

# SI Group- UK, LTD Pension Plan ("the Plan")

## Chair Statement

### 1. Introduction

The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (the "Administration Regulations") require the Trustees to prepare a statement showing how they have met certain minimum governance standards in relation to defined contribution benefits. These standards cover four principal areas relating to the Plan's defined contribution benefits, namely:

- the default investment arrangement and other funds members can select;
- the charges and transaction costs met by members ;
- an illustration of the cumulative effect of these costs and charges;
- a 'value for members' assessment
- the trustees' knowledge, understanding and resources.

As Chair of Trustees, it is my pleasure to report to you on how the Trustees have embedded these minimum standards over the Plan year ending 5 April 2021 ("the Plan Year"). This Statement will be published at <https://siigroup.com> and the information with regards to cost disclosures will be signposted in the annual benefit statements.

### 2. Investment strategy

The Trustee Board is responsible for investment governance. This includes setting and monitoring the investment strategy generally and also the Plan's default investment option. Details of the investment strategy and investment objectives for the default investment option are recorded in the Statement of Investment Principles (SIP), a copy of which is attached.

The SIP covers the following key matters in relation to the defined contribution ("DC") section's investment options:

- The Trustee Board's aims and objectives for the investments held, including the default investment option.
- The Trustee Board's policies on issues such as:
  - the kinds of investments to be held
  - the balance between different kinds of investment
  - risks, including the ways in which risks are to be measured and managed
  - the expected return on investments
  - the realisation of investments
  - the extent (if at all) to which financially material considerations such as environmental, social or governance risks and opportunities are taken into account when selecting, retaining or realising investments
  - stewardship and the exercise of voting rights and engagement activities
  - the arrangements with investment managers
- An explanation of how these aims, objectives and policies are intended to ensure that assets are invested in the best interests of members who are invested in the default investment option.

The SIP was last updated and signed in September 2020. This update ensured that the Trustee Board's approach to stewardship was covered in more detail and that it included increased investment disclosure obligations, as required by new legal requirements which were effective from 1 October 2020. The updates to the SIP include:

- How the arrangement with the asset manager incentivises the asset manager to align its investment strategy and decisions with the Trustee Board's investment policies.
- How that arrangement incentivises the asset manager to make decisions based on assessments about medium to long-term financial and non-financial performance of an issuer of debt or equity and to engage with issuers of debt or equity in order to improve their performance in the medium to long-term.
- How the method (and time horizon) of the evaluation of the asset manager's performance and the remuneration for asset management services are in line with the Trustee Board's investment policies.
- How the Trustee Board monitors "portfolio turnover costs" incurred by the asset manager, and how they define and monitor targeted portfolio turnover or turnover range.
- The duration of the arrangement with the asset manager.

In line with new regulatory requirements, the Trustee Board has drafted a SIP Implementation Statement for the Plan year ended 5 April 2021. The SIP Implementation Statement sets out how the policies within the SIP have been followed during the Plan year along with the voting activity of the investment managers. A copy of the SIP Implementation Statement can be found at <https://siigroup.com/>.

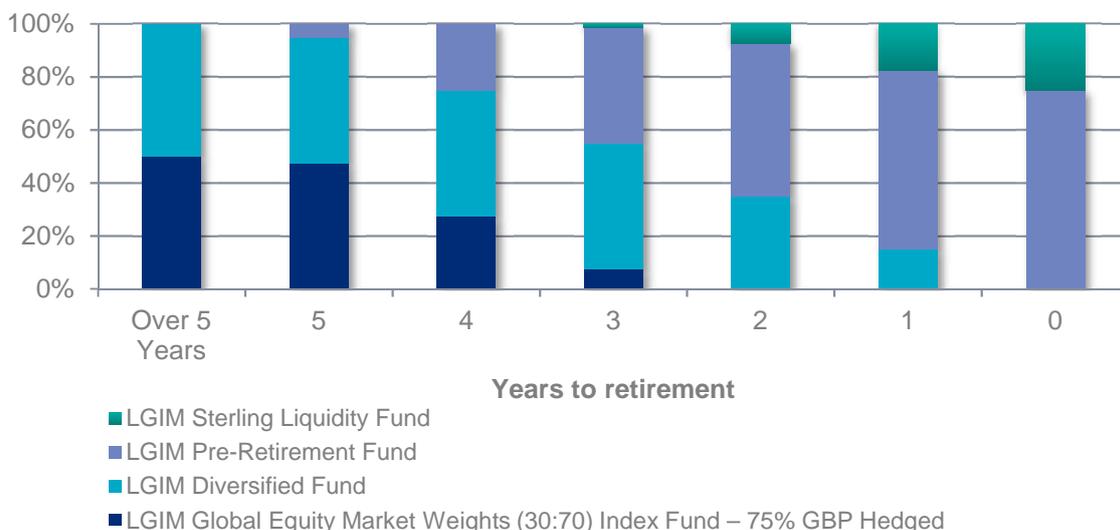
### 3. Default Investment Arrangement

The Trustees are responsible for setting the Plan's investment strategy and for appointing investment managers to carry out that strategy. They must also establish a default investment arrangement for members who do not select their own investment options from the fund range that is available.

The default investment arrangement is a lifestyle strategy, which switches funds between equity, diversified growth, pre-retirement and cash funds as members reach normal retirement age. No review of the default investment arrangement was undertaken during the Plan Year.

The most recent strategic review of the default investment arrangement strategy was presented at the Trustee meeting held on 10 October 2017 and was further discussed during 2018. The subsequent changes were implemented in May 2018.

Members' DC assets are all remain invested with Legal & General Investment Management Limited ("LGIM"). The structure of the default investment arrangement, as at 5 April 2021 is shown in the chart below:



The performance of the default investment arrangements along with the self-select fund range is reviewed by the Trustees on a quarterly basis. The Trustees receive reports from the investment managers showing 3 month, 1 year and 3 year performance. Performance is reviewed with consideration of the Trustees' objectives as set out below:

- Offering members a 'Lifestyle' approach for the default investment strategy and ensuring that the other investment strategy options allow members to plan for their specific retirement objectives;
- Making available a range of pooled investment funds which serve to meet the varying investment needs and risk tolerances of Plan members. This includes offering both passively and actively managed investment funds;
- Providing general guidance as to the purpose of each investment option;
- Encouraging members to seek independent financial advice from an appropriate party in determining the most suitable option for their individual circumstances;
- In determining an appropriate balance between providing flexibility and choice, as well as simplicity and cost control, the Trustees aim to make available a range of options which satisfy the needs of the majority of members;

The Trustee Board has considered risk from a number of perspectives as part of the design of the default investment option. This includes the risks that:

- Low investment returns over members' working lives secure an inadequate income in retirement.
- Adverse market movements in the years just prior to retirement lead to a substantial reduction in members' funds.
- The chosen investment manager underperforms the benchmark against which the manager is assessed.
- Members' plans and choices at retirement are difficult to predict following the introduction of Pensions Freedoms.

The Trustee Board delegates investment management decisions to the Plan's investment managers. The Trustee Board regularly obtains professional advice on these risks and the suitability of the funds provided. From time to time they may change the asset distribution or investment managers.

The Trustee Board will continue to formally review the strategy at least every three years or without delay following any significant change in investment policy or the demographic profile of the relevant members. The next triennial investment strategy review will take place in Q4 2021.

Following the Plan year end, members who held unit linked Additional Voluntary Contribution ("AVC") assets with ReAssure Life ("ReAssure") (formerly Legal & General Assurance Society) and Utmost Life & Pensions (formerly Equitable Life) were consolidated into the DC Section of the Plan and transitioned to the Plan's default arrangement. Any investments in the with-profits funds with ReAssure and Royal London were not affected.

#### **4. Requirements for processing financial transactions**

As required by the Administration Regulations, the Trustees must ensure that "core financial transactions" are processed promptly and accurately. This section covers the DC arrangement with LGIM and the defined benefit ("DB") AVCs at LGIM, Utmost, Royal London and ReAssure. The Trustees are satisfied that "core financial transactions" have been processed promptly and accurately over the Plan year. The Trustees have verified the promptness and accuracy of "core financial transactions" processed over the Plan year by reviewing the quarterly administration reports that have been provided by Mercer.

"Core financial transactions" generally include (but are not limited to):

- investment of contributions in the Plan by members and their employer
- transfers of assets relating to members into and out of the Plan
- switches of members' investments between different funds within the Plan
- payments from the Plan to, or in respect of, members.

The Trustees recognise the importance of processing financial transactions promptly and accurately as failure to do so may have an adverse effect on member outcomes and may result in members disengaging with the Plan.

The Trustees operate an outsourced operational model, with the Plan's administration and management of its Plan bank account delegated to Mercer Limited. The Trustees have agreed timescales with its administrators for the processing of all member-related services, including core financial functions relating to contribution handling, quoting benefits and paying benefits.

Mercer records all member transactions and benefit processing activities in a work management system which assigns the relevant timescale to the task.

The Trustees receive quarterly administration reports from Mercer which are reviewed at Trustees' meetings. There were no accuracy issues over the Plan year and the majority of all cases were completed within the agreed timescales.

The Trustees have a service level agreement ("SLA") in place with the administrator, this covers various services such as transfers out, new entrants, retirements, deaths and data changes to name a few. The administrator has separate dedicated teams for cashflow operations and business as usual operations. Average service levels have been around 84% for the core transactions.

The Trustees continue to monitor performance and engage with the administration team to ensure that core transactions are processed accurately and in a timely fashion. The Trustees have taken action to receive greater clarity regarding cases that do not meet SLAs, however there were no issues to address over the Plan year. This information is provided through the quarterly administration reports.

Further details of some of the key service areas are provided in the table below covering the 12 months to 31 March 2021.

SLA	Items	Completed within SLA	Completed within SLA (% p.a.)
New entrants	14	11	79%
Retirement – settle	7	4	57%
Transfer out –quote	11	6	55%
Death	10	9	90%
<b>Total</b>	<b>42</b>	<b>30</b>	<b>71%</b>

## 5. Assessment of member borne charges and transaction costs

### Level of member-borne charges and transaction costs

The Trustees are required to report on the charges and transaction costs for the investments used in the default arrangement as well as the wider fund choice available and assess the extent to which the charges and costs represent good value for members. The Trustees have taken account of statutory guidance when producing this section.

The TER consists principally of the manager's annual charge for managing and operating a fund, but also includes the costs for other services paid for by the fund, such as the legal costs, registration fees and custodian fees. However, it excludes other costs that are also member borne and which can therefore have a negative effect on investment performance such as transaction costs and interest on borrowings.

Transaction costs are those incurred by fund managers as a result of buying, selling, lending or borrowing investments. These costs are taken into account by the fund managers when calculating the unit price for each of the funds. The transaction costs shown are calculated on a methodology known as 'slippage cost'. This compares the price of the stocks being traded when a transaction was executed with the price at which the transaction was requested. Market movements during any delay in transacting may be positive or negative and may also outweigh other explicit transaction costs. For this reason, overall transaction costs calculated on the slippage method can be negative as well as positive.

The total member-borne charges (quoted in the following table as Total Expense Ratios (“TER”) applicable to the Plan’s DC funds are detailed below. The charges on the funds used in the default options all fall below 0.75% p.a. and therefore comply with the charge cap legislation requirements.

Funds	TER as at 31 March 2021 (% p.a.)	Transaction Costs as at 31 March 2021 (% p.a.)	Transaction Costs as at 31 March 2020 (% p.a.)	Transaction Costs as at 31 March 2019 (% p.a.)	Average Transaction Costs (% p.a.)
LGIM Global Equity (70:30) Index	0.20	-0.002	0.005	-0.011	-0.003
LGIM Global Equity Market Weights (30:70) Index – 75% GBP Hedged*	0.22	0.039	0.042	0.041	0.041
LGIM Diversified*	0.32	0.001	-0.017	-0.053	-0.023
LGIM Over 5 Year UK Index-Linked Gilts Index	0.10	n/a	0.123	0.031	0.077
LGIM Pre-Retirement*	0.15	0.037	-0.020	0.022	0.013
LGIM Sterling Liquidity*	0.14	-0.149	-0.037	-0.012	-0.066

Source: Legal & General

\*Fund makes up part of the default investment strategy

Following the transfer of the unit-linked DB AVCs to LGIM, the member-borne costs and charges are as set out in the table above. The total member-borne costs and charges applicable to the Plan’s with-profit AVC funds have been requested from the AVC providers but were not available at the time of writing were not available.

Using the charges and transaction cost data provided by LGIM, the Trustees have prepared an illustration detailing the impact of the costs and charges typically paid by a member of the Plan on their retirement savings pot. The statutory guidance provided has been considered when providing these examples.

The below illustration has taken into account the following elements:

- Savings pot size;
- Contributions;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time.

To illustrate the impact of charges on a typical member’s pension pot, we have provided examples below. This includes all member costs, including the TER, transaction costs and inflation. These illustrations are designed only to show the cumulative impact that investment charges and transaction costs can have on accumulated fund values at retirement age, in line with legal requirements. They are not intended to provide information or guidance to members on whether a particular fund is best suited to their requirements. In selecting funds, members should have regard not only to charges and potential transaction costs but also to factors such as expected future returns and their capacity for and tolerance of risk.

With respect to the With-Profits policies, payouts on surrender and maturity will reflect all charges incurred, though they are not separately identified. Moreover, the actual performance received by members, net of charges, is only known upon maturity/surrender, after any augmentation for guaranteed terms and after the effect of any 'smoothing'. This places limitations on what can be shown in member illustrations and hence the illustrations have been excluded.

The Trustees acknowledge the requirement to publish these illustrations on a website and this page will be available in time for the deadline of 7 months following the Plan year end. The annual benefit statements will include the web address in order to inform members where they can access this information.

## Active member illustration

### Youngest Active Member (Age 23)

Projected Pot sizes in Today's Money									
		Default Arrangement		Most expensive fund: LGIM Diversified		Least expensive fund/ Lowest Return: LGIM Sterling Liquidity		Highest Return: LGIM Global Equity (70:30) Index	
Year End	Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
0	23	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000	£3,000
5	28	£19,334	£19,146	£19,184	£18,979	£16,970	£16,893	£19,462	£19,332
10	33	£38,060	£37,391	£37,494	£36,773	£29,760	£29,525	£38,545	£38,079
15	38	£59,528	£58,010	£58,210	£56,589	£41,470	£41,009	£60,668	£59,599
20	43	£84,140	£81,310	£81,649	£78,656	£52,190	£51,450	£86,315	£84,302
25	48	£112,356	£107,641	£108,168	£103,231	£62,004	£60,943	£116,046	£112,659
30	53	£144,705	£137,396	£138,171	£130,599	£70,989	£69,574	£150,513	£145,210
35	58	£181,791	£171,021	£172,117	£161,076	£79,215	£77,422	£190,470	£182,575
36	59	£189,836	£178,254	£179,424	£167,575	£80,775	£78,903	£199,195	£190,687
37	60	£197,737	£185,334	£186,914	£174,215	£82,308	£80,357	£208,181	£199,026
38	61	£204,206	£191,082	£194,590	£181,000	£83,813	£81,784	£217,437	£207,598
39	62	£209,082	£195,361	£202,459	£187,932	£85,293	£83,183	£226,971	£216,410
40	63	£212,328	£198,160	£210,524	£195,015	£86,746	£84,556	£236,791	£225,468

### Typical Active Member (Age 41)

Projected Pot sizes in Today's Money									
		Default Arrangement		Most expensive fund: LGIM Diversified		Least expensive fund/ Lowest Return: LGIM Sterling Liquidity		Highest Return: LGIM Global Equity (70:30) Index	
Year End	Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
0	41	£13,300	£13,300	£13,300	£13,300	£13,300	£13,300	£13,300	£13,300
4	45	£34,064	£33,754	£33,807	£33,469	£29,994	£29,865	£34,282	£34,068
9	50	£63,424	£62,303	£62,460	£61,250	£49,270	£48,873	£64,251	£63,469
14	55	£97,084	£94,564	£94,878	£92,188	£66,917	£66,155	£98,993	£97,218
19	60	£135,424	£130,790	£131,556	£126,640	£83,073	£81,868	£139,268	£135,958
20	61	£142,395	£137,318	£139,451	£133,987	£86,136	£84,835	£148,063	£144,369
21	62	£148,288	£142,817	£147,543	£141,494	£89,146	£87,746	£157,121	£153,014
22	63	£153,039	£147,242	£155,838	£149,163	£92,104	£90,602	£166,451	£161,902
23	64	£156,583	£150,549	£164,340	£157,000	£95,009	£93,404	£176,060	£171,038
24	65	£159,174	£152,974	£173,054	£165,007	£97,864	£96,154	£185,959	£180,429

1. Projected pension pot values are shown in today's terms and net of average transaction costs, and do not need to be reduced further for the effect of future inflation. Transaction costs have been averaged over the previous 3 years, where the average transaction costs are negative, transaction costs have been assumed to be zero.
2. Inflation is assumed to be 2.5% per year.
3. The starting pot size is assumed to be £3,000 for the youngest member. The starting pot size is assumed to be £13,300 for the typical member; this is representative of the average for the Plan.
4. Contributions of 9% of salary are assumed for the youngest member illustration. Contributions of 11% of salary are assumed for the typical member illustration; these future contributions are representative of the average for the Plan as at 2019 (these assumptions will be updated as part of the 2021 investment strategy review analysis). Salaries used are representative of the youngest and typical active members in

the Plan, respectively.

5. For the default arrangement, which is a lifestyle strategy, the projections take into account the changing proportion invested in the different underlying funds over time and the growth rates may be a blend of those shown below where there is a blend of different asset classes.
6. The projected annual growth rate (before inflation) for each fund is as follows:
  - LGIM Global Equity (70:30) Index Fund: 5.5%
  - LGIM Global Equity (30:70) Index Fund – 75% Currency Hedged: 5.5%
  - LGIM Diversified Fund: 5.0%
  - LGIM Pre-Retirement Fund: 1.42%
  - LGIM Sterling Liquidity Fund: 0.75%
  - LGIM Over 5 Year UK Index-Linked Gilts Index Fund: 0.75%

These assumptions may not reflect actual experience.

7. Values are estimates and are not guaranteed. Funds with greater growth opportunities may be more volatile than others.

## Deferred member illustration

### Youngest Deferred Member (Age 26)

Projected Pot sizes in Today's Money											
		Default Arrangement		Most expensive fund: LGIM Diversified		Least expensive fund/ Lowest Return: LGIM Sterling Liquidity		Highest Return: LGIM Global Equity (70:30) Index			
Year End	Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred		
0	26	£5,300	£5,300	£5,300	£5,300	£5,300	£5,300	£5,300	£5,300		
4	30	£5,912	£5,845	£5,850	£5,777	£4,939	£4,911	£5,965	£5,918		
9	35	£6,778	£6,605	£6,619	£6,433	£4,521	£4,465	£6,915	£6,794		
14	40	£7,771	£7,464	£7,489	£7,164	£4,139	£4,060	£8,017	£7,799		
19	45	£8,909	£8,435	£8,473	£7,978	£3,790	£3,691	£9,294	£8,952		
24	50	£10,213	£9,532	£9,586	£8,884	£3,469	£3,356	£10,774	£10,276		
29	55	£11,709	£10,771	£10,846	£9,894	£3,176	£3,051	£12,490	£11,796		
34	60	£13,399	£12,150	£12,271	£11,018	£2,908	£2,774	£14,479	£13,541		
35	61	£13,634	£12,331	£12,578	£11,258	£2,857	£2,722	£14,913	£13,920		
36	62	£13,761	£12,415	£12,892	£11,503	£2,807	£2,670	£15,361	£14,309		
37	63	£13,779	£12,405	£13,215	£11,753	£2,758	£2,620	£15,822	£14,709		
38	64	£13,689	£12,302	£13,545	£12,009	£2,710	£2,571	£16,296	£15,121		
39	65	£13,520	£12,130	£13,884	£12,270	£2,662	£2,522	£16,785	£15,544		

### Typical Deferred Member (Age 46)

Projected Pot sizes in Today's Money											
		Default Arrangement		Most expensive fund: LGIM Diversified		Least expensive fund/ Lowest Return: LGIM Sterling Liquidity		Highest Return: LGIM Global Equity (70:30) Index			
Year End	Age	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred	Pot Size with no Charges Incurred	Pot Size with Charges Incurred		
0	46	£22,600	£22,600	£22,600	£22,600	£22,600	£22,600	£22,600	£22,600		
4	50	£25,211	£24,922	£24,946	£24,632	£21,059	£20,943	£25,436	£25,237		
9	55	£28,903	£28,164	£28,224	£27,431	£19,280	£19,041	£29,488	£28,970		
14	60	£33,074	£31,769	£31,933	£30,548	£17,651	£17,312	£34,185	£33,254		
15	61	£33,655	£32,243	£32,732	£31,212	£17,342	£16,985	£35,210	£34,185		
16	62	£33,967	£32,463	£33,550	£31,891	£17,038	£16,665	£36,266	£35,141		
17	63	£34,012	£32,435	£34,389	£32,585	£16,740	£16,350	£37,354	£36,124		
18	64	£33,790	£32,165	£35,248	£33,294	£16,447	£16,042	£38,475	£37,134		
19	65	£33,372	£31,717	£36,129	£34,019	£16,159	£15,739	£39,629	£38,173		

1. Projected pension pot values are shown in today's terms and net of average transaction costs (where available), and do not need to be reduced further for the effect of future inflation. Transaction costs have been averaged over the previous 3 years, where the average transaction costs are negative, transaction costs have been assumed to be zero.
2. Inflation is assumed to be 2.5% per year.

3. The starting pot size is assumed to be £5,300 for the youngest member. The starting pot size is assumed to be £22,600 for the typical DC member; this is representative of the average for the Plan.
4. No contributions are assumed for deferred members.
5. For the default arrangement, which is a lifestyle strategy, the projections take into account the changing proportion invested in the different underlying funds over time and the growth rates may be a blend of those shown below where there is a blend of different asset classes.
6. The projected annual growth rate (before inflation) for each fund is as follows:
  - LGIM Global Equity (70:30) Index Fund: 5.5%
  - LGIM Global Equity (30:70) Index Fund – 75% Currency Hedged: 5.5%
  - LGIM Diversified Fund: 5.0%
  - LGIM Pre-Retirement Fund: 1.42%
  - LGIM Sterling Liquidity Fund: 0.75%
  - LGIM Over 5 Year UK Index-Linked Gilts Index Fund: 0.75%

These assumptions may not reflect actual experience.

7. Values are estimates and are not guaranteed. Funds with greater growth opportunities may be more volatile than others.

### Value assessment

When assessing the charges and transaction costs which are payable by members, the Trustees are required to consider the extent to which these represent good value for members.

The Trustees with support from their advisers, Mercer Limited, have undertaken a value for members assessment.

The Trustees concluded that the Plan's overall benefits and options represent good value for money in comparison to the costs payable by members. The reasons underpinning this conclusion include:

- Charges on funds have been assessed by our advisors as comparing favourably with those of peer funds.
- The funds used by the Plan are highly rated by Mercer as having good prospects of achieving their risk and return objectives.
- The performance of most of the Plan's funds over the 1 year period to 31 March 2021 compare favourably relative to the benchmark or objective set by the Trustees with the exception of the LGIM Pre Retirement Fund and the LGIM Diversified Fund, which both underperformed over the period. The Diversified Fund is monitored against an equity index, which is a long term comparator set by LGIM. Underperformance is expected during strongly rising equity markets (such as the end of 2020 and the beginning of 2021). The Pre-Retirement Fund falls slightly outside its tolerance range.
- The transaction costs provided appear to be reflective of costs expected of the various asset classes and markets that the Plan invests in, noting that there are limitations on how these can be benchmarked at the current time.

Additionally, the Company pays for all administration, member communication and advisory costs associated with operating the Plan, which further enhances the value that members receive without any additional costs.

The Plan's assets also include a small amount held in legacy with-profits policies with ReAssure and Royal London. By their nature, the charging structure of with-profits policies is not transparent - for example, investment returns are earned in the form of discretionary bonuses. The Trustees remain of the view that there is limited value in undertaking a market review of price and performance for AVC investments. AVC arrangements typically have a higher charge than those within DC arrangements; consequently the Trustees do not consider it reasonable to assess them in the same way as the DC funds and have not included these policies in the value for members assessment. Furthermore, the bespoke nature of with-profits arrangements make comparing them to their peers extremely difficult. As note in section 3, the unit linked AVC's were consolidated and transferred over to the LGIM platform and invested into the Default lifestyle in line with the main DC arrangements. The consolidation offers members access to a range of governed funds with more competitive charges that are regularly reviewed by the Trustees. The consolidation took place throughout Q2 2021 following the Plan year end.

## 5. Trustee Knowledge and Understanding

In accordance with sections 247 and 248 of the Pensions Act 2004, the Trustees are required to maintain an appropriate level of knowledge and understanding that, together with professional advice available to them, enables them to properly exercise their functions and duties in relation to the Plan.

To support the Trustees, the secretariat function is outsourced to professional advisors. Consequently, the meeting agendas are prepared by professional advisors who do so with a view to ensuring compliance and best practice. The professional advisors attend all formal meetings.

The Trustees' own knowledge and understanding, together with the advice which is available to them, enables them to properly exercise their functions as trustees of the Plan. In addition, the Trustees receive advice and recommendations on investment and other issues from Mercer Limited and on legal issues from Berwin Leighton Paisner LLP.

The Trustees knowledge and understanding requirement has been met during the period to which this Statement relates as follows:

- The Trustees have undertaken ongoing training, both collectively as a group and individually to keep them abreast of pension legislation and regulations, and relevant developments; all such training is recorded on a training log which is kept up to date with guidance released by The Pensions Regulator. Time is allocated at Trustee's meetings for the provision of relevant training.
- The Trustees are conversant with the key documentation described in legislation as the Trust Deed and Rules and the Statement of Investment Principles, and have sufficient knowledge and understanding of the law relating to pensions and trusts and of the relevant principles relating to the funding and investment of occupational schemes. The Trustees are also conversant with Plan policies and other important documentation, such as investment and administration reports to assess whether the Plan is working effectively. The Trustees monitor the investments in line with the Principles and objectives set out in the SIP. The Trustees have drafted a SIP Implementation Statement which sets out how the policies within the Plan's SIP have been followed during the Plan year along with information on the engagement and voting activities of the investment manager.
- The Trustees have demonstrated their knowledge and understanding of the aforementioned laws, principles and documentation during training sessions undertaken over the Plan year and recorded in the training log.
- The advisers provide the Trustees with updates and current topics in relation to DC schemes and the Trustees have taken action where needed. The following DC-related topics have been covered at Trustees' meetings during the year:
  - TPR updates in relation to COVID – April 2020
  - DC CoP assessment – September 2020
  - SIP – ESG and disclosure updates – September 2020
  - Current issues in pensions is circulated on a monthly basis
- The Risk Register is reviewed at every meeting and methods to mitigate the risks are discussed.
- In Q4 2021, a full Investment Strategy review will take place which will review the current default arrangements and wider fund choices and ensure the current default is still the most suitable for the majority of members within the Plan, the review will also include further training to ensure Trustees are up to date with current topics in the DC landscape.

There has been no new Trustees over the Plan year, however two new Trustees joined in Q1 2020. These Trustees have been unable to attend the usual training courses due to the COVID pandemic and resulting lockdowns. They are due to undertake these courses in 2021.

Taking into account the actions taken individually and as a group, the knowledge and experience of the Trustees, and the professional advice available to it, the Trustees considers that they are able to exercise their responsibilities appropriately.

Signed by Barbara Dias as Chair of the Trustees  
for and on behalf of the Trustees of the SI Group-UK, Ltd Pension Plan  
on 8 October 2021