

**THE HEWLETT-PACKARD LIMITED RETIREMENT
BENEFITS PLAN**

**TRUSTEE'S REPORT AND FINANCIAL
STATEMENTS**

YEAR ENDED 31 October 2020

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

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TRUSTEE AND ADVISERS TO THE PLAN

Trustee Company	Hewlett Packard Enterprise UK Pension Trustee Limited
	<u>Trustee Directors</u>
	Andrew Dodd* (resigned 31 October 2020)
	Jonathan Lord
	Paul Early* (changed from member nominated to employer nominated) Appointed Chair from 1 November 2019 (member nominated)
	Phil Lawman*
	Keith Norrington*
	Gillian Manning
	Martin Smith* (changed from member nominated to employer nominated))
	Philip French* (member nominated) (appointed 1 November 2019)
	Beverly Clements* (member nominated) (appointed 1 November 2019)
	*In receipt of Plan pension
Administration Both sections	Equiniti Pensions Solutions
Plan Actuary	David Eteen FIA of Aon Hewitt Limited
Secretary to the Trustee	Inside Pensions
Investment Managers Digital and HP (incorporating the former BOI/Medas Section)	Legal and General Investment Management CQS Asset Management Limited Mesirow Financial Product Group (in process of termination) Insight Investment Management (Global) Limited UBS Global Asset Management (HP Section only and in the process of termination) Apollo Global Management M&G Investments Goldman Sachs & Co State Street Global Advisers Ares Management LLC HSBC Global Asset Management (UK) Limited (appointed on 29 November 2019)
Investment Consultants	Mercer Limited
AVC Providers – both Sections	Legal & General Assurance Society Limited Utmost Life and Pensions Limited (formerly Equitable Life Assurance Society) (terminated on 14 May 2020)
AVC Providers HP Section	Scottish Friendly Assurance Society Limited Standard Life Assurance Limited
AVC Providers Digital Section	Phoenix Life and Pensions
Custodians HP and Digital Sections	State Street Europe Limited (terminated on 31 October 2020) Northern Trust (appointed 1 November 2020)
Independent Auditor	KPMG LLP

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TRUSTEE AND ADVISERS TO THE PLAN

Solicitors Linklaters LLP

Employer Covenant Adviser Lincoln Pensions Limited

Bankers Lloyds Bank Plc

Enquiries General enquiries from interested parties about the Plan should be addressed to:-

Email : HP@insidepensions.com

Address:
Secretary to the Trustee
Hewlett-Packard Limited Retirement Benefits Plan
Inside Pensions
First Floor,
Trident House,
42-48 Victoria Street,
St Albans
Hertfordshire
AL1 3HZ

Enquiries from individual members and other beneficiaries about their entitlements should be addressed to:-

Email : Hp2@equiniti.com (HP members)
Digital@equiniti.com (Digital members)

Address:
Hewlett-Packard Limited Retirement Benefits Plan
Equiniti Paymaster
Sutherland House
Russell Way
Crawley
Surrey
RH10 1UH

A copy of the Plan summary is available on the Members' website by following this link, <http://hprbp.com/> and individual benefit statements are provided to all active members. A summary of the Trustee's Report and Financial statements is produced and made available to all members.

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TRUSTEE REPORT

Introduction

The Directors of the Trustee Company (the Trustee) are pleased to present their annual report and the audited financial statements for the Hewlett-Packard Limited Retirement Benefits Plan ("Plan") for the year ended 31 October 2020. The Plan is a defined benefit plan and provides benefits for permanent employees of the Principal Employer, Hewlett-Packard Limited (the "Company") in the United Kingdom.

The Plan consists of two sections. The Hewlett-Packard ("HP") Section of the Plan includes the Bol/Medas Section which transferred into the HP Section of the Plan on 6 July 2016, with transferring members remaining on the same benefits. On 1 December 2016, some members of the Electronic Data Systems (EDS) Retirement Plan transferred into the HP Section of the Plan. Their benefits were unaffected by the transfer. The Digital Section was created with effect from 1 October 2006 for members transferring from the Digital Pension Plan. Both sections are closed to new members.

Trustee and advisers

The Trustee, Hewlett Packard Enterprise UK Pension Trustee Limited, was formed on 14 October 2016. The Trustee Directors are shown on page 1.

The power of appointing and removing directors of the Trustee Company is vested in the Principal Employer, although it exercises this power so as to give effect to the arrangements for the Member Nominated Directors so that at least one-third of the Trustee Directors are member-nominated. At 31 October 2020 the Plan had eight Trustee Directors, three of whom were nominated by members of the Plan. Northern Trust were appointed as the new custodians of the Plan on 1 November 2020 replacing State Street Europe Limited whose agreement was terminated on 31 October 2020.

The Trustee is responsible for running the Plan in accordance with the Rules of the Plan dated 30 October 2019 as amended.

The Trustee's advisers are shown on pages 1 and 2.

Governance

The Trustee met eleven times during the past year to review the ongoing management of the Plan and the investment of its assets. The Trustee has also established a number of Sub-Committees which carry out operational activities and act as advisory bodies to the Trustee in respect of strategic matters. Each Sub-Committee meets as often as is required to carry out the duties delegated to it by the Trustee.

Trustee's Sub-Committees

The Trustee has established seven Sub-Committees, as listed below, and has approved the functions which have been delegated to these Sub-Committees. The delegated powers are included in the Terms of Reference together with details of the way in which the Sub-Committees are regulated. The Trustee has the power to change these Terms of Reference at any time.

The Sub-Committees are as follows:

- **Trustee's Investment Sub-Committee (TISC)**
- **Operations Sub-Committee (OSC)**
- **Funding and Covenant Sub-Committee (FCSC)**
- **Appointments Sub-Committee (ASC)**
- **Remuneration Sub-Committee (RSC)**
- **Audit Sub-Committee (Audit SC)**
- **De-Risking Sub-Committee (DSC)**

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Financial Development of the Plan

	£'000
Fund value at 1 November 2019	3,909,978
During the year, income to the fund from contributions, investments and other sources amounted to	94,668
Total expenditure was	(126,678)
Net (decrease) before change in market value	(32,010)
The change in market value of investments was	178,516
	146,506
Which gave total increase in the fund during the year of	
Fund value at 31 October 2020	4,056,484

The financial statements have been prepared and audited in accordance with regulations made under Section 41 (1) and (6) of the Pensions Act 1995.

GMP Equalisation

Between 6 April 1978 and 5 April 1997, pension schemes that were contracted out of the State Earnings Related Pension Scheme ("SERPS") were required to provide pensions which were at least equal to the member's Guaranteed Minimum Pension (GMP). GMPs are defined in legislation and are not equal for males and females. In particular, GMPs are usually higher for females than males, and come into payment earlier for females (from age 60, versus age 65 for males).

During the 1990s it became clear that pension schemes had to provide benefits on equal terms for male and female members, in respect of service from 17 May 1990 onwards (the date on which the European Court of Justice ruled that this was required). However, it remained unclear whether equalisation for the effect of unequal GMPs was required, and if so, how such equalisation might be carried out.

A test case was heard in July 2018, with the judgement issued on 26 October. This considered the position of Lloyds Banking Group pension scheme members, following an application to the High Court by the Lloyds Trade Union and the scheme's trustee and employer. The High Court ruled that GMP equalisation is required, and that several methods of implementing this are permissible.

While it will take some time to amend member benefits to reflect the court ruling, the Trustee has obtained estimates of the cost of equalisation. The GMP equalisation costs of 0.3% and 0.6% of liabilities include the cost of back-payments and the additional liability in respect of any uplifts to pensions, whereas the figures in the accounts are in respect of back-payments only.

Actuarial Valuations

A formal actuarial valuation of each of the sections of the Plan is obtained by the Trustee at least once every three years, which involves seeking the advice of the Scheme Actuary. The main purposes of the actuarial valuation are to review the financial position of the Plan by examining the Plan's assets and liabilities and to assess the future rate of contributions the participating employers should pay to ensure that benefits can be paid. The next actuarial valuation of each section of the Plan is due at 31 October 2021.

The Trustee also monitors the funding position monthly at each De-risking Sub-Committee meeting, using approximate updates supplied by the Scheme Actuary.

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Actuarial Valuations as at 31 October 2018 and schedules of contributions

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its technical provisions. The technical provisions represent the present value of the benefits to which members are entitled, based on pensionable service to the actuarial valuation date, and assessed using the assumptions agreed between the Trustee and the Company and set out in the Statement of Funding Principles, which is available to Plan members on request.

Hewlett-Packard Section – Report on Actuarial Liabilities

The most recent full actuarial valuation of the HP Section of the Plan was carried out as at 31 October 2018. This showed that on that date:

The value of the Technical Provisions was: £1,666.3 million

The value of the assets at that date was: £1,663.6 million

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles):

Method

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

Significant actuarial assumptions

Discount interest rate: rate set by reference to the single equivalent yield of the "Term-Dependent Discount Rate", which is equal to the forward gilt curve plus an addition of:

- 1.0% p.a. to the forward rates commencing before 31 October 2030.
- 0.5%p.a. to the forward rates commencing on or after 31 October 2030.

Future Retail Price inflation: Set assuming 25% of the liabilities are to be valued in line with market-derived inflation (derived from the Bank of England fixed interest and index-linked gilt rates at the valuation date) and 75% of the liabilities to be valued using a long-term assumption of 3.0% p.a. (or the appropriate lesser percent if more than 25% of RPI linked liabilities are valued in line with market implied retail price inflation). 98% of RPI linked liabilities were hedged as at 31 October 2018.

Future Consumer Price inflation: RPI less:

- A deduction of 0.9% p.a. for deriving assumptions relating to revaluations in deferment
- A deduction of 0.8% p.a. for deriving assumptions relating to increases in payment

Pension increases: derived from the assumptions for future retail price and consumer price inflation allowing for the caps and floors on pension increases according to the provisions in the Plan's rules.

Pay increases: 3.0% p.a. in line with long-term pay increase expectations.

Mortality: standard tables SAPS S3 "Light" with a scaling factor of 104% for males and SAPS S3 "Light" with a scaling factor of 102% for female active members. Future improvements in line with CMI_2018 projections with a long-term improvement rate of 1.25% p.a. for men and women, a period smoothing parameter of 7.0, and an initial addition to mortality improvements parameter (A) of 0.5% p.a.

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A Schedule of Contributions was put in place in January 2020 as part of the actuarial valuation. The Schedule of Contributions sets out the contributions payable in future years, but contributions are recalculated as at 31 October on an annual basis and a new schedule may be put in place if appropriate.

Based on the position as at 31 October 2018, the Company paid contribution of £10.7 million into the HP Section in April 2019.

Digital Section – Report on Actuarial Liabilities

The most recent full actuarial valuation of the Digital Section of the Plan was carried out as at 31 October 2018. This showed that on that date:

The value of the Technical Provisions was: £1,810.7 million

The value of the assets at that date was: £1,790.4 million

The method and significant actuarial assumptions used to determine the technical provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles):

Method

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

Significant actuarial assumptions

Discount interest rate: rate set by reference to the single equivalent yield of the "Term-Dependent Discount Rate". The Term-Dependent Discount Rate is equal to the forward gilt curve plus an addition of:

- 1.0% p.a. to the forward rates commencing before 31 October 2030.
- 0.5%p.a. to the forward rates commencing on or after 31 October 2030.

Future Retail Price inflation: Set assuming 25% of the liabilities are to be valued in line with market-derived inflation (derived from the Bank of England fixed interest and index-linked gilt rates at the valuation date) and 75% of the liabilities to be valued using a long-term assumption of 3.0% p.a. (or the appropriate lesser percent if more than 25% of RPI linked liabilities are valued in line with market implied retail price inflation). 99% of RPI linked liabilities were hedged as at 31 October 2018.

Future Consumer Price inflation: RPI less:

- A deduction of 0.9% p.a. for deriving assumptions relating to revaluations in deferment
- A deduction of 0.8% p.a. for deriving assumptions relating to increases in payment

Pension increases: derived from the assumptions for future retail price and consumer price inflation allowing for the caps and floors on pension increases according to the provisions in the Plan's rules.

Pay increases: 3.0% p.a. in line with long-term pay increase expectations.

Mortality: standard tables SAPS S3 "Light" with a scaling factor of 109% for males and SAPS S3 "Light" with a scaling factor of 102% for female active members. Future improvements in line with CMI_2018 projections with a long-term improvement rate of 1.25% p.a. for men and women, a period smoothing parameter of 7.0, and an initial addition to mortality improvements parameter (A) of 0.5% p.a.

A Schedule of Contributions was put in place in January 2020 as part of the actuarial valuation. The Schedule of Contributions sets out the contributions payable in future years, but contributions are recalculated as at 31 October on an annual basis and a new schedule may be put in place if appropriate.

Based on the position as at 31 October 2018, the Company paid a contribution of £3.8 million into the Digital Section in April 2019.

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Additional Voluntary Contributions

The Plan allows active members to boost their benefits by paying Additional Voluntary Contributions (AVCs), as a means of making extra savings for retirement. This is especially useful for members who are thinking of early retirement and would like to receive a lump sum on retirement without having to reduce their pension in the Plan, or for those who wish to make up for any periods when they were not earning pension rights.

Active members of the Digital Section can either pay In-Plan AVCs, increasing the rate at which their salary linked retirement benefits build up, or Investment Option AVCs, where AVCs are invested in a range of investment funds on a money purchase basis to secure additional pension benefits at retirement. Active members of the HP Section, including the ex Bol/Medas and EDS members, can only pay Investment Option AVCs.

Membership numbers

Details of the current membership numbers in the two sections of the Plan are given below.

	2020			2019
	HP	Digital	Total	Total
Active members	131	103	234	256
Deferred members	2,168	4,720	6,888	7,371
Pensioners	1,874	4,925	6,799	6,554
Total	4,173	9,748	13,921	14,181

	HP	Digital	Total
Active members			
Active members at 1 November 2019	142	114	256
Adjustments	1	-	1
Adjusted balance at 1 November 2019	143	114	257
Leavers – members leaving before retirement	-4	-3	-7
Retirements	-8	-8	-16
Deaths	-	-	-
Total active members at 31 October 2020	131	103	234

	HP	Digital	Total
Deferred members			
Deferred members at 1 November 2019	2,343	5,028	7,371
Adjustments	-34	-79	-113
Adjusted balance at 1 November 2019	2,309	4,949	7,258
Members deferring in the year	4	3	7
Transfers Out	-39	-43	-82
Retirements	-104	-184	-288
Deaths	-2	-5	-7
Total deferred members at 31 October 2020	2,168	4,720	6,888

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	HP	Digital	Total
Pensioner members			
Pensioners members at 1 November 2019	1,783	4,771	6,554
Adjustments	-11	-	-11
Adjusted balance at 1 November 2019	1,772	4,771	6,543
New pensioners commencing in the year	112	192	304
New spouse and dependant pensions commencing in the year	13	44	57
Trivial commutation of pension benefits	-3	-16	-19
Deaths	-20	-66	-86
Dependants' pensions ceasing	-	-	-
Total pensioner members at 31 October 2020	1,874	4,925	6,799

Note: Adjustments in the tables above relate to movements notified to the administrator after completion of the annual renewal.

Statement of Trustee's responsibilities for the financial statements

The audited financial statements, which are to be prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, are the responsibility of the Trustee. Pension Scheme regulations require the Trustee to make available to Plan members, beneficiaries and certain other parties, audited financial statements for each Plan year which:

(i) show a true and fair view of the financial transactions of the Plan during the Plan year and of the amount and disposition at the end of the Plan year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Plan year; and

(ii) contain the information specified in the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the accounts have been prepared in accordance with the Statement of Recommended Practice *Financial Reports of Pension Schemes*.

The Trustee has supervised the preparation of the financial statements and has agreed suitable accounting policies, to be applied consistently, making estimates and judgements on a reasonable and prudent basis. It is also responsible for:

- assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless it either intends to wind up the Plan, or has no realistic alternative but to do so; and
- making available each year, commonly in the form of a Trustee's annual report, information about the Plan prescribed by pensions legislation, which it should ensure is consistent with the financial statements it accompanies.

The Trustee also has certain responsibilities in respect of contributions which are set out in the statement of Trustee's responsibilities accompanying the Trustee's summary of contributions.

The Trustee is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 Plan and to prevent and detect fraud and other irregularities.

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IMPLEMENTATION STATEMENT

Introduction

This statement sets out how, and the extent to which, the Engagement Policy in the Statement of Investment Principles ('SIP') produced by the Trustee of the Hewlett-Packard Limited Retirement Benefits Plan (the "Plan") has been followed during the year to 31 October 2020. This statement has been produced in accordance with the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018 and the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019 and the guidance published by the Pensions Regulator.

Investment Objectives of the Plan

The Trustee believes it is important to consider the policies in place in the context of the investment objectives they have set. The primary objective of the Plan included in the SIP is to provide, on a defined benefits basis, pension and lump sum benefits for members on their retirement, or benefits on death, before or after retirement, for their dependants.

Policy on ESG, Stewardship and Climate Change

The Plan's SIP includes the Trustee's policy on Environmental, Social and Governance ('ESG') factors, stewardship and Climate Change. This policy sets out the Trustee's beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship. This was last reviewed in July 2020.

The Trustee incorporated updated policies into the SIP during a review of the document in June 2020. The Trustee keeps the policies under regular review with the SIP subject to review at least annually.

The following work was undertaken during the year to 31 October 2020 relating to the Trustee's policy on ESG factors, stewardship and climate change, and sets out how the Trustee's engagement and voting policies were followed and implemented during the year.

Engagement

As set out in the SIP, the Trustee has given the investment managers full discretion in evaluating ESG factors, including climate change considerations. The Trustee considers how ESG, climate change and stewardship is integrated within investment processes when appointing new investment managers and monitoring existing managers.

The Trustee has elected to invest a portion of the Plan's assets through segregated mandates, and has specified criteria for these managers in the investment management agreements for the manager to invest in line with. The criteria align with the Trustee's specific investment requirements.

Voting and Engagement policies and activities are most relevant for mandates where equities are held directly or indirectly. These policies are less applicable for the Plan's LDI portfolio, credit mandates and private debt holdings. The Plan's investment managers provided the following responses in relation to voting and engagement:

- State Street Global Advisors Ltd ("SSGA") is a signatory of the UK Stewardship code. SSGA's climate stewardship approach is built on a foundation of company engagement, proxy voting, thought leadership and policy and regulatory support at the market level. SSGA has been engaging with companies on climate change related matters since 2014 and has held 586 climate-related engagements since they started engaging on these topics.
- Legal and General Investment Management ("L&G") is a signatory of the UK Stewardship code and has been since its inception, and plans on being a signatory of the 2020 code once applicable. L&G's direct engagement with companies is a way it seeks to identify ESG risks and opportunities. Ongoing dialogue with companies is a fundamental aspect of L&G's responsible investment commitment. L&G aims to raise the performance of the whole market through their ESG capability and engagement of companies globally. L&G believes that ESG issues are fundamentally important

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to investors regardless of the type of exposure, noting the majority of themes they engage are relevant to both equity and bond investors. Therefore, L&G explicitly takes into account both debt and equity exposures when engaging on behalf of clients. In the Global Fixed income space, L&G's Global Fixed Income team undertakes around 1,250 engagements each year with companies, industry bodies, regulators and governments/government entities. L&G carries out an ESG assessment for each issuer, which is tailored to the specific sector the issuer falls into, for example, there is a greater emphasis placed upon environmental factors when assessing Oil & Gas issuers.

- CQS (UK) LLP ("CQS") is not currently a signatory of the UK Stewardship Code, however, it plans on becoming a signatory to the 2020 UK Stewardship code in Q1 2021. CQS views engagement as a means to seek to influence long-term changes in companies. The manager also believes it can use engagement and working with businesses to improve ESG factors, and would like to use its position to seek ESG improvements from its borrowers.
- Apollo Global Management ("Apollo") is not a signatory of the UK Stewardship Code but supports the principles of the Code. It is a signatory to UNPRI (United Nations Principles for Responsible Investment) and the IFC Operating Principles for Impact Management. Apollo's ESG program is based on three "pillars": diligence, engagement and transparency. It believes the processes underlying these "pillars" helps to better position company management teams and Apollo's investment professionals to improve performance on ESG issues.
- Ares Management LLC ("Ares") is not a signatory of the UK Stewardship Code but the manager has adopted a UK Stewardship Code Disclosure Statement. Ares incorporates ESG factors into the investment process; however, the manager does not have a specific engagement policy post-investment given the fixed income nature of their investments. Prior to making an investment, Ares completes a comprehensive review evaluation, taking into account all applicable considerations, including ESG. Ares engages with borrowers on a case-by-case basis on various topics and only if deemed appropriate.
- HSBC Global Asset Management ("HSBC") is a signatory of the UK Stewardship code and has been since it was introduced. HSBC engaged with over 2,500 companies / bond issuers over the 12 months to 31 October. Due to the nature of the underlying assets of the Plan's mandates, most of HSBC's engagement activity occurs prior to the investment (deals marketed on the primary market). HSBC also engages post-investment by attending investor days. Since the start of 2020 HSBC has engaged with 10 sponsors of the bonds held within the Plan's portfolio, which covers c.22% of the Plan's exposure.
- M&G Investments ("M&G") is a signatory of the UK Stewardship Code and will be on the first list of signatories for the new Code. M&G's engagement process is outcome-driven, systematic and aims to achieve specific objectives. For both the Real Estate Debt Fund ("REDF") and Long Dated Asset Fund ("LDAF"), M&G stresses the importance of assessing ESG and improving ESG outcomes but note that as a debt holder it does not have the same level of control as an equity holder. In 2019, M&G's Fixed Income team had 91 ESG-specific engagements with the majority relating to leadership and governance.
- Goldman Sachs Asset Management ("GSAM") is a signatory of the UK Stewardship code, with the Plan's Liquid Reserves Fund falling under this umbrella. However, the Merchant Banking Division ("GSMBD"), which manages the Broad Street Loan Partners III and IV funds, is not a signatory of the Code. GSMBD aims to integrate ESG throughout the each investment's lifecycle; from sourcing to due diligence, and while the asset is held and realised. GSMBD applies its ESG approach across the portfolio by identifying and managing potential risks, enhancing efficiencies and investing in key sustainable themes with the aim of delivering attractive risk-adjusted returns.
- Insight Investment Management Limited ("Insight") is a signatory of the UK Stewardship code. Insight recognises the importance of stewardship and engagement in encouraging high standards of corporate governance, which helps to underpin the long-term success of companies. Insight incorporates ESG principles into its investment decision-making process. As part of Insight's

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stewardship responsibilities, it seeks to manage the bank counterparty risk associated with swaps and repos through careful counterpart selection and daily collateralisation.

The Plan's investment performance report is reviewed by the Trustee on a quarterly basis – this includes ratings (both general and specific to ESG) from the investment adviser. The investment performance report includes how each investment manager is delivering against their specific mandates.

Voting Activity

The Trustee has delegated its voting rights to the investment managers. The Trustee expects the Plan's investment managers, unless impracticable, to exercise all voting rights attaching to shares or securities and take account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code, where applicable. Where relevant, investment managers are expected to provide voting summary reporting on a regular basis, at least annually. As such, the Trustee considers the voting and engagement policies of the investment managers to be in line with the Trustee's policy as outlined in the SIP.

The Trustee does not use the direct services of a proxy voter. Due to the nature of the underlying holdings, only the equity managers are able to provide voting information. Over the last 12 months, the key voting activity on behalf of the Trustee is outlined below.

SSGA – Global Equity

- SSGA uses the services of proxy voting company, Institutional Shareholder Services ("ISS").
- There have been 5,367 votable meetings over the year, of which SSGA has voted in 5,337 of these meetings on behalf of the Trustee. In these meetings, there were a total of 58,125 votable proposals.
- SSGA has participated in the vote for 57,608 of the 58,125 votable proposals. In around 87% of these votes for proposals, SSGA has indicated its support to the companies' managements, while voting against around 13% of the proposals.
- At this stage SSGA have been unable to provide the key voting information. They have initiated a project on the criteria for reporting the information and will provide this once finalised.

L&G – Small Cap Equity

- L&G uses the services of ISS for proxy voting.
- There have been 3,739 votable meetings over the year, of which L&G was eligible to vote on behalf of the Trustee. In these meetings, there were a total of 36,842 votable proposals.
- L&G has participated in the vote for 36,419 of the 36,842 votable proposals. In around 78% of these votes for proposals, L&G has indicated its support to the companies' managements, while voting against around 22% of the proposals.
- LGIM provided the 2019 Active Ownership Report which focuses on key engagement and voting activity throughout 2019. At this stage the 2020 report is not available which will contain key voting activity for the majority of the year to 31 October 2020.

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INVESTMENT REPORT

Introduction

Investment policy can be considered in two parts; (1) the strategic management, the setting of which is one of the fundamental responsibilities of the Trustee and (2) the day-to-day management of the assets, which has been delegated to professional investment managers.

As detailed on page 3, the TISC considers all investment issues and makes recommendations to the main Trustee Board. The DSC is responsible for overseeing the implementation of the Trustee's de-risking strategy.

Diversification

The Trustee ensures that risks have been spread in two different ways:

- First, by ensuring that the investments of the Plan are suitably diversified as regards asset class, geographical spread and the number of securities held.
- Second, by appointing a number of investment management firms, each of which is considered to be a leader in its respective market. Each investment manager has been given clear investment guidelines and performance objectives.

Statement of Investment Principles

In accordance with section 35 of the Pensions Act 1995, the Trustee has produced a Statement of Investment Principles.

The statement is required by law and summarises how the Trustee:

- sets the investment policy and chooses the most suitable types of investments for the Plan;
- delegates buying and selling investments to the Plan's investment managers;
- monitors the performance of the Plan's investments.

The Trustee has considered financially material considerations, including the impact of climate change, as well as ethical and socially responsible investments and has delegated to the investment managers responsibility for taking social, environmental and ethical considerations into account when assessing the financial potential and suitability of investments, and for exercising the rights attaching to the Plan's investments. A copy of the statement is available upon request.

Financially material considerations and Stewardship

The Trustee believes that environmental, social, and corporate governance (ESG) factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, particularly, but not limited to, climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustee has given the Managers full discretion in evaluating ESG factors, including climate change considerations, and exercising voting rights and stewardship obligations attached to the investments, including engagement with issuers of debt and equity and other relevant persons about relevant matter such as performance, strategy, capital structure, management of actual or potential conflicts of interest and risks, in accordance with their own corporate governance policies and current best practice, including the UK Corporate Governance Code and UK Stewardship Code.

The Trustee does not monitor or engage directly with issuers or other holders of debt or equity. It expects the Managers to exercise ownership rights and undertake monitoring and engagement in line with the Managers' general policies on stewardship, as provided to the Trustee from time to time, considering the long-term financial interests of the beneficiaries.

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The Trustee considers how ESG, climate change and stewardship are integrated within investment processes in appointing new Managers and monitoring existing Managers. The Trustee considers the ESG ratings provided by the Investment Consultant and how each investment manager embeds ESG factors into its investment processes and its implementation decisions to assess the potential impact on financial performance and in deciding on the selection and realisation of investments over the time horizon that is needed in relation to the funding needs of the Plan.

Managers will also be expected to report on their own ESG policies and voting activity (as relevant) as and when requested by the Trustee. Monitoring by the Trustee is undertaken on a regular basis and is documented at least annually.

The Trustee seeks to appoint Managers that have strong stewardship policies and processes, reflecting where relevant the recommendations of the UK Stewardship Code, and from time to time the Trustee reviews how these are implemented in practice.

Aligning Manager Appointments with Investment Strategy

The Managers are appointed by the Trustee based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and desired risk characteristics. The Trustee utilises the Investment Consultant's forward-looking manager research ratings in decisions around manager appointments. These ratings are based on the Investment Consultant's assessment of the manager's idea generation, portfolio construction, implementation and business management. The Trustee will consider how ESG and stewardship are integrated into the investment process as well as ensuring fees are competitive within the asset class.

If the investment objective for a particular Manager's fund changes, the Trustee will review the fund appointment to ensure that it remains appropriate and consistent with the wider Trustee's investment objectives.

The Managers are remunerated based on an agreed percentage of assets basis, with some also having in place performance related fee structure.

The majority of the Plan's investments are made through pooled investment vehicles. Where this applies, the Trustee accepts that it has no ability to specify the risk profile and return targets of the Manager. Such issues are taken into consideration when selecting and monitoring the Managers to align with the overall investment strategy requirements.

Some of the Plan's investments are managed on a segregated basis, and therefore the Trustee has specified criteria in the investment manager agreements for the Manager to be in line with the Trustee's specific investment requirements.

Incentivising Managers to Consider Long-Term Financial and Non-financial Performance

The Trustee also considers the Investment Consultant's assessment of how each Manager embeds ESG into its investment process and how the Manager's responsible investment philosophy aligns with the Trustee's beliefs around responsible investment. This includes the Managers' policy on voting and engagement (where relevant) The Trustee will use this assessment in decisions around selection, retention and realisation of Manager appointments where applicable.

The Managers are aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed. If the Trustee is dissatisfied, then they will consider replacing the Manager.

Non-financial matters

The Trustee does not take into account any non-financial matters (i.e. matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments.

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Evaluating Investment Manager Performance and Remuneration

The Trustee receives investment performance reports from the Managers and the Investment Consultant on a quarterly basis, which present performance information over various time periods. The Trustee reviews absolute performance and in many cases relative performance, either against a suitable index used as a benchmark (where relevant) and/or against the Manager's stated performance target (over the relevant time period). The Trustee may also evaluate a Manager's performance using other metrics based on the nature of the asset class (such as the number of defaults and downgrades in credit portfolios). The Trustee's focus is primarily on long-term performance but short-term performance is also reviewed on a regular basis.

There are active mandates with performance related fees, which have hurdle rate structures in place to avoid the Trustee paying additional fees during periods of long term underperformance.

Portfolio Turnover Costs

The Trustee monitors the portfolio turnover costs of the Plan's assets on an annual basis. The Trustee will engage with a Manager if portfolio turnover is higher than expected. This is assessed by comparing portfolio turnover across the same asset class, on a year-for-year basis for the same manager fund, or relative to the Manager's specified portfolio turnover range in the investment guidelines or prospectus. Manager performance is assessed net of all fees and costs, including transaction costs, and therefore managers are incentivised in this way to keep portfolio turnover costs to the minimum required to meet or exceed their objectives.

Manager Turnover

The Trustee is a long-term investor and is not looking to change the investment arrangements on a frequent basis.

For open-ended funds, the Trustee will retain an investment manager unless there is a change to the overall investment strategy that no longer requires exposure to that asset class or Manager, or the Manager appointment has been reviewed and the Trustee is no longer confident that the Manager can achieve their performance objective. For portfolios managed on a segregated basis, the Trustee may terminate a Manager's appointment by providing notice as detailed in the Investment Management Agreement.

For funds that have a fixed lifetime and are illiquid, the Plan is invested in a Manager's fund for the lifetime of the fund. At the time of appointment, the Managers provide an indication of the expected investment duration of their fund and have the discretion to extend the lifetime of the fund in line with the fund documentation. In order to maintain a strategic allocation to the relevant asset class, the Trustee may choose to stay with a Manager in a new fund for that asset class or appoint a different Manager.

Strategic Asset Allocation

For the HP and Digital Sections, the Plan has adopted a trigger-based approach for moving towards the long-term Growth/Protection asset split and hedging levels, linked to improvements in the funding level.

Over the 12-month period from 1 November 2019, the HP Section met one funding level trigger at 31 January 2020 (103%). This resulted in a reduction in the growth portfolio allocation, from 12.0% to 10.0%, and an increase in the liability hedge ratio on the Gilts Hedging Basis for interest rates from 89% to 93%. The inflation hedge ratio was not increased due to uncertainty around the future of the calculation of RPI, and remained at 87%. The Digital Section met two funding level triggers over the 12-month period, the first being at 31 December 2019 (100%) followed by 31 January 2020 (102%). The former led to a reduction to the growth portfolio allocation from 12.4% to 12.0%, with the latter further reducing the allocation to 10.0%. The liability hedge ratio on the Gilts Hedging Basis for interest rates increased from 85% to 91% as a result of the triggers, whilst the inflation component remained at 85% for the same reason as the HP Section.

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Several changes to the strategic asset allocation were made over the year to 31 October 2020 as a result of the introduction of allocations to new asset classes/investment managers and adjustments to the investment strategy:

- (HP and Digital Sections) In November 2019, an allocation of 2% to the L&G Small Cap Equity fund was introduced, funded by a reduction in the allocation to the SSGA Global Equity portfolio.
- (HP and Digital Sections) An allocation of 5% to HSBC Secured Finance was introduced in two tranches, one in November 2019, followed by the second in January 2020, funded by a reduction in the Insight LDI portfolio.
- (HP and Digital Sections) An allocation to the Goldman Sachs Broad Street Loan Partners Fund IV was introduced within the Senior Private Debt allocation to target an overweight position of 7.5% (relative to the long term target of 5%). The first transfer of assets was funded from the L&G Buy and Maintain Credit portfolio in January 2020.
- (HP and Digital Sections) In April and May, the CQS and Apollo Multi Asset Credit Fund allocations were each increased from 8.6% to 10.0% to reflect an increase in the long term target allocation to Multi Asset Credit to 20%. This was funded by a reduction in the LDI allocation.
- (HP and Digital Sections) The allocation to the L&G Buy and Maintain Credit portfolio was increased from 10% to 13%, funded the Insight LDI portfolios. This was completed in August 2020.

The Plan maintains a passive currency hedge overlay mandate managed by Insight which hedges some of the Plan's currency exposures. The mandate aims to hedge 50% of the residual Mesirow portfolio. The Goldman Sachs Senior Private Debt and USD Liquidity Fund holdings alongside the L&G Buy and Maintain Credit mandates are fully hedged from US dollar back to sterling. Euro exposure within the L&G Buy and Maintain Credit mandates is also hedged back to sterling. All foreign currency exposure within the L&G Small Cap Equity fund is also hedged by Insight.

With full approval of the Trustee and after consultation with the Company, the Plan's strategic asset allocation, excluding AVCs, as at 31 October 2020 is as follows:

Hewlett-Packard Section

Asset Class	Allocation as at 31/10/2020 (%)	Allocation as at 31/10/2019 (%)
Global Equity	8.0	12.0
Small Cap Equity	2.0	-
Multi Asset Credit	20.0	17.2
Buy & Maintain Credit	13.0	10.0
Secured Finance	10.0	5.0
Illiquid Secure Income*	10.0	10.0
Senior Private Debt*	7.5	5.0
LDI	29.5	40.8
Total	100.0	100.0

50% of the developed market overseas currency exposure is hedged back to sterling for SSGA Global Equity. 100% of the developed market overseas currency exposure is hedged back to sterling for L&G Small Cap Equity.

100% of the developed market overseas currency exposure is hedged back to sterling for the Protection assets (last 6 rows of the above table) where relevant.

* These strategic allocations are inclusive of mandates being used to hold commitment amounts. Illiquid Secure Income allocation will be held in Asset Backed Securities until investment opportunities arise, whilst Senior Private Debt will be held in GSAM's USD Liquidity Fund, in relation to the Goldman Sachs mandates, and will be held in LDI for Real Estate Debt.

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Digital Section

Asset Class	Allocation as at 31/10/2020 (%)	Allocation as at 31/10/2019 (%)
Global Equity	8.0	12.0
Small Cap Equity	2.0	-
Multi Asset Credit	20.0	17.2
Buy & Maintain Credit	13.0	10.0
Secured Finance	10.0	5.0
Illiquid Secure Income*	10.0	10.0
Senior Private Debt*	7.5	5.0
LDI	29.5	40.8
Total	100.0	100.0

50% of the developed market overseas currency exposure is hedged back to sterling for SSGA Global Equity. 100% of the developed market overseas currency exposure is hedged back to sterling for L&G Small Cap Equity.

100% of the developed market overseas currency exposure is hedged back to sterling for the Protection assets (last 6 rows of the above table) where relevant.

* These strategic allocations are inclusive of mandates being used to hold commitment amounts. Illiquid Secure Income allocation will be held in Asset Backed Securities until investment opportunities arise whilst Senior Private Debt will be held in GSAM's USD Liquidity Fund, in relation to the Goldman Sachs mandates, and will be held in LDI for Real Estate Debt.

Distribution of Assets

The following tables provide a breakdown of the value of the total Plan assets on an investment type and manager basis, by Section, and excluding net current assets as at 31 October 2020:

Hewlett-Packard Section

	Market Value (£m)*	Percentage %
Global Equity	154.1	7.8
Small Cap Equity	39.3	2.0
Fund of Hedge Funds	0.1	0.0
Property	0.0	0.0
Multi Asset Credit	402.8	20.3
Buy & Maintain Credit	259.5	13.1
Secured Finance	183.9	9.3
Illiquid Secure Income ¹	174.5	8.8
Senior Private Debt ¹	122.3	6.1
LDI ²	615.2	31.0
Cash	32.8	1.6
Total	1,984.5	100.0

* The valuations above may differ from the financial statements as these have been based on unaudited and preliminary valuations.

¹ Illiquid Secure Income and Senior Private Debt valuations include amounts being held to fund commitments.

² LDI valuation includes £2.0m of unrealised losses from the currency hedge.

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Investment Manager	Asset Class	Market Value (£m)*	Percentage %
SSGA	Global Equity	154.1	7.8
L&G	Small Cap Equity	39.3	2.0
Mesirow	Fund of Hedge Funds	0.1	0.0
UBS	Property	0.0	0.0
Insight ¹	LDI	615.2	31.0
CQS	Multi Asset Credit	208.6	10.5
Apollo	Multi Asset Credit	194.2	9.8
Ares	Secured Finance	89.7	4.5
HSBC	Secured Finance	94.2	4.8
L&G	Buy & Maintain Credit	259.5	13.1
M&G ²	Illiquid Secure Income	174.5	8.8
M&G	Real Estate Debt	21.2	1.0
Goldman Sachs ²	Senior Private Debt	101.1	5.1
Other	Cash	32.8	1.6
Total		1,984.5	100.0

* The valuations above may differ from the financial statements as these have been based on unaudited and preliminary valuations.

¹ LDI valuation includes £2.0m of unrealised losses from the currency hedge.

² M&G Illiquid Secure Income and Goldman Sachs valuations include amounts being held to fund commitments.

Digital Section

	Market Value (£m)*	Percentage %
Global Equity	163.1	7.8
Small Cap Equity	41.3	2.0
Fund of Hedge Funds	0.1	0.0
Multi Asset Credit	428.4	20.7
Buy & Maintain Credit	270.1	13.0
Secured Finance	194.1	9.3
Illiquid Secure Income ¹	189.7	9.2
Senior Private Debt ¹	132.9	6.4
LDI ²	623.4	30.1
Cash	30.6	1.5
Total	2,073.7	100.0

* The valuations above may differ from the financial statements as these have been based on unaudited and preliminary valuations.

¹ Illiquid Secure Income and Senior Private Debt valuations include amounts being held to fund commitments.

² LDI valuation includes £2.2m of unrealised losses from the currency hedge.

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Investment Manager	Asset Class	Market Value (£m)*	Percentage %
SSGA	Global Equity	163.1	7.8
L&G	Small Cap Equity	41.3	2.0
Mesirow	Fund of Hedge Funds	0.1	0.0
Insight ²	LDI	623.4	30.1
CQS	Multi Asset Credit	222.0	10.7
Apollo	Multi Asset Credit	206.4	10.0
Ares	Secured Finance	95.1	4.6
HSBC	Secured Finance	99.0	4.7
L&G	Buy & Maintain Credit	270.1	13.0
M&G ¹	Illiquid Secure Income	189.7	9.2
M&G	Real Estate Debt	22.7	1.1
Goldman Sachs ¹	Senior Private Debt	110.2	5.3
Other	Cash	30.6	1.5
Total		2,073.7	100.0

*The valuations above may differ from the financial statements as these have been based on unaudited and preliminary valuations.

¹ M&G Illiquid Secure Income and Goldman Sachs valuations include amounts being held to fund commitments.

² LDI valuation includes £2.2m of unrealised losses from the currency hedge.

Investment Performance

The Trustee and the TISC must balance the need to maintain the security of members' benefits with the aim of achieving the best possible return on the assets of the Plan.

The performance of the Plan's two Sections is detailed below:

Hewlett-Packard Section

Total Section	1 Year (% p.a.)	3 Year (% p.a.)	5 Year (% p.a.)
Actual	7.8	9.0	11.1
Benchmark	9.2	10.2	12.4

Net of fees, including impact of currency hedging

Source: State Street

Over the one-year period, the HP Section underperformed its benchmark by 1.4% (net of fees).

Over the three-year period to 31 October 2020, the Section returned 9.0% p.a. underperforming its benchmark by 1.2% p.a. (net of fees).

Over the five-year period to 31 October 2020, the Section returned 11.1% p.a. (net of fees) versus a benchmark return of 12.4% p.a.

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As at 31 October 2020 the benchmark comprised:

Asset Class	Benchmark	Allocation (%)
Global Equity	FTSE All World Developed (50% GBP Hedged/ Emerging Unhedged Index – Net UK Tax)	8.0
Small Cap Equity	FTSE Global Developed Small Cap Index	2.0
Multi Asset Credit	3 Month GBP LIBOR + 4.5% p.a. in GBP	10.0
Multi Asset Credit	3 Month GBP LIBOR + 5.0% p.a. in GBP	10.0
Illiquid Secure Income	Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. ¹	10.0
Senior Private Debt	Absolute Return of 5% ² p.a. Absolute Return of 6.5% ³ p.a.	7.5
Secured Finance	Absolute Return of 5% p.a.	10.0
LDI	Liability cashflows benchmark	29.5
Buy & Maintain Credit	Fund Return	13.0
	Total	100.0

¹ For the assets held in Asset Backed Securities, the benchmark is 3 month GBP LIBOR + 1.0% p.a.; for the assets invested in Illiquid Secure Income assets, the benchmark is Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. Over time the Asset Backed Securities will move to Illiquid Secured Income, and the benchmark will move to reflect this.

² M&G Real Estate Debt Finance VI targets an absolute return of 5% p.a.

³ For the assets held in the USD Liquidity Fund, the benchmark is USD 7 day LIBID; Goldman Sachs Broad Street III and IV target an absolute return of 6.5% p.a.

Digital Section

Total Section	1 Year (% p.a.)	3 Year (% p.a.)	5 Year (% p.a.)
Actual	7.0	8.3	10.7
Benchmark	8.2	9.4	12.0

Net of fees, including impact of currency hedging

Source: State Street

Over the one-year period, the Digital Section underperformed its benchmark by 1.2% (net of fees).

Over the three-year period to 31 October 2020, the Section underperformed its benchmark by 1.1% p.a. (net of fees)

Over the five-year period to 31 October 2020, the Section returned 10.7% p.a. (net of fees) versus a benchmark return of 12.0% p.a.

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As at 31 October 2020 the benchmark comprised:

Asset Class	Benchmark	Allocation (%)
Global Equity	FTSE All World Developed (50% GBP Hedged/ Emerging Unhedged Index – Net UK Tax)	8.0
Small Cap Equity	FTSE Global Developed Small Cap Index	2.0
Multi Asset Credit	3 Month GBP LIBOR + 4.5% p.a. in GBP	10.0
Multi Asset Credit	3 Month GBP LIBOR + 5.0% p.a. in GBP	10.0
Illiquid Secure Income	Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. ¹	10.0
Senior Private Debt	Absolute Return of 5% ² p.a. Absolute Return of 6.5% ³ p.a.	7.5
Secured Finance	Absolute Return of 5% p.a.	10.0
LDI	Liability cashflows benchmark	29.5
Buy & Maintain Credit	Fund Return	13.0
	Total	100.0

¹ For the assets held in Asset Backed Securities, the benchmark is 3 month GBP LIBOR + 1.0% p.a.; for the assets invested in Illiquid Secure Income assets, the benchmark is Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. Over time the Asset Backed Securities will move to Illiquid Secured Income, and the benchmark will move to reflect this.

² M&G Real Estate Debt Finance VI targets an absolute return of 5% p.a.

³ For the assets held in the USD Liquidity Fund, the benchmark is USD 7 day LIBID; Goldman Sachs Broad Street III and IV target an absolute return of 6.5% p.a.

Management of investments

The day-to-day management of the Plan investments is delegated by the Trustee to external investment managers.

The Trustee allocates a proportion of the Plan assets to each investment manager and sets them specific investment performance targets. It reviews the investment managers' investment activity and performance against the targets set for them. The objectives established for the investment managers are generally either to match or outperform a particular benchmark index or target.

The investment managers and their respective benchmarks are listed below and on the following page for each of the Sections.

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Hewlett-Packard Section

Investment Manager	
Legal and General Investment Management (L&G)	Invest in: Global Credit Benchmark: Fund Return Invest in: Developed Small Cap Equity Benchmark: FTSE Global Developed Small Cap Index
Mesirow Financial Product Group (Mesirow)	Invest in: Global Hedge Funds Benchmark: Outperform 3 month USD LIBOR + 4.5% p.a.
State Street Global Advisors Ltd (SSGA)	Invest in: Global Equity Benchmark: FTSE All-World (50% GBP Hedged)
Ares Management LLC	Invest in: Secured Finance Benchmark: Absolute Return of 5% p.a.
HSBC Global Asset Management (HSBC)	Invest in: Secured Finance Benchmark: Absolute Return of 5% p.a.
UBS Global Asset Management (UBS)	Invest in: Global Real Estate Benchmark: 90% IPD All Balanced Funds Index, 10% EPRA/NAREIT Global Developed Real Estate Index
CQS (UK) LLP (CQS)	Invest in: Global Credit Benchmark: Outperform 3 month GBP LIBOR + 4.5% p.a.
Apollo Global Management (Apollo)	Invest in: Global Credit Benchmark: Outperform 3 month GBP LIBOR + 5.0% p.a.
M&G Investments (M&G)	Invest in: Asset Backed Securities Benchmark: Outperform 3 month GBP LIBOR + 1.0% p.a. Invest in: Illiquid Secure Income Benchmark: Outperform Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. Invest in: Real Estate Debt Benchmark: Absolute Return of 5% p.a.
Goldman Sachs Asset Management (GSAM)	Invest in: Senior Private Debt Benchmark: Absolute Return of 6.5% p.a. Invest in: USD Liquidity Benchmark: USD 7 day LIBID
Insight Investment Management Limited (Insight)	Invest in: UK bonds, swaps and cash Benchmark: Match liability cashflows Invest in: Foreign exchange contracts Benchmark: n/a

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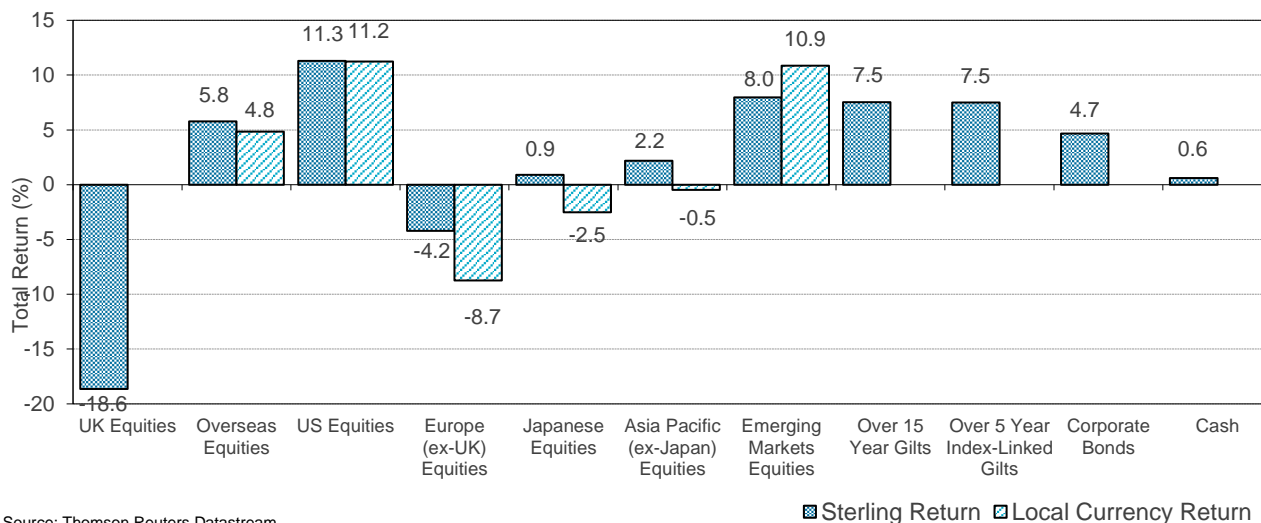
Digital Section

Investment Manager	
Legal and General Investment Management (L&G)	Invest in: Global Credit Benchmark: Fund Return Invest in: Developed Small Cap Equity Benchmark: FTSE Global Developed Small Cap Index
Mesirow Financial Product Group (Mesirow)	Invest in: Global Hedge Funds Benchmark: Outperform 3 month USD LIBOR + 4.5% p.a.
State Street Global Advisors Ltd (SSGA)	Invest in: Global Equity Benchmark: FTSE All-World (50% GBP Hedged)
Ares Management LLC	Invest in: Secured Finance Benchmark: Absolute Return of 5% p.a.
HSBC Global Asset Management (HSBC)	Invest in: Secured Finance Benchmark: Absolute Return of 5% p.a.
CQS (UK) LLP (CQS)	Invest in: Global Credit Benchmark: Outperform 3 month GBP LIBOR + 4.5% p.a.
Apollo Global Management (Apollo)	Invest in: Global Credit Benchmark: Outperform 3 month GBP LIBOR + 5.0% p.a.
M&G Investments (M&G)	Invest in: Asset Backed Securities Benchmark: Outperform 3 month GBP LIBOR + 1.0% p.a. Invest in: Illiquid Secure Income Benchmark: Outperform Bank of America Merrill Lynch 5 year Fixed Interest Gilts + 2.5% p.a. Invest in: Real Estate Debt Finance Benchmark: Absolute Return of 5% p.a.
Goldman Sachs Asset Management (GSAM)	Invest in: Senior Private Debt Benchmark: Absolute Return 6.5% p.a. Invest in: USD Liquidity Benchmark: USD 7 day LIBID
Insight Investment Management Limited (Insight)	Invest in: UK bonds, swaps and cash Benchmark: Match liability cashflows Invest in: Foreign exchange contracts Benchmark: n/a

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Twelve Month Performance to 31 October 2020



Market Background

Returns across asset classes were mixed over the year. Overseas equity markets performed well overall due to strong performance from the US, however UK and European equity returns were poor in both local currency and sterling terms as a result of the COVID-19 pandemic.

Over the year gilt yields were volatile as a result of COVID-19, resulting in Over 15 Year Gilts and Over 5 year Index Linked Gilts both returning 7.5%. UK corporate bond yields also rose sharply during the start of 2020 as a result of the pandemic, though fell towards the end of the period, resulting in a return of 4.7% over the year.

Custody Arrangements

Custody services during the year were provided by State Street, the Plan's Global Custodian, for Insight, L&G (Buy and Maintain Credit only) and HSBC.

The pooled funds (managed by L&G, CQS, Apollo, M&G, Goldman Sachs, Ares, UBS and SSGA) have their own separate custodial arrangements. However, they are included within the Plan's total assets by the Global Custodian for accounting purposes.

The custody services are provided in accordance with FCA regulations. There is no involvement by either the Trustee or the Principal Employer in custody procedures.

Employer related investments

As at 31 October 2020 the Plan had exposure to Hewlett-Packard of less than 0.1% of assets at both the Plan and individual Section level.

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Investment Managers' Fees

Total fees paid to all of the investment managers except Insight were calculated as a percentage of the market value of the total funds under their control. M&G Real Estate Debt Fund VI and Goldman Sachs Senior Private Debt also have a performance related element to their fees. These costs are borne by the Plan and generally charged or deducted on a quarterly basis in arrears. In addition, the M&G Real Estate Debt Fund charges an acquisition fee when assets are purchased within the fund. The fees for Insight LDI are calculated as a percentage of the present value of the liability benchmark of the relevant Section.

Signed for and on behalf of the Trustee on

Signed by Trustee in March 2021

.....
Paul Early, Trustee Director

Signed by Trustee in March 2021

.....
Gill Manning, Trustee Director

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN

Opinion

We have audited the financial statements of Hewlett-Packard Retirement Benefits Plan ("the Plan") for the year ended 31 October 2020 which comprise the Fund Account and the Statement of Net Assets (available for benefits) and related notes, including the accounting policies in Note 4.

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Plan during the Plan year ended 31 October 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 Plan year;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- contain the information specified in Regulation 3 of the Occupational Pension Plans (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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Plan in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Trustee has prepared the financial statements on the going concern basis as it does not intend to wind up the Plan, and as it has concluded that the Plan's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Trustee's conclusions, we considered the inherent risks to the Plan and analysed how those risks might affect the Plan's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Plan will continue in operation.

Other information

The Trustee is responsible for the other information, which comprises the Trustee's report (including the report on actuarial liabilities and the summary of contributions), the Investment report, the Implementation Statement, the Schedules of Contributions and the actuarial certifications of the Schedules of Contributions. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon in this report.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on this work we have not identified material misstatements in the other information.

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN

Trustee's responsibilities

As explained more fully in their statement set out on page 8, the Plan Trustee is responsible for: supervising the preparation of financial statements which show a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Plan'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 it either intends to wind up the Plan, or has no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Plan Trustee in accordance with the Pensions Act 1995 and Regulations made thereunder. Our audit work has been undertaken so that we might state to the Plan 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 Plan Trustee, for our audit work, for this report, or for the opinions we have formed.

Gemma Broom for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020

FUND ACCOUNT

	Note	Year to 31 October 2020			Year to 31 October 2019
		HP £'000	Digital £'000	Total £'000	£'000
Contributions and benefits					
Employer contributions		1,565	1,542	3,107	17,964
Employee contributions		-	9	9	63
Total Contributions	5	1,565	1,551	3,116	18,027
Transfers in	6	-	-	-	-
Other income	7	35	34	69	476
		1,600	1,585	3,185	18,503
Benefits paid or payable	8	38,553	53,050	91,603	87,749
Transfers out	9	12,380	13,197	25,577	32,466
Administrative expenses	10	2,114	2,672	4,786	4,434
		53,047	68,919	121,966	124,649
Net withdrawals from dealing with members		(51,447)	(67,334)	(118,781)	(106,146)
Returns on investments					
Investment income	11	43,036	48,447	91,483	68,707
Change in market value of investments	13	95,279	83,237	178,516	474,379
Investment management expenses	12	(2,401)	(2,311)	(4,712)	(3,614)
Net returns on investments		135,914	129,373	265,287	539,472
Net increase in the Fund during the year		84,467	62,039	146,506	433,326
Net assets of the Plan at 1 November		1,902,976	2,007,002	3,909,978	3,476,652
Net assets of the Plan at 31 October		1,987,443	2,069,041	4,056,484	3,909,978

The notes on pages 27 to 51 form part of these financial statements.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

STATEMENT OF NET ASSETS

(Available for benefits)

	Note	As at 31 October 2020			As at 31 October 2019
		HP £'000	Digital £'000	Total £'000	£'000
Investments assets					
Bonds	13	2,236,895	2,148,107	4,385,002	3,573,310
Pooled investment vehicles	14	1,001,489	1,076,651	2,078,140	1,812,819
Derivatives	15	2,921	4,132	7,053	19,843
Other investment balances	13	10,692	9,954	20,646	15,839
AVCs	16	13,203	7,216	20,419	22,126
		3,265,200	3,246,060	6,511,260	5,443,937
Investment liabilities					
Derivatives	15	(3,378)	(3,428)	(6,806)	(5,067)
Repurchase agreements		(1,304,462)	(1,199,462)	(2,503,924)	(1,624,391)
		(1,307,840)	(1,202,890)	(2,510,730)	(1,629,458)
Total net investments		1,957,360	2,043,170	4,000,530	3,814,479
Current assets	19	33,076	30,726	63,802	101,036
Current liabilities	20	(2,993)	(4,855)	(7,848)	(5,537)
		30,083	25,871	55,954	95,499
Total net assets of the Plan at 31 October		1,987,443	2,069,041	4,056,484	3,909,978

The financial statements summarise the transactions of the Plan and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Plan year. The actuarial position of the Plan, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities, included in the annual report on pages 4 to 6 and these financial statements should be read in conjunction with them.

The financial statements on pages 25 and 26 were approved on

by:

Signed by Trustee in March 2021

.....
Paul Early, Trustee Director

Signed by Trustee in March 2021

.....
Gill Manning, Trustee Director

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

NOTES TO THE FINANCIAL STATEMENTS

1. 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 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice (Revised 2018). The Plan Trustee has taken advantage of the option to adopt the amendments to FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland Triennial Review 2017, incremental Improvements and Clarification issued December 2017, and the SORP (revised 2018).

This is the first year of adoption of the 2018 SORP. There have been no restatements of prior year figures as a result of this adoption.

The financial statements are prepared on a going concern basis, which the Trustee believes to be appropriate as it believes that the Scheme has adequate resources to realise its assets and meet benefit obligations in the normal course of affairs (continue to operate) for at least the next twelve months. In reaching this conclusion, the Trustee has considered the funding level of the Plan which as at 31 October 2020 was 102.3% for the HP section and 101.4% for the Digital section on a Medium Term Funding basis, the financial position of the Principal Employer, Hewlett-Packard Limited and its ultimate parent Hewlett Packard Enterprise Company and has taken into account the impact on investments, future income and capital growth, portfolio liquidity and cash-flow requirements. This assessment, gives the Trustee confidence to prepare the financial statements on a going concern basis.

2. Identification of financial statements

The Plan is established as a trust under English Law. The address for enquiries to the scheme is included in the Trustee's Report.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

3. Comparative disclosures for the Fund Account and Statement of Net Assets

FUND ACCOUNT

	Note	Year to 31 October 2019		
		HP £'000	Digital £'000	Total £'000
Contributions and benefits				
Employer contributions		12,293	5,671	17,964
Employee contributions		54	9	63
Total Contributions	5	12,347	5,680	18,027
Transfers in	6	-	-	-
Other income	7	397	79	476
		12,744	5,759	18,503
Benefits paid or payable	8	35,229	52,520	87,749
Transfers out	9	19,080	13,386	32,466
Administrative expenses	10	2,037	2,397	4,434
		56,346	68,303	124,649
Net withdrawals from dealing with members		(43,602)	(62,544)	(106,146)
Returns on investments				
Investment income	11	29,407	39,300	68,707
Change in market value of investments	13	241,000	233,379	474,379
Investment management expenses	12	(1,803)	(1,811)	(3,614)
		268,604	270,868	539,472
Net (decrease)/increase in the Fund during the year		225,002	208,324	433,326
Net assets of the Plan at 1 November		1,677,974	1,798,678	3,476,652
Net assets of the Plan at 31 October		1,902,976	2,007,002	3,909,978

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

STATEMENT OF NET ASSETS (AVAILABLE FOR BENEFITS)

	Note	As at 31 October 2019		Total £'000
		HP £'000	Digital £'000	
Investments assets				
Bonds	13	1,881,124	1,692,186	3,573,310
Pooled investment vehicles	14	868,816	944,003	1,812,819
Derivatives	15	8,954	10,889	19,843
Other investment balances	13	7,777	8,062	15,839
AVCs	16	14,301	7,825	22,126
		2,780,972	2,662,965	5,443,937
Investment liabilities				
Derivatives	15	(1,188)	(3,879)	(5,067)
Repurchase agreements		(924,515)	(699,876)	(1,624,391)
		(925,703)	(703,755)	(1,629,458)
Total net investments		1,855,269	1,959,210	3,814,479
Current assets	19	49,181	51,855	101,036
Current liabilities	20	(1,474)	(4,063)	(5,537)
		47,707	47,792	95,499
Total net assets of the Plan at 31 October		1,902,976	2,007,002	3,909,978

There are two sections of the Plan as follows:

Hewlett-Packard Section (HP)

Digital Section (Digital)

4. Statement of Accounting Policies

The following principal accounting policies, which have been applied consistently (except as noted below), have been adopted in the preparation of the financial statements.

4.1 Contributions

Normal contributions, both from the members and from the employer, are accounted for on an accruals basis in the month employee contributions are deducted from the payroll.

Employers' augmentation and deficit repair contributions from the employer are accounted for in accordance with the schedule of contributions or the agreement under which they are paid, or in the absence of such an agreement, when received.

Additional voluntary contributions from the members are accounted for, on an accruals basis, in the month deducted from the payroll.

Employee directed Employer contributions relate to AVCs paid under salary sacrifice. These are accounted for on an accruals basis in the month deducted from payroll.

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

NOTES TO THE FINANCIAL STATEMENTS

4.2 Benefits

Where members can choose whether to take their benefits as a full pension or as a lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement and the date the option is exercised.

Other benefits are accounted for on an accruals basis on the date of retirement, death or leaving the Plan as appropriate.

4.3 Transfer Values

Transfer values represent the capital sums either receivable in respect of members from other pension plans of previous employers or payable to the pension plans of new employers for members who have left the Plan. They are accounted for on a cash basis or, where the Trustee has agreed to accept the liability in advance of receipt of funds, on an accruals basis from the date of the agreement.

Group transfers, where the Trustee has agreed to accept the liability prior to the receipt, are accounted for in accordance with the agreement.

4.4 Income from investments and deposits

Investment income is accounted for as follows:-

- Dividends from quoted UK investments are accounted for on the date when stocks are quoted ex-dividend;
- Dividends from overseas investments are accounted for on an accruals basis;
- Interest on fixed interest securities is accounted for on an accruals basis;
- Interest income on cash deposits is accounted for on an accruals basis;
- Investment income includes United Kingdom and overseas tax recoverable in respect of the year.
- Income arising from the underlying investments of the pooled investment vehicles that is reinvested in the pooled investment vehicles is reflected in the unit price. Such income is reported within the change in market value. All other income arising from pooled investment vehicles is taken into account on an accruals basis.

4.5 Valuation of investments

Investments are included at fair value.

Pooled investment vehicles are valued at the closing bid price if both bid and offer prices are published, or, if single priced, at the closing single price as advised by the investment managers.

Derivative contracts are valued at fair value. The fair value, being the unrealised profit or loss on the contracts, is shown as a separate line within investments. Derivative contract assets are fair valued at bid prices and liabilities are fair valued at offer prices.

Derivative contracts' changes in fair value are included in change in market value where the economic purpose of the contracts relates to assets. Where the economic purpose relates to income the change in fair value is included in investment income.

The fair value of the interest rate swaps and currency swaps is calculated using pricing models based on the market price of comparable instruments at the year-end date, if they are publicly traded. Interest is accrued monthly on a basis consistent with the terms of the contract. The amounts included in change in market value are the realised gains and losses on closed contracts and the unrealised gains and losses on open contracts. Net receipts or payments on swap contracts are either reported in investment income (where the economic purpose relates to income) or change in market value (where the economic purpose relates to assets).

The fair value of the forward currency contracts is based on market forward exchange rates at the year-end date and determined as the gain or loss that would arise if the outstanding contract was matched at the year end with an equal and opposite contract.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

The fair value of future contracts is stated using pricing models and relevant market data as at the year end date.

Bonds are stated at their clean prices. Accrued income is accounted for within investment income.

Accrued interest is excluded from the market value of fixed interest securities and index linked securities but is included in investment income receivable.

Acquisition costs are included in the purchase cost of investments. Transaction costs are included in the cost of purchases and sale proceeds. Transaction costs include costs charged directly to the Plan such as fees, commissions, stamp duty and other fees.

Under repurchase arrangements, the Plan continues to recognise and value the securities that are delivered out as collateral, and includes them in the financial statements. The cash received is recognised as an asset and the obligation to pay it back is recognised as a payable amount. .

The change in market value of investments is accounted for in the year in which it arises and includes 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 and unrealised changes in market value.

AVC investments are included at the values provided by the AVC investment managers.

4.6 Administrative and investment management expenses

Administrative and investment management expenses are accounted for on an accruals basis. All other costs of administration other than those shown in these financial statements are borne by the Principal Employer, Hewlett-Packard Limited.

4.7 Life assurance premiums

Premiums for group life assurance and widows' death in service benefits are accounted for in the period of cover.

4.8 Foreign Currencies

Investments denominated in foreign currencies are translated at closing spot rates into their sterling equivalents at the year end.

The Plan's functional and presentational currency is pounds sterling.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

5. Contributions

	Year to 31 October 2020		
	HP £'000	Digital £'000	Total £'000
Employers			
Normal	858	607	1,465
Deficit repair	-	-	-
Employee directed	302	349	651
Augmentations	405	586	991
	1,565	1,542	3,107
Members			
Additional voluntary contributions	-	9	9
	-	9	9
	1,565	1,551	3,116

	Year to 31 October 2019		
	HP £'000	Digital £'000	Total £'000
Employers			
Normal	955	656	1,611
Deficit repair	10,700	3,800	14,500
Employee directed	267	415	682
Augmentations	371	800	1,171
	12,293	5,671	17,964
Members			
Additional voluntary contributions	54	9	63
	54	9	63
	12,347	5,680	18,027

In accordance with the statement of funding principles, the Employer deficit repair contributions are calculated as follows:

- the future cost of accrual of benefits calculated using assumptions underlying the Technical Provisions including an allowance for administrative expenses; less
- the amount by which the expected return on the assets for the year exceeds the amount of interest on the assets for the year assumed in calculating the Technical Provisions; plus
- an adjustment (either positive or negative) to allow for deficit or surplus.

The above calculation is subject to a minimum contribution rate of zero, and contributions relating to member contributions paid under salary sacrifice are payable in addition. No deficit contributions were due or received in the year.

Employer normal contributions relate to member contributions paid under salary sacrifice together with payment in lieu of notice representing contributions paid to the Plan for members' pensionable service accrued during their notice period when they have not been required by the Company to work their notice period.

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020

NOTES TO THE FINANCIAL STATEMENTS

5. Contributions (continued)

Employee directed Employer contributions relate to money purchase AVCs paid under salary sacrifice.

The Employers' augmentations are made to cover the enhancement to certain members' benefits by the Principal Employer, Hewlett-Packard Limited.

The additional voluntary contributions paid by members are either invested as part of the Plan's assets for in-plan benefits or are invested separately. There are four separate money purchase arrangements available to members of the Plan and the assets purchased are held separately from the main Plan assets.

6. Transfers in

	Year to 31 October 2020		
	HP £'000	Digital £'000	Total £'000
Individual transfers in from other schemes	-	-	-
	-	-	-

	Year to 31 October 2019		
	HP £'000	Digital £'000	Total £'000
Individual transfers in from other schemes	-	-	-
	-	-	-

7. Other income

	Year to 31 October 2020		
	HP £'000	Digital £'000	Total £'000
Death benefit income	-	-	-
Other income	35	34	69
	35	34	69

	Year to 31 October 2019		
	HP £'000	Digital £'000	Total £'000
Death benefit income	335	-	335
Other income	62	79	141
	397	79	476

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020

NOTES TO THE FINANCIAL STATEMENTS

8. Benefits paid or payable

	Year to 31 October 2020		
	HP £'000	Digital £'000	Total £'000
Pensions	29,800	47,389	77,189
Commutations and lump sum retirement benefits	8,388	5,305	13,693
Lump sum death benefits	35	74	109
Taxation where lifetime or annual allowance exceeded	330	282	612
	38,553	53,050	91,603

	Year to 31 October 2019		
	HP £'000	Digital £'000	Total £'000
Pensions	27,840	45,622	73,462
Commutations and lump sum retirement benefits	6,683	6,511	13,194
Lump sum death benefits	377	214	591
Taxation where lifetime or annual allowance exceeded	329	173	502
	35,229	52,520	87,749

9. Transfers out

	Year to 31 October 2020		
	HP £'000	Digital £'000	Total £'000
Individual transfers out to other schemes	12,380	13,197	25,577
	12,380	13,197	25,577

	Year to 31 October 2019		
	HP £'000	Digital £'000	Total £'000
Individual transfers out to other schemes	19,080	13,386	32,466
	19,080	13,386	32,466

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020

NOTES TO THE FINANCIAL STATEMENTS

10. Administrative expenses

	Year to 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
Administration and actuarial fees	1,244	1,463	2,707
Audit fees	73	73	146
Legal fees	564	564	1,128
Trustee fee and expenses	213	214	427
PPF levy	20	358	378
	2,114	2,672	4,786

	Year to 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Administration and actuarial fees	1,174	1,411	2,585
Audit fees	73	73	146
Legal fees	576	576	1,152
Trustee fee and expenses	185	191	376
PPF levy	29	146	175
	2,037	2,397	4,434

11. Investment income

	Year to 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
Income from bonds	24,715	27,561	52,276
Income from pooled investment vehicles	12,566	11,709	24,275
Income from derivatives	5,743	9,128	14,871
Interest on cash deposits	12	49	61
	43,036	48,447	91,483

	Year to 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Income from bonds	23,535	30,655	54,190
Income from pooled investment vehicles	1,847	3,241	5,088
Income from derivatives	3,947	5,318	9,265
Interest on cash deposits	78	86	164
	29,407	39,300	68,707

The increase in income from pooled investment vehicles is due to income received from the CQS Credit Multi Asset Fund Cass D1D and M&G Long Dated Asset Fund III during the year.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

12. Investment management expenses

	Year to 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
Administration, management and custody	2,273	2,218	4,491
Other advisory fees	128	93	221
	2,401	2,311	4,712

	Year to 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Administration, management and custody	1,688	1,696	3,384
Other advisory fees	115	115	230
	1,803	1,811	3,614

The movement in the administration, management and custody expenses reflects certain timing differences in respect of the fees as well as changes in the Plan's portfolio.

13. Investment Reconciliation

The following tables show the movements on Plan investment assets during the year. The change in market value includes realised profits and losses arising on sales of investments during the year together with surpluses and deficits arising from the revaluation of investments held at the year-end to market value and to sterling where the investments are denominated in foreign currencies.

HP Section	Market Value at 1 November 2019 £'000	Purchases at cost and derivative payments £'000	Sales proceeds and derivative receipts £'000	Change in Market Value £'000	Market Value at 31 October 2020 £'000
Bonds	1,881,124	666,204	(399,473)	89,040	2,236,895
Pooled investment vehicles	868,816	856,088	(732,921)	9,506	1,001,489
Repurchase agreements	(924,515)	3,338,116	(3,718,063)	-	(1,304,462)
Derivatives	7,766	877,822	(882,898)	(3,147)	(457)
AVC investments	14,301	1,041	(2,019)	(120)	13,203
	1,847,492	5,739,271	(5,735,374)	95,279	1,946,668
Other investment balances	7,777				10,692
	1,855,269				1,957,360

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

NOTES TO THE FINANCIAL STATEMENTS

13. Investment Reconciliation (continued)

Digital Section	Market Value at 1 November 2019 £'000	Purchases at cost and derivative payments £'000	Sales proceeds and derivative receipts £'000	Change in Market Value £'000	Market Value at 31 October 2020 £'000
Bonds	1,692,186	783,134	(391,431)	64,218	2,148,107
Pooled investment vehicles	944,003	829,945	(705,539)	8,242	1,076,651
Repurchase agreements	(699,876)	5,290,618	(5,790,204)	-	(1,199,462)
Derivatives	7,010	1,233,040	(1,249,968)	10,622	704
AVC investments	7,825	1,335	(2,099)	155	7,216
	1,951,148	8,138,072	(8,139,241)	83,237	2,033,216
Other investment balances	8,062				9,954
	1,959,210				2,043,170

Included within both Sections' purchases and sales are direct transaction costs comprising fees, commission and stamp duty. These costs are attributable to the key asset classes as follows:

HP Section	Fees £'000	Commission £'000	Stamp Duty £'000	2020 Total £'000	2019 Total £'000
Equities	-	-	-	-	-
Bonds	-	-	-	-	1
Derivatives	-	-	6	6	-
	-	-	6	6	1

Digital Section	Fees £'000	Commission £'000	Stamp Duty £'000	2020 Total £'000	2019 Total £'000
Equities	-	-	-	-	-
Bonds	-	-	-	-	1
Derivatives	-	-	5	5	-
	-	-	5	5	1

Indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles and are not separately identifiable.

At the year-end amounts payable under repurchase agreements amounted to £1,624,390,103 (2019: £1,331,086,000). At the year-end £2,505,853,306 of bonds reported in Plan assets are held by counterparties under repurchase agreements

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14. Pooled investment vehicles

The Plan's investments in pooled investment vehicles at the year-end comprised:

HP Section	Year to 31 October 2020	Year to 31 October 2019
	£'000	£'000
Equities	193,441	222,253
Bonds	488,172	379,252
Alternatives	277,190	247,195
Multi Asset	-	347
Liquidity	42,668	19,749
Property	18	20
	1,001,489	868,816

Digital Section	Year to 31 October 2020	Year to 31 October 2019
	£'000	£'000
Equities	204,395	239,994
Bonds	518,901	412,849
Alternatives	301,392	269,280
Multi Asset	-	389
Liquidity	51,963	21,491
	1,076,651	944,003

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15. Derivatives

The Trustee has authorised the use of derivatives by its investment managers as part of its investment strategy for the Plan as explained in the Trustee's Report. Summarised details of the derivatives held at the year-end are set out below:

HP Section Derivatives

	2020 Assets £'000	2020 Liabilities £'000	2019 Assets £'000	2019 Liabilities £'000
Swaps	2,335	(22)	3,317	(999)
Forward currency contracts	353	(3,356)	5,637	(189)
Futures	233	-	-	-
	2,921	(3,378)	8,954	(1,188)

Swaps

Swaps	Nominal Amount	Duration	Asset value at year end £'000	Liability value at year end £'000
Nature	£		£'000	£'000
Total Return	£100,000,000	Expires Jan 21	2,165	-
Interest Rate	£100,000,000	Expires Feb 21	168	-
Interest Rate	£100,000,000	Expires Jan 21	-	(8)
Interest Rate	£100,000,000	Expires Jun 21	-	(10)
Interest Rate	£65,000,000	Expires May 21	2	-
Interest Rate	£36,522,000	Expires Feb 21	-	(4)
Total 2020			2,335	(22)
Total 2019			3,317	(999)

Futures	Nominal Amount	Duration	Asset value at year end £'000	Liability value at year end £'000
Nature	£		£'000	£'000
Long Gilt Future	£42,500,000	Expires Dec 20	233	-
Total 2020			233	-
Total 2019	-		-	-

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15. Derivatives (continued)

Forward Foreign Exchange (FX)

The Plan has open FX contracts at the year-end relating to its currency hedging strategy as follows:

Forward Contracts				Asset value at year end	Liability value at year end
Settlement date	Currency Bought	Currency Sold		£'000	£'000
1 month	GBP 980,650	EUR 1,084,600		3	-
1 month	GBP 23,436,459	USD 30,657,000		-	(270)
1 month	GBP 23,434,221	USD 30,657,000		-	(270)
1 month	GBP 23,436,459	USD 23,706,861		-	(270)
1 month	GBP 35,249,422	USD 45,510,000		57	-
1 month	GBP 29,297,819	USD 39,400,000		-	(1,170)
1 month	USD 39,400,000	GBP 30,518,835		-	(49)
1 month	GBP 5,408,500	USD 6,970,000		19	-
1 month	GBP 36,121,266	USD 47,249,550		-	(416)
1 month	GBP 36,537,774	USD 47,249,550		-	(420)
1 month	GBP 36,537,774	USD 47,249,550		-	(427)
1 month	GBP 33,448	CHF 39,000		1	-
1 month	GBP 338,471	CHF 402,000			(1)
1 month	GBP 424,677	SEK 4,841,000		4	-
1 month	GBP 1,368,276	JPY 190,000,000		-	(37)
1 month	GBP 90,690	HKD 919,000		-	(1)
1 month	GBP 1,137,431	EUR 1,258,000		4	-
1 month	GBP 1,248,464	CAD 2,162,000		-	(5)
1 month	GBP 424,582	AUD 777,000		3	-
1 month	GBP 59,762	AUD 109,000		2	-
1 month	GBP 2,845,952	AUD 5,135,000		57	-
1 month	GBP 236,623	EUR 260,000		3	-
1 month	GBP 26,382,586	EUR 29,060,000		200	-
1 month	GBP 43,472,729	USD 56,240,000		-	(20)
Total 2020				353	(3,356)
Total 2019				5,637	(189)

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15. Derivatives (continued)

Digital Section - Derivatives

	2020 Assets	2020 Liabilities	2019 Assets	2019 Liabilities
	£'000	£'000	£'000	£'000
Swaps	3,763	-	4,791	(3,712)
Futures	-	(10)	-	-
Forward currency contracts	369	(3,418)	6,098	(167)
Net derivatives	4,132	(3,428)	10,889	(3,879)

Swaps			Asset value at year end	Liability value at year end
Nature	Nominal Amount	Duration	£'000	£'000
	£			
Total Return	61,752,908	Expires Jan 21	3,384	-
Interest Rate	79,648,400	Expires Jan 21	375	-
Interest Rate	150,000,000	Expires Aug 21	4	-
Total 2020			3,763	-
Total 2019	435,176		4,791	(3,712)

Futures			Asset value at year end	Liability value at year end
Nature	Nominal Amount	Duration	£'000	£'000
	£			
Long Gilt Future	9,400,000	Expires Dec 20	-	(10)
Total 2020			-	(10)
Total 2019	-		-	-

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15. Derivatives (continued)

Forward Foreign Exchange (FX)

Forward Contracts				Asset value	Liability value
Settlement date	Currency Bought	Currency Sold		at year end £'000	at year end £'000
1 month	GBP 45,567,520	USD 58,950,000		-	(22)
1 month	GBP 254,824	EUR 280,000		3	-
1 month	GBP 28,316,340	EUR 31,190,000		215	-
1 month	GBP 3,019,979	AUD 5,449,000		61	-
1 month	GBP 32,321,651	USD 41,730,000		52	-
1 month	GBP 25,805,561	USD 33,756,000		-	(298)
1 month	GBP 25,805,737	USD 33,756,000		-	(298)
1 month	GBP 25,803,862	USD 33,757,000		-	(300)
1 month	GBP 1,204,600	USD 1,089,149		4	-
1 month	GBP 5,843,043	USD 7,530,000		20	-
1 month	GBP 39,195,392	USD 51,276,000		-	(456)
1 month	GBP 39,198,370	USD 51,275,000		-	(452)
1 month	GBP 39,198,636	USD 51,275,000		-	(452)
1 month	GBP 356,152	CHF 423,000		-	(1)
1 month	GBP 446,169	SEK 5,086,000		4	-
1 month	GBP 98,617	JPY 13,400,000		-	(1)
1 month	GBP 93,363	JPY 12,700,000		-	(1)
1 month	GBP 1,245,438	JPY 173,500,000		-	(38)
1 month	GBP 95,328	HKD 966,000		-	(1)
1 month	GBP 1,195,298	EUR 1,322,000		4	-
1 month	GBP 26,757	EUR 29,000		1	-
1 month	GBP 1,311,407	CAD 2,271,000		-	(6)
1 month	GBP 37,933	AUD 67,000		2	-
1 month	GBP 446,440	AUD 817,000		3	-
1 month	AUD 114,000	GBP 62,504		-	(1)
1 month	GBP 26,174,701	USD 35,200,000		-	(1,046)
1 month	USD 35,200,000	GBP 27,265,558		-	(45)
Total 2020				369	(3,418)
Total 2019				6,098	(167)

The Plan's investment managers use derivatives (forwards, futures and options) to manage currency risk in portfolios or generate returns from active currency management. Where returns are earned in non-sterling denominated currencies the manager may use currency derivatives to hedge out any change in returns resulting purely from currency moves which are beyond the manager's control. Use of currency in this context is not intended to add value to the portfolio and used only to mitigate the impact of currency movements against sterling. Some of the Plan's investment managers use currency derivatives to add value to their portfolios. Where a manager has a view that one currency is cheap or expensive relative to another, they will use derivatives to express this view.

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16. AVC assets

	At 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
MGM Assurance/Scottish Friendly	63	-	63
Phoenix Life	-	118	118
Legal & General	13,140	7,098	20,238
	13,203	7,216	20,419

	At 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Utmost (formerly Equitable Life)	564	733	1,297
MGM Assurance/Scottish Friendly	63	-	63
Standard Life	201	-	201
Phoenix Life	-	87	87
Legal & General	13,473	7,005	20,478
	14,301	7,825	22,126

The AVCs above are invested in a mix of with-profit policies, managed and unit-linked funds. These are invested on a money purchase basis. Members participating in these arrangements each receive an annual statement as at 31 October confirming the amounts held in their account and the movements in the period.

In addition to the AVC investments held by the Plan shown above, Digital Section members can pay in-plan AVCs to provide added years benefits. The AVCs invested in this way are held by the Plan in the main pool of investments.

The Trustee holds assets invested separately from the main fund in the form of insurance policies, unit-linked investments and with profit funds securing additional benefits on a money purchase basis for those members electing to pay additional voluntary contributions.

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17. Investment Fair Value Hierarchy

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

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access on 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. that is for which market data is unavailable) for the asset or liability

The Plan's investment assets and liabilities disclosed according to the above hierarchy categories are as follows:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2020 Total £'000
HP Section				
Bonds	-	2,236,895	-	2,236,895
Pooled investment vehicles	-	809,165	192,324	1,001,489
Repurchase agreements	-	(1,304,462)	-	(1,304,462)
Derivatives	233	(690)	-	(457)
AVC Investments	-	13,203	-	13,203
Other investment balances	10,692	-	-	10,692
Digital Section				
Bonds	-	2,148,107	-	2,148,107
Pooled investment vehicles	-	869,940	206,711	1,076,651
Repurchase agreements	-	(1,199,462)	-	(1,199,462)
Derivatives	(10)	714	-	704
AVC Investments	-	7,098	118	7,216
Other investment balances	9,954	-	-	9,954
	20,869	3,580,508	399,153	4,000,530

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17. Investment Fair Value Hierarchy (continued)

	Level 1 £'000	Level 2 £'000	Level 3 £'000	2019 Total £'000
HP Section				
Bonds	-	1,881,124	-	1,881,124
Pooled investment vehicles	-	714,567	154,249	868,816
Repurchase agreements	-	(924,515)	-	(924,515)
Derivatives	-	7,766	-	7,766
AVC investments	-	13,737	564	14,301
Other investment balances	5,977	1,800	-	7,777
Digital Section				
Bonds	-	1,692,186	-	1,692,186
Pooled investment vehicles	-	775,931	168,072	944,003
Repurchase agreements	-	(699,876)	-	(699,876)
Derivatives	-	7,010	-	7,010
AVC investments	-	7,005	820	7,825
Other investment balances	5,833	2,229	-	8,062
	11,810	3,478,965	323,704	3,814,479

18. Investment Risk Disclosures

Investment Risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk:

- Currency risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset 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 individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Plan has exposure to these risks because of the investments it makes to implement the investment strategy described in the Trustee's Report. The Trustee manages investment risks, including credit risk and market risk, within the agreed risk limits which are set taking into account the Plan's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Plan's investment managers and monitored by the Trustee by regular reviews of the investment portfolios.

Further information on the Trustee's approach to risk management and the Plan's exposures to credit and market risks are set out below. This does not include AVC investments as these are not considered significant in relation to the overall investments of the Plan.

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18. Investment Risk Disclosures (continued)

Credit Risk

The Plan is subject to credit risk as it invests in bonds, OTC derivatives and has cash balances. The Plan also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to the credit risks arising on the financial instruments held by the pooled investment vehicles.

Analysis of direct credit risk

HP Section

31 October 2020 (£'000)	Investment grade	Non-investment grade	Unrated	Total
Bonds	2,221,691	15,204	-	2,236,895
OTC Derivatives	-	-	(457)	(457)
other investment balances	10,692	-	-	10,692
Repurchase agreements	(1,304,462)	-	-	(1,304,462)
PIVs	17,921	-	983,568	1,001,489
Total	945,842	15,204	983,111	1,944,157
31 October 2019 (£'000)	Investment grade	Non-investment grade	Unrated	Total
Bonds	1,879,784	1,340	-	1,881,124
OTC Derivatives	-	-	7,766	7,766
Other investment balances	7,777	-	-	7,777
Repurchase agreements	(924,515)	-	-	(924,515)
PIVs	16,672	-	852,144	868,816
Total	979,718	1,340	859,910	1,840,968

Digital Section

31 October 2020 (£'000)	Investment grade	Non-investment grade	Unrated	Total
Bonds	2,132,279	15,828	-	2,148,107
OTC Derivatives	-	-	704	704
Other investment balances	9,954	-	-	9,954
Repurchase agreements	(1,199,462)	-	-	(1,199,462)
PIVs	19,318	-	1,057,333	1,076,651
Total	962,089	15,828	1,058,037	2,035,954
31 October 2019 (£'000)	Investment grade	Non-investment grade	Unrated	Total
Bonds	1,690,827	1,359	-	1,692,186
OTC Derivatives	-	-	7,010	7,010
Other investment balances	8,062	-	-	8,062
Repurchase agreements	(699,876)	-	-	(699,876)
PIVs	18,309	-	925,694	944,003
Total	1,017,322	1,359	932,704	1,951,385

Credit risk arising on bonds is mitigated by investing in government bonds where the credit risk is minimal, or corporate bonds which are rated at least investment grade.

The Plan also invests via pooled vehicles in a range of bonds which are non-investment grade, including high yield bonds, convertible bonds, leveraged loans and securitised bonds. The Trustee manages the associated credit risk with these non-investment grade bonds by requesting that the investment managers undertake fundamental credit

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analysis of each of the issues they hold, and that the investment managers diversify their portfolios to minimise the impact of default by any one issuer.

18. Investment Risk Disclosures (continued)

Credit risk arising on derivatives depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Plan is subject to risk of failure of the counterparty. The credit risk for OTC swaps is reduced by collateral arrangements. Credit risk also arises on forward foreign currency contracts. There are no collateral arrangements for these contracts and the Trustee delegates responsibility for the selection and monitoring of the counterparties to the respective investment managers.

During the year under review, directly held cash was mostly held at the Plan's custodian, State Street, although some of the investment managers also hold cash with other counterparties, where they are responsible for the selection and monitoring of the counterparties.

The Plan's holdings in pooled investment vehicles are unrated. 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 Trustee carries out due diligence checks on the appointment of new pooled investment managers and, on an ongoing basis, monitors any changes to the regulatory and operating environment of the pooled managers.

A summary of the pooled investment vehicles by type of arrangement is as follows:

HP Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Unit linked insurance contract	39,326	-
Open ended investment companies	249,877	169,617
Common contractual fund	174,524	175,189
Cayman Islands limited company	-	347
Cayman Islands exempt company	191,253	147,142
Limited Partnership	171,162	144,361
Limited Liability Company	175,347	232,160
Total	1,001,489	868,816

Digital Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Unit linked insurance contract	41,317	-
Open ended investment companies	272,430	182,240
Common contractual fund	189,748	190,471
Cayman Islands limited company	-	389
Cayman Islands exempt company	203,310	162,837
Limited Partnership	184,028	157,460
Limited Liability Company	185,818	250,606
Total	1,076,651	944,003

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in predominantly investment grade credit rated securities.

Currency Risk

The Plan is subject to currency risk because some of the Plan's investments are held in overseas markets, either as segregated investments or via pooled investment vehicles. The Trustee manages the risk of overseas currency exposure through a currency hedging policy.

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18. Investment Risk Disclosures (continued)

The Plan's total unhedged exposure by major currency at the year end was as follows. The figures provided in the table below are before allowing for the Insight currency overlay (described below), but after any currency hedging which is undertaken by the investment managers.

HP Section

Currency	31 October 2020 (£'000)	31 October 2019 (£'000)
US Dollar	230,616	159,203
Euro	3,204	971
Japanese Yen	2,705	-
Other	6,627	-

Digital Section

Currency	31 October 2020 (£'000)	31 October 2019 (£'000)
US Dollar	245,140	173,423
Euro	3,429	1,079
Japanese Yen	2,842	-
Other	6,962	-

The Plan has a passive currency hedge overlay mandate managed by Insight which hedges some of the Plan's currency exposures. Via this overlay, The Goldman Sachs Senior Private Debt and USD cash funds, the LGIM Small Cap Equity fund, and the LGIM Buy and Maintain Credit portfolios are hedged to sterling. Emerging market currency exposures are not hedged due to practical limitations and costs for hedging these currencies and expected long-term appreciation of emerging market currencies relative to sterling.

Interest Rate Risk

The Plan is subject to interest rate risk through its direct holdings in bonds and the indirect holdings in pooled bond funds. The position at the year end was:

HP Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Bonds	2,236,895	1,881,124
Bond PIVs	488,172	379,252
Alternatives PIVs	277,190	247,195
Total	3,002,257	2,507,571

Digital Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Bonds	2,148,107	1,692,186
Bond PIVs	518,901	412,849
Alternatives PIVs	301,392	269,280
Total	2,968,400	2,374,315

Other Price Risk

Other price risk arises principally in relation to the Plan's return seeking portfolio, which includes directly held equities, and also pooled fund investments in equities, property and hedge funds.

The Plan manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

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18. Investment Risk Disclosures (continued)

At the year end, the Plan's exposure to investments subject to other price risk was:

HP Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Equity PIVs	193,441	222,253
Property PIVs	18	20
Multi-asset	-	347
Total	193,459	222,620

Digital Section

	31 October 2020 (£'000)	31 October 2019 (£'000)
Equity PIVs	204,395	239,994
Multi-asset	-	389
Total	204,395	240,383

19. Current assets

	at 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
Cash balances	32,916	30,502	63,418
Other debtors	160	224	384
	33,076	30,726	63,802

	at 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Cash balances	42,518	44,835	87,353
Other debtors	113	231	344
Other Cash Balances	6,550	6,789	13,339
	49,181	51,855	101,036

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20. Current Liabilities

	at 31 October 2020		
	HP	Digital	Total
	£'000	£'000	£'000
Unpaid benefits	1,289	2,896	4,185
Accrued expenses	1,310	1,505	2,815
Other creditors	394	454	848
	2,993	4,855	7,848

	at 31 October 2019		
	HP	Digital	Total
	£'000	£'000	£'000
Unpaid benefits	507	2,971	3,478
Accrued expenses	359	668	1,027
Other creditors	608	424	1,032
	1,474	4,063	5,537

As at 31 October 2020 GMP equalisation back payments of approximately £500,000 (HP section) and £2,800,000 (Digital Section) were due to be paid by the Plan.

21. Concentration of investments

Except for the investments noted below, which comprise 24.05% (2019: 35.17%) of the Plan assets, the Plan does not hold over 5% of its funds in any one form of investment:

Managed by:	Holdings	31 October 2020	
		Market Value	Percentage
		£'000	%
M&G	Long Dated Asset Fund	364,272	8.98
CQS	Credit Multi Asset Fund Class D1D	427,675	10.54
MPF	North America Equity	-	-
Managed by:	Holdings	31 October 2019	
		Market Value	Percentage
		£'000	%
M&G	Long Dated Asset Fund	365,660	9.35
CQS	Credit Multi Asset Fund Class D1D	310,617	7.94
LGIM	Bonds GBP	-	-
MPF	North America Equity	264,190	6.76
Apollo	Total Return Fund (Offshore) Ltd	-	-

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22. Employer related investments

For the current period the Plan had direct and indirect holdings of £nil as at 31 October 2020 in the Hewlett-Packard Company (2019: £nil).

23. Related party transactions

During the year the Plan reimbursed fees and expenses incurred by the following whilst carrying out their duties as Trustee Directors of the Plan – A Dodd, P Early, G Manning, P Lawman, J Lord, K Norrington M Smith B Clements and P French. These costs are included in note 8. Unpaid fees as at 31 October 2020 £57,494.48 (2019 £36,375.79)

The company bears additional administrative costs, which are not shown in note 8 and are not recharged to the Plan.

Except as disclosed above and elsewhere in the financial statements, there are no transactions, balances or relationships that require disclosure under the Pension SORP and FRS102.

24. Contingent liabilities

Other than the liabilities to pay future pensions, there are no contingent liabilities of the Plan at 31 October 2020 (2019: £nil).

25. Taxation

The Scheme is a registered pension scheme under Chapter Two of Part Four of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

26. Contractual commitments

As at 31 October 2020, the Scheme had a commitment to invest in the Broad Street Loan Partners III Offshore – Unlevered, L.P. Fund of £95,127,600 (Digital Section) and £86,620,300 (HP Section). As at 31 October 2020, £79,782,500 (2019: £73,406,300) (Digital Section) and £72,647,500 (2019: £68,841,500) (HP Section) had been called.

As at 31 October 2020, the Scheme had a commitment to invest in the Broad Street Loan Partners IV Offshore – Unlevered, L.P. Fund of £81,268,400 (Digital Section) and £78,817,400 (HP Section). As at 31 October 2020, £11,365,000 (2019: nil) (Digital Section) and £10,823,000 (2019: nil) (HP Section) had been called.

As at 31 October 2020, the Scheme had a commitment to invest in the M&G Real Estate Debt Finance VI DAC of £36,200,000 (Digital Section) and £33,800,000 (HP Section). As at 31 October 2020, £22,697,400 (2019: £14,487,900) (Digital Section) and £21,192,600 (2019: £13,527,300) (HP Section) had been called.

27. COVID19

In early 2020, a new coronavirus, COVID-19, impacted a significant number of countries globally. COVID-19 has caused disruption to economic activity which has been reflected in recent fluctuations in global stock markets and in turn the valuation of scheme assets. The Trustee has designed and implemented the Plan's investment strategy taking a long term view and has built in resilience to withstand short term fluctuations. Given the inherent uncertainties, it is not practicable at this time to provide a quantitative estimate of the impact of the virus.

28. Subsequent event

On 20 November 2020, the High Court handed down a further judgment on the Guaranteed Minimum Pension (GMP) equalisation case in relation to the Lloyds banking group pension schemes. This follows from the original judgment in October 2018 which confirmed that schemes need to equalise pensions for the effect of unequal GMPs between males and females. This latest judgment confirms that Defined Benefit (DB) schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Trustee of the Plan is currently evaluating this issue and the impact to the Plan and will be considering this at a future date.

THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN

INDEPENDENT AUDITOR'S STATEMENT ABOUT CONTRIBUTIONS TO THE TRUSTEE OF THE PLAN

Statement about contributions

We have examined the summary of contributions payable under the schedules of contributions to the Hewlett-Packard Limited Retirement Benefits Plan in respect of the Plan year ended 31 October 2020 which is set out on page 55-56.

In our opinion contributions for the Plan year ended 31 October 2020 as reported in the summary of contributions and payable under the schedules of contributions have in all material respects been paid from 1 November 2019 until 22 January 2020 at least in accordance with the schedules of contributions certified by the actuary on 12 July 2019 and subsequently at least in accordance with the schedules of contributions certified by the actuary on 23 January 2020.

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 have in all material respects been paid at least in accordance with the schedules of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Plan and the timing of those payments under the schedules of contributions.

Respective responsibilities of Trustee and auditor

As explained more fully in the Statement of Trustee's Responsibilities set out on pages 55, the Plan's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates and due dates of certain contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan. The Trustee is also responsible for keeping records in respect of contributions received in respect of active members of the Plan and for monitoring whether contributions are made to the Plan by the employer in accordance with the schedules of contributions.

It is our responsibility to provide a statement about contributions paid under the schedules of contributions to the Plan and to report our opinion to you.

The purpose of our work and to whom we owe our responsibilities

This statement is made solely to the Plan's Trustee, in accordance with the Pensions Act 1995 and Regulations made thereunder. Our work has been undertaken so that we might state to the Plan's Trustee those matters we are required to state to it in an auditor's statement about contributions and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Plan's Trustee, for our work, for this statement, or for the opinions we have formed.

.....
Gemma Broom
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

SUMMARY OF CONTRIBUTIONS

Statement of Trustee's Responsibilities in respect of contributions

The Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates of contributions payable towards the Plan by or on behalf of the employer and the active members of the Plan and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records of contributions received in respect of any active member of the Plan and for procuring that contributions are made to the Plan in accordance with the schedule.

During the year ended 31 October 2020, the contributions payable to the Plan under the Schedules of Contributions were as follows:

Contributions payable under the Schedules in respect of the Plan year	£'000s
Employer:	
normal contributions	1,465
augmentations	991
Member:	
normal contributions	-
Contributions payable under the Schedules (as reported on by the Plan auditor)	2,456

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

SUMMARY OF CONTRIBUTIONS

Reconciliation of contributions

Reconciliation of contributions payable under the schedules of contributions reported in the accounts in respect of the Plan year:

	£'000s
Contributions payable under the Schedules (as above)	2,456
Contributions payable in addition to those due under the Schedules (and not reported on by the Plan auditor):	-
Employee directed	651
Additional voluntary contributions	9
Total contributions reported in the accounts	<u>3,116</u>

Signed on behalf of the Trustee on 2021

Paul Early **Trustee Director Signature** Signed by Trustee in March 2021

Gill Manning **Trustee Director Signature** Signed by Trustee in March 2021

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

COMPLIANCE STATEMENT

Tax status of the Plan

The Plan is established and is governed by the Rules and is a registered pension plan under Schedule 36 of the Finance Act 2004. Prior to the introduction of this Act, the Plan was an "exempt approved Plan" under the terms of the Income and Corporation Taxes Act 1988.

Contracted out Status

From 6 April 2016, it was not possible for pension schemes to be contracted out of the State Second Pension and active members ceased to be contracted out from that date.

HP Section's Pension Increases

The elements that receive guaranteed increases are Post 1997 Pension, Pre 1997 Qualifying Pension and Post 1988 GMP. In addition, Hewlett-Packard Limited is required under the Rules of the Plan to regularly review pensions and may award discretionary increases from time to time as it decides, subject to the consent of the Trustee.

The pensions in payment were increased at 6 April 2020 as follows:

Pre 1997 Non-Qualifying Pension	0.00%
Pre 1997 Qualifying Pension	1.47%
Post 1997 Pension	2.20%
Pre 1988 GMP (if applicable)	0.00%
Post 1988 GMP (if applicable)	1.70%
AVC Increasing pension	2.20%
Post 1997 Pension (former Bol members)	1.70%
Post 1997 Pension (former Medas members)	2.20%
Pre 1997 Pension (in excess of GMP)	2.20%
Post 2005 Pension (former Bol members)	1.70%

Hewlett-Packard Limited decided not to award any discretionary pension increases during the year.

Digital Section's Pension Increases

The elements that receive guaranteed increases are Post 1997 Pension, Post 2005 Pension and Post 1988 GMP. In addition, Hewlett-Packard Limited is required under the Rules of the Plan to review pensions at least annually and may award discretionary increases from time to time as it decides.

The pensions in payment were increased at 6 April 2020 as follows:

Pre 1997 Pension (in excess of GMP)	0.00%
Post 1997 Pension (5% LPI)	2.69%
Post 1997 Pension (2.5% LPI)	2.50%
Post 97 (6-4-97 to 7-3-00 Leavers) (CPI)	1.70%
Post 2005 Pension (5% LPI Members)	2.69%
Post 2005 Pension (non 5% LPI Members)	2.50%
Pre 1988 GMP (if applicable)	0.00%
Post 1988 GMP (if applicable)	1.70%
External AVCs (Non-increasing)	0.00%
External AVCs (2.5% LPI)	2.50%
External AVCs (5% LPI)	2.69%

Hewlett-Packard Limited decided not to award any discretionary pension increases during the year.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

COMPLIANCE STATEMENT

Increases to pensions in deferment - All sections

GMP is increased in deferment at a fixed rate depending on the date of leaving service. This rate applies until age 65 (men) or 60 (women).

For all Plan members other than those who transferred in from the Medas Pension Scheme, benefits in excess of GMP are increased in line with statutory deferred increase orders, subject to a maximum increase of 5% p.a. for the period of deferment in respect of service prior to 6 April 2009. For members who left service before 1 January 1991, increases to non-GMP benefit may be below this level.

For service after 5 April 2009 (BoI / Medas) or 1 May 2009 (HP and Digital) the maximum increase is 2.5% p.a. for the period of deferment.

For Plan members who transferred in from the Medas Pension Scheme, benefits in excess of GMP are increased in line with increases in the Retail Price Index.

Transfer values

Transfer values paid during the year were calculated using assumptions set by the Trustee which were expected to place a best estimate value on the cost of providing the preserved benefits within the Plan. In setting these assumptions the Trustee first obtained the advice of the Scheme Actuary. No transfer values paid during the year were reduced as a result of the funding level of the Plan. No discretionary benefits have been included in the calculation of transfer values. It should be noted that the calculation basis and transfer value assumptions for all Sections of the Plan were revised with effect from August 2019.

Enquiries

Any enquiries about the Plan, including requests from individuals for information about their benefits, should be sent to:

The Trustee of the Hewlett-Packard Limited Retirement Benefits Plan care of:

Equiniti Paymaster Limited
Sutherland House
Russell Way
Crawley
West Sussex
RH1 1UH

Equiniti may be contacted on the Hotline number (01293 604844) or by sending an e-mail (members should quote their badge number or pension ID) to:

HP Section (including former BOI/Medas Section members):
Digital Section:

hp2@equiniti.com
digital@equiniti.com

Internal Dispute Resolution Procedure

The Trustee has a formal dispute resolution procedure in place. Any complaints about the Plan should be made in writing to:

The Trustee of the Hewlett-Packard Limited Retirement Benefits Plan care of:

Secretary to the Trustee
Hewlett-Packard Limited Retirement Benefits Plan
Inside Pensions
1st Floor
Trident House
42-48 Victoria Street
St Albans,
Hertfordshire
AL1 3HZ

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

COMPLIANCE STATEMENT

Most pension queries can usually be resolved informally, and initial enquiries from employees should be directed to the Hewlett-Packard Human Resources department.

Enquiries relating specifically to employment matters (e.g. salary queries) will also be dealt with by Hewlett-Packard Human Resources.

If a dispute cannot be resolved informally, the Plan's formal Internal Dispute Resolution Procedure is available.

Scheme registration numbers

HP Section:19003501, Digital Section:19003503

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN –
HEWLETT-PACKARD SECTION (THE PLAN)**

**SCHEDULE OF CONTRIBUTIONS FOR THE 5 YEAR PERIOD FROM THE DATE OF CERTIFICATION
OF THIS SCHEDULE**

This Schedule of Contributions has been prepared by Hewlett Packard Enterprise UK Pension Trustee Limited (the Trustee) to satisfy the requirements of Section 227 of the Pensions Act 2004, after obtaining the advice of David Eteen, the Scheme Actuary and after obtaining the agreement of the Employer. It covers contributions to the Plan from all employers who participate in the Plan from time to time.

For the avoidance of doubt, any employer may pay any amount of contributions, so long as the total amount paid equals or exceeds the total amount calculated according to this Schedule. Furthermore, this Schedule sets out the minimum payable and the employers may agree with the Trustees to pay a greater amount. In addition, in no event shall this Schedule of Contributions supersede the requirements of the Hewlett-Packard Limited Retirement Benefits Plan Funding Agreement for Digital Section and Hewlett-Packard Section dated 27 April 2012 as amended between the Trustee and Hewlett-Packard Limited.

Since the date of the latest actuarial valuation which was carried out as at 31 October 2018, the Employer paid £10,700,000 into the Plan in April 2019.

Ongoing Funding Obligation Contributions

In respect of amortisation of deficit future accrual of benefits and the expected expenses of administering the Plan, the participating employers are not required to pay any further contributions.

Salary Sacrifice Funding Obligation Contributions

Hewlett-Packard Members

In respect of Hewlett-Packard Salary Sacrifice Members, the participating employers will contribute:

- 13.65% of Contribution Salary for each member who has elected the basic contribution level
- 10.65% of Contribution Salary for each member who has elected the middle contribution level
- 7.65% of Contribution Salary for each member who has elected the lower contribution level
- 4.65% of Contribution Salary for each member who has elected the tier 4 contribution level
- 1.65% of Contribution Salary for each member who has elected the tier 5 contribution level

These Salary Sacrifice Funding Obligation Contributions are payable for so long as the Employer is operating a salary sacrifice arrangement and are payable even if the Ongoing Funding Obligation Contributions set out above are zero.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

EDS Members

In respect of EDS Members who are included in myChoice:

- 5.85% of New Pensionable Salary for each Lower Rate Contributor
- 7.35% of New Pensionable Salary for each Middle Rate Contributor
- 8.85% of New Pensionable Salary for each Higher Rate Contributor
- 4.35% of New Pensionable Salary for each Minimum Rate Contributor

Member Ordinary Contributions

Hewlett-Packard Members

Hewlett-Packard Members who have elected not to be Salary Sacrifice Members will contribute:

- 13.65% of Contribution Salary if they have elected the basic contribution level
- 10.65% of Contribution Salary if they have elected the middle contribution level
- 7.65% of Contribution Salary if they have elected the lower contribution level
- 4.65% of Contribution Salary if they have elected the tier 4 contribution level
- 1.65% of Contribution Salary if they have elected the tier 5 contribution level

EDS Members

EDS Members who are not included in myChoice:

- 5.85% of New Pensionable Salary if they are a Lower Rate Contributor
- 7.35% of New Pensionable Salary if they are a Middle Rate Contributor
- 8.85% of New Pensionable Salary if they are a Higher Rate Contributor
- 4.35% of New Pensionable Salary if they are a Minimum Rate Contributor

Salary Sacrifice Members and EDS Members included in myChoice are not required to contribute to the Plan.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Hewlett-Packard Members

Hewlett-Packard Members are active members of the Plan who were accruing benefits in the Hewlett-Packard Section on 31 October 2018.

EDS Members

EDS Members are active members of the Plan who joined the Plan with effect from 1 December 2016 and were active members of the Electronic Data Systems Retirement Plan immediately prior to joining the Plan

Contribution Salary

Contribution Salary is defined for Hewlett-Packard Members as a member's Basic Salary less an amount equal to 1.5 times the annual rate of the basic state pension for a single person at 1 February. Except for members who joined the Plan before 1 June 1989, Contribution Salary cannot exceed the amount of the Earnings Cap from time to time.

New Pensionable Salary

New Pensionable Salary is defined for EDS Members as a member's Basic Salary on 6 April each year less the Lower Earnings Limit in force on the same date. New Pensionable Salary shall in the case of a 1989 Member be subject to the Earnings Cap.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Timing of Payment of Salary Sacrifice Funding Obligation Contributions and Member Ordinary Contributions

The employers will ensure that the Trustee receives these Salary Sacrifice Funding Obligation Contributions and Member Ordinary Contributions within 19 days of the end of the calendar month to which the contributions relate. The date of receipt will be taken as the date on which the contributions are credited to the Trustee bank account.

Special Employer Contributions to cover Augmentations

The employers may pay additional contributions in accordance with General Rule 7.3 to cover the costs of benefit augmentations. Contributions in respect of severance money will be payable within 60 days of the date a member becomes entitled to the increased or additional benefits. Additional payments in respect of other types of augmentation will be payable within the timescales advised by the Scheme Actuary.

Additional Voluntary Contributions

This Schedule does not cover members' Additional Voluntary Contributions paid by the Member or by the Employer via salary sacrifice.

Signed on behalf of Hewlett Packard Enterprise UK Pension Trustee Limited

Signature: _____

Name: Paul Early

Date: 23 January 2020

Position: Chairman of the Trustee

Signature: _____

Name: Jonathan Lefo

Date: 23 Jan 2020

Position: Trustee Director

Signed on behalf of Hewlett-Packard Limited (the Employer)

Signature: _____

Name: PHILIPPA ORAM.

Date: 21 Jan 2020.

Position: Director

Date of Schedule: 23 January 2020

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Name of scheme: THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN –
HEWLETT-PACKARD SECTION

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 October 2018 to be met by the end of the period specified in the recovery plan dated 23 January 2020.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 23 January 2020.

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

Signature

Date: 23/1/20

Name: David Eteen

Qualification: Fellow of the Institute and
Faculty of Actuaries

Address:
Verulam Point
Station Way
St. Albans
Hertfordshire
AL1 5HE

Name of employer:
Aon Hewitt Limited

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN –
DIGITAL SECTION (THE PLAN)**

**SCHEDULE OF CONTRIBUTIONS FOR THE 5 YEAR PERIOD FROM THE DATE OF CERTIFICATION
OF THIS SCHEDULE**

This Schedule of Contributions has been prepared by the Hewlett Packard Enterprise UK Pension Trustee Limited (the Trustee) to satisfy the requirements of Section 227 of the Pensions Act 2004, after obtaining the advice of David Eteen, the Scheme Actuary and after obtaining the agreement of the Employer. It covers contributions to the Plan from all employers who participate in the Plan from time to time.

For the avoidance of doubt, any employer may pay any amount of contributions, so long as the total amount paid equals or exceeds the total amount calculated according to this Schedule. Furthermore, this Schedule sets out the minimum payable and the employers may agree with the Trustees to pay a greater amount. In addition, in no event shall this Schedule of Contributions supersede the requirements of the Hewlett-Packard Limited Retirement Benefits Plan Funding Agreement for Digital Section and Hewlett-Packard Section dated 27 April 2012 as amended between the Trustee and Hewlett-Packard Limited.

Since the date of the latest actuarial valuation which was carried out as at 31 October 2018, the Employer paid £3,800,000 into the Plan in April 2019.

Ongoing Funding Obligation Contributions

In respect of amortisation of deficit, future accrual of benefits and the expected expenses of administering the Plan, the participating employers are not required to pay any further contributions

Salary Sacrifice Funding Obligation Contributions

In respect of Salary Sacrifice Members, the participating employers will contribute:

- 14% of Pensionable Salary for each member who has elected the basic contribution level
- 11% of Pensionable Salary for each member who has elected the middle contribution level
- 8% of Pensionable Salary for each member who has elected the lower contribution level
- 5% of Pensionable Salary for each member who has elected the tier 4 contribution level
- 2 % of Pensionable Salary for each member who has elected the tier 5 contribution level

The participating employers will pay an additional 2.5% of Pensionable Salary in respect of each 5% LPI Member.

These Salary Sacrifice Funding Obligation Contributions are payable for so long as the Employer is operating a salary sacrifice arrangement and are payable even if the Ongoing Funding Obligation Contributions set out above are zero.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Member Ordinary Contributions

Members who have elected not to be Salary Sacrifice Members will contribute:

- 14% of Pensionable Salary if they have elected the basic contribution level
- 11% of Pensionable Salary if they have elected the middle contribution level
- 8% of Pensionable Salary if they have elected the lower contribution level
- 5% of Pensionable Salary if they have elected the tier 4 contribution level
- 2% of Pensionable Salary if they have elected the tier 5 contribution level

5% LPI Members will pay an additional 2.5% of Pensionable Salary.

Salary Sacrifice Members are not required to contribute to the Plan.

Pensionable Salary

Pensionable Salary is the annual basic salary on 1 July each year, less an amount equal to 1.5 times the Basic State Pension for a single person at that date.

Timing of Payment of Salary Sacrifice Funding Obligation Contributions and Member Ordinary Contributions

The employers will ensure that the Trustee receives Salary Sacrifice Funding Obligation Contributions and Member Ordinary Contributions within 19 days of the end of the calendar month to which the contributions relate. The date of receipt will be taken as the date on which the contributions are credited to the Trustee bank account.

Special Employer Contributions to cover Augmentations

The employers may pay additional contributions in accordance with General Rule 7.3 to cover the costs of benefit augmentations. Contributions in respect of severance money will be payable within 60 days of the date a member becomes entitled to the increased or additional benefits. Additional payments in respect of other types of augmentation will be payable within the timescales advised by the Scheme Actuary.

Additional Voluntary Contributions

This Schedule does not cover members' Money Purchase AVCs or Additional Final Salary AVCs paid by the Member or by the Employer via salary sacrifice.

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Signed on behalf of Hewlett Packard Enterprise UK Pension Trustee Limited

Signature: __

Name: Paul Early

Date: 23 January 2020

Position: Chairman of the Trustee

Signature: __

Name: JONATHAN LORD

Date: 23 JAN 2020

Position: Trustee director

Signed on behalf of Hewlett-Packard Limited (the Employer)

Signature: __

Name: PHILIPPA ORAM

Date: 21 Jan 2020

Position: Director

Note: Hewlett-Packard Limited has been nominated as the participating employers' representative for this purpose.

Date of Schedule: 23 January 2020

**THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 OCTOBER 2020**

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

ACTUARIAL CERTIFICATION OF THE SCHEDULE OF CONTRIBUTIONS

Name of scheme: THE HEWLETT-PACKARD LIMITED RETIREMENT BENEFITS PLAN
DIGITAL SECTION

Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 October 2018 to be met by the end of the period specified in the recovery plan dated 23 January 2020.

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 23 January 2020.

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

Signature: 

Date: 23/1/20

Name: David Eteen

Qualification: Fellow of the Institute and
Faculty of Actuaries

Address:
Verulam Point
Station Way
St. Albans
Hertfordshire
AL1 5HE

Name of employer:
Aon Hewitt Limited