes responsible businesses, levels of senior management pay, shareholder rights and compliance with laws and regulations.

The Trustees' duties remain to act in the best financial interests of the members. In doing this, we recognise that environmental, social or governance factors can have a material impact on investment returns and risks, especially over the longer term. That is why the Trustees are signatories of the UK Stewardship Code and have in recent years increased their focus on these aspects of investing in the portfolio. In particular:-

- Investments with good or improving ESG 'credentials' are more likely to deliver long-term sustainable returns. As a particularly pertinent example, the longer term financial prospects for a renewable energy company might be better than those of a fossil fuel company.
- Furthermore, the more long-term an investment, the more important ESG factors become. We expect to hold some of our infrastructure investments for 20 years or more, for example, so we really need to consider the risks over that time period.
- Also, ignoring environmental, social or governance issues can create investment and reputational risk, which may reduce returns. Examples here might include the VW emissions scandal, or the US technology giants' management of their tax arrangements.
- And finally, being a good steward of assets should lead to better risk adjusted returns. Evidence shows that shareholders engaging with management and using their votes improves longer term returns.

I've summarised some of the things the Trustees do on the slide. This includes voting on the equity holdings, considering ESG factors in every investment decision, recent investments in renewable energy in the infrastructure portfolio and flood risk assessments in our property portfolio.

Just to repeat, these activities are good practice and are focussed entirely on improving financial outcomes for the Scheme.

SLIDE 19

I will now hand over the Scheme Secretary, Jon Heathfield, who will summarise the key statistics in the Scheme accounts and read and address the written questions received in advance.

Jon

Thank you Geoff, good afternoon everyone.

SLIDE 20

Let's look at some of the key statistics from this year's Report and Accounts, one of the new sections we added to the report for this year is on pages eight and nine - you should all have received a copy of the Scheme's Report and Accounts with your AGM ticket.

In terms of membership, at 31 March 2018 the Scheme had 49,684 pensioners (which includes 13,772 widows and 133 children) and 3,280 deferred members (including 443 deferred members with small EPB pensions). This was a reduction of 2,634 members over the year from 31 March 2017.

During the Scheme year we paid a total of £624 million to members in benefits and transfers out. Some of the keen eyed among you will have noticed that this amount differs to the total pension figures on page 17, which when added up come to just over £601 million. The reason for this difference is that the figures in the Fund Account are what was actually paid out over the whole year and those on page 17 was the current value of pensions in payment as at 31 March 2018.

As Kate mentioned in her speech, we were fortunate with the investment conditions last year and, despite paying out £624 million, the Fund actually increased by £11 million. The total Fund value on 31 March 2018 was £9 billion 367 million.

SLIDE 21

I'll provide more information on the changes in the numbers during the last year – so if you look at the 2018 column in the Summary Fund Account on page eight you'll see that payments in relation to dealings with pensioners and members from the Scheme amounted to £629 million which is almost 7% of the value of the Fund. The pensions paid to members and dependants, at £624 million, accounted for just over 99% of this expenditure, with administrative expenses making up the remainder.

The total return on the Scheme's investments over the year was £640 million, made up of investment income of £251 million, less investment management expenses of £32 million, and an increase in the market value of the investments of £421 million.

The net effect of these movements is an increase in the overall Fund value of £11 million over the year, giving a total closing value of the Scheme's assets at 31 March 2018 of £9 billion 367 million.

As an aside, both Kate and Geoff mentioned in their speeches that we have continued to increase the income-generating assets in the portfolio and I think that it's interesting that you can clearly see the results of this in the accounts. So, if you look at the investment income line in the Five Year Summary Fund Account, you can see that the investment income has risen steadily over the period, matching the gradual increase of these type of assets in the portfolio.

SLIDE 22

I will now read the written questions we received and give the Committee's responses.

SLIDE 23

The first written question is from Mr T Holding (I believe that Mr Holding is with us today).

Question: My friend is a member of the Mineworkers Pension Scheme and he has recently received a letter regarding his future benefits.

In particular, the MPS are advising their members that future annual increases to pensions in payment will be 4.2%, guaranteed for at least the next 6 years and possibly beyond.

If both the BCSSS and the MPS are fundamentally operated under the same umbrella, why is it that BCSSS members are receiving only a 2% annual increase to their pensions in payment, whilst MPS members are receiving more than twice this annual increase?

An explanation of this disparity would be appreciated.

Answer:

The BCSSS and MPS are separate pension schemes with different rules, different trustee bodies, different membership and different liabilities and assets.

The BCSSS Trustees are unable to comment on MPS as they don't have any information on their liabilities or funding position other than what is available in the public domain.

CPT does work for both the BCSSS and MPS, but the Schemes are managed separately.

What I can say is that the MPS has actuarial valuations and if these reveal a surplus, 50% is available to award bonuses to members. The 4.2% increases mentioned are bonuses awarded following the most recent actuarial valuation.

I would remind you of the background to the decision the BCSSS Trustees took in 2015, to give up future surplus sharing in return for certainty of future pension increases (which Kate touched on in her speech). The funding position of the Scheme at that time was such that there was very little prospect of members receiving any pension increases for three years after the 2015 valuation and a high risk of the loss of some or all of the bonuses previously granted. Nothing that has happened since 2015 has changed that position. Despite the strong investment returns over recent years, we still have to achieve strong returns on our assets, which will involve taking investment risk, to provide the benefits that have been promised. The certainty that bonuses can't be lost in future and that members can look forward to pension increases each year in future remains attractive.

SLIDE 24

Mr JWW Morley, who unfortunately can't be with us today, has summitted three questions.

Question 1 - I know that we are in standstill at present and I believe that the scheme has paid back some £500 million last year but I am not sure if we have completed the total debt of £1.2 billion we owe which was due to the deficit which initiated "Standstill."

Answer:

The debt to the Guarantor, which is now called the Adjusted Reserve, stood at £1.8 billion as at 31 March 2018. It might be helpful if I explain that this debt isn't due as a result of a deficit, it is British Coal's share of the pre-1994 surpluses, which was kept in the Scheme on privatisation to be used as a first call in the event of a deficit.

Under the Scheme Rules, this debt was due to be repaid in full to the Guarantor by 2019. However, as part of the changes made to the Scheme following the Sustainability Review in 2015, it was agreed that £500 million from this 'pot', which stood at about £2.2 billion at that time, would be paid to the Guarantor in April 2015. In addition, it was agreed that the balance of the Adjusted Reserve would not be repaid until 2033. Up until 2015 the Investment Reserve grew in line with the returns of the Scheme. Following the changes to the Scheme in 2015 it only grows in line with CPI inflation.

Question 2 - From 2020 our scheme will only increase by the relevant RPI of September 2020, so I would like to know from the trustees if there is any way that they could discuss with the government to see if our scheme could have the same arrangement as we have had for the past 6 years, i.e. 2% increase on our basic level bonus starting in January 2020 in addition to the RPI of the day.

Answer:

Guaranteed pensions are increased annually by the rise in the RPI to November and the increase is applied to pensions from 1 January each year.

The bonuses paid over the last six years weren't part of the guaranteed pension increases. The 2% bonuses paid in 2014, '15 and '16 were negotiated as a part of the triannual Actuarial Valuation as at 31 March 2012 which triggered the Sustainability Review. If you recall, the Scheme was in a position at that time where it was highly likely that it would have been a long period with no increases to total pensions. The 2% bonuses paid in 2017, 2018 and due in January '19 were negotiated as part of the Sustainability Review and changes to the Scheme in 2015. Kate previously mentioned the 2015

Scheme changes, which also saw the removal of the surplus sharing arrangements with the Guarantor, and therefore the ability to provide additional bonuses in future to members. Given that we only signed the Agreement with the Guarantor in 2015 we don't intend to go back to them to ask for any subsequent changes at this point in time.

Question 3 - Could the trustees look at getting the remaining bonuses after 2019 to be included into our pension and therefore receive RPI which would probably be as good as 2% increases, and help all member's on lower pensions to enjoy a better retirement.

Answer:

As part of the 2015 Agreement, after 2019 all remaining bonuses will be consolidated into one level bonus that will neither increase nor decrease in future. As we said in the previous answer, given that we only signed the Agreement with the Guarantor in 2015 we don't intend to go back to them to ask for any subsequent changes at this point in time.

SLIDE 25

I'd now like to hand back to Kate to start the open forum session.

Before I open the meeting to questions, I would remind you that the session is just that, a time for questions. The correct forum to express personal views and to deal with individual benefit queries is through the Scheme's administration office at Capita Employee Benefits. Staff from the administration office are here today, and after the meeting, they will be happy to spend time with you to answer any individual benefit queries.

We do have a number of visitors who are not members of the Scheme with us today. They are welcome and may ask questions.

Please will every speaker give his or her name? If you are not a member, please state the organisation you represent. Please use the microphone, to ensure that you can be heard by everybody here and so it is picked up on the recording for the transcript.

So, are there any questions about the operations of the Scheme over the past year?

Open Forum

Kate – concluding remarks

Thank you for your questions.

I would now like to spend just a few moments bringing this AGM to a close.

SLIDE 26

Over the last year we have continued to work hard to ensure that we can continue to pay all benefits to members, both now and in the future, without requiring any additional funding from the Guarantor.

We have been through a significant change in the benefits administration which hopefully many of you will have not even noticed. The Committee continue to look at ways that we can improve the member experience of the administration and also the way in which we communicate with you. I hope that you have also found the information provided here clear, interesting and informative. If you do have any feedback about Scheme administration or communications please let us know, we have a feedback form on the Scheme's website or you can write or email us and we would also encourage you to participate in the member feedback survey which we have extended this year to a larger sample of members.

We shall be here for a little while yet and you are welcome to join us for further refreshments and informal discussion.

I would like to thank all those at CPT, as well as the staff from Capita and the Coal Industry Social Welfare Organisation, and not least the Hotel's staff, who have all worked hard to put together today's event. The Trustees, and the CPT Team, work hard throughout the year for all the members of the Scheme and I thank them on your behalf.

The AGM next year will be held on 3 October 2019 at Jurys Inn in Cardiff; details will be included in the next edition of Pensions News.

SLIDE 27