

THE SILVER THATCH PENSION PLAN

FINANCIAL STATEMENTS

JUNE 30, 2021



Independent auditor's report

To the Trustees of The Silver Thatch Pension Plan

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Silver Thatch Pension Plan (the Plan) as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Plan's financial statements comprise:

- the statement of net assets available for benefits as at June 30, 2021;
- the schedule of investments as at June 30, 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets available for benefits for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Plan in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

This report, including the opinion, has been prepared for and only for the Plan in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

October 14, 2021

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THE SILVER THATCH PENSION PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
AS AT JUNE 30, 2021

(Expressed in United States dollars)

	<u>2021</u>	<u>June 30,</u> <u>2020</u>
ASSETS		
Current Assets		
Cash (Note 10)	\$ 18,059,963	\$ 35,599,757
Financial assets at fair value through profit or loss (Note 3,10 and 11)	576,764,010	525,821,189
Other receivables and prepayments	<u>229,918</u>	<u>48,266</u>
Total assets	<u>595,053,891</u>	<u>561,469,212</u>
LIABILITIES		
Current Liabilities		
Contributions and transfers received in advance	2,655,257	3,189,638
Redemptions payable	744,705	5,257,298
Accounts payable (Note 4)	<u>419,728</u>	<u>737,274</u>
Total liabilities (excluding net assets available for benefits)	<u>3,819,690</u>	<u>9,184,210</u>
Net assets available for benefits	<u>\$ 591,234,201</u>	<u>\$ 552,285,002</u>

Approved for issuance on behalf of The Trustees of The Silver Thatch Pension Plan:

Alexander Goulden
.....)
Scott Macdonald) Trustees
.....)

Date: October 14, 2021

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	<u>% of net assets of portfolio</u>
Balanced Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
	U.S. Dollar		
173,835	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 26,624,117	7.50%
1,900	Edgewood L Select- US Select Growth Fund (equities)	26,659,090	7.51%
850,000	Fidelity Funds - Asian Bond Fund (bonds)	11,092,500	3.13%
89,000	Invesco S&P 500 Equal Weight ETF (equities)	13,414,970	3.78%
150,000	ishares Core MSCIEM IMI UCITS ETF (equities)	5,788,500	1.63%
1,125,000	iShares Core U.S. Treasury Bond ETF (bonds)	29,925,000	8.44%
185,000	iShares Corporate Bond UCITS (bonds)	23,718,850	6.69%
80,000	iShares MSCI Japan ETF (equities)	5,403,200	1.52%
76,000	ishares MSCI Japan USD Hedged UCITS ETF (equities)	3,495,240	0.99%
23,820	iShares MSCI Pacific ex Japan ETF (equities)	1,231,732	0.35%
100,000	ishares MSCI USA ESG Select ETF (equities)	9,554,000	2.69%
55,000	iShares USD Treasury Bond 1-3yr UCITS ETF (bonds)	7,366,150	2.08%
140,000	iShares USD Treasury Bond 7-10yr UCITS ETF (bonds)	29,547,616	8.33%
250,000	JPMorgan Funds - Emerging Markets Equity Fund (equities)	8,330,000	2.35%
1,350,000	M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund (bonds)	15,757,605	4.44%
50,000	MFS Meridian Funds - U.S. Value Fund (equities)	17,532,000	4.94%
950,000	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	21,090,000	5.94%
50,000	SPDR Eurostoxx 50 ETF (equities)	2,341,500	0.66%
340,000	Vanguard S&P 500 UCITS ETF (equities)	27,679,400	7.80%
62,000	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	13,401,300	3.78%
110,000	WisdomTree Europe Hedged Equity Fund (equities)	8,387,500	2.36%
	Total U.S. Dollar (cost:\$261,930,161)	308,340,270	86.91%
	Pound Sterling		
35,000	SPDR FTSE UK All Share ETF (equities)	2,639,505	0.74%
	Total Pound Sterling (cost:\$1,762,242)	2,639,505	0.74%
	Swiss Franc		
30,000	UBS ETF CH-SMI (equities)	3,993,223	1.12%
	Total Swiss Franc (cost:\$2,791,003)	3,993,223	1.12%
	Euro		
160,000	BlackRock Global Funds - Continental European Flexible Fund (equities)	6,012,431	1.70%
35,000	Janus Henderson Horizon Pan European Smaller Companies Fund (equities)	3,513,201	0.99%
	Total Euro (cost:\$7,180,454)	9,525,632	2.69%
	Total Exchange Traded Funds and Investments with Daily Liquidity in Balanced Portfolio (cost:\$273,663,860)	\$ 324,498,630	91.46%

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Balanced Portfolio (continued)			
<u>Investments:</u>			
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
9,770	Hudson Bay International Fund Ltd (equities)	\$ 14,906,956	4.20%
4,397	Hudson Bay International Fund Ltd (equities)	<u>6,443,230</u>	<u>1.81%</u>
Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Balanced Portfolio (cost:\$14,167,399)		<u>21,350,186</u>	<u>6.01%</u>
Total investments in Balanced Portfolio (cost:\$287,831,259)		<u>345,848,816</u>	<u>97.47%</u>
The total can be further broken down as follows:			
Funds where underlying securities are mainly equities (cost:\$128,417,149)		180,726,978	50.94%
Funds where underlying securities are mainly bonds (cost:\$132,808,391)		138,497,721	39.03%
Funds where underlying securities are mainly money market (cost:\$26,605,719)		<u>26,624,117</u>	<u>7.50%</u>
Total investments in Balanced Portfolio (cost:\$287,831,259)		<u>\$ 345,848,816</u>	<u>97.47%</u>

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THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Growth Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
U.S. Dollar			
34,000	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 5,207,325	4.27%
840	Edgewood L Select- US Select Growth Fund (equities)	11,786,124	9.66%
250,000	Fidelity Funds - Asian Bond Fund (bonds)	3,262,500	2.67%
53,000	Invesco S&P 500 Equal Weight ETF (equities)	7,988,690	6.55%
20,000	iShares Corporate Bond UCITS (bonds)	2,564,200	2.10%
85,000	ishares Core MSCI EM IMI UCITS ETF (equities)	3,280,150	2.69%
230,000	iShares Core U.S. Treasury Bond ETF (bonds)	6,118,000	5.01%
50,000	iShares MSCI Japan ETF (equities)	3,377,000	2.77%
34,000	ishares MSCI Japan USD Hedged UCITS ETF (equities)	1,563,660	1.28%
18,630	iShares MSCI Pacific ex Japan ETF (equities)	963,357	0.79%
60,000	ishares MSCI USA ESG Select ETF (equities)	5,732,400	4.70%
20,000	iShares USD Treasury Bond 1-3yr UCITS ETF (bonds)	2,678,600	2.19%
130,000	JPMorgan Funds - Emerging Markets Equity Fund (equities)	4,331,600	3.55%
25,000	MFS Meridian Funds - U.S. Value Fund (equities)	8,766,000	7.18%
180,000	M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund (bonds)	2,101,014	1.72%
180,000	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	3,996,000	3.27%
45,000	SPDR Eurostoxx 50 ETF (equities)	2,107,350	1.73%
210,000	Vanguard S&P 500 UCITS ETF (equities)	17,096,100	14.01%
33,000	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	7,132,950	5.84%
28,000	WisdomTree Europe Hedged Equity Fund (equities)	<u>2,135,000</u>	<u>1.75%</u>
	Total U.S. Dollar (cost:\$80,455,870)	<u>102,188,020</u>	<u>83.73%</u>
Pound Sterling			
20,000	SPDR FTSE UK All Share ETF (equities)	<u>1,508,289</u>	<u>1.24%</u>
	Total Pound Sterling (cost:\$1,143,529)	<u>1,508,289</u>	<u>1.24%</u>
Swiss Franc			
18,000	UBS ETF CH-SMI (equities)	<u>2,395,934</u>	<u>1.96%</u>
	Total Swiss Franc (cost:\$1,674,602)	<u>2,395,934</u>	<u>1.96%</u>
Euro			
95,000	BlackRock Global Funds - Continental European Flexible Fund (equities)	3,569,881	2.93%
27,000	Janus Henderson Horizon Pan European Smaller Companies Fund (equities)	<u>2,710,183</u>	<u>2.22%</u>
	Total Euro (cost:\$4,830,371)	<u>6,280,064</u>	<u>5.15%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity in Growth Portfolio (cost:\$88,104,372)	\$ <u><u>112,372,307</u></u>	<u><u>92.08%</u></u>

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THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Growth Portfolio (continued)			
<u>Investments:</u>			
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
3,171	Hudson Bay International Fund Ltd (equities)	\$ 4,645,646	3.80%
2,557	Hudson Bay International Fund Ltd (equities)	<u>3,901,444</u>	<u>3.20%</u>
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Growth Portfolio (cost:\$5,727,676)	<u>8,547,090</u>	<u>7.00%</u>
	Total investments in Growth Portfolio (cost:\$93,832,048)	<u>120,919,397</u>	<u>99.08%</u>
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$68,366,317)	94,991,758	77.83%
	Funds where underlying securities are mainly bonds (cost:\$20,258,407)	20,720,314	16.98%
	Funds where underlying securities are mainly money market (cost:\$5,207,324)	<u>5,207,325</u>	<u>4.27%</u>
	Total investments in Growth Portfolio (cost:\$93,832,048)	<u>\$ 120,919,397</u>	<u>99.08%</u>

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THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Conservative Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
U.S. Dollar			
67,825	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 10,387,900	9.89%
200	Edgewood L Select- US Select Growth Fund (equities)	2,806,220	2.67%
315,000	Fidelity Funds - Asian Bond Fund (bonds)	4,110,750	3.91%
15,000	Invesco S&P 500 Equal Weight ETF (equities)	2,260,950	2.15%
24,000	iShares Core MSCI EM IMI UCITS ETF (equities)	926,160	0.88%
600,000	iShares Core U.S. Treasury Bond ETF (bonds)	15,960,000	15.19%
75,000	iShares Corporate Bond UCITS (bonds)	9,615,750	9.15%
11,000	iShares MSCI Japan ETF (equities)	742,940	0.71%
9,000	iShares MSCI Japan USD Hedged UCITS ETF (equities)	413,910	0.40%
7,098	iShares MSCI Pacific ex Japan ETF (equities)	367,038	0.35%
11,000	iShares MSCI USA ESG Select ETF (equities)	1,050,940	1.00%
30,000	iShares USD Treasury Bond 1-3yr UCITS ETF (bonds)	4,017,900	3.83%
68,000	iShares USD Treasury Bond 7-10yr UCITS ETF (bonds)	14,351,699	13.65%
23,000	JPMorgan Funds - Emerging Markets Equity Fund (equities)	766,360	0.72%
525,000	M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund (bonds)	6,127,958	5.83%
6,000	MFS Meridian Funds - U.S. Value Fund (equities)	2,103,840	2.01%
435,000	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	9,657,000	9.19%
43,000	Vanguard S&P 500 UCITS ETF (equities)	3,500,630	3.33%
6,700	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	1,448,205	1.38%
12,000	WisdomTree Europe Hedged Equity Fund (equities)	915,000	0.87%
	Total U.S. Dollar (cost:\$82,979,993)	91,531,150	87.11%
Pound Sterling			
4,000	SPDR FTSE UK All Share ETF (equities)	301,658	0.29%
	Total Pound Sterling (cost:\$201,399)	301,658	0.29%
Euro			
25,000	BlackRock Global Funds - Continental European Flexible Fund (equities)	939,442	0.89%
7,000	Janus Henderson Horizon Pan European Smaller Companies Fund (equities)	702,640	0.67%
	Total Euro (cost:\$1,268,754)	1,642,082	1.56%
Swiss Franc			
3,100	UBS ETF SMI (equities)	412,633	0.39%
	Total Swiss Franc (cost:\$288,404)	412,633	0.39%
	Total Exchange Traded Funds and Investments with Daily Liquidity in Conservative Portfolio (cost:\$84,738,550)	\$ 93,887,523	89.35%

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Conservative Portfolio (continued)			
<u>Investments:</u>			
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
3,944	Hudson Bay International Fund Ltd (equities)	\$ 6,018,412	5.73%
763	Hudson Bay International Fund Ltd (equities)	<u>1,118,142</u>	<u>1.06%</u>
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Conservative Portfolio (cost:\$4,707,468)	<u>7,136,554</u>	<u>6.79%</u>
	Total investments in Conservative Portfolio (cost:\$89,446,018)	<u>101,024,077</u>	<u>96.14%</u>
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$18,939,392)	26,795,120	25.50%
	Funds where underlying securities are mainly bonds (cost:\$60,130,844)	63,841,057	60.75%
	Funds where underlying securities are mainly money market (cost:\$10,375,782)	<u>10,387,900</u>	<u>9.89%</u>
	Total investments in Conservative Portfolio (cost:\$89,446,018)	<u>\$ 101,024,077</u>	<u>96.14%</u>

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THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	<u>% of net assets of portfolio</u>
Aggressive Growth Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
U.S. Dollar			
2,915	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 446,451	5.19%
65	Edgewood L Select- US Select Growth Fund (equities)	912,022	10.60%
5,500	Invesco S&P 500 Equal Weight ETF (equities)	829,015	9.64%
11,000	iShares Core MSCI EM IMI UCITS ETF (equities)	424,490	4.94%
2,400	iShares Edge SP&P 500 Minimum Volatility UCITS ETF (equities)	180,006	2.09%
4,700	iShares MSCI Japan ETF (equities)	317,438	3.69%
3,000	iShares MSCI Japan USD Hedged UCITS ETF (equities)	137,970	1.60%
1,500	iShares MSCI Pacific ex Japan ETF (equities)	77,565	0.90%
4,300	iShares MSCI USA ESG Select UCITS ETF (equities)	410,822	4.78%
14,000	JPMorgan Funds - Emerging Markets Equity Fund (equities)	466,480	5.42%
2,000	MFS Meridian Funds - U.S. Value Fund (equities)	701,280	8.15%
2,800	SPDR Eurostoxx 50 ETF (equities)	131,124	1.52%
17,700	Vanguard S&P 500 ETF (equities)	1,440,957	16.75%
1,911	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	413,063	4.80%
3,500	WisdomTree Europe Hedged Equity Fund (equities)	266,875	3.10%
	Total U.S. Dollar (cost:\$5,633,823)	<u>7,155,558</u>	<u>83.17%</u>
Euro			
7,800	BlackRock Global Funds - Continental European Flexible Fund (equities)	293,106	3.41%
2,400	Janus Henderson Horizon Pan European Smaller Companies Fund (equities)	240,905	2.80%
	Total Euro (cost:\$425,079)	<u>534,011</u>	<u>6.21%</u>
Pound Sterling			
2,000	SPDR FTSE UK All Share ETF (equities)	150,829	1.75%
	Total Pound Sterling (cost:\$123,141)	<u>150,829</u>	<u>1.75%</u>
Swiss Franc			
1,150	UBS ETF CH-SMI (equities)	153,073	1.78%
	Total Swiss Franc (cost:\$111,460)	<u>153,073</u>	<u>1.78%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity in Aggressive Growth Portfolio (cost:\$6,293,503)	<u>7,993,471</u>	<u>92.91%</u>
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
105	Hudson Bay International Fund Ltd (equities)	154,197	1.79%
33	Hudson Bay International Fund Ltd (equities)	50,607	0.59%
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Aggressive Growth Portfolio (cost:\$138,410)	<u>204,804</u>	<u>2.38%</u>
	Total investments in Aggressive Growth Portfolio (cost:\$6,431,913)	<u>8,198,275</u>	<u>95.29%</u>
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$5,985,462)	7,751,824	90.10%
	Funds where underlying securities are mainly money market (cost:\$446,451)	446,451	5.19%
	Total investments in Aggressive Growth Portfolio (cost:\$6,431,913)	<u>\$ 8,198,275</u>	<u>95.29%</u>

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THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2021 <u>Fair value</u>	% of net assets of portfolio
100% Fixed Income Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
	U.S. Dollar		
5,050	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 773,445	105.46%
	Total U.S. Dollar (cost:\$772,082)	<u>773,445</u>	<u>105.46%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity		
	Total investments in 100% Fixed Income Portfolio (cost:\$772,082)	<u>773,445</u>	<u>105.46%</u>
	Total investments in 100% Fixed Income Portfolio (cost:\$772,082)	<u>773,445</u>	<u>105.46%</u>
The total can be further broken down as follows:			
	Funds where underlying securities are mainly money market (cost:\$772,082)	<u>773,445</u>	<u>105.46%</u>
	Total investments in 100% Fixed Income Portfolio (cost:\$772,082)	<u>773,445</u>	<u>105.46%</u>
	Total investments in Plan (cost:\$478,313,320)	<u>576,764,010</u>	
The total investment in Plan can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$221,708,320)	310,265,680	52.48%
	Funds where underlying securities are mainly bonds (cost:\$213,197,642)	223,059,093	37.73%
	Funds where underlying securities are mainly money market (cost:\$43,407,358)	<u>43,439,237</u>	<u>7.35%</u>
	Total investments in Plan (cost:\$478,313,320)	<u>\$ 576,764,010</u>	<u>97.55%</u>

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AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2020 <u>Fair value</u>	<u>% of net assets of portfolio</u>
Balanced Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
	U.S. Dollar		
170,000	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 26,023,804	7.93%
2,915	Edgewood L Select- US Select Growth Fund (equities)	27,741,501	8.46%
383,300	Fidelity Funds - Asian Bond Fund (bonds)	4,837,246	1.48%
254,080	iShares Core U.S. Treasury Bond ETF (bonds)	7,111,699	2.17%
210,410	iShares Corporate Bond UCITS (bonds)	26,993,499	8.23%
238,200	iShares Edge SP&P 500 Minimum Volatility UCITS ETF (equities)	13,882,487	4.23%
110,000	iShares MSCI Japan ETF (equities)	6,041,200	1.84%
23,820	iShares MSCI Pacific ex Japan ETF (equities)	947,083	0.29%
227,000	iShares USD Treasury Bond 7-10yr UCITS ETF (bonds)	50,564,250	15.41%
14,000	JPMorgan Funds - Emerging Markets Opportunities Fund (equities)	5,776,680	1.76%
800,000	M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund (bonds)	8,526,560	2.60%
50,000	MFS Meridian Funds - U.S. Value Fund (equities)	12,901,500	3.93%
968,680	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	20,555,390	6.27%
350,000	SPDR Eurostoxx 50 ETF (equities)	12,435,500	3.79%
550,000	Vanguard S&P 500 UCITS ETF (equities)	32,059,500	9.77%
68,000	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	10,982,680	3.35%
	Total U.S. Dollar (cost:\$239,318,316)	267,380,579	81.51%
	Pound Sterling		
85,000	SPDR FTSE UK All Share ETF (equities)	4,735,618	1.44%
	Total Pound Sterling (cost:\$5,128,000)	4,735,618	1.44%
	Swiss Franc		
35,730	UBS ETF CH-SMI (equities)	3,907,914	1.19%
	Total Swiss Franc (cost:\$3,333,043)	3,907,914	1.19%
	Euro		
143,738	BlackRock Global Funds - Continental European Flexible Fund (equities)	3,440,483	1.05%
	Total Euro (cost:\$3,323,794)	3,440,483	1.05%
	Total Exchange Traded Funds and Investments with Daily Liquidity in Balanced Portfolio (cost:\$251,103,153)	279,464,594	85.19%
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
14,434	Hudson Bay International Fund Ltd (equities)	18,395,715	5.61%
4,397	Hudson Bay International Fund Ltd (equities)	5,381,635	1.64%
7,500	White Box Multi Strategy Fund Ltd (equities)	6,739,840	2.05%
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Balanced Portfolio (cost:\$26,331,598)	30,517,190	9.30%
	Total investments in Balanced Portfolio (cost:\$277,434,751)	309,981,784	94.49%
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$143,680,955)	165,369,336	50.40%
	Funds where underlying securities are mainly bonds (cost:\$107,743,291)	118,588,644	36.16%
	Funds where underlying securities are mainly money market (cost:\$26,010,505)	26,023,804	7.93%
	Total investments in Balanced Portfolio (cost:\$277,434,751)	\$ 309,981,784	94.49%

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2020 <u>Fair value</u>	<u>% of net assets of portfolio</u>
Growth Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
	U.S. Dollar		
42,000	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 6,429,411	5.47%
1,479	Edgewood L Select- US Select Growth Fund (equities)	14,075,362	11.96%
130,017	Fidelity Funds - Asian Bond Fund (bonds)	1,640,815	1.40%
320,000	iShares Core U.S. Treasury Bond ETF (bonds)	8,956,800	7.61%
36,450	iShares Corporate Bond UCITS (bonds)	4,676,170	3.97%
149,040	iShares Edge SP&P 500 Minimum Volatility UCITS ETF (equities)	8,686,170	7.38%
78,000	iShares MSCI Japan ETF (equities)	4,283,760	3.64%
18,630	iShares MSCI Pacific ex Japan ETF (equities)	740,729	0.63%
11,500	JPMorgan Funds - Emerging Markets Opportunities Fund (equities)	4,745,130	4.03%
25,000	MFS Meridian Funds - U.S. Value Fund (equities)	6,450,750	5.48%
240,000	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	5,092,800	4.33%
200,000	SPDR Eurostoxx 50 ETF (equities)	7,106,000	6.04%
420,000	Vanguard S&P 500 UCITS ETF (equities)	24,481,800	20.81%
35,000	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	5,652,850	4.81%
	Total U.S. Dollar (cost:\$90,558,578)	103,018,547	87.56%
	Pound Sterling		
52,000	SPDR FTSE UK All Share ETF (equities)	2,897,084	2.46%
	Total Pound Sterling (cost:\$3,296,550)	2,897,084	2.46%
	Swiss Franc		
21,870	UBS ETF CH-SMI (equities)	2,391,998	2.03%
	Total Swiss Franc (cost:\$2,040,125)	2,391,998	2.03%
	Euro		
99,138	BlackRock Global Funds - Continental European Flexible Fund (equities)	2,372,947	2.02%
	Total Euro (cost:\$2,292,464)	2,372,947	2.02%
	Total Exchange Traded Funds and Investments with Daily Liquidity in Growth Portfolio (cost:\$98,187,717)	110,680,576	94.07%
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
3,171	Hudson Bay International Fund Ltd (equities)	3,880,223	3.30%
4,424	Hudson Bay International Fund Ltd (equities)	5,638,531	4.79%
1,500	White Box Multi Strategy Fund Ltd (equities)	1,347,968	1.14%
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Growth Portfolio (cost:\$9,094,885)	10,866,722	9.23%
	Total investments in Growth Portfolio (cost:\$107,282,602)	121,547,298	103.30%
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$81,490,757)	94,751,302	80.52%
	Funds where underlying securities are mainly bonds (cost:\$19,373,315)	20,366,585	17.31%
	Funds where underlying securities are mainly money market (cost:\$6,418,530)	6,429,411	5.47%
	Total investments in Growth Portfolio (cost:\$107,282,602)	\$ 121,547,298	103.30%

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2020 <u>Fair value</u>	<u>% of net assets of portfolio</u>
Conservative Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
	U.S. Dollar		
45,500	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 6,965,194	7.01%
304	Edgewood L Select- US Select Growth Fund (equities)	2,893,110	2.91%
125,582	Fidelity Funds - Asian Bond Fund (bonds)	1,584,845	1.59%
421,200	iShares Core U.S. Treasury Bond ETF (bonds)	11,789,388	11.86%
88,140	iShares Corporate Bond UCITS (bonds)	11,307,481	11.37%
30,000	iShares Edge SP&P 500 Minimum Volatility UCITS ETF (equities)	1,748,424	1.76%
14,040	iShares MSCI Japan ETF (equities)	771,077	0.78%
7,098	iShares MSCIPacific ex Japan ETF (equities)	282,216	0.28%
83,000	iShares USD Treasury Bond 7-10yr UCITS ETF (bonds)	18,488,250	18.60%
1,550	JPMorgan Funds - Emerging Markets Opportunities Fund (equities)	639,561	0.64%
280,000	M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund (bonds)	2,984,296	3.00%
6,000	MFS Meridian Funds - U.S. Value Fund (equities)	1,548,180	1.56%
522,600	Pimco Global Investors Series plc - Global Investment Grade Credit Fund (bonds)	11,089,572	11.15%
41,000	SPDR Eurostoxx 50 ETF (equities)	1,456,730	1.46%
65,000	Vanguard S&P 500 UCITS ETF (equities)	3,788,850	3.81%
7,500	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	1,211,325	1.22%
	Total U.S. Dollar (cost:\$70,809,095)	<u>78,548,499</u>	<u>79.00%</u>
	Pound Sterling		
8,500	SPDR FTSE UK All Share ETF (equities)	473,562	0.48%
	Total Pound Sterling (cost:\$500,271)	<u>473,562</u>	<u>0.48%</u>
	Euro		
19,622	BlackRock Global Funds - Continental European Flexible Fund (equities)	469,668	0.47%
	Total Euro (cost:\$453,739)	<u>469,668</u>	<u>0.47%</u>
	Swiss Franc		
3,900	UBS ETF CH-SMI (equities)	426,557	0.43%
	Total Swiss Franc (cost:\$363,808)	<u>426,557</u>	<u>0.43%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity in Conservative Portfolio (cost:\$72,126,913)	<u>79,918,286</u>	<u>80.38%</u>
	U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:		
4,770	Hudson Bay International Fund Ltd (equities)	6,078,810	6.12%
763	Hudson Bay International Fund Ltd (equities)	933,915	0.94%
2,925	White Box Multi Strategy Fund Ltd (equities)	2,628,537	2.64%
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Conservative Portfolio (cost:\$8,457,839)	<u>9,641,262</u>	<u>9.70%</u>
	Total investments in Conservative Portfolio (cost:\$80,584,752)	<u>89,559,548</u>	<u>90.08%</u>
	The total can be further broken down as follows:		
	Funds where underlying securities are mainly equities (cost:\$21,975,391)	25,350,522	25.50%
	Funds where underlying securities are mainly bonds (cost:\$51,652,478)	57,243,832	57.57%
	Funds where underlying securities are mainly money market (cost:\$6,956,883)	6,965,194	7.01%
	Total investments in Conservative Portfolio (cost:\$80,584,752)	<u>\$ 89,559,548</u>	<u>90.08%</u>

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2020 <u>Fair value</u>	% of net assets <u>of portfolio</u>
Aggressive Growth Portfolio			
<u>Investments:</u>			
Exchange Traded Funds and Investments with Daily Liquidity:			
U.S. Dollar			
600	Blackrock Institutional cash series USD liquidity fund (money market)	\$ 91,849	1.47%
66	Edgewood L Select- US Select Growth Fund (equities)	628,109	10.03%
9,500	iShares Edge SP&P 500 Minimum Volatility UCITS ETF (equities)	553,668	8.84%
3,900	iShares MSCI Japan ETF (equities)	214,188	3.42%
830	iShares MSCI Pacific ex Japan ETF (equities)	33,001	0.53%
520	JPMorgan Funds - Emerging Markets Opportunities Fund (equities)	214,562	3.43%
1,100	MFS Meridian Funds - U.S. Value Fund (equities)	283,833	4.53%
8,700	SPDR Euro Stoxx 50 ETF (equities)	309,111	4.93%
19,200	Vanguard S&P 500 UCITS ETF (equities)	1,119,168	17.87%
1,911	Vontobel Fund- MTX Sustainable Emerging Markets Leaders (equities)	308,646	4.93%
	Total U.S. Dollar (cost:\$3,328,469)	<u>3,756,135</u>	<u>59.98%</u>
Euro			
7,645	BlackRock Global Funds - Continental European Flexible Fund (equities)	182,989	2.92%
	Total Euro (cost:\$176,783)	<u>182,989</u>	<u>2.92%</u>
Pound Sterling			
2,700	SPDR FTSE UK All Share ETF (equities)	150,426	2.40%
	Total Pound Sterling (cost:\$169,926)	<u>150,426</u>	<u>2.40%</u>
Swiss Franc			
1,008	UBS ETF CH-SMI (equities)	110,248	1.76%
	Total Swiss Franc (cost:\$94,030)	<u>110,248</u>	<u>1.76%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity in Aggressive Growth Portfolio (cost:\$3,769,208)	<u>4,199,798</u>	<u>67.06%</u>
U.S. Dollar Fund of Fund Investments with Quarterly Liquidity:			
105	Hudson Bay International Fund Ltd (equities)	128,791	2.06%
78	Hudson Bay International Fund Ltd (equities)	99,296	1.58%
75	White Box Multi Strategy Fund Ltd (equities)	67,398	1.08%
	Total U.S. Dollar Fund of Fund Investments with Quarterly Liquidity in Aggressive Growth Portfolio (cost:\$258,151)	<u>295,485</u>	<u>4.72%</u>
	Total investments in Aggressive Growth Portfolio (cost:\$4,027,359)	<u>4,495,283</u>	<u>71.78%</u>
The total can be further broken down as follows:			
	Funds where underlying securities are mainly equities (cost:\$3,935,607)	4,403,434	70.31%
	Funds where underlying securities are mainly money market (cost:\$91,752)	91,849	1.47%
	Total investments in Aggressive Growth Portfolio (cost:\$4,027,359)	<u>\$ 4,495,283</u>	<u>71.78%</u>

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

SCHEDULE OF INVESTMENTS

AS AT JUNE 30, 2021

(Expressed in United States dollars)

Number of units/shares		June 30, 2020 <u>Fair value</u>	% of net assets <u>of portfolio</u>
	100% Fixed Income Portfolio		
<u>Investments:</u>			
	Exchange Traded Funds and Investments with Daily Liquidity:		
	U.S. Dollar		
1,550	Blackrock Institutional cash series USD liquidity fund (money market)	\$ <u>237,276</u>	<u>26.85%</u>
	Total U.S. Dollar (cost:\$237,070)	<u>237,276</u>	<u>26.85%</u>
	Total Exchange Traded Funds and Investments with Daily Liquidity in 100% Fixed Income Portfolio (cost:\$237,070)	<u>237,276</u>	<u>26.85%</u>
	Total investments in 100% Fixed Income Portfolio (cost:\$237,070)	<u>237,276</u>	<u>26.85%</u>
	The total can be further broken down as follows:		
	Funds where underlying securities are mainly money market (cost:\$237,070)	<u>237,276</u>	<u>26.85%</u>
	Total investments in 100% Fixed Income Portfolio (cost:\$237,070)	<u>237,276</u>	<u>26.85%</u>
	Total investments in Plan (cost:\$469,566,534)	<u>525,821,189</u>	
	The total investment in Plan can be further broken down as follows:		
	Funds where underlying securities are mainly equities (cost:\$251,082,710)	289,874,594	52.49%
	Funds where underlying securities are mainly bonds (cost:\$178,769,084)	196,199,061	35.52%
	Funds where underlying securities are mainly money market (cost:\$39,714,740)	<u>39,747,534</u>	<u>7.20%</u>
	Total investments in Plan (cost:\$469,566,534)	<u>\$ 525,821,189</u>	<u>95.21%</u>

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED JUNE 30, 2021

(Expressed in United States dollars)

	<u>2021</u>	<u>Year ended June 30, 2020</u>
Revenue		
Interest income on cash balances	\$ 67	\$ 118,818
Dividend income	4,249,751	6,240,955
Net foreign currency gains on cash	99,317	16,383
Net realized gain on financial assets at fair value through profit or loss	46,822,936	40,788,951
Net change in fair value of financial assets at fair value through profit or loss	<u>42,157,114</u>	<u>(6,665,855)</u>
Total revenue	<u>93,329,185</u>	<u>40,499,252</u>
Expenses		
Administration, accounting and secretarial fees (Note 6)	2,457,887	2,759,670
Investment management fees (Note 7)	1,212,391	1,395,993
Printing	60,304	85,774
Government and registration fees	429,963	529,947
Other expenses	358,276	642,978
Total expenses	<u>4,518,821</u>	<u>5,414,362</u>
Operating income	<u>88,810,364</u>	<u>35,084,890</u>
Withholding tax on dividends	<u>340,347</u>	<u>264,361</u>
Net increase in net assets available for benefits resulting from operations	<u>\$ 88,470,017</u>	<u>\$ 34,820,529</u>

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED JUNE 30, 2021

(Expressed in United States dollars)

	<u>2021</u>	<u>Year ended June 30, 2020</u>
Additions/deductions to net assets available for benefits attributed to:		
Operations:		
Net increase in net assets available for benefits resulting from operations	\$ 88,470,017	\$ 34,820,529
Contributions:		
Employers	18,016,925	30,844,003
Participants	11,852,778	27,564,816
Transfers from other plans	8,813,071	4,050,238
Net increase in net assets available for benefits from contributions	38,682,774	62,459,057
Total net additions	127,152,791	97,279,586
Deductions from net assets available for benefits attributed to:		
Benefits paid to participants (Note 5)	85,179,206	184,315,246
Transfers to other plans	3,024,386	3,167,374
Total deductions	88,203,592	187,482,620
Net increase/(decrease) in net assets available for benefits	38,949,199	(90,203,034)
Net assets available for benefits at beginning of year	552,285,002	642,488,036
Net assets available for benefits at end of year	\$ 591,234,201	\$ 552,285,002

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2021

(Expressed in United States dollars)

	<u>Year ended</u>	
	<u>2021</u>	<u>June 30,</u>
		<u>2020</u>
Cash flows from operating activities		
Interest received	\$ 67	\$ 118,818
Dividends received, net of withholding tax	3,723,261	6,388,968
Exchange differences on cash	99,317	16,383
Fees and expenses paid	(4,831,876)	(5,498,214)
Purchase of investments	(223,845,404)	(650,278,681)
Proceeds from sale of investments	<u>261,882,633</u>	<u>694,818,224</u>
Net cash provided by operating activities	<u>37,027,998</u>	<u>45,565,498</u>
Cash flows from financing activities		
Contributions from employers and participants	29,335,322	56,139,188
Transfers from other plans	8,813,071	4,050,238
Benefits paid to participants	(89,691,799)	(181,862,543)
Transfers to other plans	<u>(3,024,386)</u>	<u>(3,167,374)</u>
Net cash used in financing activities	<u>(54,567,792)</u>	<u>(124,840,491)</u>
Net decrease in cash	(17,539,794)	(79,274,993)
Cash at beginning of year	<u>35,599,757</u>	<u>114,874,750</u>
Cash at end of year	<u>\$ 18,059,963</u>	<u>\$ 35,599,757</u>

The accompanying notes are an integral part of these financial statements.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

1. Introduction and background information

The Silver Thatch Pension Plan (the “Plan”) was established under the laws of the Cayman Islands by a Declaration of Trust (the “Trust Deed”) on June 30, 1997 as a membership controlled, private sector operated trust fund to enable all Caymanians and other Cayman Islands residents to participate in a locally structured and managed retirement plan. The Plan’s registration number is OSP/19/B0003 and principal address is P.O. Box 31694, Grand Cayman. The Plan has no employees. All of the Trustees of the Plan are also individual members of the Plan and may also be employers of members of the Plan.

The Trustees proposed and passed a resolution at the Annual General Meeting of participants of the Plan on December 4, 2003 amending the investment program to increase the number of portfolios offered by the Plan. The existing portfolio was replaced with three separate portfolios: the Conservative Portfolio, the Balanced Portfolio and the Growth Portfolio. Participants’ contributions mandated by the National Pensions Act of the Cayman Islands (NPL) will be directed to one of these three portfolios based upon the profile of each participant derived from their age, estimated annual income and marital status. Participants can use their discretion in directing voluntary contributions only, to any of the three portfolios, plus an additional two portfolios, the Aggressive Growth Portfolio and the 100% Fixed Income Portfolio. On November 30, 2004, the Cayman Islands National Pensions Office provided regulatory approval of the above amendments to the Plan, and the launch date of the new investment program was January 1, 2005. The 100% Fixed Income Portfolio was funded for the first time in April 2017.

On April 1, 2020, the Plan was subject to the following amendments to the National Pension (Amendment) Act 2020, which would provide members with the opportunity to suspend pension contributions as well as withdraw a single lump sum from their account in the pension plan. The objective of the amendments is to provide additional cash flows to members during the novel COVID-19 pandemic.

- **Suspension of pension contribution:** a member who is an employee and the member’s employer are not required to contribute to the pension fund of a pension plan on behalf of the member during the pension holiday period (the period commencing on April 1, 2020 and ending on September 30, 2020). This period was since extended to December 31, 2020 and June 30, 2021.

On July 1, 2021, in accordance with section 1(3) of the National Pension (Amendment) Act 2020, the national pension holiday was extended to December 31, 2021. During this pension holiday, employers and employees of non-governmental organisation are not required to pay mandatory pension contributions into the pension plans. Voluntary pension contributions can be paid into the pension funds if such payments are agreed between the employer and employees.

- **Emergency withdrawal of pension funds:** a member who (a) is presently in the Islands or (b) has departed the jurisdiction between the period commencing on February 1, 2020 and ending on October 31, 2020 may withdraw from the member’s account in a pension plan.

In a defined contribution pension plan, where the balance in the member’s account in the pension plan (i) does not exceed ten thousand Cayman Islands dollars, the member may withdraw up to one hundred per cent of the balance; or (ii) exceeds ten thousand Cayman Islands dollars, a member may withdraw (a) ten thousand Cayman Islands dollars; and (b) up to twenty-five per cent of the remaining balance of the amount which exceeds ten thousand Cayman Islands dollars.

A member who (a) has claimed benefits under normal or early pension entitlement; or (b) is a public servant whose pension contributions were paid by a statutory authority or a government company is not entitled to apply and shall not apply to withdraw an amount from the member’s account in a pension plan.

A member who wishes to withdraw an amount from the member’s account in a pension plan under the emergency withdrawal provisions shall apply for such withdrawal to the relevant administrator. The administrator shall (i) approve the application; (ii) within 45 days of receipt of the application, issue the amount in the form of a cheque or by direct deposit payable to the financial institution instructed by the applicant. This amount is based on the NAV per unit at the end of the month that the application was received in; and (iii) notify the applicant that the cheque has been prepared or the amount has been deposited.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

1. Introduction and background information (continued)

The following description of the Plan provides only general information. Participants should refer to the Trust Deed for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution pension plan. Its participants are primarily Caymanians or Cayman Islands residents who either work for an employer participating in the Plan or are self-employed. The Plan is subject to the provisions of the National Pensions Act of the Cayman Islands (NPL), as revised in 2012 and 2016, as well as the National Pensions (Amendment) Act, which became effective on April 28, 2020. Upon the expiration of the 2020 Amendment, the original NPL shall have effect as though it had not been amended. The financial statements have been updated with the impact of the new law. The Plan is divided into units in accordance with the Trust Deed. The Trustees of the Plan are expected to review the Trust Deed along with current procedures and guidelines when necessary and make the appropriate changes to the Trust Deed to comply with the Regulations of the NPL.

Contributions: If an employer is a contributor, then the normal contribution rate is 10% of the employee's earnings (up to the maximum pensionable earnings), typically, being borne equally by the employee and employer. The normal contribution for self-employed participants is 10% of the participant's earnings (up to the maximum pensionable earnings). Any contribution more than the normal contribution is classified as Additional Voluntary Contributions ("AVC").

Participant accounts: Net assets available for benefits consist of the total participants' accounts. Each participant's account is credited with the contributions received in respect of that participant which are applied in the purchase of units in the Plan. These units are calculated by dividing each participant's contributions by the unit value. The unit value is formally calculated by Intertrust Corporate Services (Cayman) Limited (the "Administrator"), on the last business day of each month (the "valuation date"). The value of any benefits paid to a participant or his/her beneficiaries is deducted from the participant's account.

Payment of benefits: Participants are entitled to receive benefits by way of redemption of units, on the basis of termination of employment and residence in the Cayman Islands, retirement, permanent medical disability or death, at the discretion of the Trustees and in accordance with the NPL. Effective March 31, 2017, participants have permitted access to AVC prior to reaching the normal age of pension entitlement on the basis of temporary unemployment, housing purposes, educational and medical purposes.

Transfers: A participant can elect to transfer his or her units if he or she ceases to be employed by an employer who has participated in this Plan and who is then employed by an employer who does not participate in this Plan, or whose employer ceases to participate in this Plan. The date of transfer is the immediately following contribution date which falls at least three business days following the receipt of the election to transfer. The Plan, in accordance with the Regulations of the NPL, executes transfers within 45 days following the receipt of the transfer election.

Investment policy: The Plan is invested in such shares, securities or other investments wherever situated as permitted by the NPL. There are five different investment portfolios that target different investment objectives, with their investment risk levels ranging from low to high. Investments are diversified as far as is reasonably practical to ensure that risk is not unduly concentrated in any one type of investment, area or currency other than the U.S. Dollar.

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation:

The financial statements of the Plan have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Trustees to exercise their judgment in the process of applying the Plan's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(a) Standards and amendments to existing standards effective June 30, 2021 year end:

There are no standards, amendments to standards or interpretations that are effective for annual periods ending on June 30, 2021 that have a material effect on the financial statements of the Plan.

(b) New standards, amendments and interpretations effective after June 30, 2021 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods ending after June 30, 2021, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Plan.

The significant accounting policies of the Plan, which have been consistently applied to all years presented (unless otherwise stated), are as follows:

Investment transactions: The Plan classifies its investments based on both the Plan's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Plan is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Plan has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Plan's debt securities are solely principal and interest; however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Plan's business model's objective. Consequently, all investments are measured at fair value through profit or loss. Investment transactions are accounted for on a trade date basis (the date the order is executed). Realized and unrealized gains and losses are calculated on the first in first out cost basis and are recognized in the Statement of Comprehensive Income in the period in which they arise. Financial assets at fair value through profit or loss are initially recognised at fair value and subsequently measured at fair value. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Plan has transferred all risks and rewards of ownership. Transaction costs are expensed as incurred and have been included in gains and losses on investments.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

2. Significant accounting policies (continued)

Valuations of investments: Investments in securities for which market quotations are not readily available are valued at their fair value using methods which are in accordance with recognized accounting and financial principles and which have been approved by the Trustees. In this context, investments in investment funds which are not publicly traded are valued at the net asset valuations provided by the managers of the investment funds unless the Trustees are aware of good reasons why such a valuation would not be the most appropriate indicator of fair value. Such valuations could differ significantly from the values that would have been used had ready markets existed, and the differences could be material. Securities that are traded on recognized securities exchanges are valued by reference to quotations provided by the market on which the securities are traded on the last day of trading in the period.

The investment manager reviews the details of the reported information obtained from the investment funds and considers: (i) the liquidity of the investment funds or its underlying investments, (ii) the value date of the net asset value ("NAV") provided, (iii) any restrictions on redemptions and (iv) the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the fund advisors. If necessary, the investment manager makes adjustments to the NAV of various investment funds to obtain the best estimate of fair value.

Interest income: Interest income is recognized in the Statement of Comprehensive Income using the effective interest method. Interest income includes interest on cash.

Dividend income: Dividend income is recognized at the time the income becomes receivable (the "ex-dividend" date).

Contributions and transfers from other plans: Contributions and transfers from other plans are accounted for as the cash is received by the administrator.

Expenses: Expenses are accounted for on the accrual basis.

Benefit payments and transfers to other plans: Benefit payments and transfers to other plans are accounted for on the accrual basis. These payments or transfers take place monthly, and the starting point, frequency and duration depend on the nature and regulations governing such payment or transfer.

Advance payment for investments: Amounts paid in advance of the subscription date for the purchase of an investment in an investment fund are recorded as advance payments for investments.

Foreign currencies: Transactions in foreign currencies are translated at the rate of exchange prevailing at the date of the transaction. Assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at the valuation date. The Plan does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of investments held. Such fluctuations are included with the net realized and change in unrealized gain or loss on investments in the Statement of Comprehensive Income in the period in which they arise. Foreign exchange gains and losses relating to cash are presented in the Statement of Comprehensive Income within net foreign currency gains on cash.

Functional and presentation currency: Items included in the Plan's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the United States dollar ("U.S. Dollar"), which reflects the Plan's primary activity of investing in U.S. Dollar denominated investments. In addition, the Plan has adopted the U.S. Dollar as its presentation currency.

Cash: For the purposes of the Statement of Cash Flows, cash consist of financial institution balances on demand and a short notice and are measured at a mortized cost.

Allocation of expenses to portfolios: Expenses attributable to all portfolios are allocated monthly to each of the portfolios on a pro rata basis in the proportion that the net asset value attributable to each portfolio at the beginning of each month bears to the aggregate net asset value of the total Plan. Any expenses attributable to a specific portfolio are allocated to the applicable portfolio, as determined by the Trustees.

Comparatives: Certain comparative disclosures have been adjusted to conform to the current year's presentation.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

3. Investments

The Plan's investments are managed by the investment manager, Deutsche Bank International Limited, under a discretionary investment agreement. The Plan's investments for each portfolio at June 30, 2021 and 2020 are detailed in the Schedule of Investments. Details of the net rates of return for the portfolios are as follows:

	Year ended	
	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Balanced Portfolio	17.97%	6.46%
Growth Portfolio	27.58%	5.11%
Conservative Portfolio	8.38%	7.34%
Aggressive Growth Portfolio	34.11%	4.01%
100% Fixed Income Portfolio	-0.24%	1.05%

In accordance with the National Pensions (Pension Fund Investments) Regulations the above returns have been calculated on a time-weighted basis using the Modified Dietz method consistent with the current requirements of the Global Investment Performance Standards ("GIPS"). The return is calculated net of withholding taxes and investment management fees of the underlying investment funds (see Note 7), but prior to the effects of direct expenses of the Plan (see Note 7 and Table 1, Note 8).

The investment portfolio at June 30, 2021 and 2020 represents investments in investment funds which have been fair valued in accordance with the policies set out in Note 2 above and are detailed in the Schedule of Investments. With the exception of the exchange traded funds, the investment funds are not publicly traded, and redemption can only be made by the Plan on the redemption dates and subject to the required notice periods specified in the offering documents of each of the investment funds. With the exception of the Hudson Bay and White Box, all non-exchange traded investment funds were redeemable on a daily basis with one day notice prior to the dealing day. Hudson Bay International Fund Ltd. offers quarterly liquidity with 65 days' notice and a 25% investor level gate. White Box Multi Strategy Fund Ltd has redemption period of 45 calendar days' notice and no other limits around this. The Plan's holding in a third party investee fund, as a percentage of the investee fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the investee fund level. It is possible that the Plan may, at any point in time, hold a majority of an investee fund's total units in issue.

4. Accounts payable

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Administration, accounting and secretarial fees (Note 6)	240,708	446,765
Investment management fees (Note 7)	107,029	218,518
Audit and other payables	<u>71,991</u>	<u>71,991</u>
Total accounts payable	<u>\$ 419,728</u>	<u>\$ 737,274</u>

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

5. Benefits

Benefits paid to participants leaving the Plan are analyzed as follows:

	<u>2021</u>	<u>June 30,</u> <u>2020</u>
Termination of residence (lump sum payments)	719,010	17,643,490
Retirement benefits (lump sum and annual income payments)	8,150,292	9,450,866
AVC benefits (lump sum payments)	5,620,229	4,429,658
Pension for property withdrawals (lump sum payments)	1,836,704	2,122,725
Disability benefits (lump sum and annual income payments)	352,295	296,516
Death benefits (lump sum payments)	2,029,420	688,676
Emergency withdrawals	66,471,256	149,683,315
	<u>\$ 85,179,206</u>	<u>\$ 184,315,246</u>

6. Administration, accounting and secretarial fees

The Plan is administered by Intertrust Corporate Services (Cayman) Limited (“ICSL”). ICSL has entered into an agreement to delegate certain duties and obligations including the member services administration and correspondence of the Plan to an independent third-party service provider. ICSL receives administration fees on a sliding scale basis. The fee is payable monthly in arrears and is calculated based on the monthly net asset value of the total Plan and is subject to a minimum amount of \$250,000 per annum.

The fees are allocated to each portfolio on a pro rata basis in the proportion that the net asset value attributable to each portfolio at the beginning of each month bears to the aggregate net asset value of the total Plan. The fee terms are calculated on a sliding scale as follows:

<u>Monthly net asset value</u>	<u>Administration fee charged</u>
• First US\$250 million	0.060%
• US\$250 million to US\$750 million	0.050%
• US\$750 million to US\$1 billion	0.040%

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

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6. Administration, accounting and secretarial fees (continued)

As part of the above amendments to the ICSL agreement, the plan has engaged Saxon Administration Ltd. (“Saxon”) to perform certain administration services. Saxon receives a NAV based fee in a sliding scale, as follows:

<u>Monthly net asset value</u>	<u>Administration fee charged</u>
• First US\$250 million	0.510%
• US\$250 million to US\$500 million	0.300%
• US\$500 million to US\$750 million	0.250%
• US\$750 million to US\$1 billion	0.220%

This fee is calculated and payable monthly based on daily Net asset value.

In addition to the above NAV based fees, Saxon charges a \$25 processing fee per emergency withdrawal. This amount is borne directly by the member who redeems and is not split across all members in the Plan. The amount paid out to a member making an emergency withdrawal is reduced by this \$25 charge. As at June 30, 2021, an amount of \$225 (2020: \$240,750), based on 9 (2020: 9,630) emergency withdrawals is included in Accounts Payable.

7. Investment management and other fees related to investments

Deutsche Bank International Limited acts as the Plan’s investment manager. In consideration for these services, the investment manager was paid the following annual rates, billed monthly in arrears and calculated based on the assets under management as appraised every month:

<u>Monthly net asset value</u>	<u>Fee charged</u>
• First US\$100 million	0.3000%
• On the next US\$125 million	0.2400%
• On the next US\$150 million	0.2000%
• Remainder	0.1800%

Deutsche Bank International Limited acts as the Plan’s custodian. The fees above include the fees charged for the custody services provided under the custodian agreement.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

7. Investment management and other fees related to investments

The Plan invests in the following investment funds with fee arrangements as follows:

<u>Investment Fund</u>	<u>Annual Management Fee</u>	
	<u>2021</u>	<u>2020</u>
Blackrock Global Funds- Continental European Flexible Fund	0.75%	0.75%
Edgewood L Select- US Select Growth Fund	1.40%	1.40%
Fidelity Funds - Asian Bond Fund	0.40%	0.40%
Hudson Bay International Fund	2.00%	2.00%
Blackrock Institutional cash series USD liquidity fund	0.20%	0.20%
Invesco S&P 500 Equal Weight ETF	0.20%	-
iShares Core U.S. Treasury Bond ETF	0.05%	0.15%
iShares Corporate Bond UCITS ETF	0.20%	0.20%
iShares Core MSCI EM IMI UCITS ETF	0.18%	-
iShares Edge SP&P 500 Minimum Volatility UCITS ETF	0.20%	0.20%
iShares MSCI Japan ETF	0.51%	0.49%
iShares MSCI Japan USD Hedged UCITS ETF	0.64%	-
iShares MSCI Pacific ex Japan ETF	0.48%	0.48%
iShares MSCI USA ESG Select ETF	0.25%	-
iShares USD Treasury Bond 1-3yr UCITS ETF	0.07%	-
iShares USD Treasury Bond 7-10yr UCITS ETF	0.07%	0.07%
Janus Henderson Horizon Pan European Smaller Companies Fund	1.00%	-
JPMorgan Funds - Emerging Markets Equity Fund	1.02%	-
JPM Emerging Market Opportunities Fund**	-	0.85%
M&G Lux Investment Funds 1 - M&G (Lux) Optimal Income Fund	0.86%	0.75%
MFS Meridan US Value Fund	0.75%	0.75%
Pimco Global Investors Series plc - Global Investment Grade Credit Fund	0.49%	0.49%
SPDR Eurostoxx 50 ETF	0.29%	0.29%
SPDR FTSE UK All Shares ETF	0.20%	0.20%
UBS ETF CH-SMI	0.20%	0.20%
Vanguard S&P 500 UCITS ETF	0.07%	0.07%
Vontobel Fund- MTX Sustainable Emerging Markets Leaders	0.83%	0.83%
Wisdomtree Europe Hedged Equity Fund	0.58%	-
White Box Multi Strategy Fund Ltd**	-	1.50%

<u>Investment Fund</u>	<u>Annual Performance Fee</u>	
	<u>2021</u>	<u>2020</u>
Hudson Bay International Fund*	20.00%	20.00%
White Box Multi Strategy Fund Ltd**	-	20.00%

* There is no hurdle rate, it operates a high water mark for the performance fee to apply.

**Investment is not held at June 30, 2021

The value of the Plan's investments is net of all fees charged at the investee fund level as described above.

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
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8. Expense ratio

The expense ratios (excluding the fees which are expenses of the underlying investment funds, as described in Note 7) for the years ended June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Balanced Portfolio	0.88%	0.83%
Growth Portfolio	0.92%	0.89%
Conservative Portfolio	0.82%	0.79%
Aggressive Growth Portfolio	0.89%	0.85%
100% Fixed Income Portfolio	0.74%	0.70%

The expense ratios (including the fees which are expenses of the underlying investment funds, as described in Note 7) for the years ended June 30, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Balanced Portfolio	1.44%	1.27%
Growth Portfolio	1.57%	1.39%
Conservative Portfolio	1.26%	1.15%
Aggressive Growth Portfolio	1.54%	1.25%
100% Fixed Income Portfolio	0.94%	0.76%

In accordance with the National Pensions (Pension Fund Investments) Regulations the expense ratio is calculated based on total expenses (including the fees which are expenses of the underlying investment funds which are not direct expenses of the Plan, as described in Note 7 above) as a percentage of average monthly net assets. The expense ratio excludes dividend withholding tax expenses.

9. Plan termination

The Trustees may at any time, with written notice as required by the NPL, determine that the Plan shall forthwith terminate, and upon termination either:

- a. refund the participants' entitlements under the Plan; or
- b. transfer all sums credited to a participant's account to another pension plan approved by the Trustees in accordance with the NPL for the benefit of the participant.

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

10. Financial instruments and associated risks

The following is not intended to be a comprehensive summary of all risks.

Strategy in using financial instruments: The Plan's activities expose it to a variety of financial risks which includes price risk, currency risk and interest rate risk.

Market risk/concentration of risk: The Plan's activities expose it to effects of fluctuations in financial markets. Although the strategies of the Plan's portfolios are to diversify their investments through various external fund managers, it is possible that the investment activity of such fund managers may result in the Plan being exposed to significant concentration of investments in markets and/or individual investments, including investments funds, which may be both volatile and illiquid. As discussed in Note 3, certain investments of the Plan may be subject to specific restrictions on transferability and disposal. Consequently, risks exists that the Plan may not be able to readily dispose of its holdings in such investments when it chooses and also that the price attained on a disposal is below the amount at which such investments are included in the Plan's Statement of the Net Assets Available for Benefits.

Interest risk: Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Plan holds investments in investment funds that hold fixed income and cash that exposes the Plan to interest rate risk. At June 30, 2021 and 2020 these are not deemed to have material direct impact on the Plan.

Currency risk: Although substantially all of the Plan's investments are denominated in U.S. Dollar, the Plan may from time to time invest in investment funds denominated in currencies other than the functional currency, the U.S. Dollar. The Plan does not hold significant cash denominated in currencies other than the U.S. Dollar. The Schedule of Investments discloses the Plan's investments by currency denomination.

The Plan's policy is not to manage the Plan's exposure to foreign exchange movements by entering into any foreign exchange hedging transactions. When the investment manager formulates a view on the future direction of foreign exchange rates and the potential impact on the Plan, the investment manager factors that into its portfolio allocation decisions. Consequently, the Plan is exposed to risks that the exchange rate of the U.S. Dollar relative to other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Plan's assets which are denominated in currencies other than the U.S. Dollar. The Plan is also indirectly exposed to additional foreign currency risk in that the investment holdings within the investment funds held by the Plan may be denominated in currencies other than the U.S. Dollar., however this additional exposure is deemed insignificant.

In accordance with the Plan's policy, the investment manager monitors the Plan's foreign exchange exposure on a daily basis and the Trustees review it on a bi-monthly basis.

At June 30, 2021 and 2020 substantially, all of the Plan's investments were denominated in U.S. Dollar. As a result, the Plan does not have any material currency risk.

THE SILVER THATCH PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

10. Financial instruments and associated risks (continued)

Price risk: Equity price risk exists to the extent that the value of an equity investment will fluctuate as a result of changes in market prices, regardless of whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. A sensitivity analysis to changes in equity prices is given below.

All investments present a risk of loss of capital. The Plan moderates this risk through a careful selection of investment funds which have specific investment objectives. The maximum risk resulting from financial instruments is reflected by the fair value of the financial instruments. The Plans' overall investment positions are monitored on a weekly basis by the investment manager.

A novel coronavirus known as COVID-19 was first detected in China and has been declared a pandemic by the World Health Organization. The impact of COVID-19 has been highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Plan's investments. This may impact liquidity in the marketplace, which in turn may affect the Plan's ability to meet withdrawal requests. COVID-19 pandemic may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 pandemic and its effects cannot be determined with certainty and could prevent the Plan from executing advantageous investment decisions in a timely manner and negatively impact Plan. The Trustees have assessed the impact and concluded that there are currently no going concern matters impacting the Plan.

A reasonable possible change is management's assessment, based on historical data, of what is a reasonable possible percentage movement in the value of investments following each respective strategy in USD terms over a twelve-month period. The impact on profit is calculated by applying the reasonable possible movement determined for each strategy to the value of each underlying fund held by the Plan at June 30, 2021 and 2020. The analysis is based on the assumption that the returns on each strategy have increased or decreased as disclosed with all other variables held constant and exclude the possible impact of any performance fees.

Strategy	Reasonable possible change (%)		Impact on profit (+ or - \$' 000)	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Balanced	11	10	38,227	32,806
Growth	17	15	20,093	17,649
Conservative	6	5	5,668	4,971
Aggressive Growth	20	20	1,640	622
100% Fixed Income	0	0	-	-
TOTAL			65,628	56,048

Credit risk: Financial assets which potentially subject the Plan to concentrations of credit risk are cash and cash equivalents. The aggregate extent of the Plan's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Plan's Statement of Net Assets Available for Benefits. Additionally, the Plan's cash is placed with financial institutions considered by the Trustees to be of high credit quality. The investment manager can place cash with other third party financial institutions that are deemed high credit quality by the investment manager.

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

10. Financial instruments and associated risks (continued)

Credit risk (continued):

At June 30, 2021, the Plan's cash was held with financial institutions with the following Moody or Fitch ratings:

Moody or Fitch Rating	Balanced Portfolio	Growth Portfolio	Conservative Portfolio	Aggressive Growth Portfolio	100% Fixed Income Portfolio
Aa2	24%	0%	38%	44%	0%
A3	9%	0%	14%	16%	0%
A3	64%	100%	44%	35%	100%
NR	3%	0%	4%	5%	0%

At June 30, 2020, the Plan's cash was held with financial institutions with the following Moody or Fitch ratings:

Moody or Fitch Rating	Balanced Portfolio	Growth Portfolio	Conservative Portfolio	Aggressive Growth Portfolio	100% Fixed Income Portfolio
Aa2	22%	0%	49%	45%	69%
A3	1%	0%	2%	2%	3%
A3	69%	100%	31%	36%	2%
NR	8%	0%	18%	17%	26%

The clearing and depository operations for the Plan's security transactions are mainly concentrated with one custodian, namely Deutsche Bank (A3) (2020: A3). The Plan is subject to credit risk and possible losses should Deutsche Bank be unable to fulfill its obligations to the Plan. At June 30, 2021 and 2020, substantially all cash, balances due from investments are either held with or placed in custody with Deutsche Bank.

Liquidity risk: The Plan is exposed to cash redemptions from plan participants. Refer to Note 3 for details on investments. It invests its assets in investments that allow redemptions, subject to varying notices periods, ranging in frequency from daily to quarterly. The Plan's investments include both exchange traded and non exchange traded investments in investment funds which are listed on an organized public market. In accordance with the Regulations of the NPL, all investments are listed on those exchanges so recognized by the Regulations. It is possible in certain circumstances that the underlying investment funds may impose redemption gates, suspend redemptions, or transfer certain assets to side pockets which have restricted redemption terms. As a result, the Plan may not be able to liquidate quickly its investments in these instruments at an amount close to fair value in order to respond to its liquidity requirements or to other specific market events. Substantially all the Plan's liabilities (excluding net assets available for benefits) are due within one month. The investment manager monitors the Plan's liquidity position on a monthly basis.

Fair values: At June 30, 2021 and 2020, the carrying amount of the Plan's assets and liabilities carried at amortised cost, approximated their fair values. The fair values of the Plan's investments are disclosed in the Schedule of Investments.

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

11. Fair value disclosures

IFRS 7 requires the Plan to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgment by the Plan. The Plan considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Plan’s financial assets and liabilities (by class) measured at fair value at June 30, 2021:

Balanced Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	174,486,387	-	-	174,486,387
– Exchange Listed Investment Funds with daily liquidity	-	150,012,243	-	150,012,243
– Fund of Funds with monthly/quarterly liquidity	-	21,350,186	-	21,350,186
Total assets	174,486,387	171,362,429	-	345,848,816

Growth Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	59,508,730	-	-	59,508,730
– Exchange Listed Investment Funds with daily liquidity	-	52,863,577	-	52,863,577
– Fund of Funds with monthly/quarterly liquidity	-	8,547,090	-	8,547,090
Total assets	59,508,730	61,410,667	-	120,919,397

THE SILVER THATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

11. Fair value disclosures (continued)

Conservative Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	54,837,208	-	-	54,837,208
– Exchange Listed Investment Funds with daily liquidity	-	39,050,315	-	39,050,315
– Fund of Funds with monthly/quarterly liquidity	-	7,136,554	-	7,136,554
Total assets	54,837,208	46,186,869	-	101,024,077

Aggressive Growth Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	4,520,165	-	-	4,520,165
– Exchange Listed Investment Funds with daily liquidity	-	3,473,306	-	3,473,306
– Fund of Funds with monthly/quarterly liquidity	-	204,804	-	204,804
Total assets	4,520,165	3,678,110	-	8,198,275

100% Fixed Income Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Listed Investment Funds with daily liquidity	-	773,445	-	773,445
Total assets	-	773,445	-	773,445

The following table analyses within the fair value hierarchy the Plan's financial assets and liabilities (by class) measured at fair value at June 30, 2020:

Balanced Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	158,678,750	-	-	158,678,750
– Exchange Listed Investment Funds with daily liquidity	-	120,785,844	-	120,785,844
– Fund of Funds with monthly/quarterly liquidity	-	30,517,190	-	30,517,190
Total assets	158,678,750	151,303,034	-	309,981,784

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JUNE 30, 2021

11. Fair value disclosures (continued)

Growth Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	64,220,512	-	-	64,220,512
– Exchange Listed Investment Funds with daily liquidity	-	46,460,064	-	46,460,064
– Fund of Funds with monthly/quarterly liquidity	-	10,866,722	-	10,866,722
Total assets	64,220,512	57,326,786	-	121,547,298

Conservative Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	50,532,535	-	-	50,532,535
– Exchange Listed Investment Funds with daily liquidity	-	29,385,751	-	29,385,751
– Fund of Funds with monthly/quarterly liquidity	-	9,641,262	-	9,641,262
Total assets	50,532,535	39,027,013	-	89,559,548

Aggressive Growth Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Traded Funds	2,489,810	-	-	2,489,810
– Exchange Listed Investment Funds with daily liquidity	-	1,709,988	-	1,709,988
– Fund of Funds with monthly/quarterly liquidity	-	295,485	-	295,485
Total assets	2,489,810	2,005,473	-	4,495,283

100% Fixed Income Portfolio

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total balance</u>
Financial assets at fair value through profit or loss:				
– Exchange Listed Investment Funds with daily liquidity	-	237,276	-	237,276
Total assets	-	237,276	-	237,276

THE SILVER THATCH PENSION PLAN
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11. Fair value disclosures (continued)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities including exchange traded funds, most exchange traded derivatives, many US government treasury bills and certain non-US sovereign obligations. The Plan does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include, most investment-grade corporate bonds, investments in other funds where redemption is not restricted past six months, certain non-US sovereign obligations, thinly traded listed equities and some over-the-counter derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 instruments include private equity, certain restricted investments in other funds, and certain corporate debt securities.

At June 30, 2021 and 2020 and throughout the period, the Plan held no Level 3 investments.

Transfers between levels of the fair value hierarchy, for the purpose of preparing the above table, are deemed to have occurred at the end of the reporting period. Other than as shown above, there has been no transfers between levels for the year ended June 2020 and 2021.

THE SILVER THATCH PENSION PLAN
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JUNE 30, 2021

12. Units in issue

Units of the Plan are issued or redeemed on the first business day of each month at a price based on the underlying net asset value of the relevant portfolio at the opening of business on that date, and subject to the provisions of the Trust Deed. At June 30, 2021 there were 17,648 participants in the Plan (2020: 18,350).

Transactions in units are summarized as follows:

	<u>Balanced Portfolio</u>	<u>Growth Portfolio</u>	<u>Conservative Portfolio</u>	<u>Aggressive Growth Portfolio</u>	<u>100% Fixed Income Portfolio</u>
Outstanding units, at end of year June 30, 2019	217,782,093.18	79,651,222.82	69,305,789.22	3,299,737.06	480,580.60
Issued during the year (contributions and transfers from other plans/portfolios)	27,958,147.49	13,628,256.45	12,135,723.78	781,308.16	783,395.35
Redeemed during the year (benefit payments and transfers to other plans/portfolios)	<u>(67,559,165.71)</u>	<u>(32,292,382.46)</u>	<u>(22,939,506.32)</u>	<u>(969,987.76)</u>	<u>(395,470.28)</u>
Outstanding units, at end of year June 30, 2020	<u>178,181,074.96</u>	<u>60,987,096.81</u>	<u>58,502,006.68</u>	<u>3,111,057.46</u>	<u>868,505.67</u>
Issued during the year (contributions and transfers from other plans/portfolios)	20,849,326.18	6,918,853.29	11,380,094.30	1,220,682.71	266,519.77
Redeemed during the year (benefit payments and transfers to other plans/portfolios)	<u>(34,237,306.63)</u>	<u>(18,931,353.95)</u>	<u>(12,039,794.00)</u>	<u>(978,690.99)</u>	<u>(409,015.83)</u>
Outstanding units, at end of year June 30, 2021	<u>164,793,094.51</u>	<u>48,974,596.15</u>	<u>57,842,306.98</u>	<u>3,353,049.18</u>	<u>726,009.61</u>

The Plan's capital is primarily represented by net assets available for benefits. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 10, the Plan endeavours to invest the contributions received from members into appropriate investments while maintaining sufficient liquidity to meet benefit payments.

The Plan is not subject to any externally imposed capital requirements.

13. Taxation

The Plan is not subject to any income, withholding or capital gains taxes in the Cayman Islands. Generally the Plan conducts its affairs so as not to be liable to taxation in any other jurisdiction; however, the Plan does invest indirectly through Exchange Traded Funds or Exchange Listed Investment Funds with daily liquidity in securities whose income is subject to nonrefundable foreign withholding taxes.

THE SILVERTHATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

14. Regulatory requirements for asset allocation

For year ended June 30, 2021

<u>Portfolio</u>	<u>Market value</u>					
	<u>Cash</u>	<u>% of Total</u>	<u>Equity</u>	<u>% of Total</u>	<u>Bonds</u>	<u>% of Total</u>
Balanced Portfolio	\$ 11,165,700	62%	\$ 180,726,978	58%	\$ 138,497,721	62%
Growth Portfolio	1,636,605	9%	94,991,758	31%	20,720,314	9%
Conservative Portfolio	4,785,098	26%	26,795,120	9%	63,841,057	29%
Aggressive Growth Portfolio	489,206	3%	7,51,824	2%	-	0%
100% Fixed Income Portfolio	<u>(16,646)</u>	0%	<u>-</u>	0%	<u>-</u>	0%
Total	\$ 18,059,963		\$ 310,265,680		\$ 223,059,092	
Percentage of Plan Assets (*) held	3%		52%		38%	

For year ended June 30, 2021

<u>Portfolio</u>	<u>Market value</u>		
	<u>Money Market</u>	<u>Funds</u>	<u>Total</u>
	<u>% of Total</u>	<u>% of Total</u>	<u>Total</u>
Balanced Portfolio	\$ 26,624,117	61%	\$ 357,014,516
Growth Portfolio	5,207,325	12%	122,556,002
Conservative Portfolio	10,387,900	24%	105,809,175
Aggressive Growth Portfolio	446,451	1%	8,687,481
100% Fixed Income Portfolio	<u>773,445</u>	2%	<u>756,799</u>
Total	\$ 43,439,238		\$ 594,823,973
Percentage of Plan Assets (*) held	7%		100%

THE SILVERTHATCH PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

14. Regulatory requirements for asset allocation (continued)

For year ended June 30, 2020

<u>Portfolio</u>	<u>Market value</u>					
	<u>Cash</u>	<u>% of Total</u>	<u>Equity</u>	<u>% of Total</u>	<u>Bonds</u>	<u>% of Total</u>
Balanced Portfolio	\$ 23,177,893	65%	\$ 165,369,336	56%	\$ 118,588,644	61%
Growth Portfolio	(2,499,189)	(7%)	94,751,302	33%	20,366,585	10%
Conservative Portfolio	12,237,604	34%	25,350,522	9%	57,243,832	29%
Aggressive Growth Portfolio	2,012,122	6%	4,403,434	2%	-	0%
100% Fixed Income Portfolio	<u>671,327</u>	2%	<u>-</u>	0%	<u>-</u>	0%
Total	\$ 35,599,757	6%	\$ 289,874,594	52%	\$ 196,199,061	35%
Percentage of Plan Assets (*) held						

For year ended June 30, 2020

<u>Portfolio</u>	<u>Market value</u>		
	<u>Money Market</u>	<u>Funds</u>	<u>Total</u>
	<u>% of Total</u>	<u>% of Total</u>	<u>Total</u>
Balanced Portfolio	\$ 26,023,804	65%	\$ 333,159,677
Growth Portfolio	6,429,411	16%	119,048,109
Conservative Portfolio	6,965,194	18%	101,797,152
Aggressive Growth Portfolio	91,849	0%	6,507,405
100% Fixed Income Portfolio	<u>237,276</u>	1%	<u>908,603</u>
Total	\$ 39,747,534	7%	\$ 561,420,946
Percentage of Plan Assets (*) held			100%

(*) The references to the Percentage of Plan Assets held above refers to only the following Assets: Cash, and Financial assets at fair value through profit or loss, at fair value.

THE SILVER THATCH PENSION PLAN
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15. Subsequent events

The following table shows the percentage movements in the net asset value per share (“NAV”) of each of the Plan’s five portfolios for the period June 30, 2021 to August 31, 2021, based on the unaudited NAVs at August 31, 2021.

Portfolio	NAV at June 30, 2021	NAV at August 31, 2021 (as provided by administrator)	% movement in NAV between June 30, 2021 and August 31, 2021 (as provided by administrator)*
Balanced	2.1528	2.1926	1.8473%
Growth	2.4920	2.5529	2.4443%
Conservative	1.8166	1.8388	1.2229%
Aggressive Growth	2.5657	2.6337	2.6492%
100% Fixed Income	1.0102	1.0089	-0.1287%

* This is a simple, straight-line calculation of the percentage change in NAV between June 30, 2021 and August 31, 2021. The Board of Trustees draws attention to the fact that this calculation has not been prepared in accordance with the methodology required under the Global Investment Performance Standards (“GIPS”; see Note 3) as this calculation is not yet available.

The Trustees have reviewed the subsequent events from July 1, 2021 through to October 14, 2021, being the date that the financial statements were available to be issued. Subsequent to year end, the Plan has processed withdrawal requests amounting to \$4,814,422.

No other material event occurred after the balance sheet date ended June 30, 2021.