



**ReAssure Number
Three Executive
Pension Plans
Trustees Annual
Report 2024**

ReAssure Number Three Executive Pension Plans Trustees Annual Report 2024

Welcome to our Annual Report of the ReAssure Number Three Executive Pension Plans.

With ReAssure joining the Phoenix Group we have seen a lot of change, which includes a number of changes to our Board's membership, details of which are set out later in this report.

It has also been an active period from our various Regulators, with new Consumer Duty regulations, the replacement of the Standard Lifetime Allowance from 6 April 2024 and the future launch of the Pensions Dashboard, to name a few. We have had regular engagement with ReAssure to understand what they are doing to meet these changes whilst continuing to provide you with the services you need.

We are also continuing to monitor the service levels, investment performance and costs associated with your scheme to ensure these are all maintained at acceptable levels.



Mike Woodcock, Chair of G Trustees Limited

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Why We Publish an Annual Report

As directors of G Trustees Limited, we are responsible for looking after your scheme, and making sure it is run correctly and with the appropriate governance and safeguards in place to ensure your monies are safe. We look after your interests, and make sure you're getting good value from your scheme membership. This report provides you with details of your scheme and how we do that.

How We Check on The Schemes We Look After

We look at:

- the systems these schemes are held on
- how the administration compares with service standards
- the rules and guidelines around how they're administered
- the charges and investment performance of the funds available to individual members

We publish this report to let you know how we've been looking after your scheme and whether we think you are getting value for money from it.

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How We Monitor Core Financial Transactions & Scheme Administration

During the year, we have made sure that all core financial transactions of the scheme were processed promptly and accurately. This included the investment of contributions to the scheme, the transfer of funds relating to members out of the scheme, the transfer of funds between different investments within the scheme and payments from the scheme to, or in respect of, members and beneficiaries. We have evidenced this by:

- Receiving regular management information from ReAssure who administer the scheme to confirm that these important transactions have been processed promptly and accurately
- Receiving evidence that the majority of these transactions are carried out in a fully automated way which increases effectiveness and efficiency. However, where automated processes fail, ReAssure have a robust process for picking these up and providing the information on a manual basis.
- Receiving quarterly reports which confirm that ReAssure have checked all payments out are completed in line with members' requests.
- Receiving quarterly governance reports which detail how ReAssure have performed against agreed service levels across a range of processes, which includes issuing pension retirement 'wake up' packs and retirement documents as well as keeping us informed on how members are taking their benefits.
- Receiving details of the governance framework in place by ReAssure to ensure appropriate monitoring and oversight.
- Being informed of any breaches due to delays or incorrect administration and ensure these are rectified within agreed timescales. The identification, tracking and rectification of issues is done through a well-governed process, including the establishment of root causes and trends to help prevent future breaches. This is managed by the Compliance function with appropriate monitoring and escalation in place, as necessary.
- Being advised by ReAssure of any late payments made by employers in line with The Pensions Regulator requirements. In the relevant period there has been no instance of late payment reporting made to the Trustees.

We are pleased to confirm that there have been no material transaction errors which needed to be reported by us.

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Investment Funds You Can Put Your Money Into

You can select from a wide range of funds which represent the major asset classes. ReAssure allow you to switch funds free of charge, but fund switch volumes are minimal.

As a ReAssure customer, you can get information on your fund(s) from the ReAssure website. This will also show you how well your fund(s) performed compared with other similar funds, along with current fund prices, investment objectives and information about charges.

To access this information go to the ReAssure website and enter the fund centre: www.reassure.co.uk/fund-centre

At the end of 2023, the total value of funds under management for all members of the ReAssure Number Three Executive Pension Plans was £11,201,760.

The below tables show how well your funds have done over the past five years up to end of February 2024. Each fund is allocated to an Association of British Insurers (ABI) Sector, which allows you to compare the performance against similar investment funds across the market.

Name of Fund	1 Year	3 Years	5 Years
Balanced Fund	6.08%	14.54%	28.84%
ABI Benchmark Performance	5.58%	9.62%	25.10%

Around 80% of members' money is held in the diversified Balanced Fund. This is a managed fund with the investments spread over all the major areas, equities (UK and foreign), gilts and other fixed interest stocks, property and cash deposits. The objective is to provide steady long-term returns whilst safeguarding the fund against unnecessary risks. The fund has outperformed the sector across all three time periods.

Name of Fund	1 Year	3 Years	5 Years
UK All Company Tracker Fund	0.17%	20.08%	20.62%
ABI Benchmark Performance	0.04%	10.68%	16.15%

Around 20% of members' money is held in the UK All Company Tracker Fund. This fund primarily invests in a portfolio of UK equities and aims to provide long-term capital growth. Volatility should be expected because of the type of investment. The fund has outperformed the sector across all three time periods.

Name of Fund	1 Year	3 Years	5 Years
UK Equity Fund	0.14%	19.30%	20.21%
ABI Benchmark Performance	0.04%	10.68%	18.20%

Around 11% of members' money is held in the UK Equity Fund. The fund has overperformed the sector across all three time periods.

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Name of Fund	1 Year	3 Years	5 Years
Global Equity Fund	13.26%	31.62%	61.78%
ABI Benchmark Performance	11.43%	26.04%	57.21%

Around 6% of members' money is held in the Global Equity Fund. The fund has outperformed the sector across all three time periods.

Name of Fund	1 Year	3 Years	5 Years
UK Fixed Interest Fund	-0.71%	-29.29%	-25.70%
ABI Benchmark Performance	1.83%	-22.16%	-14.92%

Less than 1% of members' money is held in the Fixed Interest Fund. The fund has underperformed the sector across all three time periods, with the market generally showing negative returns. Fixed interest performance has been unstable for the past three years.

Name of Fund	1 Year	3 Years	5 Years
Pensions Defensive Fund	0.08%	-2.21%	-2.5%
ABI Benchmark Performance	3.67%	2.72%	11.77%

Less than 1% of members' money is held in the Defensive Fund. The fund has underperformed the sector across all three time periods. The multi-asset fund sits in the Mixed Investments 20%-60% shares sector, and so performance will vary markedly based on the asset allocations of funds within the sector.

Name of Fund	1 Year	3 Years	5 Years
Money Market Fund	4.31%	4.41%	3.55%
ABI Benchmark Performance	3.93%	5.19%	6.36%

Less than 0.1% of members' money is held in the Money Market Fund. The fund has performed mostly in line with the sector.

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How We Monitor Investment Performance

ReAssure Operations & Customer Committee is tasked with overseeing the investment management and governance of all the policies that ReAssure administer and they ensure:

- Members can select funds from a wide range available, which represent the major asset classes.
- ReAssure allow customers to switch funds free of charge, either online or over the phone to make this easier for members.
- Fund objectives are reviewed and updated to ensure these remain clear and representative of actual practice.
- Morningstar is used to display a wealth of information about all ReAssure funds online, including descriptions, objectives, risks and performance, to help support greater customer engagement, in an accessible and user-friendly way. You can view all funds at www.reassure.co.uk/fund-centre.

The Fund Managers are *HSBC Global Asset Management* (HGAM). The investment strategy in place for members' assets aims to outperform benchmarks over the medium to long-term, which is considered to be a period of at least three years.

Overall, we have concluded that the investment strategies are designed and executed in the interests of members and include clear statements of the funds' aims and objectives.

ReAssure has four low-cost funds (Global Equity, Bonds, Deposit and Universal) which are available to you. These funds have an Annual Management Charge of 0.65%, and no 'bid offer spread'. These funds do bear their own investment expenses which vary over time, the charges at present range between 0.06% and 0.09%. You can make a free switch into these funds to reduce your ongoing charges.

Default Funds

The scheme does not offer a default fund and there is no evidence of money being placed into funds by default. This means that members had to make an active investment choice from the range of funds available.

Security of Assets

Each member has their own money purchase pot into which monies are paid. Each pot forms part of a fully insured fund(s) backed by ReAssure. ReAssure is an authorised company which is a member of the Financial Services Compensation Scheme (FSCS). The FSCS protects consumers should an authorised financial firm fail. This means if ReAssure was unable to pay out your accumulated pot of money, the FSCS can pay compensation up to 100% of the claim amount.

ReAssure is part of the Phoenix Group who is the largest long term savings and retirement provider in the UK.

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Environmental, Social and Governance factors

These are the three main factors used to measure the sustainability and ethical impact of investment decisions on the world in which customers live and will retire into.

ReAssure holds a significant volume of assets under management and is aware of its responsibilities when investing on behalf of policyholders and shareholders. It understands the importance of taking ESG into consideration and has implemented the ReAssure Limited ESG & Sustainability Policy. Specifically:

- All managers have received an UNPRI A+ rating for Strategy and Governance, which is the highest possible rating for UN PRI signatories. Investment managers sign up to the Principles of Responsible Investment (PRI) and have to submit annual reports which are scored against a benchmark.
- Through engagement and exercising voting rights, Fund Managers actively support ESG considerations to improve corporate standards in the companies in which they invest, while helping to preserve and grow their financial assets.
- Applying exclusions. For example - HSBC Global Asset Management exclude investment in companies linked to the production and/or marketing of cluster munitions, anti-personnel mines and depleted uranium.

In addition, as part of the Phoenix Group, ReAssure is bound by its commitment to its operations being net zero carbon by 2025 and its investment portfolio by 2050 and it is also a signatory of the Principles for Responsible Investment.

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How Much Are The Charges On Your Scheme

Since 1 January 2017 ReAssure have capped the regular ongoing charges you pay on your unit linked policies to 1% per annum. The cap excludes transaction charges.

Contribution Charges

There are various charges which are made to contributions and investment funds. These are set out on the next three pages.

Contribution charges up to 20 August 2015	
Allocation rate for regular premiums	Between 65% and 102%
Allocation rate for single premiums	Between 100% and 103%
Bid/Offer spread	5%

New Contribution charges from 21 August 2015	
Allocation rate	100%
Bid/offer spread	Nil

Investment Fund Charges

Investment Fund charges for existing funds	
Annual management charge	1%

Investment Fund charges for new funds	
Annual management charge	0.65%

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Charge Cap

Charges from 1 January 2017	
Charge Capping	Your scheme is subject to a cap on ongoing charges on accumulation units of 1%, including the bid offer spread or similar explicit transaction costs incurred. This was implemented in May 2017 and backdated to take effect from 1 January 2017
Exit Charge Capping	In addition, a 1% exit charge cap was introduced on the 19 January 2017 for customers who want to take or move their benefits once they reach 55 years of age

Investment Management Charges - Existing Funds

ReAssure's *Investment Management Charges* (IMCs) are the amounts ReAssure deducts from the value of your investments to cover the costs our external investment manager incurs in researching and selecting investment for the funds and form part of the ongoing charges. IMCs vary by fund and over time, as each fund bears its own charges, based on the investments made in it. ReAssure's approach is to group funds with similar investment mandates into a single base fund. This pooling of investments increases the size of funds and hence reduces the impact of IMCs through economies of scale. As a result, these do not have significant impact on the overall level of charges.

Additional transaction costs may be incurred by the external investment manager when investments are bought or sold. These can be explicit costs such as stamp duty and dealing commission each time a stock is bought or sold or implicit costs which are included in the unit price of the fund and is the margin that is made by market brokers when buying and selling equities, bonds and other holdings. However, costs are less than 1% as shown in the following table.

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Transaction Costs

Fund Name	Fund Code	Transaction Costs (Per Annum)	AMC (Per Annum)	IMC (Per Annum)
Pensions Balanced	UBT01	0.12%	1.00%	0.00%
UK All Company Tracker	UBR01	0.05%	1.00%	0.00%
Pensions UK Equity	UBV01	0.05%	1.00%	0.00%
Pensions Global Equity	UBU01	0.03%	1.00%	0.00%
Pensions Defensive	UBX01	0.04%	1.00%	0.00%
Pensions UK Fixed Interest	UBW01	0.03%	1.00%	0.00%
Pensions Money Market	UBY01	0.01%	1.00%	0.00%
Corporate Bond	RAC01	0.08%	0.65%	0.10%
Deposit	RAD01	0.01%	0.65%	0.06%
UK and Global Equity Tracker	RAT01	0.04%	0.65%	0.04%
Mixed Investment	RAM01	0.05%	0.65%	0.06%

Fund charges for existing funds

Although there is a 5% bid offer spread applied to contributions that started before 21 August 2015, this has been rebated back to you under the Charge since 1 January 2017, therefore this is shown as 0% in the above table.

Loyalty Bonuses

There is a loyalty bonus payable when taking your fund at retirement, early retirement or on death but not on transfer. This will be based on a percentage of the bid value of units as shown in the below table.

Number of Years	Percentage payable
10 years	+2%
15 years	+3.5%
20 years	+5%
25 years	+6.5%
30 years	+8%

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Value for money

As trustees of your scheme our role is to look after you and your benefits and to assess whether you are getting value for money.

Value for money can mean different things to different people, but we believe it is important that we not only look at the charges, but also at the scope and quality of the services provided to our members across the core areas of customer service, customer proposition, investment performance and scheme governance and management.

In assessing the value for money, we also take account of the following.

Customer Service

We continue to monitor the service provided by ReAssure and have no concerns to raise around this. However, we will continue to monitor to ensure that the service provided is within service standards.

Customer Proposition

When members come to retirement ReAssure provides help in making sure our members make the most of their pension funds by:

- introducing members who want to buy an annuity to LV=, a specialist annuity provider who give our members access to the best annuity rates available in the market from a panel of annuity providers
- making available a simple, low cost, flexible drawdown product, the Retirement Account.
- offering members access to the ReAssure Retirement Planning Tool which allows our members to explore their retirement options on-line.

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Investment Performance

G Trustees receive regular reports on the performance of the funds you invest in. We use this to monitor overall performance and understand what actions are being taken by ReAssure if and when performance falls below that expected.

We look for evidence that the funds offered to you are well managed and designed to deliver medium/longer term returns. The investment managers aim for second quartile performance which provides stable growth without the prospect of volatility first quartile performance can bring with it.

Global equity markets have been impacted by both the pandemic and the war in Ukraine although have been in a general upward climb since the crash which occurred at the start of the pandemic.

Our Assessment

Taking account of these factors and the charge capping that has been in place since 1 January 2017, we the directors of G Trustees Limited believe that your scheme offers you value for money.

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Trustee Knowledge & Understanding

The Pensions Act 2004 requires us as directors of G Trustees to possess, or have access to, sufficient knowledge and understanding to run the schemes effectively. We recognise the importance of having the right mix of skills, competencies and personalities on the Trustee Board to ensure the scheme is well governed and properly managed.

G Trustees Limited has three directors and we act solely in the interests of our schemes members, with any potential conflicts of interest considered, in line with our conflict of interest policy, to ensure these do not interfere with our capacity to act independently of ReAssure.

We have all been carefully selected to ensure that, individually and collectively, we have the appropriate skills, knowledge and experience to be able to execute our duties, assess and make judgements on trustee responsibilities.

As trustee directors we are required to read and understand the Trustee's Board governance documents, including the conflicts of interest policy and statement of investment principles. We are also responsible for our own training which included completing The Pension Regulators Trustee Toolkit. We keep a log of all our training to make sure we are keeping up-to-date with developments in the pensions market.

We are also able to use both the technical and legal support of ReAssure and Phoenix as and when we need to. This keeps us up to date with both current legislation and any changes proposed for the future. ReAssure also have a good understanding of the scheme rules and their terms and conditions.

In addition, where needed we can get expert legal and investment advice from external advisers.

All of this means that we have the combined knowledge and understanding needed to properly run and govern the scheme.

We also attend seminars and conferences about pensions, read information published by The Pensions Regulator and attend externally run courses on various aspects of being a pension trustee.

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Short Biographies for each of the Trustees



Mike Woodcock

Mike is the Chief Executive Office of Phoenix Life Assurance Europe , part of the Phoenix Group. He joined the company on 30 July 2012.

Mike is a CIMA-qualified accountant, with over 30 years' experience in the financial services industry. His experience includes financial consolidation, external/financial reporting, management accounting, business partnering, mergers and sales.

He was previously with Aviva plc holding a variety of senior roles, most recently Group Consolidation and Reporting Director responsible for leading the Financial Consolidation and Reporting Services team for the plc Group



Paul Parsons

Paul has worked in Management and Executive positions within the Customer Services and Information Technology functions of ReAssure and other group companies for over 30 years.

During that time he has contributed towards the implementation of the key business administration and system strategies of the Company and played a key operational role in historic business acquisitions and migrations.

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Graham Baker (retired from Board July 2023)

Graham was Legal Director for the Heritage Division of Phoenix. He joined the company in April 2018.

Prior to his current role, since joining Phoenix Graham has also looked after the Open Division and was General Counsel for Standard Life Assurance.

He was previously Head of Legal for Zurich's UK Life business, and was a director of its pension trustee company. He has also worked in law firms as a specialist pensions lawyer.

His experience includes a broad range of legal and regulatory matters regarding pensions, savings and investment business, transformation and change projects, commercial arrangements, and M&A.

Graham has been a qualified Solicitor of England & Wales since 2000.



Grant McCaig (joined Board June 2023)

Grant is Head of Legal for Service, Integration and Group Operations within the Phoenix Group.

Grant is a qualified solicitor with over 15 years of experience in the financial services industry.

Prior to joining the Phoenix Group, Grant was a solicitor in the litigation team of a large multinational law firm.

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We will continue to review our membership on a regular basis, to ensure that we continue to be independent and have the right balance of expertise. Action would be taken if it is considered that any trustee has subsequently taken on other responsibilities that compromise their independence.

This satisfies the requirements to ensure we have the appropriate skills and expertise. ReAssure provide good support to the Trustee Board. The Trustee Board intends to serve its purpose and act in the interests of the members of ReAssure Number Three Executive Pension Plans.

How To Contact Us

Members who have concerns or queries about the scheme and their benefits can contact us at:

ReAssure Limited
Windsor House
Ironmasters Way
Telford
TF3 4NB

Or call us on

0800 073 1777