

## **The Rauma – Repola (U.K.) Limited Executive Pension Plan (the "Scheme")**

### **Annual governance statement for the Scheme year ending 31 May 2018**

#### **1. Introduction**

The Pensions Regulator appointed Open Trustees Limited as Trustee of the Scheme on 29 March 2017. As Trustee of the Scheme, we have reviewed and assessed that our systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator's:

- code of practice 13: governance and administration of occupational trust-based schemes providing money purchase benefits (the "**DC code**"); and
- regulatory guidance for defined contribution schemes ("**DC regulatory guidance**").

Based on our assessment, the Trustee continues to work towards adopting the standards of practice set out in the DC code and DC regulatory guidance.

At the date of this statement the Trustee confirms that there are only two deferred members remaining in the Scheme, both of whom are over the Scheme's normal pension age.

#### **2. Governance of the Default Arrangement**

The Scheme's assets are invested wholly in a with profits insurance policy provided by Zurich Assurance Ltd ("**Zurich**"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The Trustee has not prepared a statement of investment principles ("**SIP**") in relation to the Scheme because:

- the Scheme has fewer than 100 members, it is exempt from providing a SIP under regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005; and
- the Scheme ceased to receive contributions before 6 April 2015. As such, the Trustee is not required to prepare a default fund SIP under regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005.

Whilst Zurich have confirmed that both deferred members are invested in Zurich's Traditional (Conventional) With Profits Fund, they have not confirmed, despite chasing for this information, whether this fund is the Scheme's default arrangement. As such, for reasons outside of the Trustee's control, we have no information which would allow us to confirm whether Zurich operates a default arrangement in respect of the Scheme. We will continue to chase Zurich for this information and will provide an updated Chair's statement as soon as this information is available.

#### **3. Objectives of the Scheme's default approach**

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