



XPS Pensions Group Business Continuity Summary

Business Continuity Management (BCM) is fundamental to the risk management strategy of XPS Pensions Group. The Board recognises that the risk of a serious unplanned interruption needs to be addressed to ensure that we can comply with our regulatory requirements and maintain the level of service our clients require. BCM is managed centrally, with the Group Board, supported by the Audit and Risk Committee and the Risk Management Committee, responsible for ensuring that an effective business continuity framework is in place and maintained.

Our BCM programme is aligned to ISO22301 and the Business Continuity Institute's Good Practice Guidelines. The primary objective is for all business-critical functions and processes to be prioritised and recovered within predetermined timeframes in the event of a major operational disruption. In the event of a disaster the Group will have the capabilities to restore all critical client facing operations within 4 hours, and otherwise within 24 hours. To do this we have introduced resilience strategies, recovery objectives, business recovery plans and incident management tools.

IT Disaster Recovery is the responsibility of the IT Director. Our IT infrastructure includes hosted tier 3 data centres (DC's) across which key systems are replicated providing day-to-day operational resilience and defence against a single DC failure as systems can be brought up at the alternate DC.

We are currently working to decommission our secondary data centre which has previously provided part of our Disaster Recovery capability. Our primary systems will continue to be hosted in London, but our Disaster Recovery capability will be provided as a service by Databarracks, which is a leading provider in this field. Disaster Recovery is fundamental to our risk management strategy, and the use of an external provider improves our capability. We expect the migration to Databarracks to be completed by the end of Q1 2022, and the data centre decommissioned in Spring 2022.

When an incident impacts the Group, the Group Incident Management Team is invoked to provide strategic direction to Tactical Recovery Team(s) within the affected businesses areas whilst implementing their Business Recovery Plans. This approach ensures strategic, prioritised recovery of critical processes, clear communication throughout the business, to our clients and stakeholders and consolidation of the resources required for recovery.

Our Business Continuity Policy requires each business within the Group to maintain up to date Business Recovery Plans (BRP) that will allow them to perform critical processes, including key client services if affected by a business interruption incident.

The centralised BCM framework requires plans to be reviewed and tested, and where applicable updated, on an annual basis. Business Recovery Plans are tested twice annually, once focusing on IT Disaster Recovery Elements and once focusing on business operations. Using this approach, the data being maintained in the plans is always tested in relation to the viable IT environment. Additionally, staff rapid notification tests are carried out at least annually. If any office is inaccessible for more than half a day, our displacement strategy ensures that critical functions can continue to be supported from predesignated alternative sites or via home working.

In response to the Covid-19 pandemic, we are currently trialling a new flexible working model (My XPS My Choice) to allow staff to work flexibly, from home, their preferred office or a combination of both. All staff have been issued with corporate equipment to enable them to do so. As we have been in a live business continuity scenario since March 2020, we have not carried out a full work displacement testing during this period. We have recently conducted business continuity testing of our critical functions using displacement plans to determine the effectiveness of these plans. Full business continuity testing will be carried out upon completion of the My XPS My Choice trial.

During 2021 we also carried out planned tests of our IT DR capability, successfully restoring our Alfresco EDM system as part of systems failover testing. Further DR testing will be completed early 2022 as part of our move across to Databarracks.

Business Continuity capabilities are also included in our third-party selection and ongoing monitoring processes. We continue to identify alternative suppliers for critical services to ensure that supply chain issues do not impact our ability to provide services to our clients.

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