

Our strategic priorities

We are a forward-looking and ambitious business.

Our objective is to be the pre-eminent UK focused pensions consulting and administration firm. One that offers a clearly differentiated alternative to the Big 3 – able to operate at scale and yet agile enough to provide clients with superior service at better value than our larger rivals.

Our strategy is to deliver our objective, while remaining focused on achieving profitable growth, and is centred around four key pillars.



Regulatory change

Whenever there is regulatory change, our clients need bespoke advice and support. Periods of significant regulatory upheaval are therefore drivers of market growth. Today, more regulatory change is taking place, or is in the pipeline, than at any time in the past 20 years.

Progress

During the year, further mandates were won from a number of large schemes for our end to end GMP equalisation solution. We helped our clients to adapt to the Pension Schemes Act 2021 and we continued to develop solutions in line with the evolving funding regulations. Our market leading approach on GMP won us wide ranging mandates including on some large schemes outside of our existing client portfolio.

Priorities for FY 2023

Advise and support client response to recent regulatory changes such as the Pension Schemes Act 2021. Ensure clients are prepared for upcoming New Funding Code (expected end-2022) and Single Code of Practice. Continue roll-out of GMP equalisation solution.

Key risks

- Third party supplier/outsourcing
- Strategy
- Errors
- Theft and fraud

140

Phase 1 GMP equalisation reports issued

£5.1m

Revenue from GMP equalisation work



Expand services

We provide a full range of services that pension trustees and corporate sponsors need. But for many clients, we only provide one service and could deliver more. Expanding our current service offerings to existing clients represents a significant opportunity, as does developing new services that help deliver better outcomes for members.

We also have strong analytical and administration skills that can be deployed more widely than the pensions industry and this presents an opportunity for us to grow and diversify.

Progress

We continued to add new solutions to our offering, including Member Analytics and Mortality Analytics tools. We also invested in our Trustee Secretarial Services Unit and appointed a Head of Trustee and Governance Services. In March 2022, we announced a strategic alliance with abrdn plc to launch a UK DB master trust that will deliver a one-stop shop solution for small- and medium-sized legacy DB pension schemes, generate cost savings and improve governance and member benefit security.

Priorities for FY 2023

Launch UK DB master trust with abrdn plc

Continued growth of our de-risking practice including delivering large insurance transactions

Continued growth in Trustee Governance Services

National Pension Trust being introduced across our client base

Key risks

- Strategic planning and execution
- Financial performance
- Information/cyber security
- Staff/human resources
- Client engagement
- Client engagement
- Business conduct and reputation

212

Member analytics mandates in the year

£1.3bn

NPT assets under management



Grow market share

We seek to grow our business by winning 'new logo' clients – those pension schemes and sponsors with whom we have no existing relationship.

Progress

Our Market Force Initiative generated multiple new business leads from the large pension schemes targeted. Several of these were converted during the year in both advisory and pension administration including Wood Group, Mitchells & Butlers and the BT Group.

Priorities for FY 2023

Continue roll-out of Market Force Initiative to grow and convert new business pipeline.

Key risks

- Strategy
- Errors
- Third party supplier/outsourcing
- Strategic planning and execution

8%

Organic revenue growth

47

Client schemes with over £1bn assets



Mergers and Acquisitions

We operate in a fragmented market. Being one of the largest mid-tier independent companies in the sector, there is an opportunity to grow our market share through the acquisition of businesses that can boost our scale and capability in certain specialist areas.

Progress

Acquisition of specialist SIPP and SSAS provider, Michael J Field Consulting Actuaries, which complements our existing capabilities and expands the reach of our offering to a wider base of clients and financial advisers.

Priorities for FY 2023

Continue to evaluate potential acquisitions that meet investment and strategic criteria.

Key risks

- Financial performance
- Business conduct and reputation

4

Bolt on transactions in the last 4 years

£14m

Earnings enhancing capital deployed