

# WOOD PENSION PLAN (THE “PLAN”) DC HIGHLIGHTS & VALUE FOR MONEY 2020

Welcome to this short update on the Defined Contribution (DC) Section of the Plan.

## DID YOU KNOW?

The Plan is overseen by a Trustee Board (the ‘Trustee’) which is separate from the Company and has a duty to act in members’ interests. Each year the Trustee prepares a ‘Chair’s Statement’ that describes how the DC section has been governed. You can find a copy here: <https://www.woodplc.com/ukpensions>

## HOW WE WORK – WHO’S WHO?

1. Full Trustee Board – Takes key decisions and reviews work of Committees
3. Wood in-house pension team – Administers the Plan and supports the Trustee in running the Plan
4. Professional advisers – Support the Trustee on legal, investment, and governance matters



Save for the time you stop working... Easy to join with matching Company contributions and life insurance.

## Your Contributions

Under the Plan contribution scale (below), the savings you make are **more than** matched by the Company.

£

MAIN PLAN SECTION	
YOU PAY (% BASIC PAY)	COMPANY PAYS (% BASIC PAY)
3	6
4	7
5	8
6	9
7+	9

If you're in the auto-enrolment section, members pay 5% and the Company pays 3% of your qualifying earnings. You can find out more on the pension portal.



## The Pension Portal

The site available at: [woodplc.compendiahosting.co.uk](http://woodplc.compendiahosting.co.uk) is an easy way to check your pension online.

## What can I do online?



See the value of your pension pot



Find out about investments and fund switches



View your contributions



Understand your choices at retirement



Find Plan guides and information



Update your nominations

## TOP TIPS FOR MAXIMISING THE VALUE YOU GET

### MAX THE SAVING

Make sure you maximise the Company contribution for your pension savings (see details above).



### PLAN YOUR RETIREMENT

As you get older, think about when and how you plan to take your benefits – it affects your investment path (you can find out more in the member guide available on the pension portal).



### INVESTMENT PATH

Keep tabs on your investments - do they give the right risk/return balance for you? You can look at the options available on the pension portal.



### CHECK YOUR NOMINATIONS

Ensure you have a nominated beneficiary in place. If you haven't, it's worth adding one - it only takes a few minutes. You should also review this over time to keep it all up-to-date.



# DRIVING VALUE FOR MEMBERS



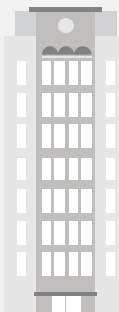
The Trustee carries out a **detailed check** on all fund fees and costs annually, which includes benchmarking against other arrangements.

Value is about more than just cost, so we look at **growth** members receive after costs, as well as ratings for environmental, social and governance factors.



The service you receive is important, so we also review on an ongoing basis how the administrator to the Plan, investment platform provider, and advisers to the Trustee are performing.

## WHO PAYS FOR PLAN SERVICES?



### COMPANY PAYS FOR:



Administration services



Professional advice to the Trustee



Member communications



Help for members from a professional adviser at retirement



Trustee governance

### MEMBERS PAY FOR:



Investment management costs

A reminder of the Trustee Board's main focus areas is shown to the right. Of course, 2020 was a little different for all of us.

During this uncertain time, we want to reassure you that looking after the Plan is our top priority. The Plan administrator and our third party advisers and fund managers have business continuity plans which have been followed successfully. I am also pleased to confirm that Trustee meetings continued in the virtual world, using the video technology that so many of us are now becoming used to.



## Responsible Investment

The Plan's investment strategy takes into account environmental, social and governance ("ESG") considerations. This happens in four main ways.

### INTEGRATION & MANAGER SELECTION

- Only fund managers who meet certain ESG criteria are appointed to manage funds within the Plan.
- ESG ratings for the fund managers are monitored by the Trustee.

### STEWARDSHIP

- Our fund managers are expected to use the voting rights attached to some investments to vote responsibly, and to engage with investee companies on ESG matters. The Trustee monitors this activity, through independent reporting prepared by our DC adviser.

### INVESTMENT STRATEGY

- The Plan's default investment option includes investment in a sustainable equity fund which invests in companies that are having the greatest positive impact from an ESG perspective.

### RISK MANAGEMENT

- Within the default option and certain other funds, investment in tobacco and controversial weapons (e.g. cluster munitions) is not permitted. This reflects both responsible investment policies and also a desire to minimise financial risks.

