# The Rhodia Pension Fund

# Chair's Statement

I am pleased to present the Trustee's statement of governance, covering the period 1 January 2024 to 31 December 2024. This statement has been prepared by the Trustee of the Rhodia Pension Fund (the 'Fund'). This statement is produced in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the Regulations) and covers the following 7 key areas of the Fund's Defined Contribution ('DC') Section:

- The investment strategy relating to the Fund's default arrangement;
- The processing of core financial transactions;
- Net returns on investments;
- Underlying asset allocations within the default strategy;
- Member borne charges and transaction costs within the Fund including the pounds and pence illustration of the compounding effect of charges;
- Value for Members' assessment; and
- The Trustee's compliance with the statutory knowledge and understanding requirements.

In doing so, we provide the various statutory disclosures required by the Occupational Pension Schemes (Charges and Governance) Regulations 2015.

In addition, this statement also covers the governance aspects in relation to the Fund's Additional Voluntary Contribution ('AVC') arrangements invested with Clerical Medical (Clerical Medical With Profits) and Mobius Life.

This statement will be published on a publicly available website www.ssuklpensions.com/2019/02/25/documents-2/ and with relevant disclosures signposted in the annual benefit statements.

## 1. Default Investment arrangement

**Introduction**

The Trustee's Statement of Investment Principles ('SIP') was reviewed during the year and the updated version dated August 2024 is attached. This has been prepared in line with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005. In line with the Trustee's requirements, this is available on a publicly available website www.ssuklpensions.com/2019/02/25/documents-2/ and is also available to members on request.

This covers the aims and objectives in relation to the default investment arrangement as well as the Trustee's policies in relation to matters such as risk and diversification. Additionally, it states why the Trustee believe the default investment arrangement to be the most appropriate for the membership of the Fund.

The Trustee has produced a SIP Implementation Statement for the Fund year to 31 December 2024. The SIP Implementation Statement sets out how the policies within the SIP have been followed during the Fund year along with the voting and engagement activity of the investment managers. A copy of the SIP Implementation Statement can be found at www.ssuklpensions.com/2019/02/25/documents-2/

In addition, the Trustee engages with managers on climate-related risks and exposure to these risks within the Fund's investments. The Trustee has adopted the Task Force on Climate Related Financial Disclosures ('TCFD') framework recommendations and the Fund's third TCFD report was made available online in July 2025 at the link above. The report provides details on the Trustee's climate targets, how climate risks are being monitored and managed along with actions that have been taken by the Trustee and progress made versus the second report published in 2024.

**Investment options**

The Fund's default investment strategy is the 'Income Drawdown Lifestyle Strategy'.

A lifestyle strategy is an investment approach which invests a member's personal account into different funds and manages the transition towards retirement.

The strategy provides a pre-determined path of how a member's contributions and / or existing fund will be invested, starting out in growth seeking funds during the 'Growth' phase (up until 10 years prior to your National Retirement Age; your 65th birthday, unless you have selected a different date) to funds expected to increase diversification during the switching period or 'Consolidation' phase (the 10-year period prior to your target retirement date).

Investing in higher risk funds has the potential to provide higher growth over the longer term, albeit with the potential for higher capital gains and losses. The opposite is also expected to apply for 'lower risk' funds. The further a member is from their target retirement date, the greater a member can tolerate risk, whilst as a member approaches retirement the objective is to reduce risk and protect the capital value of the funds a member is invested in, whilst preparing a member's personal account for their chosen retirement needs.

In additional to the default investment strategy, members are also able to select from two alternative lifestyle strategies – the 'Annuity Lifestyle Strategy' (which assumes a member will use their personal account to purchase a pension or an 'annuity') and the 'Encashment Lifestyle Strategy' (which assumes a member will take their personal account in the form of cash).

The three lifestyle strategies therefore provide members with investment options that are aligned to the pension flexibility options that are available to all members.

For all three lifestyle strategies, a member's funds are invested in the same way until 10 years before target retirement age. Therefore, changing between the three options before the switching starts, does not affect how a member's personal account in invested.

For those members that do not feel the default investment strategy, or alternative lifestyle strategies meet their investment or risk requirements, a range of individual funds are available to members to invest in, on a 'self-select' basis.

Details of the investment options available to members including how members can view and manage their investments are set out within the member investment guide, which can be found on the Fund's website www.ssuklpensions.com/2019/02/25/documents-2/

**Investment Review**

The latest default review was completed at the Trustee meeting on 8 March 2023. The Trustee agreed to continue to target drawdown at retirement. As part of the review, the Trustee considered the performance of the funds used in the default strategy against targets/benchmarks and against inflation, membership profile, fund sizes, along with wider industry metrics and the overarching needs of the membership and objectives of the Trustee: including

- Meeting the perceived needs of a broad cross section of the membership;
- Focusing on the likelihood of the investment strategy providing an acceptable standard of living in retirement
- Ensuring the investment strategy structure and design is based on the membership profile, where practical to do so;
- Offering members a reasonable range of investment options to satisfy their risk and return combinations, and to reflect the range of retirement options members now have following the introduction of Freedom and Choice In Pensions from April 2015; and
- Using diversification between different types of assets within the lifestyle strategies to reduce investment risk and provide members access to diversified funds within the self-select range, where practical and cost effective to do so.

**Investment Monitoring**

The Trustee regularly reviews the performance of the default investment strategy and wider investment options. The review includes an analysis of the fund performance relative to their targets and objectives.

On a 6-monthly basis, the Trustee receives and reviews performance monitoring reports produced by the Fund's investment adviser, Mercer Limited. These are reviewed and discussed at Trustee meetings.

## 2. Core Financial Transactions

The Trustee must ensure that core financial transactions are processed promptly and accurately. Core financial transactions are (broadly):

- Payment and investment of contributions
- Transfers into and out of the Fund of assets relating to members;
- Switches of members' investments between different funds within the Fund; and
- Payments from the Fund to or in respect of members (e.g. payment of death benefits and on retirement).

The Trustee recognises that delay and error can cause significant losses for members. They can also cause members to lose faith in the Fund, which may in turn reduce their propensity to save and impair future retirement outcomes. We therefore operate measures and controls aimed at ensuring that all financial transactions (such as benefit payments and switches between funds) are processed promptly and accurately. In practice, the Trustee has delegated this responsibility to the Fund administrator.

During the Fund year the Fund administration was delivered by Capita Pensions Solutions Limited ('Capita').

Processes in place to ensure timeliness and accuracy during the year to 31 December 2024 included:

- Having in place Service Level Agreements ('SLAs') with Capita which cover all core administration processes. The current SLAs relating to core financial transactions are shown in the table below:

| Transaction | SLA |
|---|---|
| Purchase and sale of units | 3 working days from reconciliation of contribution |
| Processing retirements | Within 5 working days of receiving required member documentation |
| Processing investment switches | 3 working days from request |
| Payment of transfers-out to alternative arrangement | 5 working days from receipt of fully completed transfer documentation |
| Issuing Annual Benefit Statements | 2 months after the year end |

- 98.5% of work items were delivered within the SLA over the 12 month period to 31 December 2024 (93.6% in the year to 31 December 2023).
- Capita provides quarterly stewardship reports and these are reviewed by the Trustee. Capita also have a fortnightly meeting with the Fund's Pensions Manager. During the year, Capita's reports included a full reconciliation of work undertaken and timescales achieved against the agreed SLAs, as well as a full reconciliation of cash movements for both income and expenditure. Any mistakes or delays are investigated thoroughly and action is taken to put things right as quickly as possible where necessary.
- The Fund maintains a risk register where the Trustee identifies, evaluates, manages and monitors the key risks associated with the Fund, this includes that core financial transactions continue to be processed promptly and accurately.

In accordance with the ongoing administration reporting arrangements, controls are in place to monitor and ensure that core financial transactions are processed promptly and accurately. This includes regular monitoring of the Trustee's bank account and 'four eyes' checking of investments and banking transactions.

Administration activities are allocated based on job type and age profile. While priority cases such as deaths and retirement setups are subject to shorter SLAs, cases involving third-party responses are not automatically prioritised. Their urgency is assessed once the case is reviewed and its nature determined. The prioritisation process ensures that key dates are met and that sensitive or urgent cases are treated appropriately, particularly where financial transactions are involved.

These controls are reflected in the Trustee's Risk Register and are reviewed at Trustee meetings every six months. Monitoring is supported by a workflow management system that tracks Fund and member-related activities, performance, and forward planning. The Trustee also reviews Capita's most recent Internal Controls report on an annual basis.

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On behalf of the Trustee, Capita also review the processes in place to identify potential 'pension scams' and clear information on how to spot a scam is included in all relevant member communications.

In support of the administrator being able to correctly calculate and process member benefits, the Trustee regularly assesses the quality of the Fund's data, by reference to the Pension Regulator's 'common' and 'conditional' data requirements. Where data gaps have been identified, the Trustee has taken appropriate remedial action. The Funds common data was last measured in March 2024 and the Fund conditional data was last measured post year end in January 2025.

Further information can be found in the audit report which is included in the Fund's Annual Report and Accounts.

The Trustee is confident that the processes and controls in place with the administrator are robust and will continue to ensure that the financial transactions which are important to members are dealt with properly.

## 3. Net returns on Investments

From 1 October 2021, trustees of all relevant pension schemes are required to calculate and state the return on investments from their default and self-select funds, net of transaction costs and charges.

The tables below set out annualised net performance for the 1 and 3 year period for the lifestyle arrangements (for age 25, 45, and 55) along with the 1 and 3 year performance for the self-select fund range, where available.

**Default Lifestyle Strategy**

| Default Lifestyle Strategy | Annualised returns to 31 December 2024 (%) | |
|---|---|---|
| | 1 year | 3 year (p.a.) |
| Age 25 | 7.2% | 2.3% |
| Age 45 | 7.2% | 2.3% |
| Age 55 | 7.0% | 2.5% |

Source: Mobius.

Performance shown net of all charges and transaction costs. 5 year performance unavailable due to inception.

**Alternative Lifestyle Strategies**

| Annuity Lifestyle Strategy | Annualised returns to 31 December 2024 (%) | |
|---|---|---|
| | 1 year | 3 years (p.a.) |
| Age 25 | 7.2% | 2.3% |
| Age 45 | 7.2% | 2.3% |
| Age 55 | 7.1% | 2.5% |

Source: Mobius.

Performance shown net of all charges and transaction costs. 5 year performance unavailable due to inception.

| Encashment Lifestyle Strategy | Annualised returns to 31 December 2024 (%) | |
|---|---|---|
| | 1 year | 3 years (p.a.) |
| Age 25 | 7.2% | 2.3% |
| Age 45 | 7.2% | 2.3% |
| Age 55 | 6.9% | 1.7% |

Source: Mobius.

Performance shown net of all charges and transaction costs. 5 year performance unavailable due to inception.

**Self-Select Funds**

| Self-select funds | Annualised returns to 31 December 2024 (%) | |
|---|---|---|
| | 1 year | 3 year (p.a.) |
| BlackRock Aquila Connect (50:50) Global Equity Fund | 9.3 | 5.7 |
| BlackRock Aquila Connect Emerging Markets Equity Fund | 11.4 | 0.4 |
| Rhodia Growth Fund | 7.2 | 2.3 |
| BlackRock DC Diversified Growth Fund | 8.3 | 2.5 |
| BNY Mellon Real Return Fund | 6.7 | 0.5 |
| Insight Broad Opportunities Fund | 6.1* | 0.3* |
| LGIM DC - Active Corporate Bond - All Stocks Fund | 1.6 | -3.0 |
| LGIM Future World Annuity Aware Fund | -3.5 | -9.8 |
| LGIM Over 5 Year Gilts Index Fund | -11.0 | -17.9 |
| LGIM Over 15 Year Index-Linked Gilts Index Fund | -10.4 | -18.4 |
| LGIM Cash Fund | 5.2 | 3.7 |

Source: Mobius. 5 year performance unavailable due to inception.

Performance shown net of all charges and transaction costs. Performance of standalone self-select options is independent of age, therefore performance is shown in a different format to the lifestyle performance on the previous page. "N/A" refers to historic data that is not available due to inception of funds within the Fund itself.

*Provided by manager.

On a half-yearly basis, the Trustee receive and review performance monitoring reports produced by the Fund's investment adviser, Mercer Limited.

**AVCs**

Historically, the Trustee made available a facility to members to pay in additional contributions to boost Defined Benefit (and DC) section benefits. AVC arrangements are in place with Clerical Medical and Mobius Life.

The AVC arrangements held with Mobius Life are invested in the same funds as the main DC Section and the performance is shown within the 'Self-Select Funds' table above.

Clerical Medical have confirmed the 5 year unsmoothed performance for the Clerical Medical With Profits Fund to be 3.6% p.a..

## 4. Underlying Asset Allocation Disclosure

The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 ("the 2023 Regulations") introduced requirements for trustees of certain occupational pension schemes to disclose their full asset allocations of investments from their default arrangements.

Income Drawdown Lifestyle Strategy (default):

| | Percentage allocation – Age 25, 45 and 55 (%) | Percentage allocation – Age 65 (%) |
|---|---|---|
| Cash | 6.0 | 29.0 |
| Bonds | 25.2 | 44.9 |
| Listed Equity | 61.8 | 22.0 |
| Private Equity | 0.0 | 0.0 |
| Infrastructure | 0.0 | 0.0 |
| Property/Real Estate | 1.0 | 0.6 |
| Private Debt/Credit | 0.3 | 0.2 |
| Other | 5.8 | 3.4 |

Source: Managers, 31 December 2024.

Lifestyling begins at age 55 and so the asset allocation at ages 25,45 and 55 is the same.

Normal Retirement Date for the Fund is age 65, members have the opportunity of selecting their own retirement date.

The following describes the types of investments covered by the above asset classes:

- Cash – Cash and assets that behave similarly to cash e.g. treasury bills. It only includes invested cash and not the cash balance held by the Plan.
- Bonds – Loans made to the bond issuer, usually a government or a company, to be repaid at a later date.
- Listed Equity – Shares in companies that are listed on global stock exchanges. Owning shares makes the Plan a part owner of the company, entitled to a share of the profits (if any) payable as dividends.
- Private Equity – Unlisted equities that are not publicly traded on stock exchanges. Encompasses a broad range of investment styles, including: Venture Capital – Small, early stage businesses that may have high growth potential, albeit at significant risk, Growth Equity – Relatively mature companies that are going through a transformational event with potential for growth, Buyout funds – Invested in more mature businesses, often taking a controlling interest, Leveraged buyout funds take out loans to raise the funds required to invest.

- Infrastructure: physical structures, facilities, systems, or networks that provide or support public services including water, gas and electricity networks, roads, telecommunications facilities, schools, hospitals, and prisons
- Property – Real estate, potentially including offices, retail buildings which are rented out to businesses.
- Private Debt – Other forms of loan that do not fall within the definition of a 'Bond'.
- Other – Any assets that do not fall within the above categories.

## 5. Costs and Charges borne by members

The Trustee is required to explain the charges and transaction costs, which are paid by members during the Fund year. Ongoing fund charges include both the annual management charge ('AMC'), which is applied by Mobius as a percentage of the assets held within each fund to cover the cost of managing the investments, and other ongoing charges such as indirect fees. Taken together, these are known as the "total expense ratio" ('TER') and are deducted via the unit price of each fund. Transaction costs are incurred by investment managers as a result of buying, selling, lending or borrowing investments.

We are comfortable that the information provided below is a complete picture of the charges and transaction costs paid by members in the DC Section during the Fund year. In addition, all charges for the Fund's default investment arrangement are significantly below the charge cap of 0.75% per annum. The annual TER for the default strategy over the year to 31 December 2024 were a minimum of 0.22% and a maximum of 0.29% depending on the term to retirement. Transaction costs for the default strategy over the year to 31 December 2024 were a minimum of 0.12% and a maximum of 0.13% depending on the term to retirement

The level of charges applicable to the different funds used in the Fund's default strategy and self-select funds during the Fund year are shown in the table below. These costs and charges are also applicable to the AVCs invested with Mobius Life. Funds used within the default strategy are marked in **Bold**.

| Fund | AMC (% p.a.) | TER (%p.a.) | Transaction Cost (%p.a.) |
|---|---|---|---|
| **BlackRock Aquila Connect (50:50) Global Equity Fund** | 0.04 | 0.08 | 0.05 |
| **BlackRock Aquila Connect Emerging Markets Equity Fund** | 0.14 | 0.18 | -0.46 |
| **Rhodia Growth Fund** | 0.57 | 0.66 | 0.33 |
| **BlackRock DC Diversified Growth Fund** | 0.55 | 0.59 | 0.47 |
| **BNY Mellon Real Return Fund** | 0.65 | 0.69 | 0.04 |
| **Insight Broad Opportunities Fund** | 0.50 | 0.71 | 0.50 |
| **LGIM DC - Active Corporate Bond - All Stocks Fund** | 0.20 | 0.24 | 0.15 |
| LGIM Future World Annuity Aware Fund | 0.06 | 0.10 | 0.01 |
| **LGIM Over 5 Years Index-Linked Gilts Index Fund** | 0.04 | 0.08 | 0.05 |

| | | | |
|---|---|---|---|
| LGIM Over 15 Years Gilts Index Fund | 0.04 | 0.08 | 0.05 |
| **LGIM Cash Fund** | 0.05 | 0.09 | 0.07 |

Source: Mobius, 31 December 2024

**AVCs**

Clerical Medical are yet to provide charges and Transaction Costs for the year to 31 December 2024. The Trustee continue to chase Clerical Medical for this information. In the absence of those figures, the charges and Transaction Costs for the year to 31 December 2022 have been provided for reference below which are the latest available to the Trustee at this time:

| Fund | AMC (% p.a.) | TER (% p.a.) | Transaction Cost (% p.a.) |
|---|---|---|---|
| **Clerical Medical With Profits Fund** | 0.50 | N/A * | 0.26 |

Source: Clerical Medical. 31 December 2022. Charges are as at 2022 following failure to provide the information from Clerical Medical. The Trustee continue to request this information.

*Clerical Medical have confirmed that TER is not applicable to this arrangement.

### *Performance Based Fees*

The Trustee is required to report performance-based fees (often associated with illiquid assets) incurred in relation to each default arrangement, as a percentage of the average value of the assets held by that default arrangement in this statement. The Trustee must also assess the extent to which any such fees represent good value for members. As there are no performance-based fees relating to any of the default arrangements in the Fund, no additional disclosures have been included in this statement.

### *Illustration of the compounding effect of transaction costs and charges on members' benefits.*

The Trustee has prepared the following illustrative examples of the cumulative effect of costs and charges on members' investments over time. In doing so the Trustee has had regard to guidance produced by the Department of Work and Pensions.

The Trustee has included two illustrations; the first is based on the age of the youngest member (age 23) and second is based on the average age of the membership, 45. Please note that this is not a personal illustration, it is based on the assumptions detailed later on in this document (under the tables that follow). The purpose of the illustrations is to show how fund related costs and charges can affect the overall value of the funds you invest in over time.

The illustrations that follow take into account the following elements:

- Initial savings pot size;
- Contributions, where applicable;
- Real terms investment return gross of costs and charges;
- Adjustment for the effect of costs and charges; and
- Time.

**Projected Pension Pot (in today's money)**
**Table 1: For a 'younger member', aged 23 (42 years from retirement)**

| Years | Age | Current default investment option | | Highest cost fund: Rhodia Growth Fund | | Lowest cost fund: L&G Future World Annuity Aware | |
|---|---|---|---|---|---|---|---|
| | | Before Charges & Costs | After Charges & Costs | Before Charges & Costs | After Charges & Costs | Before Charges & Costs | After Charges & Costs |
| 0 | 23 | £0 | £0 | £0 | £0 | £0 | £0 |
| 2 | 25 | £7,396 | £7,359 | £7,324 | £7,245 | £7,459 | £7,448 |
| 7 | 30 | £27,628 | £27,256 | £26,659 | £25,891 | £28,516 | £28,398 |
| 12 | 35 | £50,619 | £49,497 | £47,550 | £45,323 | £53,524 | £53,155 |
| 17 | 40 | £76,745 | £74,356 | £70,124 | £65,576 | £83,226 | £82,413 |
| 22 | 45 | £106,434 | £102,142 | £94,515 | £86,683 | £118,502 | £116,988 |
| 27 | 50 | £140,172 | £133,200 | £120,871 | £108,681 | £160,400 | £157,848 |
| 32 | 55 | £178,511 | £167,915 | £149,348 | £131,607 | £210,161 | £206,134 |
| 37 | 60 | £223,572 | £208,266 | £180,119 | £155,501 | £269,261 | £263,197 |
| 42 | 65 | £272,438 | £251,469 | £213,367 | £180,403 | £339,454 | £330,632 |

**Table 2: For an 'average member', aged 45 (20 years from retirement)**

| Years | Age | Current default investment option | | Highest cost fund: Rhodia Growth Fund | | Lowest cost fund: L&G Future World Annuity Aware | |
|---|---|---|---|---|---|---|---|
| | | Before Charges & Costs | After Charges & Costs | Before Charges & Costs | After Charges & Costs | Before Charges & Costs | After Charges & Costs |
| 0 | 45 | £37,920 | £37,920 | £37,920 | £37,920 | £37,920 | £37,920 |
| 5 | 50 | £62,376 | £61,412 | £59,945 | £57,851 | £64,693 | £64,408 |
| 10 | 55 | £90,200 | £87,670 | £83,852 | £78,624 | £96,492 | £95,711 |
| 15 | 60 | £122,629 | £117,873 | £109,800 | £100,272 | £134,258 | £132,704 |
| 20 | 65 | £158,158 | £150,533 | £137,963 | £122,835 | £179,113 | £176,420 |

The 'Before Charges' column shows each fund value without any transaction costs, charges or expenses being applied to the fund's holdings.

The 'After Charges & Costs' column shows the fund's holdings after transaction costs, charges and expenses have been deducted. Transaction costs provided by Mobius were over 3 years to 31 December 2024. The Trustee will increase the period transaction costs cover for future iterations of the Chair's Statement once more information becomes available.

The Trustee has made some assumptions in producing these illustrations:

1. The illustrations above start at age 23 and 45 (the youngest age of a member and the average age of the active membership respectively), and continue for a period of 42 and 20 years, i.e. to a retirement age of 65.
2. For the average member considered, the starting pot size is £37,920 which is the average pot size for the entire membership. The youngest member is assumed to start from a pot size of £0.
3. Future contributions of 8% (3% employee and 5% employer) have been assumed. An average salary of £45,100 has been used which is the average salary of active members.
4. Inflation is assumed to be 2.5% p.a.
5. Note that the assumptions are based on the AS TM1 v5.1 SMPI methodology, i.e. expected returns are determined by set guidance which relates to historic volatility levels. Due to the high volatility in bond markets over recent years, this has led to a higher expected return for the Legal & General Future World Annuity Aware fund. This can explain the high expected pot size illustrated above.

## 6. Value for Members

The Trustee monitors value for members on an ongoing basis and has a good understanding of the membership demographics of the Fund and what good member outcomes should look like for the Fund's members in aggregate. The Trustee understands that value for members does not necessarily mean selecting the cheapest fund and in our ongoing reviews of value for members, we consider many factors including quality of customer service, member communications and support, the efficiency of administration services, the robustness of scheme governance, fund management and performance of the funds.

The majority of the funds on the Mobius platform used by the Fund are approved by our investment adviser as having good prospects of achieving their objectives, and the performance of funds is reviewed and discussed at least every 6 months. The Trustee also takes into account forward looking considerations such as market outlook and the adviser's expectations of manager performance. The same applies with the efficiency of administration services, which are discussed quarterly.

The Trustee is required to assess the extent to which the Fund delivers value for members. The value for member assessment completed by our adviser covers the following three key areas:

| Assessment area | Type of assessment |
|---|---|
| Costs and charges | Comparative assessment against other DC arrangements/funds, considering the level of ongoing member-borne charges and transaction costs. |
| Net investment performance | Consideration of investment performance net of all member-borne costs and charges relative to each funds' benchmarks and targets. |
| Governance and administration | Standalone assessment of the Fund's governance and administration arrangements, covering: core financial transactions; record keeping; default investment strategy; investment governance; trustee knowledge and understanding; member communications; and management of conflicts of interest. |

The Trustee has carried out a value for member assessment as at 31 December 2024 during March 2025. The conclusions of this assessment are set out in the table below:

| Assessment area | Conclusion |
|---|---|
| Costs and charges | The Trustee has assessed the Fund as offering good value from a costs and charges perspective and remain competitive relative to peers. |
| Net investment performance | Most funds have met their performance objectives over the period assessed with the exception of four of the active funds. Almost all funds remain highly rated by Mercer's Research Team.<br>Performance will continue to be monitored closely as part of the ongoing performance reporting. |
| Governance and administration | The Fund offers a broad range of online tools and support, timely communications and administration response times largely within agreed SLAs. |
| Overall | Overall, considering all three areas set out above, the Trustee has assessed the Fund, with support from the investment adviser, as offering **good value for members**. |

As at 31 December 2024, the Fund had with profits investments with Clerical Medical. Following the last review, the historic unit linked AVCs were transferred to the main DC arrangement.

## 7. Trustee Knowledge and Understanding

The Pensions Act 2004 requires individual trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts and the investment of the assets. The degree of knowledge and understanding required is that appropriate for the purposes of enabling the Trustee to exercise the function in question.

The authorised representatives of ndapt ltd (the 'Independent Trustee') are also required to explain how their combined knowledge and understanding, together with the advice available to them, enables them properly to exercise their functions as the Independent Trustee of the Fund. The authorised representatives of ndapt ltd hold positions across a number of pension boards and have completed the required CPD. The authorised representatives of ndapt ltd are Accredited Members of the Association of Professional Pension Trustees.

The Trustee has put the following processes in place to ensure these requirements are met:

- Any new Trustee Director is expected to gain the necessary skills and knowledge to carry out their duties within six months of their date of appointment. They are expected to complete the relevant sections of the Pension Regulator's Trustee Toolkit within 6 months of their appointment. Any additional training required by a new Trustee is also provided as and when required. There were no new Trustee Directors over the period.
- The Trustee Directors raise any awareness of the training they would like to receive with the Chair of the Board to help identify areas where further support from advisers is needed.
- All Trustee Directors are aware of the requirement to complete the Pension Regulator's online Trustee Toolkit and have successfully completed this.
- The Trustee maintains a training register to keep a log of all training undertaken.
- The Trustee takes regular investment advice from their investment advisor on matters relating to the Fund's investments.
- The Trustee also receives advice from professional advisers and the relevant skills and experience of those advisers is a key criteria when evaluating adviser performance or selecting new advisers. Advisers regularly attend committee and Trustee meetings.

The Trustee undertook various training during the Fund year, including:

- Regulatory changes to Statement of Investment Principles – August 2024
- Investment Strategy – February 2024
- Cyber security – September and December 2024

The Trustee also undertook a review of their investment consultants against the agreed CMA objectives during the year.

The Trustee held 8 meetings over the year.

The Trustee are conversant with, and have demonstrated a working knowledge of the Fund's documents such as the Trust Deed and Rules and the powers that they provide to them, the Statement of Investment Principles and documents setting out the Trustee's compliance. This has been demonstrated in the roles the Trustee have carried out during the Plan year. The Trustee exercised discretion over the year and performed their duties in line with the Plan policies in place.

Based on these actions, taken individually and as a Trustee body, and the professional advice available to them, the Trustee considers that they have sufficient skills and resources to properly exercise their function as a Trustee.

**For Further Information**

This Statement is for information, and you do not need to take any actions.

You can view, review, and manage most of your investments by logging on to the Fund's online portal at https://portal.hartlinkonline.co.uk/solvay/. If you need help logging into your online account or have any questions, please click on the 'Contact Us' button for details. Alternatively, if you have any questions about your pension, please contact the Pension Team (please quote your National Insurance Number in any correspondence).

Email: Rhodia@capita.co.uk

Phone: 03443912403

Address: Rhodia Pension Fund, c/o Capita Employee Benefits, PO Box 555, Stead House, Darlington, DL1 9YT

Further information about the Fund can also be found on its website at: https://ssuklpensions.com

## Chair's declaration

I confirm that the above statement has been produced by the Trustee of the Fund.

Signature: _____

**For and on behalf of the Trustee of the Fund by A MacKenzie in my capacity as Chair of the Trustee of the Rhodia Pension Fund.**

Date: _____

**APPENDIX – Statement of Investment Principles dated – August 2024**