



Gist Limited Pension Scheme

Annual Report and Financial Statements

For the year ended 31 March 2020

Scheme Registration No. 12004205

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Trustee's and advisers

Trustee Company	GLPS Trustees Limited (until 5 December 2019)
Sole Corporate Trustee	Capital Cranfield Pension Trustees Limited (appointed 6 December 2019) #+*
Trustee Directors	Employer nominated (until 5 December 2019) Capital Cranfield Pension Trustees Limited represented by: M Trouard-Riolle M J Dowe + R J Francis * R Jurkowski
	Member-nominated (until 5 December 2019) N M Shiggins (resigned 31 May 2019) * P A J Struthers #
	# Audit Committee + Medical Committee * Risk Working Group
Company Secretary	S K Kelly
Secretarial Services	Capital Cranfield Pension Trustees Limited
Scheme administrator	BOC Pension Services ADP (Pension Payroll)
Principal employer	Gist Limited
Participating employer	The BOC Group Limited (from 30 June 2019)
Actuary	R Shackleton FIA Hymans Robertson LLP
Auditor	Ernst & Young LLP
Legal adviser	Mayer Brown International LLP
Fiduciary manager	BlackRock Investment Management (UK) Limited
Investment custodian	BNY Mellon Asset Servicing BV (terminated 17 April 2019) The Bank of New York Mellon (International) Ltd "BNYM" (appointed 18 April 2019)
Bankers	HSBC Bank Plc
Group life assurance	Legal & General Assurance Society (terminated 30 June 2019)
Medical adviser	Medigold Health Consultancy Limited
Enquiries	Director of Pensions Services, RUK BOC Pension Services The Priestley Centre, 10 Priestley Road The Surrey Research Park Guildford, GU2 7XY Email: pensions.uk@boc.com

Trustee Report

The Trustee of the Gist Limited Pension Scheme (the “Scheme”) presents their annual report for the year ended 31 March 2020.

Introduction

Linde Plc, The BOC Group Limited, Gist Limited (the “Company”) and the respective Trustee of the Scheme and the BOC Pension Scheme (“BOCPS”) reached an agreement to merge the Scheme into BOCPS with a planned completion date of 1 October 2020. The Merger Deed is dated 29 July 2020 and is noted in subsequent events on page 30.

Based on the advice received, the Trustee has concluded that the merger will increase the security of member benefits as they will be covered by the Linde Plc Parent Company Guarantee, which is a legally binding group-wide commitment to financially support BOCPS.

All the deferred pension benefits, benefits in payment and investment assets will be merged into BOCPS and the Scheme will commence wind up after the merger has been completed. Any benefits due to members after the completion date will be payable by BOCPS. The wind up is expected to commence on 1 October 2020.

The transfer will be made without member consent. The Employer and the Trustee issued notice to members in August 2020.

Further information can be found in the FAQs at www.gistpensions.co.uk/merger.

The Scheme was closed to new entrants on 1 April 2011 and closed to future accrual on 30 June 2019. Contributing members at this time moved to a deferred status. Death-in-service lump sum benefits also ceased on 30 June 2019.

The Company offered an Early Retirement with Company Consent (“ERCC”) programme to allow active members to retire early if they were over the age of 54 on 30 June 2019 (and over 55 at the point of early retirement). This programme used enhanced actuarial terms as set out in the Scheme rules. The cost of meeting this enhancement was met by the Company and is shown as augmentations in note 2 on page 20. Those who were not eligible to take early retirement were offered a one off lump sum which could be taken as an ex gratia payment or invested in the BOC Retirement Savings Plan (“BOCRSP”).

The Scheme is a defined benefit pension scheme set up by a trust deed dated 30 March 2011 as updated by a Deed of Variation dated 27 June 2019. It was established for employees of GIST Limited with the signing of the Definitive Trust Deed and Rules on 30 March 2011.

During the year, the Scheme provided earnings-related pension benefits for and in respect of Scheme members. A lump sum benefit in the event of death was provided for the period to 30 June 2019. Active Members were also able to contribute to the AVC Section of BOCRSP until 28 July 2019 as it provides facilities for the investment of additional voluntary contributions. It was also used for the investment of any pensions-related additional contributions made by the Company in respect of Scheme members.

The objective of this Report is to provide a formal and historical record. Less formal publications are used to keep members informed about the progress of the Scheme. Information can also be obtained from the BOC Pension Services internet website www.gistpensions.co.uk.

Enquiries and complaints

The address for enquiries about the Scheme, matters regarding entitlement of an individual to benefits, complaints regarding Scheme administration and requests for further information is shown on page 2.

Trustee Report (continued)

Management of the Scheme

The Company has the formal power under the Scheme Rules to appoint and remove the Trustee body. GLPS Trustees Limited was the Trustee of GLPS until 5 December 2019. The Company appointed Capital Cranfield Pension Trustees Limited to act as the Sole Corporate Trustee from 6 December 2019.

The Sole Corporate Trustee appointment is on an on-going basis subject to an agreed notice period on either side.

On termination of GLPS Trustees Limited, this was replaced by a Sole Corporate Trustee.

The Trustee met on three occasions during the year to review investment activities, administration and any other matters affecting the Scheme and its members. The Trustee has appointed external specialists to advise on legal, investment and actuarial matters. Any changes to the advisers during the year are listed on page 2.

Acting on the advice of the Scheme Actuary, the Trustee does not accept individual transfer payments from members' former pension schemes.

Payments made in respect of deferred pensioners who exercised their option to have a cash equivalent or transfer value paid to another pension arrangement were calculated in accordance with the provisions introduced under Section 97 of Chapter IV of Pension Schemes Act 1993 using tables supplied by the Scheme Actuary. Payments made during the year fully reflected the value of the accrued benefit rights in each case.

The calculation of transfer payments includes allowance for the Trustee's discretion to permit early payment of a deferred pension, without reduction, in circumstances of ill-health. No other discretionary benefits that could be available are included in transfer calculations.

The Trustee has written agreements in place with the Actuaries, the Auditor, the Legal Advisers, the Medical Advisers and the Investment Advisers and, in the form of delegation documents, Pensions Investment Department and the Benefits Administrators.

Data protection

The Scheme is registered under the EU General Data Protection Regulation (GDPR) from 25 May 2018, (previously the Data Protection Act 1998) to process on computer and otherwise, personal information that the Trustee or its delegates may need for Scheme management.

Scheme tax and social security status

The Scheme is a registered scheme with HM Revenue & Customs under Chapter 2 of Part 4 of Finance Act 2004.

Contributory members of the Scheme were in contracted-out employment under Section 9 (2) of Pensions Act 1993 during the year for the purposes of state earnings-related pension provision, under certificate numbers E3800264Y and S2804819H.

Committees

Committees are set up for practical reasons where a number of additional meetings are required and to facilitate additional, targeted, technical training.

The members of each Committee who represent the Trustee are shown on page 2.

Trustee Report (continued)

Audit Committee

The Audit Committee met on two occasions during the year. The Audit Committee is a joint committee consisting of a representative of the Trustees of each of the Scheme, BOC Pension Scheme, BOC Senior Executive Pension Scheme, BOC Retirement Savings Plan and from the Administrator of BOC Pensions Investment Fund (BOC Pensions Limited).

The main objectives of the Committee are to review the plan for the annual audit, review the audit results and discuss them with the Scheme Auditor, consider the letter of representation to the Auditor, review and challenge the Report and Accounts and report to the Trustee Boards on these matters. The Audit Committee formally recommends the approval of the annual report and financial statements to the Trustee.

Risk Working Group

The Risk Working Group met on one occasion during the year. The Risk Working Group existed to review the Trustee's risk register and make related recommendations to the Trustee. This committee ceased on 5 December 2019.

Medical Committee

The Medical Committee met on one occasion during the year. The Medical Committee existed to consider applications from members and the Company for the award of medical pensions. This committee ceased on 5 December 2019.

Pensions Act 1995 and Pensions Act 2004

The Trustee has a range of procedures to ensure ongoing compliance with the requirements of Pensions Act 1995, the Pensions Act 2004 and other applicable regulatory bodies.

The Pensions Regulator (TPR) is the regulatory body for work-based pension schemes in the UK. TPR has a defined set of statutory objectives and wide powers to investigate schemes and take any action it thinks necessary. As an aid to achieving its objectives, TPR requires the completion and submission of an annual scheme return by the scheme administrator. It also requires reports of 'notifiable events' and 'significant breaches' of pension scheme legislation.

Notifiable events are specific events relating to a scheme or a participating employer that TPR considers could potentially have a major impact on the security of members' benefits. The Company and the Trustee are under an obligation to advise TPR without delay of any notifiable events.

Breaches of pension scheme legislation have to be reported to TPR when they are considered to be breaches likely to be of material significance (known as red breaches). Those with a duty to report include the Trustee, the Company and the Scheme's advisers.

Red breaches are caused by: dishonesty, poor scheme governance, inadequate controls resulting in deficient administration or slow or inappropriate decision-making practices, incomplete or inaccurate advice, acting (or failing to act) in deliberate contravention of the law. An example of a red breach would be persistent failure to pay scheme contributions on time. During the year, there were no red breaches. The Trustee believes that in all respects the Scheme's administration has been in compliance with the requirements of both Acts throughout the year. The Trustee can confirm that all contributions were of the amounts required and were received within the agreed timescales.

Trustee Report (continued)

Record keeping

As part of its Guidance on Internal Controls, TPR has issued Guidance on record-keeping, which sets up a framework for measuring the presence of data used in the administration of pension schemes. The aim of the Guidance is to educate and enable those responsible for member record-keeping and those who administer pension arrangements to improve the standard of record-keeping across the industry. TPR's Guidance identifies three types of data that should be measured: 'Common data', 'Conditional data' and 'Numerical data'. 'Common data' is the data that TPR considers to be applicable to all schemes and is used to identify a member, e.g. surname, forename(s)/initials, date of birth, Sex, National Insurance Number, address, postcode.

'Conditional data' is the additional data required for administration and will vary and depend on the type of scheme, scheme design, member status, system design etc. Examples of 'Conditional data' are date of leaving, benefit crystallisation event details, salary history, contributions, AVC details, active/deferred/pensioner record, date of retirement.

'Numerical data' is the additional information that will enable the trustee to put the results of the data measurement into context, e.g. status, benefit category, pensioner type.

The 'clean' percentage for 'Common data' is 99.97% and 'Conditional data' is 99.96%. The 'Numerical data' requirement is largely satisfied by the membership statistics/movements reported at each Trustee meeting.

Taking account of the Scheme design, the data held is in a robust position to allow the Scheme to be administered efficiently and effectively.

Financial development of the Scheme

The financial statements set out on pages 17 to 30 have been prepared and audited in accordance with the regulations made under sections 41(1) and (6) of the Pensions Act 1995.

During the year net additions from dealing with members were £12,196,597 (2019: £15,276,151). Net returns on investments increased to £18,244,069 (2019: £5,189,056).

As a result of all the above the net assets of the Scheme rose to £152,671,231 at 31 March 2020, an increase of £30,440,666 over the position at 31 March 2019.

COVID-19

The Trustee has assessed the impact of COVID-19 on the liabilities of pension scheme. In doing so, the Trustee has been in regular dialogue with the Sponsor to understand the impact of COVID-19 on their business and have been given reassurance that the impact is being managed to an extent which does not cause issues for the pension scheme. The scheme also has a parent guarantee which could be called upon should issues arise. As such having had these reassurances, received specialist covenant advice on the impact of COVID-19 and reviewed all of this in conjunction with the guidance published by and reviewed a number of reports from its advisers and the Pensions Regulator, the Trustee is of the opinion that scheme liabilities are not impacted by COVID-19 on the impact of COVID-19 for pension schemes. The Trustee continues to monitor the Scheme's funding position on a regular basis to ensure benefit payments can be met, and that the Scheme continues to be administered effectively.

The Trustee chose not to suspend the payment or quotation of cash equivalent transfer values (CETV), however bereavement services and payment of retirement benefits were classed as a priority, with CETVs being designated a lesser priority. The administration team moved to a flexible home working environment and maintained full operational function. None of the team were furloughed.

The Trustee considers that the COVID-19 pandemic does not create a material uncertainty to the Scheme for the period to proposed wind up in light of the strong employer covenant.

Trustee Report (continued)

Further information on how investment performance has been impacted can be found in the Market Review on page 11. The Scheme was not impacted by any investment manager estimations or difficulties obtaining pricing information as at 31 March 2020.

Actuarial review

In accordance with the Trust Deed and Rules, the Scheme's Actuary carried out an actuarial valuation of the Scheme as at 31 March 2017. This resulted in a new schedule of contributions being signed on 18 December 2018. The most recent actuarial review estimated that, as at 31 March 2019, the Scheme's assets fell short of its liabilities by £21.7m (2017: £16.3m) and the funding level was 85% (2017: 84%) on a Technical Provisions basis. The next actuarial valuation was due as at 31 March 2020 however this has been deferred due to the pending wind up of the Scheme as noted on page 3.

Any Scheme member can obtain a copy of the actuarial valuation report or the schedule of contributions by contacting BOC Pension Services at the address shown on page 2.

Statement of funding principles ("SoFP")

Under requirements introduced by Pensions Act 2004, the valuation consists of a SoFP, actuarial valuation, schedule of contributions and, if the Scheme's assets do not cover the technical provisions (the amount required to pay for the Scheme's built up pension benefits), a recovery plan. Under the SoFP, the Trustee, with advice from the Scheme Actuary and the agreement of the Company, selects the key assumptions to use in the valuation.

Method

The actuarial method to be used in the calculation of technical provisions is the Projected Unit Method.

Actuarial assumptions

Discount rate: Pre retirement: market implied gilt yield curve plus 1.8% p.a; Post retirement: market implied gilt yield curve plus 0.4% p.a.

Retail price inflation ("RPI"): market implied gilt yield curve

Consumer price inflation ("CPI"): RPI curve less 0.8% p.a.

Salary increases: Fixed rate of 2.5% per annum.

Pension increases: Fixed rate of 2.5% per annum.

Mortality

The post retirement mortality base tables will be a suite of bespoke assumptions which reflect the characteristics of the Scheme membership ("Vita Curves"). The Vita Curves adopted will be based the 2017 Club Vita tables. They will make allowance for observed variations in mortality according to age, gender, pension amount, salary, postcode based lifestyle group. The assumptions adopted vary according to the characteristics of each individual member.

The pre-retirement mortality of future pensioners is assumed to be the standard PNMA00/PNFA00 tables.

Future improvements in longevity will be assumed to be in line with the 2014 CMI model with a long term rate of improvement of 1.5% p.a.

Trustee Report (continued)

Pension increases

The effective date for pension increases is 1 April each year. Pensions in payment will be increased in line with RPI as at the previous 31 December, subject to a maximum of 2.5% on a rolling five year basis. For those pensioners who have been retired for less than 12 months but more than 1 month, a proportionate rate will be applied.

As at 1 April 2019 pensions were increased as follows:

The lesser of the percentage increase in RPI over the calendar year to the previous 31 December or 2.5% on a rolling five year average. The increase in RPI over the calendar year to 31 December 2018 was 2.7%. Therefore, the rolling five year average was applied. The increase payable from 1 April 2019 on pensions that had been in payment for at least a full year was:

Date pension started	2019 increase
2 March 2011 to 1 March 2012	2.7%
2 March 2012 to 1 March 2013	2.7%
2 March 2013 to 1 March 2014	2.7%
2 March 2014 to 1 March 2015	2.7%
2 March 2015 to 1 March 2016	2.5%
2 March 2016 to 1 March 2017	2.5%
2 March 2017 to 1 March 2018	2.5%
2 March 2018 to 1 March 2019	2.5%

Deferred pensions are broadly increased on each 31 March by the lower of 2.5% per annum compounded and the movement in RPI for the period of complete years to the previous 30 September from the date on which the member left the Scheme.

Trustee Report (continued)

Membership

Active	Level A	Level B	Level C	Level 3	Total
At 1 April 2019	436	377	50	3	866
Late notifications	2	(1)	(1)	-	-
New members	-	2	-	-	2
Retirements	-	-	-	(3)	(3)
Leavers with retained benefits	(438)	(378)	(49)		(865)
At 31 March 2020	-	-	-	-	-

Deferred	Total
At 1 April 2019	139
Late notifications	1
New members	865
Deaths	(2)
Retirements	(144)
Leavers	(10)
At 31 March 2020	849

Pensioners	Former members	Dependants	Children's allowances	Total
At 1 April 2019	248	27	4	279
Late notifications	-	1	-	1
New pensioners	147	4	1	152
Deaths	(6)	(1)	-	(7)
At 31 March 2020	389	31	5	425

The late notifications relate to adjustments to the membership in respect of the prior year after the membership reconciliation was completed.

Special Terms letters were issued for two BOC Group Limited employees to admit them as joiners on 30 June 2019. They subsequently moved to a deferred status on 1 July 2019.

Trustee Report (continued)

Scheme rules

A Deed of Participation dated 27 June 2019 was issued to include The BOC Group Limited as a new participating Employer from 30 June 2019.

A Deed of Variation dated 27 June 2019 was issued to adopt the new Rules regarding the closure of the Scheme to future accrual on 30 June 2019.

A copy of the Scheme rules may be obtained from the contact for enquiries on page 2.

Custodial arrangements

Custodian services were provided by BNY Mellon Asset Servicing BV until 17 April 2019.

Services were transferred to the new Facilitated Custody Model at The Bank of New York Mellon (International) Limited on 18 April 2019.

The Trustee believes it is essential that the assets of the Scheme should be recorded by a Custodian with secure, accurate and timely administration systems which ensure that those assets are clearly identifiable and which minimise the risk of any loss. The Trustee has to be satisfied that the Custodian has in place systems and procedures that should safeguard the Scheme's assets.

Reports on controls issued by the Custodian and the Fiduciary Manager are reviewed by the Trustee on an annual basis.

Investment management

In accordance with section 35 of the Pensions Act 1995, a Statement of Investment Principles ("SIP") has been prepared by the Trustee which incorporates the investment strategy. The SIP is to be reviewed at least every three years and more frequently, if required. The last review took place in September 2019. A copy of the SIP may be obtained from the contact for enquiries on page 2.

The Trustee will ensure that the Fiduciary Manager shall, alongside other investment risks, integrate consideration of financially material (defined to include environmental, social and governance considerations) risks throughout its investment decision making processes and the Trustee will ensure that the Fiduciary Manager will continue to review these risks for as long as it considers necessary for the funding of future benefits by the investments of the Scheme.

The Fiduciary Manager, as part of its ongoing monitoring, reviews the execution of voting and engagement responsibilities and periodically reports back its findings to the Trustee.

The Trustee does not take into account non-financial matters when selecting, retaining and realising investments. Non-financial matters are defined as the views of members and beneficiaries, including (but not limited to) their ethical views, and their views relating to social and environmental impact and quality of life.

Assets can be held in pooled funds across a range of liquid and illiquid strategies which can be liquidated in accordance with the dealing cycle of the pooled funds that are invested in by the Scheme. Any allocation of Scheme assets to illiquid strategies will be considered with the Scheme's overall cashflow position in mind and requires prior Trustee approval.

Trustee Report (continued)

Market Review

Market background

2019 was marked by the synchronised shift to accommodative monetary policy across major economies. The US Federal Reserve cut interest rates for the first time since the Global Financial Crisis in 2008, the European Central Bank re-started its Asset Purchase programme, and the People's Bank of China also cut its key rate. This wave of liquidity in major economies helped sustain risk assets over 2019 despite fears of a turn in the economic cycle, slowing economic growth and bouts of heightened geopolitical risk related to Brexit, US-China trade relations and Gulf tensions.

However, from the end of January 2020, investors' attention increasingly became focused on the Covid-19 coronavirus outbreak. As the virus spread throughout the globe, so too did enforced shutdowns and uncertainty on the implications for economic growth, business revenue and stability and society. This triggered some of the sharpest price movements in asset prices that have been seen since the stock market crash in 1987 and the Global Financial Crisis in 2008. Policymakers acted again, this time with unprecedented speed and scale and with co-ordination between central banks and governments. This has helped markets recover some of their losses, particularly equities, although most of the recovery came through after 31 March 2020.

Economic growth

For most of 2019, there was a continuation of the trends seen in the previous year, with economic activity slowing down in some of the largest advanced economies. The IMF highlighted a broad-based weakening in advanced economies, particularly in the US and Euro area, as well as a pronounced slowdown in activity in Emerging Markets countries such as Brazil, China, India, and Mexico. However, the service sector and consumer spending held up relatively well which sustained positive global growth through until the coronavirus started to spread. Since then, enforced shutdowns have put economic activity on hold. While the full impact is still unclear, most analysts expect a drop in global growth of at least 30% as a result.

Monetary and fiscal policy

Major central banks took an increasingly loosening stance in their monetary policy. In the US, the Federal Open Market Committee cut rates in July for the first time since the Global Financial Crisis and proceeded to make one further cuts in September and October 2019, dropping the key rate from 2.25%-2.50% at the beginning of 2019 to 1.50%-1.75% in December. In September 2019, the European Central Bank moved in the same direction with the announcement of the re-start of its asset purchase programme and the cut of its deposit rate to record low of -0.5%. The PBOC (China) also cut its key interbank rates by 5 basis points in November 2019 for the first time since 2016. The only notable exception was the Bank of England which maintained its main rate steady throughout 2019.

Since the coronavirus outbreak, most developed economy central banks have cut interest rates to or near zero and started large programmes buying government and corporate bonds. This was coordinated with huge fiscal spending pledges to support businesses and individuals through the crisis, with many governments pledging a total of over 10% of their GDP in new spending.

Equities

The coronavirus wiped out strong gains made over 2019 in equity markets worldwide, with global equities falling c.20% over Q1 2020 alone and returning -10% over the 12 months to 31 March 2020. US equities did relatively well, ending the 12 months down 7%, in part due to the bias towards higher quality companies with strong balance sheets in US equity indices. China managed to recover some of its initial losses and end the 12 months down 11%. China was one of the first countries to get the virus under control and start to consider re-opening its economy. Other emerging markets fared much worse, with many down 20-30% over the same period. In Europe, countries worse hit by the virus suffered the most, with Spain, Italy and France down 24%, 19% and 15% respectively. This was in part impacted by the policy response from the ECB, which was less supportive than others, notably the US Fed.

Trustee Report (continued)

Market Review (continued)

Government bonds

Both short-term and long-term yields have fallen across major economies: Shorter term yields have been pinned down by low central bank base rates while longer term yields by central banks purchasing longer dated government bonds in large quantities. US Treasuries yields fell the most, but from a higher starting point: 10-year rates were down 1.7% and 30-year rates were down 1.5%. Despite starting at or below zero, German Bund yields fell another 0.4% at the 10-year point and 0.5% at the 30-year point. 10-year and 30-year UK gilts both fell 0.7%, to near all-time lows of 0.4% and 0.8% respectively.

Other investments

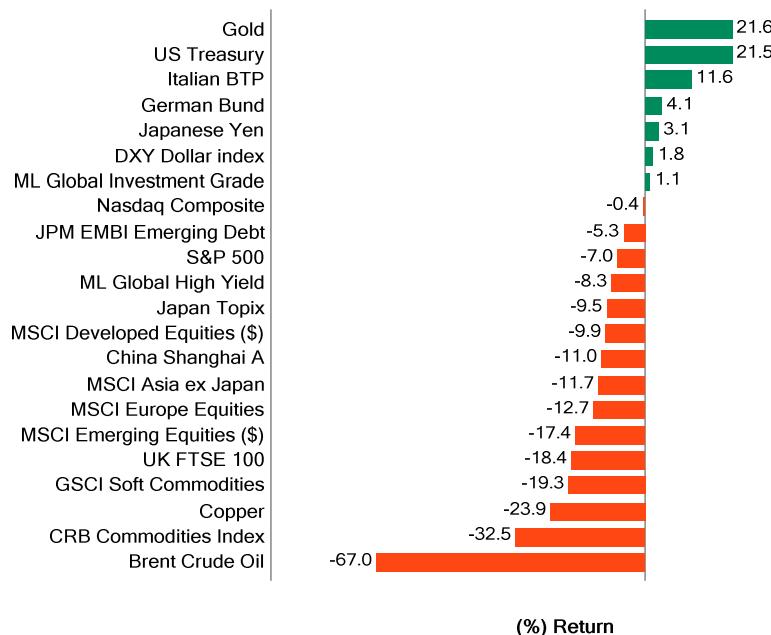
Corporate bond spreads, the difference in yield between corporate bonds and government bonds, widened significantly as the coronavirus outbreak and shutdowns increased the price of credit risk with companies. Higher quality investment grade credit spreads widened around 1%, whereas lower quality high yield credit spreads widened 3-5% depending on the region.

At the opposite end of the returns table over the 12 months to 31 March 2020 were two commodities: Gold up 22% and Oil down 67%. Gold benefited from its reputation as a 'safe haven' asset amid the coronavirus uncertainty. Oil faced a painful supply and demand squeeze, with the collapse in demand due to the shutdown of global economic activity exacerbate by a dispute between Russia and Saudi Arabia on global supply management.

Sterling depreciated almost 5% against the US Dollar, as investors globally flocked to the Dollar as a 'safe haven' investment.

The chart below highlights performance of selected markets over the last 12 months:

Asset Performance - Last 12 Months



Source: Refinitiv Datastream, chart by BlackRock Investment Institute. Apr 01, 2020

Note: The bars show the total return in local currency terms, except for currencies, gold and copper, which are spot returns. Government bonds are 10-year benchmark issues. RO-191915

Trustee Report (continued)

Fiduciary Management

Fiduciary management is an approach to asset management that involves the Trustee appointing a third party to manage the total assets of the Scheme on an integrated basis through a combination of advisory and delegated investment services, with a view to achieving the Trustees' overall investment objectives. BlackRock Investment Management (UK) Limited continues as the Fiduciary Manager for the year in review.

As required by the Scheme's Rules, the fiduciary management firm is independent of the Company.

IC Select Limited oversee and report on the performance of the Fiduciary Manager. IC Select provide reports to the Trustee on a quarterly basis, to enable the Trustee to perform this review.

Performance

Investment performance net of fees is measured by portfolio. Performance for the period ending 31 March 2020 is shown in the table below:

Total Portfolio	Q1 2020	1 year	Since appt. of Fiduciary Manager *
Actual	4.98%	14.68%	7.97%

* appointed August 2017

Employer related investments

Legislation prohibits the trustees of most occupational pension schemes, including the Scheme, from making employer-related investments in excess of 5% of Scheme assets.

The Scheme permits the Fiduciary Manager to invest in pooled equity funds designed to track the performance of the relevant index, and also to deal in financial futures. Since the pooled funds may invest in Group companies, investment in such funds may result in an indirect exposure to the ultimate parent company, Linde plc. Also, where Group companies form part of a particular index, investment in financial futures will result in an indirect exposure to Linde plc. Having taken legal advice, the Trustee has satisfied itself that such indirect investment is permitted by their Rules. The Trustee is also satisfied that the exposure to Group companies' shares which could result would not be material to the Scheme. There were no direct holdings in Employer-related investments at the year end.

Signed on behalf of the Trustee on 28 September 2020

Harus Rai

Trustee

Statement of Trustee's 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 scheme during the scheme year and of the amount and disposition at the end of the scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme year; 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, including making a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational 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 scheme will not be wound up. For the reasons stated on page 3 of the Trustee's report and note 1 to the financial statements, the financial statements have not been prepared on a going concern basis.

The Trustee is also responsible for making available certain other information about the scheme 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 it to safeguard the assets of the scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustee is responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising a schedule of contributions showing the rates of contributions payable towards the scheme by or on behalf of the employer and the active members of the scheme and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received in respect of any active member of the scheme and for adopting risk-based processes to monitor whether contributions are made to the scheme by the employer in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

Date 28 September 2020

Harus Rai

Trustee

Independent Auditor's Report

Opinion

We have audited the financial statements of Gist Limited Pension Scheme for the year ended 31 March 2020 which comprise the Fund Account, the Statement of Net Assets and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The financial statements have been prepared on a cessation basis as set out in note 1.

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2020, 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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 below. 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.

Emphasis of matter – basis of preparation of the financial statements

We draw attention to note 1 to the financial statements which explains that the Trustee intends to wind-up the Scheme and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a cessation basis as described in note 1. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Annual Report and Financial Statements as set out in pages 2 to 34, other than the financial statements, our auditor's report thereon and our auditor's statement about contributions.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report (continued)

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the trustees

As explained more fully in the trustee's responsibilities statement set out on page 14, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is 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 Trustee either intends to wind up the Scheme or to cease operations, or has 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 Trustee, as a body, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to it 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Reading
30 September 2020

- *The maintenance and integrity of the Gist Limited Pension Scheme web site is the responsibility of the trustee; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.*
- *Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.*

Fund Account for the year ended 31 March 2020

	Notes	2020 £	2019 £
Contributions and benefits			
Employer contributions	2	17,869,081	17,485,857
Employee contributions	2	37,944	169,853
Other income	3	-	348,368
		17,907,025	18,004,078
Benefits paid or payable	4	(3,585,147)	(1,534,758)
Payments to and on account of leavers	5	(1,417,134)	(83,840)
Other payments	6	(87,843)	(234,920)
Administrative expenses	7	(620,304)	(874,409)
		(5,710,428)	(2,727,927)
Net additions from dealing with members		12,196,597	15,276,151
 Returns on investments			
Investment income	8	10,016,368	18,164
Change in market value of investments	9	8,273,814	5,081,714
Investment management expenses	11	(46,113)	89,178
Net returns on investments		18,244,069	5,189,056
 Net increase in fund during the year		30,440,666	20,465,207
 Net assets of the fund			
At 1 April		122,230,565	101,765,358
At 31 March		152,671,231	122,230,565

The notes on pages 19 to 30 form part of these financial statements.

Statement of Net Assets as at 31 March 2020

	Notes	2020 £	2019 £
Investment assets	9		
Pooled investment vehicles		149,726,421	121,357,884
Other investment balances		1,938,606	-
Cash and cash equivalents		94,520	21,298
		151,759,547	121,379,182
Investment liabilities			
Other investment balances		(1,610,000)	-
Total net investments		150,149,547	121,379,182
Current assets	12	3,187,337	1,135,797
Current liabilities	13	(665,653)	(284,414)
Net assets of the Fund at 31 March		152,671,231	122,230,565

The financial statements summarise the transactions and the net assets 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 other benefits that fall due after the end of the Scheme year. The actuarial position of the Scheme, which does take account of such liabilities, is dealt with the report on Actuarial Liabilities on page 7 and these financial statements should be read in conjunction with them.

The notes on pages 19 to 30 form part of these financial statements.

These financial statements were approved by the Trustee on 28 September 2020

Signed on behalf of the Trustee:

Harus Rai

Trustee

Notes to the financial statements

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 (FRS 102) – The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council, and with the guidelines set out in the Statement of Recommended Practice (SORP) 2018 – Financial Reports of Pension Schemes. The Scheme is established as a Trust under English Law. The scheme's address is shown in the Trustee's report.

The Scheme is in process of winding up as described in the Trustee's report. Therefore the financial statements have been prepared on a Scheme cessation basis. No material adjustments arose as a result of ceasing to apply the going concern basis. Under this basis, assets are held at recoverable value and liabilities at settlement value.

(a) Investments

- (i) Investments are included at market value.
- (ii) Pooled investment vehicles are valued at bid price where available or closing prevailing price of units concerned at the close of business at the year end.
- (iii) Investment income is recognised on an accruals basis.
- (iv) Investment income arising from the underlying investments of the pooled investment vehicles which is rolled up and reinvested within the funds, is reflected in the unit price and reported within "Change in Market Value". Income from the pooled investment vehicles which distribute income, is accounted for when the dividend is declared.

(b) Contributions

Employer and members' contributions are accounted for at the rates agreed between the Trustee and the Employer based on recommendations of the Actuary and the Schedule of Contributions.

- (i) Members' normal contributions are accounted for when deducted from pay in accordance with the Schedule of Contributions.
- (ii) Employers' normal contributions are accounted for in the period in which the corresponding members' contributions are deducted from pay in accordance with the Schedule of Contributions.
- (iii) Employers' contributions under Salary Exchange are accounted for in the period that exchanged employee contributions would have been deducted from earnings.
- (iv) Employers' augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received.

(c) Benefits

- (i) Benefits are generally accounted for in the year in which the member notifies the Trustee of his decision on the type of benefit to be taken or, if there is no member choice, on the date of retirement or leaving. For members with whom we have lost contact, benefits are accounted for on the date that we establish a contact with the member or beneficiary or, if later, the date that the relevant benefit has been identified.
- (ii) Individual transfers are accounted for when received or paid which is normally when the liability is accepted/discharged.

(d) Expenses

All administration expenses and investment management costs are accounted for on an accruals basis.

Notes to the financial statements (continued)

(e) CIMV

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

(f) Currency

The Scheme's functional currency and presentational currency is pounds sterling (GBP).

Foreign currency transactions are recorded in sterling at the spot exchange rate at the date of the transaction.

Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

2. Contributions

	2020 £	2019 £
<i>Employer contributions</i>		
Normal	2,439,037	10,328,756
Deficit funding	11,275,000	7,100,000
Contributions to cover expenses	525,000	-
Augmentations	3,526,306	-
Pension Protection Fund Levy	103,738	57,101
Total employer contributions	17,869,081	17,485,857
<i>Employee contributions</i>		
Normal	37,944	169,853
Total employee contributions	37,944	169,853
Total contributions	17,907,025	17,655,710

Employer normal contributions include contributions in respect of salary sacrifice arrangements.

Normal contributions ceased on 30 June 2019 when the Scheme closed to future accrual.

Deficit funding contributions of £10m and £525k to cover expenses were received in July 2019, with monthly contributions of £425k being received from April to June 2019. Deficit funding contributions of £2m per annum were due to be paid by the Employer until 31 July 2021 in accordance with the Schedule of Contributions dated 18 December 2018.

A new Schedule of Contributions was signed on 30 July 2020 which removes any further deficit funding contributions therefore the £2m due on 31 July 2020 was not paid. This has been noted in subsequent events on page 30.

Augmentations comprise the Company cost of the ERCC programme as disclosed in the Trustee Report on page 3.

Notes to the financial statements (continued)

3. Other income

	2020	2019
	£	£
Claims on term insurance policies	-	348,368

4. Benefits

	2020	2019
	£	£
Pensions	956,922	478,347
Commutations and lump sum retirement benefits	3,819,775	756,004
AVC annuitisation	(136,164)	-
Lump sum death benefits	-	405,510
Disinvestments from BOCRSP AVC Section	(1,055,386)	(105,103)
	3,585,147	1,534,758

The negative values above reflect the AVC amounts transferred to the Scheme to provide funding for all or part of the benefit payment mentioned above. Further explanation of the disinvestments process from BOCRSP-AVC Section can be found in note 9 on page 23.

5. Payments to and on account of leavers

	2020	2019
	£	£
Pension sharing orders	-	35,811
Individual transfers to other schemes	1,417,134	48,029
	1,417,134	83,840

6. Other payments

	2020	2019
	£	£
Premiums on term insurance policies	87,843	234,920

7. Administrative expenses

	2020	2019
	£	£
Administration and processing	262,725	276,546
Actuarial fees	143,735	314,935
Audit fees	13,382	9,862
Pension Protection Fund Levy	103,738	57,101
Legal and other professional fees	96,724	215,965
	620,304	874,409

Costs charged to the Scheme relate solely to the administration of the Scheme.

Notes to the financial statements (continued)

8. Investment income

	2020 £	2019 £
Income from pooled investment vehicles	9,929,389	-
Net interest receivable on cash deposits	86,979	18,164
	10,016,368	18,164

Income from pooled investment vehicles comprises distributions from re-leveraging on the gilt funds held with the fiduciary manager. There were no changes to unit holdings as a result of the distributions.

9. Investments

Investment reconciliation table

	Value at 1 April 2019 £	Purchases at cost £	Sales proceeds £	Change in market value £	Value at 31 March 2020 £
Pooled investment vehicles	99,114,853	35,012,275	(21,429,480)	8,315,232	121,012,880
Cash instruments	22,243,031	23,895,916	(17,383,988)	(41,418)	28,713,541
	121,357,884	58,908,191	(38,813,468)	8,273,814	149,726,421
Cash	21,298			-	94,520
Other investment balances	-				328,606
Total investments	121,379,182			8,273,814	150,149,547

There were no transaction costs during the year in review.

Indirect costs are incurred through the bid and offer spread on investments within pooled investment vehicles.

Pooled Investment vehicles

	2020 £	2019 £
Equities	28,104,331	30,518,541
Fixed Income	31,540,298	26,258,062
LDI	61,368,251	42,338,250
Total pooled investment vehicles	121,012,880	99,114,853

Notes to the financial statements (continued)

9. Investments (continued)

Other investment balances

	2020	2019
	£	£
Outstanding sales	1,931,916	-
Dividends and Interest Receivable	6,690	-
	1,938,606	-

	2020	2019
	£	£
Outstanding purchases	(1,610,000)	-

AVC Investments

Members of the Scheme may make additional voluntary contributions to a range of investment facilities, which are administered by the Trustee of BOC Retirement Savings Plan (BOCRSP). When a member retires, or dies, the funds accumulated within BOCRSP (AVC section) in respect of that member are paid to the Trustee of the Scheme to provide additional benefits for, or in respect of, that member. They may also be paid to the Scheme when a member leaves service for transfer to another approved pension scheme. These amounts are shown in note 4 as negative amounts.

The financial statements of BOCRS Plan are not included in the financial statements of the Scheme, but are separately available. A copy of these statements can be obtained by contacting BOC Pension Services at the address shown on page 2.

Investment Fair Value Hierarchy

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

- Level 1 – the unadjusted quoted price in an active market for an identical asset or liability 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

Notes to the financial statements (continued)

9. Investments (continued)

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

2020	Level 1	Level 2	Total
	£	£	£
Pooled investment vehicles	-	121,012,880	121,012,880
Cash instruments	28,713,541	-	28,713,541
Other investment balances	328,606	-	328,606
Cash	94,520	-	94,520
Total investments	29,136,667	121,012,880	150,149,547

2019	Level 1	Level 2	Total
	£	£	£
Pooled investment vehicles	-	99,114,853	99,114,853
Cash instruments	22,243,031	-	22,243,031
Cash	21,298	-	21,298
Total investments	22,264,329	99,114,853	121,379,182

Valuation techniques

Pooled investment vehicles

The Scheme invests in pooled investment vehicles which are not quoted in an active market and which may be subject to restrictions on redemptions such as (monthly) periodic dealing.

The Trustee considers the valuation techniques and inputs used by the Fiduciary Manager in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the net asset value (NAV) of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value consideration is also paid to any transactions in the shares of the fund. The published prices will reflect the NAV of the Fund at each dealing point, currently on a daily basis. The funds are not subject to any redemption notice periods and can be redeemed at each dealing point. No gates, holdbacks or dealing suspensions are being applied to the funds. The Scheme classifies these as Level 2.

Notes to the financial statements (continued)

9. Investments (continued)

Concentration of investments

The following investments, excluding UK Government securities, represent more than 5% of the Scheme's net assets at 31 March 2020:

	2020	2019
BlackRock AM UK Aquila Life Currency Hedge	8.5%	5.8%
Liability Matching 2040	5.4%	-
Liability Matching 2060	6.9%	7.1%
Liability Matching 2052	10.2%	11.6%
Liability Matching 2068	17.0%	10.4%
BlackRock Institutional Cash Series	18.8%	18.2%

10. Investment objectives, strategy and risk

Investment Objectives

The Trustee's objective is to invest the assets in the best interest of the members and beneficiaries. Within this framework the Trustee has agreed a number of objectives to help guide it in its strategic management of the assets and control of the various risks to which the Scheme is exposed. These objectives are outlined in the SIP to govern the investment decisions of the Scheme.

Investment Strategy

The investment strategy for the Scheme is to:

- Invest in a portfolio of assets to achieve an initial target return of approximately 1.6% above gilts per annum. The Trustee has delegated the management of the Scheme's investment strategy to the Fiduciary Manager, who may use their discretion to deviate from this strategic return target in order to seek to achieve the funding objective
- Invest in a portfolio of assets which aims to immunise a proportion of the interest rate risk inherent within the Scheme's liabilities (the "matching portfolio"),
- Invest in a diversified portfolio of assets to achieve an efficient risk / reward trade off with the objective of generating sufficient returns to close the Scheme's funding deficit (the "**growth portfolio**"),
- When the funding level has achieved a predetermined level (as set out in the journey plan table in this appendix), the Scheme will seek to achieve a target level of interest rate hedging, subject to it being with pre-defined tolerances.

As at the date of the SIP, the Trustee has instructed the Fiduciary Manager under the IMA to manage the asset allocation in such a way to aim to achieve the Investment Objective taking into account the restrictions set out in the Asset Allocation Table and Growth Strategy Permitted Ranges Table.

In the event the Manager wishes to invest the growth portfolio in an asset class which is not specified in the table, they will seek approval from the Trustee.

Notes to the financial statements (continued)

10. Investment objectives, strategy and risk (continued)

The **Journey Plan** defines how the strategy will evolve over time to aim to achieve the investment objective. As part of this process the Fiduciary Manager will rely on certain assumptions to determine the expected return across the portfolio of assets relative to the Scheme's liabilities. The Trustee recognises that this is not an exact science and will constantly evolve, hence assumptions will be reviewed from time to time and updates will be factored in where appropriate.

The Fiduciary Manager has discretion to alter the levels of hedging so long as the hedge ratio remains within the pre-defined tolerances.

The Funding Ratio Trigger Level calculates the value of liabilities using a gilts flat discount rate which uses the Fiduciary Manager's pricing source.

The Fiduciary Manager will cease to monitor a Trigger once it has been reached and will take no further action should the Funding Level subsequently move back below the expired Trigger.

Risk

FRS 102 requires the disclosure of information in relation to certain investment risks to which the Scheme is exposed to at the end of the reporting period. These risks are set out by FRS 102 as follows:

1. **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.
2. **Market risk:** the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.
 - **Currency risk:** the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
 - **Interest rate risk:** the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
 - **Other price risk:** the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme has exposure to the above risks because of the investments it takes to implement its investment strategy. The Trustee manages the investment risks through a strategic asset allocation which is set taking into account the strategic investment objectives. The investment objectives and risk limits are implemented through the Fiduciary Management agreement in place with Scheme's Fiduciary Manager and monitored by the Trustee through regular reviews of the investment portfolios.

Notes to the financial statements (continued)

10. Investment objectives, strategy and risk (continued)

The following table summarises the extent to which the various classes of investments are affected by financial risks:

					2020	2019
					£ '000	£ '000
	Credit risk		Market risk			
	Currency		Interest rate	Other price		
Overseas Equities (Indirect)	<input type="checkbox"/>	■	<input type="checkbox"/>	■	26,094	28,418
UK Equities (Indirect)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	■	2,010	2,101
Corporate Bonds (Indirect)	■	<input type="checkbox"/>	■	■	31,540	26,258
Liability Driven Investment ("LDI") (Indirect)	■	<input type="checkbox"/>	■	■	61,368	42,338
Cash Instruments (Indirect)	■	<input type="checkbox"/>	■	<input type="checkbox"/>	28,714	22,243
Total					149,726	121,358

All risks are indirect as the Scheme invests in pooled funds therefore does not own the underlying securities.

In the above table, the risk noted affects the asset class [■] significantly, [□] partially or [□] hardly/not at all.

Further information on the Trustee's approach to risk management, credit and market risk is set out on the following pages.

1. Credit Risk

The Scheme is indirectly exposed to credit risk arising from the instruments held by the 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 diversification of investments amongst a number of pooled arrangements.

The Scheme has indirect exposure to credit risk because it invests in pooled funds that hold derivatives, bonds, cash balances and repurchase agreements. Pooled investment arrangements used by the Scheme comprise unit linked insurance contracts and authorised unit trusts.

- The credit risk arising from derivatives is managed by the underling manager and reduced by collateral or margin requirements,
- The credit risk arising from bond holdings is mitigated by the underlying manager by investing in a diversified portfolio of assets,
- Repurchase agreements are held across a diversified panel of counterparties.

At year end the Scheme was solely invested in a range of pooled investment vehicles held by various investment managers.

Notes to the financial statements (continued)

10. Investment objectives, strategy and risk (continued)

2. Market Risk

Market risk comprises three types of risk:

a) Currency Risk

The Scheme is exposed to indirect currency risk through some of the Scheme's investments in overseas markets held in pooled investment vehicles.

The Scheme's approach to currency risk is to remove non-GBP currency exposure wherever possible in the developed markets. All currency hedging is implemented through hedged share classes within the underlying pooled vehicles.

For emerging market equity and local currency debt, the underlying fund holdings are unhedged allowing the investment managers to express any currency views. The unhedged exposure to emerging markets (6.3% of the total portfolio) acts as a diversifier at the total portfolio level.

As at the end of the year, the matching strategy was invested in a combination of Liability Driven Investments, all denominated in GBP. The growth strategy was split between currency hedged/GBP denominated and non-currency hedged exposure.

b) Interest Rate Risk

The Scheme has indirect exposure to interest rate risk through its fixed income pooled investments. At year end the Scheme had interest rate risk exposure through its investments in Emerging Market Debt, High Yield Credit, Global Investment Grade Credit, Cash and the matching strategy.

The Scheme targets a minimum level of interest rate and inflation risk to match the sensitivities of its liabilities and thus reducing the risk of the funding deficit increasing as a result of a fall in government yields. This is primarily executed through the matching strategy by holding a combination of physical and synthetic (derivatives) exposure to Gilts and Index Linked Gilts via pooled investment vehicles.

The level of interest rate exposure is monitored on a daily basis. The Scheme's exposure to interest rates will gradually increase over time as the Scheme de-risks, ultimately bringing the interest exposure of the assets in-line with the liabilities exposure (adjusted for the funding ratio).

c) Other Price Risk

Indirect price risk arises principally from the Scheme's growth strategy, which is designed to generate long term returns. The level of price risk varies for each of the underlying pooled vehicles. The portfolio has been designed to deliver an appropriate risk-return profile by investing across a diverse range of asset classes. The risk attributes of the portfolio are reviewed on a regular basis and rebalanced accordingly.

Notes to the financial statements (continued)

11. Investment management expenses

	2020 £	2019 £
Administration, management and custody	(4,201)	(139,077)
Other advisory fees	50,314	48,407
Performance measurement services	-	1,492
	46,113	(89,178)

Other advisory fees comprise amounts for in-house investment services and IC Select Limited fees for monitoring the performance of the Fiduciary Manager.

The negative amount on administration, management and custody comprises an over provision in the prior year for investment fees that have subsequently been deducted from units within the funds. These amounts are now shown within sale of investment assets within note 9 on page 22.

12. Current assets

	2020 £	2019 £
Employer contributions receivable	-	119,583
Employee contributions receivable	-	2,331
Prepayments	-	2,667
Other debtors	372,099	-
Amounts due from other BOC pension arrangements	33,351	9,645
Cash balances	2,781,887	1,001,571
	3,187,337	1,135,797

Amounts due from other BOC pension arrangements comprise £14,280 due from BOC Pension Scheme and £19,071 due from BOCRSP. Further detail regarding these amounts is disclosed in note 15 on page 30.

13. Current liabilities

	2020 £	2019 £
Benefits payable	168,209	-
Accrued expenses	216,188	273,952
Tax due to HMRC	14,280	7,218
Amounts due to other BOC pension arrangements	266,976	3,244
	665,653	284,414

Amounts due to other BOC pension arrangements comprise £266,976 due to BOC Pension Scheme. Further detail regarding these amounts is disclosed in note 15 on page 30.

Notes to the financial statements (continued)

14. Employer related investments

Direct employer-related investment is not permitted under the Scheme Rules.

15. Related party transactions

The following related party transactions occurred during the year.

The Scheme has received member contributions up to 30 June 2019 in respect of directors of the Trustee who were also Scheme members. These transactions are in accordance with the Scheme Rules.

The costs incurred by BOC Group Limited in providing Scheme administration services are rechargeable to the Scheme. Amounts paid during the year were £581,032 (2019: £821,876).

Key management personnel includes the professional Trustee Director who received total remuneration of £53,102 (2019: £79,396) during the year. The fees of the professional Trustee Director are met by the Company.

Amounts due from other BOC pension arrangements comprise £14,280 due from BOC Pension Scheme for PAYE due to be subsequently paid to HMRC; and £19,071 due from BOCRSP-AVC Section for an AVC disinvestment for a member who has retired. All amounts have subsequently been paid to the Scheme.

Amounts due to other BOC pension arrangements comprise £266,976 due to BOC Pension Scheme for AVC disinvestments. All amounts have subsequently been paid from the Scheme.

16. Contingent liabilities

The Scheme had no contingent liabilities or commitments at 31 March 2020.

17. Subsequent events

As disclosed in the Trustee Report on page 3, a Merger Deed dated 29 July 2020 was issued and signed by the Sole Corporate Trustee, the Principal Employer, the Participating Employer and BOCPS.

The deed allows the Scheme to be merged with BOCPS with effect on and from the date specified in a written notice.

As disclosed in the Trustee Report on page 3, the transfer will be made without member consent.

A new Schedule of Contributions was signed on 30 July 2020, which removes any deficit funding contributions and continues with contributions payable to cover expenses. £530k is due by 31 December 2020, and £525k is payable by 31 July each year after.

Actuarial calculation of technical provisions

Appendix C: Technical Provisions certificate

My certification of the calculation of the Technical Provisions is included below. I am also required to certify the adequacy of the contribution rates set out in the schedule of contributions. That certificate is appended to the contribution schedule.

Actuarial certification of the calculation of Technical Provisions as required by regulation 7(4)(a) of the Occupational Pension Schemes (Scheme Funding) Regulations 2005

Name of scheme: Gist Limited Pension Scheme

Calculation of Technical Provisions

I certify that, in my opinion, the calculation of the Scheme's Technical Provisions as at 31 March 2017 is made in accordance with regulations under section 222 of the Pensions Act 2004. The calculation uses a method and assumptions determined by the Trustee of the Scheme and set out in the statement of funding principles dated 18 December 2018.

Date 18/12/2018

Name Richard Shackleton

Qualification Fellow of the Institute and Faculty of Actuaries

Name of Employer Hymans Robertson LLP

Address One London Wall

London

EC2Y 5EA

Actuarial Certification of the Schedule of Contributions

Gist Limited Pension Scheme Schedule of Contributions – Actuarial Certificate

Adequacy of contributions

In my opinion, the contributions shown in this schedule are such that, as at 31 March 2017, the statutory funding objective could have been expected to be met by the end of the period specified in the recovery plan dated 29 July 2020.

Consistency with statement of funding principles

In my opinion, this schedule of contributions is consistent with the statement of funding principles dated 18 December 2018.

Please note that the adequacy of contributions statement in this certificate relates to the Scheme's statutory funding objective. For the avoidance of doubt this certificate does not mean that the contributions shown in this schedule would be enough to secure the Scheme's full liabilities with annuities if the Scheme were to wind up.

Signature

Date 30 July 2020

Name Richard Shackleton

Qualification Fellow of the Institute and Faculty of Actuaries

Name of Employer Hymans Robertson LLP

Address One London Wall, London, EC2Y 5EA

This certificate is provided to meet the requirements of regulation 10(6) of The Occupational Pension Schemes (Scheme Funding) Regulations 2005.

Summary of contributions

During the year ended 31 March 2020 the contributions payable to the Scheme under the schedule of contributions were as follows:

	£
Employer normal contributions	2,439,037
Deficit funding	11,275,000
Contributions to cover expenses	525,000
Pension Protection Fund Levy	103,738
Augmentations	3,526,306
Employee normal contributions	37,944
Total contributions under schedule of contributions and as per note 2 of the financial statements	17,907,025

All contributions were received by their due date on the Schedule of Contributions.

Signed on behalf of the Trustee on 28 September 2020

Harus Rai

Trustee

Independent Auditor's Statement about Contributions to the Trustee of Gist Limited Pension Scheme

We have examined the summary of contributions to the Gist Limited Pension Scheme for the scheme year ended 31 March 2020 which is set out on page 33.

In our opinion contributions for the scheme year ended 31 March 2020 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 scheme actuary on 18 December 2018.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions on page 33 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.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustee's Responsibilities, the scheme's Trustee is responsible for preparing, and from time to time reviewing and if necessary revising, a schedule of contributions and for monitoring whether contributions are made to the scheme by the employer in accordance with the schedule of 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 Scheme's Trustee, as a body, in accordance with regulation 4 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 Trustee those matters we are required to state to it in an auditor's statement 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 Trustee as a body, for our work, for this statement, or the opinions we have formed.

Ernst & Young LLP

Statutory Auditor

Reading

30 September 2020