

BECHTEL LIMITED PENSION PLAN ("THE PLAN")

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 MARCH 2021

PREPARED IN ACCORDANCE WITH REGULATION 23 OF THE OCCUPATIONAL PENSION SCHEMES (SCHEME ADMINISTRATION) REGULATIONS 1996 (THE "REGULATIONS")

1. INTRODUCTION

- 1.1 I am pleased to present the Trustees' statement of governance for the year ending 31 March 2021. This statement describes how the Trustees have governed the Money Purchase Section of the Plan and the Additional Voluntary Contribution (AVC) arrangements within the Final Salary Section during the period. In doing so, we provide the various statutory disclosures required by the Occupational Pension Schemes (Charges and Governance) Regulations 2015.
- 1.2 The Trustees note that the Plan does not provide "conventional" money purchase benefits because a defined benefit underpin is in place. This means that members' pension benefits at retirement from the Money Purchase section will be the better of:
- The value of their money purchase account in the Plan; or,
 - Their defined benefit underpin.

Members are able to contact the Plan administrator for further information regarding the nature of their benefits.

- 1.3 The statement covers four principal areas:
1. Investment, with particular focus on the Plan's default investment arrangements.
 2. Internal controls, with particular focus on the processing of core financial transactions.
 3. Value, focused on charges and transaction costs deducted from members' funds.
 4. Knowledge and resources available to the Trustees, including how the Trustees maintained the statutory levels of knowledge and understanding to govern the Plan and how these help the Trustees to ensure that the Plan is governed effectively.

The Trustees considered the Pension Regulator's Guidance and statutory guidance when preparing this statement.

2. INVESTMENT ARRANGEMENTS

Introduction

- 2.1 Although the Plan is now closed, investments have historically been placed into default investment options (unless a member has made a specific choice about how their contributions are invested).
- 2.2 A copy of the Plan's Statement of Investment Principles (SIP), which covers the legacy default arrangements, is attached to this statement. The SIP has been prepared in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005 and covers our aims and objectives in relation to the default investment arrangement as well as our policies in relation to matters such as risk and diversification. The SIP also details the Trustees' policies in relation to environmental, social and corporate governance risks, and specifically climate change.
- 2.3 The SIP was reviewed during the Plan year and was amended in September 2020. The amendments to the SIP related primarily to the requirements for the Trustees to include disclosures of their policies regarding the stewardship of the Plan's assets, and their policies governing arrangements with the Plan's asset managers, including:
- How the Trustees incentivise the asset managers to align their investment strategy and decisions with the Trustees' policies.

- How the Trustees incentivise the asset managers to make investment decisions based on assessments of medium to long term financial and non-financial performance of the issuers of the securities that the Trustees invest in, and how the asset managers engage with the issuers to improve performance in the medium to long term.
- How the method (and time horizon) of the evaluation of the managers' performances, and the remuneration of the managers, are in line with the Trustees' policies.
- How the Trustees monitor the asset managers' portfolio turnover costs and how the Trustees define and monitor targeted portfolio turnover or turnover range
- The duration of the Trustees' arrangements with the asset managers.

Current Default Investment Arrangements

2.4 In summary, the default arrangements that were in place when the Plan was open were designed to be broadly appropriate for members who intend to take a proportion of their funds as cash at retirement (within current tax-free cash regulations) and to purchase an annuity with the balance. The default options include "lifestyling" arrangements to de-risk investments to an asset allocation, at retirement, designed to be appropriate for these benefits. There were no changes to the default investment option during the period.

2.5 The growth phase of the strategy invests predominantly in a diversified range of assets, including global equities, bonds, and alternative assets such as property. Overall these investments are expected to provide long term (above inflation) growth with some protection against inflation erosion, albeit with volatility. As a member approaches retirement, investment risk will have a greater impact on member outcomes. Therefore, the Trustees believe that a strategy that seeks to reduce risk as the member approaches retirement is appropriate. This is achieved via automated lifestyle switches over the ten-year period prior to a member's retirement date. Investments are switched into a mix of cash (for capital preservation purposes) and UK Government bonds (to provide a broadly appropriate match to short-term annuity price movements).

Strategic Review of Default Investment Arrangement

2.6 The Trustees review the appropriateness of the legacy default investment arrangements at least triennially, or after significant changes to the Plan's demographic. A strategic review of the default strategy commenced in November 2020, and has continued into 2020/21. The elements of the review that took place during the Plan year covered by this statement were:

- **Analysis of the Plan's membership profile.** In considering the membership demographics, the Trustees reviewed the size of members' average savings pots (and the range of pot sizes), the age profile, and the projected size of members' benefits at retirement, taking into account potential investment growth and inflation.
- **The Plan's retirement experience.** The Trustees reviewed in detail the experience of our Plan in terms of the age at which members take their benefits, and the way in which they draw funds (e.g. whether they take cash, buy an annuity or transfer out to access drawdown). This was particularly useful when deciding on the 'target' retirement benefit type for the default arrangement, in order to best meet members' needs.
- **Consideration of broader UK-wide experience.** Using the Financial Conduct Authority (FCA) Retirement Income Market Data, the Trustees considered industry trends in the withdrawal of funds at retirement from DC pension schemes.
- **Environmental, Social and Governance (ESG) considerations.** The Trustee Board participated in a beliefs survey to help with policy development in this area.

2.7 The strategy review has continued subsequent to the Plan year end, with the focus during the second quarter of 2021 being a review of the different investment portfolios within the lifestyle strategy. Any changes to the investment arrangements following the conclusion of the strategy review will be communicated to members, and would be reflected in the Annual Governance Statement for the year ending 31 March 2022.

Investment Governance

- 2.8 Between our triennial strategic reviews, investment performance and risk-based monitoring of the funds used in the legacy default investment arrangement is carried out each quarter, primarily by reviewing the investment report provided by the investment manager for the legacy default, Legal & General Investment Management (“L&G”).
- 2.9 The Trustees also meet with L&G, typically annually, to discuss performance, costs and charges, and future developments. During the year covered by this statement, the Trustees met with L&G at a Trustee board meeting on 10 February 2021.

3. INTERNAL CONTROLS AND CORE FINANCIAL TRANSACTIONS

Introduction

- 3.1 The Trustees have appointed a professional third party administrator, Deloitte LLP.
- 3.2 The Trustees have received assurance from the Plan administrator (and has taken steps to seek to ensure) that there were adequate internal controls to ensure that core financial transactions were processed promptly and accurately during the year in accordance with regulation 24 of the Regulations. This includes processing of transfers in and out of the Plan, transfers of assets between different investments, and payment of benefits to members (the Plan is closed and therefore no contribution processing takes place in respect of the Money Purchase Section). Our governance arrangements in this regard are documented below.

Administration

- 3.3 The Trustees have established Service Level Agreements (SLAs) with the administrator, which are monitored by the Trustees. The SLAs cover both accuracy and timeliness of core financial transaction processing, and the Trustees meet with the administrator at Trustee meetings in order to review administration service levels and related matters.
- 3.4 The Trustees receive Plan administration reports, including SLA details, each quarter, and review these at quarterly Trustee meetings. Administration reporting runs from April to April and during the period to 30 April 2021, the average percentage level of SLAs achieved stood at 99% (up from 96% from the year to 30 April 2020). This reporting is used by the Trustees to verify that transactions are performed in line with the SLAs and to determine if there have been any administration errors or unreasonable delays. Where procedures are outside of agreed SLAs or there are any significant errors or delays, the administrator provides an explanation of what has happened and how it has been corrected.
- 3.5 The administrator provides an internal controls audit report in accordance with AAF 01/20 annually. The last report received from Deloitte covered the period to 31 March 2021 and was considered by the Trustees at a Trustee board meeting held on 9 September 2021.
- 3.6 Accurate and up-to-date data is important for Plan administration. The Trustees have therefore commissioned data cleansing exercises in order to ensure that Plan data is up-to-date and accurate. We noted in last year’s statement that a data exercise had commenced. This was concluded between 1 November 2020 and 31 January 2021, and represented the output from earlier data quality review work. The review identified a relatively small number of data issues in the Plan, mainly in respect of the Final Salary Section. Only a small number related to the Money Purchase Section, and no benefit rectification was needed for the Money Purchase Section. Relevant member records were however updated.
- 3.7 Member data spot-checks are carried out periodically and any inconsistencies addressed through close working between the administrator and in-house teams at Bechtel Limited.
- 3.8 Other processes that have been established with the administrator to assist the Trustees in monitoring the processing of core financial transactions include:
- The administrator’s accounts team perform a monthly peer reviewed reconciliation of all transactions.

- The administration team regularly monitor the account in between monthly reconciliation times. There is working knowledge within the administration team of the inflows expected, and what is being paid out, and will monitor this appropriately. This can involve checking the account multiple times per day when needed.
- The administration team produce a monthly cashflow forecast which is peer reviewed. This projects the cashflow requirements for the coming month and will include retaining an agreed float for unknown / unexpected payments.
- The administration team have set procedures to authorise payments out, with at least two signatories on all transactions, and varying degrees of authority depending on the amount.
- All transaction contract notes are reviewed and peer reviewed.

Broader Controls

- 3.9 The Trustees have taken steps to ensure that detailed disaster recovery plans are in place with the administrator, other relevant third parties, and within the sponsoring employer. In March 2020 as the Covid-19 pandemic triggered a UK-wide “lockdown”, business continuity plans were clearly tested, and we are pleased to confirm that smooth running of the Plan continued throughout the year.
- 3.10 A risk register is maintained and monitored, which includes risks in relation to core financial transactions and Plan data. The risk register considers the impact, likelihood, controls and mitigation steps for each risk and is monitored and reviewed regularly. Target risk scores are in place, and where a risk falls short of target, an action plan is put in place.
- 3.11 The Trustees have appointed a professional firm to undertake an annual audit.

Conclusion

- 3.12 I am pleased that in the Plan year there have been no material administration service issues which need to be reported here by the Trustees. We are confident that the processes and controls in place with the administrator are robust and will ensure that the financial transactions which are important to members are dealt with promptly and accurately, meeting the requirements of regulation 24 of the Regulations.

4. VALUE, CHARGES AND TRANSACTION COSTS

- 4.1 Charges and transaction costs applicable to the funds available to members of the Money Purchase Section are detailed in the following part of this statement. All funds used in the default strategy are managed by L&G. The Plan is not used for auto-enrolment, and never has been, and as such the charge cap is not a legislative requirement.
- 4.2 In relation to transaction costs, note that when buying and selling investments, transaction costs can be incurred. These costs are not explicitly deducted from a fund but are captured in its performance (i.e., the higher the transaction costs, the lower the returns). The FCA provides guidance (in Policy Statement 17/20) to investment managers regarding calculation and disclosure of transaction costs. Due to the way in which these costs are required to be calculated, they can be negative or positive; a negative figure is effectively a gain from trading activity, whilst a positive figure is effectively a cost from trading activity.
- 4.3 Aviva have been unable to provide up-to-date information regarding Plan-specific costs and charges, stating that they have had some difficulties and delays in sourcing this from the external fund managers, where relevant, and also have a backlog of requests for transaction cost reporting.
- 4.4 The figures below for the Aviva funds are therefore stated as at 31 March 2020. Whilst costs and charges do not typically vary materially over time, this has been escalated within Aviva, because timely reporting of all costs is important to the Trustees. The Trustees are working with their advisors to obtain this information as soon as they are able and before the next Chair’s Statement. The information has been actively pursued, with repeated requests (highlighting the urgency of the request) to the provider, spanning a three month period.

4.5 Funds used as part of the default investment option are shaded in blue.

Fund	Total Expense Ratio % p.a.	Transaction Costs % p.a.
Multi-Asset (was Consensus Index)	0.26	0.03
Over 5 year Index-Linked Gilts	0.10	0.03
Over 15 year Fixed Interest Gilts	0.10	0.00
Cash	0.12	0.00
L&G Global Equity (70:30) Index	0.20	0.00
L&G Diversified	0.32	0.00
Aviva BlackRock UK Equity Index Tracker	0.50	-0.01
Aviva With Profits*	0.50	0.11
Aviva Stewardship	0.52	0.06

Source: L&G and Aviva. Data as at 31 March 2021 for L&G; as at 31 March 2020 for Aviva. Total expense ratio reflects the total cost associated with managing a fund, including management, legal, fund management auditor fees and any other expenses within the fund.

*Aviva With Profits costs and charges sourced from Aviva although in practice the total cost of investment in a with profits fund will vary by member and is unknown until a member disinvests. Costs and charges stated for this fund do not include the cost of providing guarantees.

4.6 The Trustees have assessed the extent to which the charges and transaction costs set out above, alongside other elements of the Plan, represent good value for members (noting the data limitations described above) and have concluded, in consultation with its independent DC advisor, that **the Plan offers good value for members**. The assessment process includes benchmarking against peers (for example, funds managed by different investment managers) and consideration of the Plan relative to alternative options available in the market with different investment managers, governance structures and providers. The Value for Members framework considers:

- Investment management charges.
- Transaction costs (wider industry data has not been compared as it does not exist).
- Net of fees performance.
- Administration service standards.
- Investment design and range, including the fund choice offered to members and the capabilities of the appointed fund managers, including in respect of integration of environmental, social and governance considerations.
- Governance arrangements, including Trustee record keeping and documentation, meeting frequency and format, and Trustee board diversity.

4.7 The Trustees have also considered the expectations set out in The Pensions Regulator's DC Code in relation to value for members and incorporated these considerations in their governance processes.

Impact of Costs and Charges

4.8 Using the data provided by the investment managers, and in accordance with regulation 23(1)(ca) of the Administration Regulations, the Trustees have prepared illustrations detailing the impact of the costs and charges typically paid by a member on their retirement savings pot. Statutory guidance has been considered when preparing these examples.

4.9 To make this representative of the membership, the Trustees have based this starting at the estimated average member age of 53. In line with the Plan's closed nature, no future contributions have been assumed. The estimated average pot size has been used in the analysis. The Trustees have also prepared an illustration based on the youngest member

age of approximately 39. Again, in line with the Plan's closed nature, no future contributions have been assumed and the estimated average pot size has been used in the analysis.

Reporting costs and charges – average member illustration based on data available

Age	Default Arrangement (Lifestyle Strategy)		Lowest assumed return fund net of fees (L&G Cash)		Lowest cost fund (L&G Over 15 year Gilts)		Highest assumed return fund net of fees (L&G Global Equity 70:30)		Highest cost fund (Aviva Stewardship)	
	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	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
53	£40,213	£40,097	£39,400	£39,351	£39,600	£39,560	£40,600	£40,113	£40,624	£40,389
54	£40,428	£40,194	£38,809	£38,712	£39,205	£39,126	£41,209	£40,226	£41,258	£40,782
55	£40,643	£40,291	£38,227	£38,084	£38,813	£38,696	£41,827	£40,339	£41,903	£41,178
56	£40,794	£40,331	£37,653	£37,466	£38,425	£38,271	£42,455	£40,453	£42,557	£41,578
57	£40,880	£40,312	£37,089	£36,858	£38,041	£37,850	£43,091	£40,567	£43,221	£41,983
58	£40,900	£40,235	£36,532	£36,260	£37,661	£37,434	£43,738	£40,682	£43,896	£42,391
59	£40,855	£40,100	£35,984	£35,671	£37,284	£37,023	£44,394	£40,796	£44,581	£42,803
60	£40,743	£39,908	£35,445	£35,093	£36,912	£36,616	£45,060	£40,911	£45,277	£43,219
61	£40,566	£39,658	£34,913	£34,523	£36,543	£36,213	£45,736	£41,027	£45,983	£43,639
62	£40,325	£39,353	£34,389	£33,963	£36,178	£35,816	£46,422	£41,142	£46,701	£44,063
63	£40,019	£38,993	£33,873	£33,412	£35,816	£35,422	£47,118	£41,258	£47,430	£44,492
64	£39,652	£38,580	£33,365	£32,869	£35,458	£35,033	£47,825	£41,375	£48,170	£44,924
65	£39,224	£38,116	£32,865	£32,336	£35,104	£34,648	£48,542	£41,491	£48,922	£45,361

Notes:

- i. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
- ii. The starting pot size is based on the representative average pot size for members of the Plan.
- iii. Values are estimates and are not guaranteed.
- iv. The projected growth rate for each fund is in line with the Plan's Statutory Money Purchase Illustration assumptions as at 31 March 2021.
- v. Price inflation is assumed at 2.5% p.a.
- vi. If the growth rate used is lower than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.
- vii. Transaction costs assumed are based on the average of the last three years of disclosures.

Reporting costs and charges – youngest member illustration

Due to the diverse Plan demographics, a further illustration is presented below. This is based on the youngest aged member (age 39) of the Plan, assuming age 39 is the starting point (hence there is no difference in pot size with and without fees at the starting age).

Age	Default Arrangement (Lifestyle Strategy)		Lowest assumed return fund net of fees (L&G Cash)		Lowest cost fund (L&G Over 15 year Gilts)		Highest assumed return fund net of fees (L&G Global Equity 70:30)		Highest cost fund (Aviva Stewardship)	
	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	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
39	£40,213	£40,097	£39,400	£39,351	£39,600	£39,560	£40,600	£40,113	£40,624	£40,389
40	£40,428	£40,194	£38,809	£38,712	£39,205	£39,126	£41,209	£40,226	£41,258	£40,782
41	£40,643	£40,291	£38,227	£38,084	£38,813	£38,696	£41,827	£40,339	£41,903	£41,178
42	£40,860	£40,389	£37,653	£37,466	£38,425	£38,271	£42,455	£40,453	£42,557	£41,578
43	£41,078	£40,487	£37,089	£36,858	£38,041	£37,850	£43,091	£40,567	£43,221	£41,983
44	£41,297	£40,585	£36,532	£36,260	£37,661	£37,434	£43,738	£40,682	£43,896	£42,391
45	£41,517	£40,683	£35,984	£35,671	£37,284	£37,023	£44,394	£40,796	£44,581	£42,803
46	£41,738	£40,782	£35,445	£35,093	£36,912	£36,616	£45,060	£40,911	£45,277	£43,219
47	£41,961	£40,880	£34,913	£34,523	£36,543	£36,213	£45,736	£41,027	£45,983	£43,639
48	£42,184	£40,979	£34,389	£33,963	£36,178	£35,816	£46,422	£41,142	£46,701	£44,063
49	£42,409	£41,079	£33,873	£33,412	£35,816	£35,422	£47,118	£41,258	£47,430	£44,492
50	£42,635	£41,178	£33,365	£32,869	£35,458	£35,033	£47,825	£41,375	£48,170	£44,924
51	£42,862	£41,278	£32,865	£32,336	£35,104	£34,648	£48,542	£41,491	£48,922	£45,361
52	£43,091	£41,378	£32,372	£31,811	£34,753	£34,267	£49,270	£41,608	£49,686	£45,802
53	£43,321	£41,478	£31,886	£31,295	£34,406	£33,890	£50,009	£41,726	£50,462	£46,247
54	£43,552	£41,579	£31,408	£30,787	£34,062	£33,518	£50,759	£41,843	£51,249	£46,697
55	£43,784	£41,679	£30,937	£30,288	£33,722	£33,150	£51,521	£41,961	£52,049	£47,151
56	£43,947	£41,720	£30,473	£29,796	£33,385	£32,785	£52,294	£42,080	£52,862	£47,609
57	£44,039	£41,701	£30,016	£29,312	£33,051	£32,425	£53,078	£42,198	£53,687	£48,072
58	£44,061	£41,621	£29,565	£28,837	£32,721	£32,069	£53,874	£42,317	£54,525	£48,540
59	£44,012	£41,481	£29,122	£28,369	£32,394	£31,716	£54,682	£42,437	£55,376	£49,012

Age	Default Arrangement (Lifestyle Strategy)		Lowest assumed return fund net of fees (L&G Cash)		Lowest cost fund (L&G Over 15 year Gilts)		Highest assumed return fund net of fees (L&G Global Equity 70:30)		Highest cost fund (Aviva Stewardship)	
	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	Pot Size with no Charges Incurred	Pot Size with Charges Incurred
60	£43,891	£41,282	£28,685	£27,908	£32,070	£31,368	£55,503	£42,556	£56,240	£49,488
61	£43,701	£41,024	£28,255	£27,456	£31,750	£31,023	£56,335	£42,676	£57,118	£49,969
62	£43,441	£40,709	£27,831	£27,010	£31,432	£30,682	£57,180	£42,797	£58,010	£50,455
63	£43,112	£40,337	£27,414	£26,572	£31,118	£30,345	£58,038	£42,918	£58,915	£50,945
64	£42,716	£39,910	£27,002	£26,140	£30,807	£30,012	£58,908	£43,039	£59,835	£51,441
65	£42,255	£39,429	£26,597	£25,716	£30,499	£29,682	£59,792	£43,160	£60,769	£51,941

Notes:

- viii. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
- ix. The starting pot size is based on the representative average pot size for members of the Plan.
- x. Values are estimates and are not guaranteed.
- xi. The projected growth rate for each fund is in line with the Plan's Statutory Money Purchase Illustration assumptions as at 31 March 2021.
- xii. Price inflation is assumed at 2.5% p.a.
- xiii. If the growth rate used is lower than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.
- xiv. Transaction costs assumed are based on the average of the last three years of disclosures.

5. TRUSTEE KNOWLEDGE AND UNDERSTANDING

- 5.1 The requirements under section 247 of the Pensions Act 2004 (requirement for knowledge and understanding) have been met during the Plan year by the Trustees as a body in dealing with the whole Plan (not just the Money Purchase Section).
- 5.2 The Money Purchase and AVC arrangements are discussed at every Trustee meeting, with dedicated time on the agenda.
- 5.3 The Trustees have put in place arrangements for ensuring each Trustee takes responsibility for keeping up to date with relevant developments and consider training needs. Training logs are maintained for each Trustee and training is provided regularly during quarterly meetings, on a bespoke basis, tailored to issues that arise on the Trustees' business plan.
- 5.4 As part of the Trustee induction process, the Trustees receive training on key Plan documents, including the Trust Deed and Rules, the SIP, and other policy documents, as well as on the law relating to pensions and trusts and the relevant principles relating to investments of occupational schemes. Part of this training is usually provided by the Plan's legal advisors, who ensure that it is up to date. The Trustees maintain their working knowledge of these documents, and receive updated training from professional advisors when these documents are reviewed and amended.
- 5.5 The Trustees seek to identify any knowledge and skills gaps through ongoing self-evaluation and by working with their advisors on training needs.
- 5.6 The Trustees are conversant with, and have a working knowledge of the Trust Deed and Rules, all documents setting out the Trustees' current policies and the SIP, including the requirements that came into force from October 2020 in relation to our policies in relation to investment manager arrangements. As part of these requirements, the SIP was considered at Trustee meetings, with input from the Plan's advisors.
- 5.7 In addition, the Trustees receive advice from professional advisors and the relevant skills and experience of those advisors is a key criterion when evaluating advisor performance or selecting new advisors.
- 5.8 The Trustees consider topical updates from its DC advisor at each Trustee meeting. During the year, topics considered that supported Trustee knowledge and understanding included and conversance with the Plan:
- Consideration of risks in relation to Covid-19 for pension plans, including investments, business continuity, and administration. Guidance provided by the Pensions Regulator on this topic was considered as part of the training (tabled at the 3 July 2020 meeting).
 - New regulations in respect of the preparation and publication of the Plan's Statement of Investment Principles and the requirement to prepare and publish an Implementation Statement (discussed at 26 August 2020 meeting).
 - Training on DC investment strategy reviews and the expectations of Trustees in this respect. This training was delivered at the outset of the triennial strategy review process (tabled at the 27 October 2020 meeting).
 - Training on environmental, social, and governance matters, including voting and engagement activities. This was provided by L&G as part of their presentation to the Trustees at the 10 February 2021 meeting.
- 5.9 Taking account of actions taken individually and as a Trustee body, and the professional advice available to them, the Trustees consider that they are enabled properly to exercise their function as a Trustee board.

6. Statement of DC Governance

- 6.1 The Trustees undertake annual assessments of the Plan against the DC Code of Practice and related guidance, and have implemented an action plan for ongoing monitoring in this respect. These assessments include the Plan's AVC arrangements.
- 6.2 The Trustees consider that our systems, processes and controls across key governance functions are consistent with those set out in DC Code of Practice.

Signed for and on behalf of the Trustees of the Bechtel Limited Pension Plan

Jamie Cochrane
Chair

Note that the Trustees have processes in place to publish this statement on a publicly accessible website, and will comply with the requirements to notify members about this statement in their annual benefit statements.