

Membership and Financial Overview

Siemens outlook newsletter 2022

The Trustee looks after the Scheme finances with the help of their actuary and investment managers.

This page shows you how many members make up the Scheme and information about the money going in and out of the different sections of the Scheme up to 30 September 2021.



56,610 members at 30 September 2021

1,809 more members than last year

£6.8bn in total assets at 30 September 2021

Membership breakdown at 30 September 2021

	DEFINED BENEFIT (DB) SECTION		INVESTOR PLAN	
	2021	2020	2021	2020
Active members	12	14	7,016	6,952
Life Cover only members	0	1	0	0
Deferred and continuing members	14,546	15,187	23,647	25,257
Pensioners and dependants	12,047	11,706	0	0
Total	26,605	26,908	30,663	32,209

Scheme financials

	DB Section Year to 30/09/2021 £000	Investor Plan Year to 30/09/2021 £000	Total Year to 30/09/2021 £000	Total Year to 30/09/2020 £000
Value of assets at the start of the year	5,255,383	1,560,477	6,815,860	6,935,041
Employer's contributions	9,631	57,242	66,873	77,818
Members' contributions	6	1,287	1,293	1,783
Income				
Transfers from other pension schemes	0	1,529	1,529	28,421
Other income	1	4	5	27
Total income	9,638	60,062	69,700	108,049
Outgoings				
Benefit payments, leaver payments, transfers out and administrative expenses	(162,279)	(197,147)	(359,426)	(205,087)
Investment return	(19,090)	274,458	255,368	(22,143)
Net increase/(decrease) in the fund during the year	(171,731)	137,373	(34,358)	(119,181)
Transfer between sections	4,653	(4,653)	0	0
Value of assets at the end of the year	5,088,305	1,693,197	6,781,502	6,815,860

Lifestyle and Freestyle Fund Performance



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The table below shows the performance of the investment options, without fees, over the one and five year periods to 31 September 2021 (source: Fidelity International).

The Plan's default funds (the Opportunity, Balanced and Consolidation funds) were launched in 2017 and performance is only shown for the one-year period.

Over the year to 31 September 2021 financial markets performed strongly. This can be seen by considering the performance of the Opportunity, Balanced and Consolidation funds in the table to the below.

	FUNDS	1 YEAR (%) RETURN		5 YEAR (%) AVERAGE RETURN	
		FUND	BENCHMARK	FUND	BENCHMARK
Lifestyle	Opportunity Fund	23.6	22.4		
	Balanced Fund	8.9	5.8		
	Consolidation Fund	3.5	3.7		
Freestyle	Global Equity Fund - Active	29.8	22.2	18.4	12.3
	Global Equity Fund - Index Tracker	25.8	24.6	11.9	11.2
	UK Equity Fund - Index Tracker	28.0	28.4	5.2	5.4
	Fixed Annuity Target Fund	-5.4	-4.4	2.0	2.6
	Inflation-linked Annuity Target Fund	-2.6	-1.6	2.6	3.4
	Property & Infrastructure Fund	15.5	15.5	4.9	5.1
	Ethical Fund	39.4	30.2	9.6	7.4
	Shariah Fund	19.8	18.9	17.0	17.1
	Cash Fund	0.0	0.0	0.3	0.3

Source: Fidelity - For more information on fund benchmarks please refer to the [Fidelity website](#).



Please remember that investing for a pension is a long-term commitment.

You should think about taking financial advice before making any changes to your pension arrangements.

More information on all funds available in the Investor Plan can be found on our [My Pension website under the investment hub section](#).

Market Commentary

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Solid gains for (most) equities

In the 12 months to 31 March 2022, global equities generated solid returns of 15.9%. This was driven by three main factors:

1. Optimism over Covid-19 vaccine roll-outs
2. Supportive monetary and fiscal policies
3. Improving economic data

Despite this, during the first quarter of 2022, some of the year's earlier gains were reversed. This was partly because of the geopolitical risks arising from Russia's invasion of Ukraine. Furthermore, as inflation rates rose rapidly worldwide, major central banks continued moving forward with normalising monetary policy.

Which equity markets performed the best?

US equities posted the strongest returns over the year to 31 March 2022, providing investors a 19.6% return. This was aided by their high exposure to large technology companies.

In second place, the UK equity market provided a return of 19.1%. This was particularly helped by the reopening of the global economy which bolstered the UK's Energy and Industrials sectors during 2021. In particular, the Energy sector enjoyed a stellar first quarter of 2022 because of rising oil and gas prices.

Which equity markets performed the worst?

Emerging markets fell by -6.8% over the last 12 months to 31 March 2022. There were three key reasons for this:

1. Rising interest rates
2. State regulatory clampdowns across many of China's corporate sectors (and their zero-tolerance covid policy) dampened economic growth in the country
3. Russian equities initially collapsed in price before being deemed 'uninvestable' and removed from widely tracked emerging markets indices following the invasion of Ukraine

Other asset classes

Fixed income markets generally struggled over the year to 31 March 2022. This was mainly a result of rising inflation and central bank indications of policy rate increases. However, UK index-linked gilts rose by 5.1% driven by expectations of more persistent inflation.

Meanwhile, UK commercial property was a strong performer returning 23.9% over the period.