

DC Governance Statement 2019
Statement of the Trustee Chairman of the National Bank of Greece 1992 Retirement and
Death Benefits Scheme (the “Scheme”)
for the year ending 30 April 2019

This Statement has been prepared by the Trustee in accordance with regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended). It sets out how the Trustee has met the statutory defined contribution (DC) governance standards during the Scheme year ended 30 April 2019.

The Trustee continually reviews and assesses systems, processes and controls across key governance functions to determine whether these are consistent with those set out in the Pensions Regulator’s:

- Code of practice 13: Governance and administration of occupational trust-based schemes providing money purchase benefits
- Regulatory guidance for defined contribution schemes.

Additionally, the Trustee continues to assess the Scheme against the DC Code of Practice standards using the Pensions Regulator’s self-assessment template and believes that all requirements are met.

This sets out the key quality features that underpin both the code of practice and regulatory guidance which the Pensions Regulator considers should be present in well-governed pension schemes.

Sufficient Knowledge and Understanding

Actions taken by the Trustee to gain the appropriate knowledge and understanding required to effectively run the Scheme with good governance: the Scheme has a sole Professional Trustee. For completeness,

- Each director of Apex Pension Trustees Limited meets the Pensions Regulator’s Trustee Knowledge and Understanding requirements, in order to comply with sections 247 and 248 of the Pensions Act 2004 with time set aside for monitoring the Scheme governance and ensuring it is run in accordance with the Scheme Rules and in line with the Pensions Regulator’s guidance notes. The Trustee Directors have all completed the Pensions Regulator’s Trustee toolkit and also attended relevant training courses and completed Continuous Professional Development Requirements during the year. The Trustee Directors are encouraged to identify and fill gaps in their knowledge.
- The Trustee Directors receive regular investment training and manager presentations.
- The Trustee maintains a training register to keep a log of all training undertaken. The log is assessed from time to time to identify knowledge gaps.
- The Trustee is conversant with the Trust Deed and Rules and the powers granted to it.
- The Trustee keeps up to date with developments in the DC landscape and new guidance issued by the Pensions Regulator.

NATIONAL BANK OF GREECE 1992 RETIREMENT AND DEATH BENEFIT SCHEME

The Trustee, together with assistance from the Scheme's professional advisers (including Stephenson Harwood, Aegon and Nortons Assurance), uses its combined knowledge and understanding of Pension Law, specific Scheme documentation, legal requirements and the Pensions Regulator's guidance to ensure that the Scheme is run effectively and members' benefits are paid in accordance with the Scheme rules and to carry out the fiduciary duties required of it. This combined knowledge helps the Trustee to ensure that good Scheme governance is a priority and identify where any improvements can be made to existing procedures and processes. The Trustee's knowledge of the Scheme rules ensures that they can consider non-standard benefit request options and whether this is permissible under the current rules and whether legal opinion is required and / or a rule change needed.

Ensuring good governance helps the Trustee determine whether the Scheme is good value for money and whether members and beneficiaries are being treated fairly and seeks to safeguard the interests of all members and beneficiaries.

Administration Standards including processing of Core Financial Transactions

- The Trustee has appointed professional advisers and has delegated the day to day running of the Scheme.
- The Trustee is aware that the responsibility of the running of the Scheme remains with it and has implemented adequate internal controls, which are reviewed periodically.
- The Trustee has a specific duty to ensure that core financial transactions relating to DC benefits within the Scheme are processed promptly and accurately. There are no new contributions, so core financial transactions include transfer of member funds out of the Scheme, transfers between investments within the Scheme and payments to and in respect of members.
- Service agreements set out the scope of work covered by professional appointments. Aegon, the appointed administrators of the Scheme, work to industry standards providing timely turnaround times for both non-financial and financial matters. Aegon report to the Trustee on their service delivery times.
- The Trustee considers all areas of risk and specifically risks of significant impact such as fraud (including pension liberation), investment, management of costs, administration, regulatory requirements, operational procedures, communications and member understanding, corporate activity relevant to the Scheme (including employer covenant) and options at retirement.
- The Trustee identifies, evaluates, manages and monitors risk. By incorporating risks identified into a risk register they are categorised in accordance to its likelihood of occurring and the potential impact it would have if it did occur.
- The Trustee has recently reviewed its data management procedures and those of its service providers and has a post 25 May 2018 data protection policy in place.
- Any errors are resolved immediately.
- Financial transactions are subject to annual review as part of the Trustee's Annual Report.

NATIONAL BANK OF GREECE 1992 RETIREMENT AND DEATH BENEFIT SCHEME

In accordance with regulation 24 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended), the Trustee has reviewed the core financial transactions to ensure that they continue to be processed promptly and accurately. There have been no notifiable events arising during the year.

Costs and Charges borne by members

In accordance with regulation 25(1)(a) of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (as amended), the Trustee is required to calculate the charges and transaction costs paid by members and assess the extent to which these charges paid by members represent good value for money.

Based on its assessment, the Trustee concluded that funds adopted remain competitive and good value for money as the annual management charge compares favourably with other similar schemes, and other charges such as Trusteeship and adviser costs are met by the National Bank of Greece. However, there may be scope to reduce the level of charges payable and the Trustee is investigating this further.

There are no fees charged to the member for administration of their policy. All contributions made by the member and the Employer were invested with no deductions made other than the investment managers fees. These fees are:

- Explicit charges paid by members of the fund **annual management charges**. These are reflected in the daily pricing of the funds and range from 1.0% to 1.15% of the fund value depending on the fund selected. The higher management charges relate to the actively managed fund. The maximum fund charge currently utilised is 1.15%.
- All investment funds have **transaction costs** which are not charged directly to the investor (member). However, these charges are taken from the fund and therefore reflected in the performance of the fund and in the overall return received by the investor (member).

Different funds have different levels of transaction costs depending on the number of assets that are bought or sold within the fund. It is generally expected that the more actively a fund buys and sells assets the higher the transaction fees will be.

The funds available for investment with their Annual Management Charges (AMCs), transaction costs and their International Security Identification Numbers (ISINs) or Stock Exchange Daily Official List (SEDOL) number, where available, are as follows:

Aegon have advised that some of this information is not available. If it is provided to the Trustee, the table will be updated accordingly.

Fund	ISIN	SEDOL	AMC	Transaction Costs
Cash Fund	GB0007829228	0782922	1.00% p.a.	0%
60/40 Cautious Managed Collective	GB0032305707	3230570	1.15% p.a.	TBC
With-Profits Endowment Fund (WPE)	N/A	N/A	1.00% p.a.	.03%
High Equity With-Profits Fund (WP2)	N/A	783389	1.00% p.a.	.28%

Appendix A provides an illustrative example of the cumulative effects over time of charges and costs borne by members. Three separate periods of accumulation have been considered for the illustrations covering a 30 year period, a 20 year period and a 10 year period. The trustees have taken account of statutory guidance when preparing these illustrations.

Default arrangement and Statement of Investment Principles

There is no default arrangement in place. The Scheme is not used as a qualifying scheme for automatic enrolment purposes.

The Scheme has not produced a Statement of Investment Principles, as under Regulation 6 of the Occupational Pension Schemes (Investment) Regulations 2005, this is not required for schemes with less than 100 members.

Communicating with members

- The Trustee endeavours to provide Scheme communication that is accurate, clear, understandable and engaging.
- The Trustee, with their advisers, carefully considers all member communications. The Trustee works closely with the Scheme advisers to try to ensure member interests are understood and represented in all decision making.
- Retirement packages are sent to members which cover all disclosure requirements, including clear details of the retirement choices available to them, how they work and details of the Government's Pension Wise service.
- Members receive an annual benefit statement.
- Ad hoc announcements are sent periodically as the Trustee deems necessary.
- The Trustee has issued their privacy notice covering General Data Protection Regulation requirements to all members in May 2018 and keeps this under review.

This Governance Statement along with its Appendix has been made publicly available at: <https://theapexgroup.com/dc-governance-statements/>

Signed: Katherine Ball

Date: 25 November 2019

Chair of the Scheme, Apex Pension Trustees Limited

NATIONAL BANK OF GREECE 1992 RETIREMENT AND DEATH BENEFIT SCHEME

Illustrations showing the impact of fund transactional costs and scheme charges on a projected pension fund in today's money (£)

The "Before Charges" column shows the projected pension fund without any transaction costs, charges or rebates being applied.

The "After all Charges" column shows the projected pension fund after transaction costs, charges and rebates that have been applied.

Years	Mixed		Equity		Fixed Interest		Cash		WPE	
	Before Charges	After all Charges	Before Charges	After all Charges	Before Charges	After all Charges	Before Charges	After all Charges	Before Charges	After all Charges
1	62,093	61,240	62,686	61,759	60,167	59,472	59,870	59,275	60,315	59,695
3	64,849	62,212	66,724	63,808	58,999	56,978	58,131	56,413	59,436	57,622
5	67,728	63,200	71,023	65,924	57,853	54,589	56,442	53,689	58,569	55,621
10	75,495	65,738	83,019	71,528	55,085	49,045	52,431	47,442	56,457	50,917
15	84,153	68,378	97,043	77,607	52,450	44,064	48,705	41,921	54,422	46,610
20	93,803	71,123	113,434	84,204	49,941	39,589	45,244	37,043	52,460	42,668

About these illustrations:

For these illustrations, we have assumed:

- The starting age is 45 and the retirement age is 65.
- No future contributions are made.
- Projected pension fund values are shown in today's terms and do not need to be reduced further for inflation. Inflation is assumed to be 2.5%pa.
- The starting pension fund value in the first year is £60,759.59.
- Each illustration has been produced on the basis this is the only fund invested in and that all transaction costs and scheme charges are deducted from that fund.

The assumed growth rate for each fund is set out below. These are for illustrative purposes only and are not guaranteed. The investment growth achieved may be more or less than this and may vary depending on the type of fund.

Mixed	4.75%	Equity	5.75%	Fixed Interest	1.50%	Cash	1.00%	WPE	1.75%
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If the growth rate we have used is:

- The same as the rate of inflation, this reduces the growth rate, after making an allowance for inflation, to 0%.
- Less than the rate of inflation, this produces a negative growth rate after making an allowance for inflation.

If you have any investments in a With-Profits fund, please note this may contain valuable guarantees, provided you remain invested until your selected retirement age.

However, for the purposes of these illustrations, we have not included any such guarantees. If you have any questions, please contact the trustees for further information.