

BMW (GB) Limited Employee Benefits Plan

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 **Prepared in accordance with Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (the "Regulations")**

The BMW (GB) Limited Employee Benefits Plan ('the Plan') is a Defined Benefit ('DB') plan. However, some members have a Defined Contribution ('DC') protected rights underpin, which may or may not come into payment when they take benefits. The Plan also holds members' additional voluntary contributions ('AVCs'). The Trustee is therefore required to publish a DC governance statement, which should be included in the Trustee's annual report and accounts.

This statement covers the period 1 January 2021 to 31 December 2021. It has been drafted in conjunction with our advisers, and describes how we (the Trustee of the Plan) have met the statutory governance standards in relation to:

- The Default Investment Strategy;
- Processing of core financial transactions;
- Charges and transaction costs paid by members;
- Value for members; and
- Trustee knowledge and understanding.

1. Default Investment Strategy

DC Underpin

The Plan is a DB arrangement with a DC underpin. At retirement, members are entitled to the greater of the DC benefit or the DB benefit.

The DC investments are notionally invested for all members according to the Plan's overall DC investment strategy. Although new contributions ceased in 2017, members who have a DC underpin had no choice over the way in which their contributions were invested, therefore the Plan's investment strategy represents the default investment option for these funds.

For these DC investments, the Trustee has adopted a "notional" lifestyling strategy, whereby members assets are initially invested in return seeking assets up until five years prior to retirement. From this point, members units are notionally switched into long dated corporate bonds and cash in a 75:25 split on a gradual basis up until the retirement date.

The DC investment strategy was reviewed during this reporting year in conjunction with the DB benefits. The review was completed in June 2021 and found that the investment strategy continued to be appropriate given the Plan's membership profile and strategic objectives. The Trustee keeps the DC strategy under review continuously, but a formal review is carried out at least every three years.

AVC Arrangements

The Plan has an AVC arrangement with Fidelity.

The Fidelity arrangement has a default investment strategy, called the Default Balanced Lifestyle Strategy. The strategy initially invests in equities and gradually transfers members' savings into lower risk assets over the twenty years leading up to retirement, ending in a 100% cash investment upon reaching retirement age. This default arrangement was last reviewed in 2019, with the review completed on 30 July 2019. This review took into account the membership profile of the arrangements (including age and fund values) and compared projected fund values of the current default strategy versus a number of alternative strategies. As a result of this review, the Trustee opted to replace the allocation within the lifestyle to the BlackRock Global Equity 50/50 Fund with the BlackRock Aquila MSCI World Fund in order to improve the geographic diversification of member's investments.

The Trustee aims to review the AVC arrangements annually. The most recent of these was a review of the Fidelity AVCs dated 19 March 2021, which concluded that the AVC arrangement, and the lifestyle strategies available, remain appropriate. However, as a consequence of the review, funds with an Environmental, Social & Governance focus were added to the fund range.

The Trustee is responsible for the governance of the Plan's investments. The Plan's Statement of Investment Principles (SIP) has been prepared in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005. It is included as an Appendix to this report. The SIP governs decisions about the Plan's investments and sets out the aims and objectives of the Plan's investment strategy.

The Trustee reviews the performance of the Plan's investments quarterly. These reviews include assessing the extent to which investment performance is consistent with the aims and objectives of the SIP. The Trustee's investment consultant reports to the Trustee in this regard and provides quarterly performance summaries. No changes have been made to the fund range as part of the performance reviews over 2021 and the Trustees are comfortable that the funds are performing broadly in line with expectations.

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

2. Processing of Core Financial Transactions

DC Underpin

The Trustee has a specific duty to ensure that core financial transactions are processed promptly and accurately. In practice, the Trustee delegates responsibility for this to the Plan administrator, Aon. The Trustee has a service level agreement in place with Aon. The agreement covers turnaround times for activities such as payment of retirement benefits, retirement quotes, death and divorce cases and transfer out quotes.

The Plan was closed to future accrual from 30 September 2017 and therefore no further contributions were received after this date.

The Plan administrator reports on performance against the service level agreement to the Trustee on a quarterly basis. The Trustee considers these reports at quarterly Trustee meetings and this allows the Trustee to monitor whether the financial transactions which are important to members are dealt with promptly and accurately. Feedback from members is also reviewed regularly.

For example, Aon's service level agreement specifies criteria relating to the time it takes to process these transactions. It also includes qualitative measures, such as broad themes of member calls received, member feedback and whether there were any complaints or breaches over the period. Over the year to 31 December 2021, 99% of activities were completed within the agreed SLA. Aon have confirmed that a peer review process is in place for all financial transactions and that there is daily oversight of member accounts.

AVC Arrangements

Fidelity carry out the administration for the Fidelity AVC arrangements. Quarterly administration reports are provided to the Trustee for review. These reports include detail on how Fidelity have performed against the service level agreement in place, which includes processing of transfers out (5 day target), leavers and retirement benefits (5 days), general enquiries (2-10 days depending on the enquiry) as well as information regarding any complaints or breaches over the period. As there are no actively contributing members in this arrangement, contributions are not covered. Over the 12 months to 31 December 2021 100% of time critical processes were completed within target timescales, versus Fidelity's own target of completing 95% of work items within service standards. Fidelity have also confirmed that for any financial transaction there is a four-eyed checking process in place and daily monitoring of the Plan's accounts. A single member complaint was received in the 12 months period, whereby a member was confused regarding the retirement process, the complaint was quickly and successfully resolved by Fidelity via a phone call with the member.

There were no material administration service issues which need to be reported here in relation to processing core financial transactions over the year to 31 December 2021 and the Trustee is comfortable that core financial transactions have been processed accurately and promptly.

3. Net investment returns

The Trustee are required to report on net investment returns for each default arrangement and for each non-default fund which scheme members were invested in during the scheme year. Net investment return refers to the returns on funds minus all member-borne transaction costs and charges.

The net investment returns have been prepared having regard to statutory guidance.

It is important to note that past performance is not a guarantee of future performance.

(i) Default arrangement – DC underpin lifestyling strategy

As stated above, the Plan is a DB arrangement with a DC underpin. At retirement, members are entitled to the greater of the DC benefit or the DB benefit.

Therefore, the DC funds are invested notionally solely in the default lifestyling strategy. There are no explicit charges or direct transaction costs associated with these assets and it can be viewed as the Plan notionally paying any costs i.e. there is no cost to members.

The returns set out in the table below represent the change in unit prices of the notional underlying funds over the reporting period. These returns are essentially gross of fees because there are no costs to members associated with these investments.

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

3. Net investment returns (continued)

(i) Default arrangement – DC underpin lifestyling strategy (continued)

Performance to 31 December 2021	Annualised returns (%)
Age of member in 2021	1 year
25	3.0
45	3.0
55	2.0

Source: Aon (from Standard Life and BlackRock unit prices)

Fund performance covering periods over one year has not been reported because this data is unavailable due to changes to the underlying fund allocations in periods beyond one year.

(ii) Fidelity Additional Voluntary contributions

Balanced Lifestyle Strategy (default)

Performance to 31 December 2021	Annualised returns (%)
Age of member in 2021	1 year
25	23.5
45	17.9
55	8.6

Source: Fidelity & Aon

Fund performance covering periods over one year has not been reported because this data is unavailable due to changes to the underlying fund allocations in periods beyond one year.

Equity Lifestyle

Performance to 31 December 2021	Annualised returns (%)
Age of member in 2021	1 year
25	23.5
45	23.5
55	18.8

Source: Fidelity & Aon

Fund performance covering periods over one year has not been reported because this data is unavailable due to changes to the underlying fund allocations in periods beyond one year.

Absolute Return Lifestyle

Performance to 31 December 2021	Annualised returns (%)
Age of member in 2021	1 year
25	4.7
45	4.7
55	3.8

Source: Fidelity & Aon

Fund performance covering periods over one year has not been reported because this data is unavailable due to changes to the underlying fund allocations in periods beyond one year.

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

3. Net investment returns (continued)

(i) Default arrangement – DC underpin lifestyling strategy (continued)

Performance to 31 December 2021 Fund name	Annualised returns (%)	
	1 year	5 years
Fid BlackRock Cash Fund	0.0	0.3
Fid BlackRock Over 5 years Index Linked Gilt Fund	4.0	4.9
Fid BlackRock Over 15 Years UK Gilt Index Fund	-7.3	3.9
Fid BlackRock Consensus Fund	11.9	7.2
Fid BlackRock Corporate Bond Index All Stocks	-3.3	3.2
Fid BlackRock Dynamic Allocation Fund ¹	4.7	Not available
Fid BlackRock Aquila MSCI World Fund ²	23.5	Not available
Fid BlackRock European Equity Index Fund	16.2	9.9
Fid BlackRock Global Equity 50/50 Fund	16.5	8.1
Fid BlackRock Pacific Rim Equity Index Fund	2.2	7.5
Fid BlackRock UK Equity Index Fund	17.3	5.1
Fid BlackRock US Equity Index Fund	29.6	16.1
Fid BlackRock World (ex UK) Equity Index Fund	23.3	13.4
Fid L&G World Emerging Markets Fund	0.4	7.1
Fid Baillie Gifford Positive Change Fund ³	Not available	Not available
Fid Nordea Global Climate and Environmental Fund ³	Not available	Not available
Fid BlackRock World ESG Equity Tracker Fund ⁴	23.5	Not available

Source: Fidelity

¹ Fund launched 19 July 2017

² Fund launched 18 September 2019

³ Funds launched 21 April 2021

⁴ Fund launched 16 September 2020

Where fund performance has not been reported, this is because the fund launch dates by Fidelity were within the respective reporting periods and therefore performance data is unavailable from Fidelity.

4. Charges and transaction costs paid by members

The Trustee must calculate the charges and (so far as it can) the transaction costs which get passed on to members. The Trustee has set out, below, any information available to the Trustee on:

- (1) the explicit charges which are paid by members, such as the annual management charges and additional expenses that are disclosed by the fund manager as part of the Total Expense Ratio; and
- (2) transaction costs i.e. the costs of buying and selling investments in each fund. Transaction costs are incurred on an on-going basis in addition to the TER and are included within the performance of the fund.

The requirement for fund managers to calculate and disclose transaction costs using a method prescribed by the Financial Conduct Authority (FCA) was introduced on 3 January 2018. As defined by the FCA, transaction costs are categorised as 'explicit' or 'implicit':

- Explicit transaction costs are the costs that are directly charged to or paid by the fund and may include taxes and levies (such as stamp duty), broker commissions (fees charged by the executing broker in order to buy and sell investments) and costs of borrowing or lending securities;

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

4. Charges and transaction costs paid by members (continued)

- Implicit transaction costs are calculated as the difference between the actual price paid (execution price) and the quoted 'mid-market price' at the time the order was placed (arrival price). This method, although reasonable if observed over a long period of time, can result in a volatile measure from one year to another and can even result in a profit, known as 'negative costs'. This can happen, for example, when buying an asset if the actual price paid ends up being lower than the mid-market price at the time of placing the order – perhaps as the result of a sudden market event that pushes down the price of the asset, such as some negative publicity or a big sell order by another party.

When preparing this section of the statement the Trustee has taken account of the relevant statutory guidance.

Where information about member charges and costs is not available, the Trustee has to make this clear, together with an explanation of what steps are being taken to obtain the missing information.

DC Underpin

The DC funds are invested notionally solely in the default lifestyling strategy. As such there are no explicit charges or direct transaction costs associated with these assets and can be viewed as the Plan notionally paying them i.e. there is no cost to members.

AVC Arrangements

The table below sets out the costs and charges associated with the Plan's AVC arrangements over the Plan year. Further information on the costs and charges that apply over each age of the lifestyle strategies can be found in the Appendix of this statement.

At the time of writing, transaction cost information was only available for the reporting period to 30 September 2021 from Fidelity. The Trustee, along with their advisers, is continuing to request transaction cost information to 31 December 2021. Additionally, transaction cost information is not available for the Fid Nordea Global Climate and Environmental Fund. The Trustee, along with their advisers, is continuing to request this. Upon receipt of any additional data, this information will be made available to members.

The transaction costs associated with some of the funds were negative over the year to 30 September 2021. A floor of 0% p.a. has been applied for all transaction costs to avoid potentially understating the total level of costs and charges.

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

4. Charges and transaction costs paid by members (continued)

Provider	Investment option	Total Expense Ratio (% p.a.)	Transaction costs (%)	Total cost (%)
Fidelity	Lifestyles			
	Balanced Lifestyle Strategy (default)	0.11 – 0.41	0.01 – 0.25	0.13 – 0.66
	Equity Lifestyle	0.11 - 0.26	0.01 – 0.02	0.13 – 0.27
	Absolute Return Lifestyle	0.11 - 0.56	0.02 – 0.49	0.13 – 1.05
	Self-Select Funds			
	Fid BlackRock Cash Fund	0.11	0.02	0.13
	Fid BlackRock Over 5 years Index Linked Gilt Fund	0.21	0.01	0.22
	Fid BlackRock Over 15 Years UK Gilt Index Fund	0.21	0.00	0.21
	Fid BlackRock Consensus Fund	0.26	0.02	0.28
	Fid BlackRock Corporate Bond Index All Stocks	0.21	0.04	0.25
	Fid BlackRock Dynamic Allocation Fund	0.56	0.49	1.05
	Fid BlackRock Aquila MSCI World Fund	0.26	0.01	0.27
	Fid BlackRock European Equity Index Fund	0.26	0.00	0.26
	Fid BlackRock Global Equity 50/50 Fund	0.26	0.04	0.30
	Fid BlackRock Pacific Rim Equity Index Fund	0.35	0.00	0.35
	Fid BlackRock UK Equity Index Fund	0.21	0.06	0.27
	Fid BlackRock US Equity Index Fund	0.26	0.06	0.32
	Fid BlackRock World (ex UK) Equity Index Fund	0.26	0.02	0.28
	Fid L&G World Emerging Markets Fund	0.57	0.97	1.54
	Fid Baillie Gifford Positive Change Fund	0.73	0.30	1.03
Fid Nordea Global Climate and Environmental Fund	0.94	Not available ¹	Not available	
Fid BlackRock World ESG Equity Tracker Fund	0.32	0.07	0.39	

Source: Fidelity

¹ Fidelity states that “The data for this field has not been supplied to Fidelity by the underlying fund provider”

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

4. Charges and transaction costs paid by members (continued)

Illustrations to show the cumulative effect of costs and charges

The Trustee is required to illustrate the effect of the costs and charges typically paid by a member on the value of their DC fund at retirement (as a "pounds and pence figure"). The Regulations allow the Trustee to exercise its discretion with regards to the illustrative examples provided to show the effect of costs and charges over time, as long as they are realistic and representative of the Plan's DC membership.

The Trustee has taken account of the statutory guidance when preparing these illustrations. The illustrations show example members with AVC funds. The Trustee has not provided illustrations covering the DC element of the Plan because members pay no explicit charges on these funds.

The Trustee has decided to illustrate two example members (both deferred given the Plan is closed to future accrual):

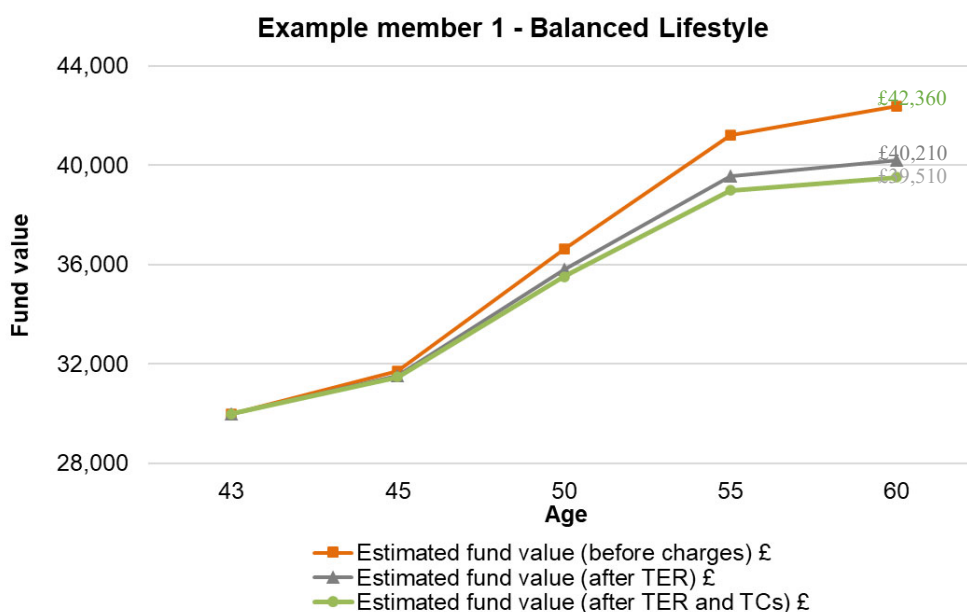
- **Example Member 1** represents the youngest member of the Fidelity AVC arrangement (age 43) with a retirement age of 60, a starting fund value of £30,000 and invested in the Default Balanced Lifestyle Strategy; and
- **Example Member 2** represents a typical member of the Fidelity AVC arrangement, age 53 with a retirement age of 60, a starting fund value of £50,000 and invested in the Equity Lifestyle Strategy (the most popular investment option).

In order to show the impact of different levels of charges and investment returns we have produced comparative illustrations to demonstrate the effect of costs and charges of different investment choices. These comparative illustrations include the BlackRock Cash Fund (the lowest total cost self-select fund) and the L&G World Emerging Markets Fund (the highest total cost self-select fund).

The tables and charts below illustrate the effect of costs and charges at different ages on projected retirement pots for the example members.

Example member 1:

For the youngest member of the Fidelity AVC arrangement (age 43), with a retirement age of 60 a starting fund value of £30,000 invested in the Default Balanced Lifestyle Strategy, the estimated impact of costs and charges on accumulated fund values ('FV') is shown in the chart and table below.



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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

4. Charges and transaction costs paid by members (continued)

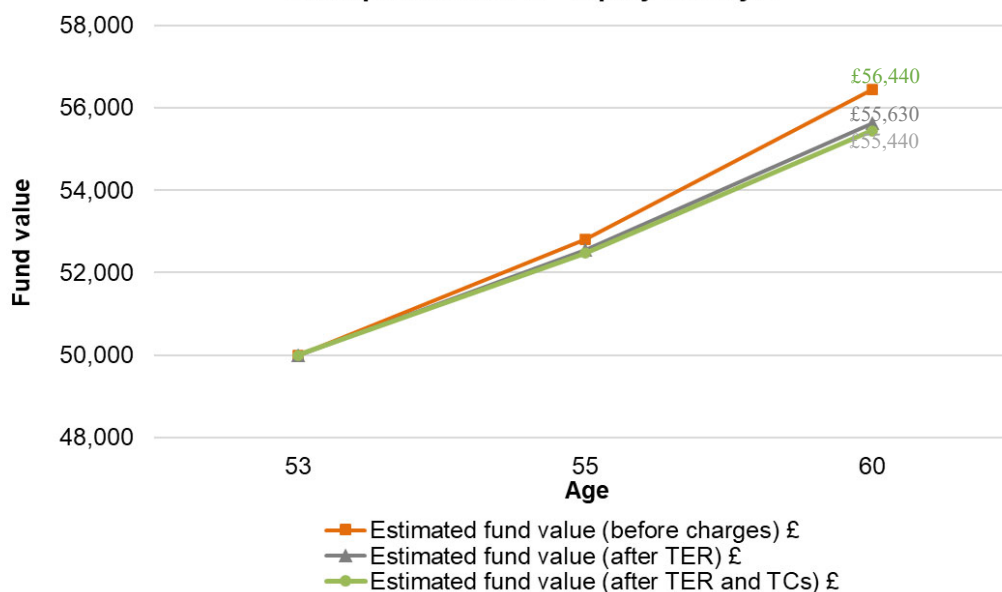
Example member 1 (continued)

At age:	BlackRock Cash Fund			Fidelity Balanced Lifestyle Strategy			L&G World Emerging Markets Fund		
	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges
43	30,000	30,000	0	30,000	30,000	0	30,000	30,000	0
45	29,550	29,480	70	31,730	31,480	250	32,030	31,480	550
50	28,440	28,200	240	36,650	35,510	1,140	37,730	35,510	2,220
55	27,370	26,990	380	41,200	38,980	2,220	44,440	40,060	4,380
60	26,350	25,820	530	42,360	39,510	2,850	52,340	45,190	7,150

Example member 2:

The estimated impact of costs on charges for a member aged 53 with a retirement age of 60 and a starting fund value of £50,000 invested in the Equity Lifestyle Strategy, are shown in the chart and table below:

Example member 2 - Equity Lifestyle



At age:	BlackRock Cash Fund			Equity Lifestyle Strategy			L&G World Emerging Markets Fund		
	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges	Estimated FV (before charges)	Estimated FV (after charges)	Effect of charges
53	50,000	50,000	0	50,000	50,000	0	50,000	50,000	0
55	49,240	49,130	110	52,800	52,470	330	53,380	52,470	910
60	47,400	47,010	390	56,440	55,440	1,000	62,880	59,190	3,690

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ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

4. Charges and transaction costs paid by members (continued)

1. Projected pension pot values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.
2. Inflation is assumed to be 2.5% each year.
3. Values shown are estimates and are not guaranteed.
4. The assumed growth rates (net of costs and charges) are as follows:
 - BlackRock MSCI World Index Fund 5.0% p.a.
 - BlackRock Dynamic Allocation Fund 5.0% p.a.
 - BlackRock Cash Fund 1.6% p.a.
 - BlackRock Corporate Bond All Stocks Index 0.9% p.a.
 - BlackRock Aquila Over 5 Year Index-Linked Gilts 0.9% p.a.
 - L&G World Emerging Markets Fund 5.0% p.a.
5. The transaction costs, as defined in regulation 2(1) of the Occupational Pension Schemes (Charges and Governance) Regulations 2015, should be based on an average of the previous five years' transaction costs or, where data is available for fewer than five years, an average of transactions costs over the years for which data is available. Currently, only three years of transaction cost information is available from the Plan's platform provider, Fidelity, which may result in greater volatility in these costs in the short term. The average transaction costs over the last three years have been used in the illustrations above:

Fund	TER (%)	Average Transaction Costs (%)
<i>BlackRock MSCI World Index Fund</i>	<i>0.26</i>	<i>0.067</i>
<i>BlackRock Dynamic Allocation Fund</i>	<i>0.56</i>	<i>0.254</i>
<i>BlackRock Cash Fund</i>	<i>0.11</i>	<i>0.010</i>
<i>BlackRock Corporate Bond All Stocks Index</i>	<i>0.21</i>	<i>0.040</i>
<i>BlackRock Aquila Over 5 Year Index-Linked Gilts</i>	<i>0.21</i>	<i>0.023</i>
<i>L&G World Emerging Markets Fund</i>	<i>0.57</i>	<i>0.341</i>

6. A floor of 0% p.a. has been used for transaction costs if these values were negative in any year so as to not potentially understate the effect of charges on fund values.

5. Value for members

The Trustee must explain the extent to which the charges and transaction costs detailed above represent good value for members.

Members pay no charges in respect of their DC assets and so this will not apply to those funds.

The Trustee has identified the following benefits members receive through the AVC arrangements:

- **Quality of communications**
 - Members with DB AVCs with Fidelity receive communications relating to their DB investments from Aon. There is a Plan website which provides members with information regarding their retirement benefits, including SMPI statements and a retirement modelling tool.
 - Members are also sent a retirement pack approximately six months before their normal retirement date.
- **Quality of investment choices**
 - The Plan's AVC arrangements with Fidelity provide members with a wide range of investment choices, including self-select funds and lifestyles. The performance of these options is monitored regularly.
 - In the assessment period funds reflecting Environmental, Social & Governance concerns have been made available for members who want to invest in a sustainable manner.
- **Quality of administration**
 - The Trustee monitors the Fidelity administration on a quarterly basis and over the period found that the necessary administration standards were being achieved.
 - Fidelity has continued to provide near business as usual services during the COVID-19 pandemic.

BMW (GB) Limited Employee Benefits Plan

ANNUAL GOVERNANCE STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2021 (continued)

5. Value for members (continued)

- **Quality of Plan governance and management**

- The Trustee believes that good governance is key to ensuring that a framework exists and is actively in use to help deliver better member outcomes. The Trustee regularly reviews and update their governance processes and procedures to make sure that these meet industry best practice.
- The Trustee meets on at least a quarterly basis to discuss investment and governance matters relating to the Plan.

The Trustee regularly reviews the Plan's AVC arrangements. As part of this, the Trustee considers the fund performance, fund range and the charges paid by members compared to other options available in the market. The Trustee concluded from this review that the charges members pay within the Fidelity arrangements are broadly in line with current market rates for AVCs.

Overall, taking account of the suitability of the current AVC providers, the performance of the AVC funds available and how charges compare to current market rates, the Trustee is satisfied that these charges and costs represent good value for members

6. Trustee Knowledge and Understanding

The law requires the Trustee to have, or have access to, sufficient knowledge and understanding to properly exercise its functions as Trustee and to run the Plan effectively. These requirements are set out in Section 248 of the Pensions Act 2004.

In exercising their functions this has required knowledge of key scheme documents such as the Trust Deed & Rules, Trustee Report & Accounts, Statement of Investment Principles and all documents setting out the Trustees' current policies.

During the period covered by this statement the Trustee Directors have carried out their Trustee duties by:

- Reviewing and updating the Plan's SIP in June 2021;
- Reviewing the AVC arrangement held with Fidelity;
- Reviewing the continued suitability of the notional default lifestyle strategy for the DC underpin;
- Collating and assessing fund manager costs; and
- Collating the net investment returns of all the DC options within the Plan.

Over the year to 31 December 2021, there have been changes to the Trustee board. Andy Carter Hall replaced Ian Mackenzie as Chair of the Trustee Board. In addition, Ian Mackenzie stepped down as a Member Nominated Trustee, and following a nomination procedure was replaced by Phil Horton. There continue to be five Trustee Directors, with two being nominated by the members. Upon appointment, all Trustee Directors are required to complete the Pension Regulator's Trustee toolkit course which gives demonstration of the regulatory requirement being met. New Trustee Directors also attend external basic training courses on pensions and investment matters.

The Trustee Directors take training and development responsibilities seriously and keep a log of the training completed by each Trustee Director. This allows the Trustee Board to work with our professional advisers to fill any gaps and provide Plan specific training at each meeting as necessary.

Over the year to 31 December 2021, the full board of Trustee Directors have also undertaken training, which included training on GMP equalisation, the statutory transfer regulations, proposed change to the single Code of Practice, the impact of Brexit on investments, global equity strategies and Responsible Investments.

As a result of the training and activities undertaken by the Trustee Directors, individually and collectively as a Board, and taking into account the professional advice available to the Trustee, the Trustee together believe they have sufficient knowledge and understanding of the law relating to pensions and trusts and the relevant principles relating to the funding and investment of occupational schemes.

The Trustee considers that they meet the Pension Regulator's Trustee Knowledge and Understanding requirements and are confident that their combined knowledge and understanding, together with the support of their advisers, enables them to properly exercise their functions as the Trustees of the Plan.

Signed on behalf of the BMW (GB) Limited Employee Benefits Plan

Andy Carter-Hall Date 6 July 2022
Chair of Trustee