
DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021

1. Introduction and members' summary

The **Bayer Group Pension Plan** (the "Plan") is an occupational pension scheme that mainly provides defined benefits ("DB") and there are also a small amount of remaining defined contribution ("DC") benefits. A number of members also have Additional Voluntary Contributions ("AVCs") in the Plan in respect of their DB Section benefits.

Governance requirements apply to DC pension arrangements, to help members achieve a good outcome from their pension savings. We, the Trustee of the Plan, are required to produce a yearly statement (signed by the Chair of Trustee) covering:

- the investment options in which members can invest (this includes all funds member can select or have assets in, such as 'legacy' funds);
- processing of core financial transactions (i.e. administration of the Plan);
- the charges and transaction costs borne by members for the default option (if applicable) and any other investment option members can select or have assets in, such as "legacy" funds;
- an illustration of the cumulative effect of these costs and charges;
- how the value members obtain from the Plan is assessed; and
- Trustee knowledge and understanding.

Legislation requires that sections of the Statement, including illustrations showing the impact of charges and transaction costs on investment returns, are published on a website. The Trustee has published this Statement on the Plan's website at <http://bayerpensions.4myplan.co.uk>.

The assets held in the DC Section of the Plan were transferred to a Master Trust with Aegon on 5 July 2016, following which the only DC benefits remaining in the Plan relate to additional voluntary contributions (AVCs) which are linked to membership of the Defined Benefit Section of the Plan, together with other DC funds transferred into the Plan from other registered pension schemes, which are invested together with the AVCs.

The transferred-in DC benefits and AVCs are invested in funds currently held with Aviva Life & Pensions UK Ltd ("Aviva"), Utmost Life & Pensions ("Utmost") and Clerical Medical (these benefits are also administered by Utmost).

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

1. Introduction and members' summary (continued)

The key points that we would like members reading this Statement to take away are as follows:

- We regularly monitor the investment arrangements, and we are satisfied that the investment options remain suitable for the membership.
- The administrator has processed core financial transactions promptly and accurately to an acceptable level during the Plan year, and we remain comfortable with the administrator's performance.
- Fees can have a material impact on the value of your pension savings and the fee impact is greater the more time passes, since fees reduce the amount of money from which can grow with future investment returns.
- Fees for the investment options are set out in this Statement, and we remain comfortable that these fees are reasonable given the circumstances of the Plan and represent value for the benefits members obtain.
- Please rest assured that we are looking after your best interests as members, and we undertake training and receive advice as appropriate so that we have sufficient knowledge and understanding to do so effectively.

2. Default arrangements

The Plan is not used as a qualifying scheme for automatic enrolment purposes in respect of its DC benefits.

Following the closure of the DC Section of the Plan in 2016, the Plan no longer operates using a default investment arrangement. This means that we are not required to provide a statement explaining the Plan's default investment strategy, nor any details of any review of the default strategy as part of this Statement.

Neither is the Trustee required to enclose a copy of its Statement of Investment Principles ("SIP") with this Statement.

Members can choose their own investment funds from a range of funds offered by Aviva or Utmost. The only fund available from Clerical Medical is the with- profits fund, which is closed to new members.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

2. Default arrangements (continued)

We carried out a triennial review of the Plan's DC investment options in April 2021, which was discussed at the Trustee meeting held on 22 April 2021. The conclusions were that the Plan's current DC arrangements provide members with sufficient choice, are reasonably priced relative to other options available and that the investment performance has been favourable for most of the funds available. Consequently, no changes are being made to the DC arrangements as a result of our 2021 review.

We are responsible for the Plan's investment governance. Details of the Plan's investment objectives and the Trustee's policies regarding the Plan's investments can be found in the SIP, a copy of which can be found on the Plan's website.

3. Requirements for processing core financial transactions

The processing of core financial transactions is carried out by the administrator of the Plan, Broadstone Consultants & Actuaries Ltd ("Broadstone"). Core financial transactions include (but are not limited to): the investment of contributions, processing of transfers in and out of the Plan, transfers of assets between different investments within the Plan, and payments to members and beneficiaries.

We recognise that delay and error can cause significant issues for members. They can also cause members to lose faith in the Plan, which may in turn reduce their propensity to save and impair future outcomes. We have received assurance from Broadstone that there are adequate internal controls to ensure that core financial transactions for the Plan are processed promptly and accurately.

The Plan has a service level agreement ("SLA") in place with Broadstone which covers the accuracy and timeliness of all core financial transactions. The key processes adopted by Broadstone to help it meet the SLA are as follows:

- We receive quarterly reports (summarising the transactions that have taken place, member movements, turnaround times and any delays or errors during the period) to enable the Trustee to monitor delivery against the SLA.
- Plan administration is dealt with by an administration team at Broadstone which is familiar with the features of the Plan.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

3. Requirements for processing core financial transactions (continued)

- All disinvestments (including transfers out and retirements) should be completed within five working days.
- Broadstone monitors its SLAs daily to ensure disinvestments do not fall outside of the agreed timescale.
- All work is peer reviewed: financial transactions are checked by a team leader before paperwork is issued and funds are disinvested.

To help us monitor whether core financial transactions are processed in line with the SLAs, we receive regular 'Administration and Project' reports that are included in Trustee meeting packs. These are also discussed during regular pre-meeting calls between the Chair of the Trustee Board and the in-house pensions team.

The Administration and Project report identifies any issues we may have about Broadstone's performance and compliance with the SLA, which would then be discussed with the wider Trustee Board and raised with Broadstone immediately. We ensure that remedial steps are taken to resolve any issues identified.

Broadstone has confirmed that there were no material errors that occurred over the period covered by this Statement.

Based on its review processes, we are satisfied that over the period covered by this Statement:

- Broadstone was operating appropriate procedures, checks and controls, and operating within the agreed SLA;
- there have been no material administration issues in relation to processing core financial transactions; and
- core financial transactions have been processed promptly and accurately to an acceptable level during the Plan year.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

4. Member-borne charges and transaction costs

We are required to set out the on-going charges incurred by members over the period covered by this Statement, which are annual fund management charges plus additional fund expenses, such as custody costs, but excluding transaction costs; this is also known as the total expense ratio (TER). The TER is paid by the members and is reflected in the unit price of the funds.

The stated charges exclude administration costs since these are not met by the members.

We are also required to separately disclose transaction cost figures. In the context of this Statement, the transaction costs shown are those incurred when the Plan's fund managers buy and sell assets within investment funds, but are exclusive of any costs incurred when members invest in and switch between funds. The transaction costs are borne by members.

The charges and transaction costs have been supplied by Aviva and Utmost (Utmost also manages the Clerical Medical With-profits Fund) who are the Plan's DC Section investment managers. When preparing this section of the Statement we have taken account of the relevant statutory guidance. Under the prescribed way in which transaction costs have been calculated it is possible for figures to be negative, where market movements are favourable between the time a trade is placed and it is executed. We have shown any negative figures in the tables for the year as provided, but for the costs and charges illustrations we have used zero where a transaction cost is negative to give a more realistic projection (i.e. we would not expect transaction costs to be negative over the long term).

Default arrangements

As mentioned above, following the closure of the DC Section in 2016, the Plan no longer operates using a default investment arrangement. The Trustee is not therefore required to provide details on the Plan's default investment strategy.

Self-select and AVC options

Members can choose their own investment funds from a range made available from Aviva and Utmost. Over the period covered by this Statement the Plan's DC and AVC benefits were invested across 10 Aviva funds, 6 Utmost funds and 1 Clerical Medical fund (held by Utmost). We note that assets invested in the Utmost Secure Cash Fund were transitioned to the Utmost Multi-Asset Moderate Pension Fund, part of Utmost's Investing by Age strategy, by 30 April 2020. The Secure Cash Fund is no longer available to members.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

4. Member-borne charges and transaction costs (continued)

Self-select and AVC options (continued)

The level of charges for each fund and the transaction costs over the period covered by this Statement are set out in the following table.

We were unable to source details of the transaction costs over the year to 31 March 2021 in respect of the Clerical Medical With-Profits Fund. We have therefore included transaction costs over the year to 31 December 2020 which is the latest information available. We will continue to try and obtain the transaction costs for this fund.

Self-select fund charges and transaction costs

| Manager – fund name | Notes (see below) | Total Expense Ratio % p.a. | Transaction costs % p.a. |
|--|----------------------|-------------------------------------|--------------------------------|
| Aviva Pension BlackRock (50:50) Global Equity Index Tracker FP | A | 0.50 | 0.086 |
| Aviva Pension BlackRock Over 5 Year Index-Linked Gilt Index Tracker FP | A | 0.50 | 0.031 |
| Aviva Pension BlackRock Over 15 Year Corporate Bond Index Tracker FP | A | 0.50 | 0.145 |
| Aviva Pension BlackRock UK Equity Index Tracker FP | A | 0.50 | 0.255 |
| Aviva Pension Cash FP | A | 0.50 | 0.001 |
| Aviva Pension Global Equity FP | A | 0.50 | 0.129 |
| Aviva Pension Managed FP | A | 0.50 | 0.029 |
| Aviva Pension Pre-retirement Fixed Interest FP | A | 0.50 | 0.036 |
| Clerical Medical With-Profits (held by Utmost) | B, C | 0.50 | 0.240 |
| Utmost Money Market | A | 0.50 | 0.000 |
| Utmost Secure Cash Fund (used until 30 April 2020 as part of the transition to the “Investing by Age” strategy) | B | 0.50 | 0.000 |
| Utmost Life Managed | A | 0.75 | 0.128 |
| Utmost Life UK Equity | A | 0.75 | 0.540 |
| Utmost Multi-Asset Moderate Pension (‘Investing with Age Strategy’) | A | 0.75 | 0.405 |

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

4. Member-borne charges and transaction costs (continued)

Self-select and AVC options (continued)

| Manager – fund name | Notes (see below) | Total Expense Ratio % p.a. | Transaction costs % p.a. |
|---|----------------------|-------------------------------------|--------------------------------|
| Utmost Multi-Asset Cautious Pension ('Investing with Age strategy') | A | 0.75 | 0.495 |
| Aviva FP With-Profits Sub-Fund (NGP Pre-demutualisation) | A, C | 0.50 | 0.139 |
| Aviva FP With-Profits Sub-Fund (NGP Series 1 Post-demutualisation) | A, C | 0.50 | 0.139 |

Notes

- A** Transaction costs shown for period to 31 March 2021.
- B** Transaction costs shown for period to 31 December 2020. Figures to 31 March 2020 are currently unavailable.
- C** The charge levied on all the Plan's With-Profits Funds is implicit, which means that they are included within the bonuses declared for each policy.

Illustration of charges and disclosure costs

The following table sets out an illustration of the impact of charges and transaction costs on the projection of an example member's pension savings. In preparing this illustration, we had regard to the relevant statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension scheme", and have explained below, where applicable, where it has deviated from the approach set out in that guidance.

- The "before costs" figures represent the savings projection assuming an investment return with no deduction of member borne charges or transaction costs. The "after costs" figures represent the savings projection using the same assumed investment return but after deducting member borne charges and an allowance for transaction costs.
- The transaction cost figures used in the illustration are those provided by the managers over the past two years, subject to a floor of zero (so the illustration does not assume a negative cost over the long term). We have used the average annualised transaction costs over the past two years as this is the longest period over which figures were available, and should be more indicative of longer-term costs compared to only using figures over the Plan year.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

4. Member-borne charges and transaction costs (continued)

Illustration of charges and disclosure costs (continued)

- The illustration does not include a default option as the DC Section closed in 2016. We have therefore illustrated funds with the most funds under management together (the Utmost Multi-Asset Moderate) with four further funds from the Plan's fund range. The four self-select funds shown in the illustration are:
 - the fund with the highest before costs expected return – there are several funds that could be selected here but we have carried out the projections using the Aviva Pension BlackRock UK Equity Index which is the fund with most funds invested.
 - the fund with the lowest before costs expected return – this is the Utmost Money Market Fund.
- the fund with the highest annual member borne costs – this is the Utmost Multi-Asset Cautious Fund but since projections have already been shown for this fund we have used the next highest which is the Utmost Multi-Asset Cautious Pension Fund.
 - the fund with the lowest annual member borne costs – this is the Aviva Pension Cash Fund but this has no members invested currently so we have carried out the projections using the Aviva Pension Managed Fund which is the next lowest.

| Years invested | Utmost Multi-Asset Moderate Fund | | Aviva UK Equity Fund | | Utmost Money Market | | Utmost Multi-Asset Cautious | | Aviva Managed Fund | |
|----------------|----------------------------------|------------------|----------------------|------------------|---------------------|------------------|-----------------------------|------------------|--------------------|------------------|
| | Before costs £ | After costs £ | Before costs £ | After costs £ | Before costs £ | After costs £ | Before costs £ | After costs £ | Before costs £ | After costs £ |
| 1 | 7,000 | 7,000 | 7,100 | 7,100 | 6,800 | 6,800 | 7,000 | 6,900 | 7,100 | 7,000 |
| 3 | 7,100 | 6,900 | 7,400 | 7,300 | 6,500 | 6,400 | 6,900 | 6,700 | 7,200 | 7,100 |
| 5 | 7,200 | 6,900 | 7,700 | 7,500 | 6,200 | 6,100 | 6,900 | 6,500 | 7,400 | 7,200 |
| 10 | 7,500 | 6,800 | 8,500 | 8,000 | 5,600 | 5,300 | 6,800 | 6,000 | 7,800 | 7,400 |
| 15 | 7,800 | 6,700 | 9,400 | 8,500 | 5,000 | 4,600 | 6,700 | 5,600 | 8,200 | 7,600 |
| 20 | 8,000 | 6,600 | 10,400 | 9,000 | 4,400 | 4,000 | 6,600 | 5,200 | 8,700 | 7,800 |
| 25 | 8,300 | 6,500 | 11,500 | 9,600 | 4,000 | 3,500 | 6,500 | 4,800 | 9,200 | 8,000 |

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

4. Member-borne charges and transaction costs (continued)

Illustration of charges and disclosure costs (continued)

Notes

- Values shown are estimates and are not guaranteed. The illustration does not indicate the likely variance and volatility in the possible outcomes from each fund. The numbers shown in the illustration are rounded to the nearest £100 for simplicity.
- Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
- Annual salary growth and inflation is assumed to be 2.5%.
- The starting pot size used is £7,000. This is the approximate average (median) pot size.
- The projection is for 25 years, being the approximate duration that the youngest scheme member has until they reach the scheme's Normal Pension Age.
- The projected annual returns used are as follows:
 - Utmost Multi-Asset Moderate Fund (fund with the most invested): 0.70% above inflation
 - Aviva UK Equity Fund (highest expected return): 2.00% above inflation
 - Utmost Money Market Fund (lowest expected return): 2.25% below inflation
 - Utmost Multi-Asset Cautious (highest charges): 0.3% below inflation
 - Aviva Managed (lowest charges): 1.1% above inflation
- No allowance for active management outperformance has been made.

5. Value for members' ("VfM") assessment

We are required to assess the extent to which member-borne charges and transaction costs represent good value for members and to explain why, which we carry out on an annual basis. There is no legal definition of 'good value', which means that determining this is subjective. The general policy of the Trustee in relation to value for member considerations is set out below.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

5. Value for members' assessment (continued)

We review all member-borne charges (including transaction costs where available) annually, with the aim of ensuring that Plan members are getting value for money, given the circumstances of the Plan. The date of the last review of member charges was 14 April 2021 at the time we carried out a review of the Plan's DC arrangements. We also consider this each year when we consider our assessment of value for members within the Plan's DC Section.

We note that value does not necessarily mean the lowest fee, and the overall quality of the service received is also considered in this assessment. Our investment advisers have confirmed that the fund charges are competitive for the types of fund available to members, bearing in mind the nature of the AVC arrangements and their fixed pricing structure.

In carrying out its assessment, we also considered and ranked as **very good**, **good**, **fair** or **poor** other benefits members receive from the Plan but do not pay for, such as:

- the oversight and governance of the Trustee. This was ranked as **very good** and included factors such as ensuring the Plan is compliant with relevant legislation, holding regular meetings to monitor the Plan and addressing any material issues that may impact members, the Trustee Board composition and experience and the extent to which the Trustee uses its external advisers and service providers to ensure good governance practice is adopted;
- the efficiency of Broadstone's administration processes and the extent to which it met or exceeded its SLA. This was ranked as **good** and considered the SLA met by Broadstone and reflecting the fact that Broadstone reported that there have been no material administration errors or member complaints over the period covered by this Statement;
- the range of investment options available. This was ranked as **very good**, reflecting the fact that the AVC arrangements offer Plan members a wide range of available investment options;
- the quality of communications delivered to members. This was ranked as **good**; and
- the quality of support services such as the Plan's website, where members can access fund information online – this falls under the review of communications and accessibility and has been ranked as **good**.

As detailed in the earlier section covering the processing of core financial transactions, we are comfortable with the quality and efficiency of the administration processes.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

5. Value for members' assessment (continued)

We believe the transaction costs provide value for Plan members, as the ability to transact forms an integral part of the investment approaches, which we expect to lead to greater investment returns (net of fees) over time.

Overall, we believe that members of the Plan are receiving good value for money for the charges and cost that they incur. We continually look for areas of improvement in the Plan and as part of our 2021 value for money assessment have identified the following areas for review during the 2021/22 Plan year:

- **Costs & Charges** - continue to monitor charges and ensure they remain competitive for members.
- **Administration** – continue to monitor the performance of Broadstone against its SLA.
- **Governance** – Ensure satisfactory outcome of the new Member Nominated Director (MND) process in appointing a new MND during Summer 2021.
- **Communications** – Consider whether member communications could be improved.
- **Plan design** - consider ways to simplify the DC offering in the Plan.

6. Trustee knowledge and understanding

We are required to maintain appropriate levels of knowledge and understanding to run the Plan effectively. The Trustee has measures in place to comply with the legal and regulatory requirements regarding knowledge and understanding of relevant matters, including investment, pension and trust law. Details of how the knowledge and understanding requirements have been met during the period covered by this Statement are set out below.

- Trustee Directors participate in regular self-study of topical issues and legislative update bulletins produced by the Plan's professional advisers;
- Adviser-led training on items of business as required at Trustee and sub- committee meetings – details of these sessions over the period covered by this statement are set out in the table below;
- Attendance at industry seminars and conferences;

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

6. Trustee knowledge and understanding (continued)

- Completion of an annual knowledge and understanding assessment by each individual trustee director, which is used, in conjunction with the Plan's advisers, to identify any areas where members of the Trustee Board require more training or support. The last questionnaire was noted by the Trustee Board at its meeting on 14 September 2020;
- The Trustee, with the help of its advisers, regularly considers training requirements to identify any knowledge gaps – any knowledge gaps identified are addressed by the Trustee as soon as possible;
- During the year, the ITS Director representative on the Trustee Board was Chris Martin. During the year Mr Martin was appointed Chair of the Trustee Board. Having been the ITS representative since 14 October 2016, Chris has extensive Plan-specific knowledge and is familiar with the Plan's documentation. In addition to the Plan-specific training noted, Chris also acts as chair of trustees for two (unrelated) DC schemes and has undertaken relevant training through ITS in its capacity as a professional firm of independent trustees. The Trustee is satisfied that Chris has oversight of the Plan's governance benefits from his extensive industry experience and knowledge of other schemes; and
- All new Trustee Directors are provided training which covers topics such as the legal framework, the Plan's history, governance requirements and investments. New Trustee Directors are required to complete the Pensions Regulator's Trustee Toolkit within six months of being appointed.

The Trustee's DC and investment advisers proactively raise any changes in governance requirements and other relevant matters as they become aware of them. Additionally, the Trustee receives regular updates on topical pension issues from its DC and investment advisers (LCP), and its legal advisers (CMS) to ensure the Trustee Directors are kept abreast of legislative and regulatory developments.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

6. Trustee knowledge and understanding (continued)

During the period covered by this Statement, the Trustee received training on the following topics:

| Training topic | Date |
|---|-------------------|
| Actuarial valuations | 16 June 2020 |
| DC value for money and contents of Chair's Statement | 14 September 2020 |
| LGIM index funds and ESG adaptations | 29 October 2020 |
| Employer covenant | 29 October 2020 |
| Climate risk and implications for investment strategy | 9 February 2021 |

All Trustee Directors are familiar with, and have a working knowledge of, the Plan's governing documentation, including the Trust Deed & Rules and SIP as well as the investment concepts relevant to the Plan, in order to properly exercise their functions as trustees:

- Each Trustee Director has access to a copy of the Plan's Trust Deed and Rules, the current SIP, Plan policies (e.g. including its Data Protection Policy, Data Breach Management Policy and the Trustee's conflicts of interests policy) and other governing documentation, including details of the Trustee's current policies. The Trustee Directors must familiarise themselves with these in order to ensure that they have a sufficient working knowledge of their application to the Plan. All Trustee Directors are made aware of any amendments to the Trust Deed and Rules, and any relevant Plan policies. In particular, the Plan's Data Protection Policy was amended in June 2020 as part of its annual review.
- Each Trustee Director is able to request copies of any Plan documentation from the Secretary to the Trustee and can raise queries at any time regarding the Plan's documentation with the Secretary to the Trustee and the Trustee's legal advisers.
- The Trustee Directors are encouraged to request additional information and/or training on the Plan's Trust Deed and Rules, SIP and other documentation at any time.
- The Trustee refers to the Trust Deed and Rules as part of considering and deciding to make any changes to the Plan.
- The Plan's SIP is formally reviewed annually or as part of making any material change to the Plan's investments.

The Trustee Directors believe they 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 pension schemes to fulfil their duties.

DC Annual Governance Statement, covering the period from 1 April 2020 to 31 March 2021 (continued)

6. Trustee knowledge and understanding (continued)

All Trustee Directors have completed the Pensions Regulator's Trustee Toolkit and review the Toolkit for updates on a regular basis (the Trustee Toolkit is a free online learning programme from the Pensions Regulator aimed at trustees of occupational pension schemes and designed to help trustees meet the minimum level of knowledge and understanding required by law). A training log is maintained by the Secretary to the Trustee in line with best practice and the training programme is reviewed annually to ensure it is up to date.

Additionally, the Plan has in place a structured induction process for new trustees. The Plan's induction process is slightly different depending on whether it is a Company or member-nominated appointment.

- Company appointments will usually be drawn from the pool of 'shadow trustees' who will already have received training from LCP (DC, Investment and actuarial advisers) and CMS (legal advisers) and will already be working through, or already completed, their Trustee Knowledge requirements. Furthermore, Company appointed trustees will already have attended at least three Trustee meetings and so will be familiar with how the Board operates.
- Member Nominated Directors ("MND") (there were no new appointments during the year) receive training from LCP and CMS, as well as having an introduction to Trustee Knowledge and Understanding with the Secretary to the Trustee, who would also meet with the new MND ahead of the first few Trustee meetings to run through the meeting packs to ensure familiarity with what will be discussed at the meeting.

Each Trustee Director and each of the Trustee's advisers is required to complete a governance and effectiveness questionnaire on a biannual basis, which is designed to measure the performance and effectiveness of the Trustee Board against the objectives for the Trustee as set out in the Plan's annual business plan. The results of the effectiveness questionnaire are then discussed by the Trustee and the Secretary who will make any changes to the Plan's annual business plan and the Trustee training agenda as appropriate.

Considering the knowledge and experience of the Trustee Directors and the specialist advice (both in writing and whilst attending meetings) received from the appointed professional advisors (e.g. investment consultants, legal advisors and the Plan actuary), the Trustee Directors believe they are well placed to exercise their functions and duties as Trustee Directors of the Plan properly and effectively.

**DC Annual Governance Statement, covering the period
from 1 April 2020 to 31 March 2021 (continued)**

_____ Date:

Signed by the Chair of Trustee of the Bayer Group Pension Plan