



## Welcome to your Trustee News.

Since the last newsletter, news about the COVID-19 pandemic has dominated the headlines. Aside from the obvious health, social and economic issues, the pandemic has also created various risks and challenges for your Trustee board. We continue to monitor the evolving situation and, through adapting to new ways of working, we have been able to continue to run your scheme effectively.

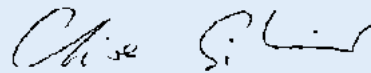
As you may know, the final salary section of the scheme, EPensionBuilder, is subject to a formal valuation every three years. We are currently in the process of carrying out the valuation as at 31 December 2020. Valuations generally take quite some time, but we hope to complete the work by early next year and will let you know the outcome as soon as we can.

Responsible investment has become an increasingly important topic in recent years and in September last year we updated our Statement of Investment Principles to comply with updated regulations. You can find more on responsible investment on page 2 of this newsletter.

The terms of office for both our member nominated trustee directors come to an end this August so we're inviting nominations from all scheme members interested in the role – you can find more information on this opportunity on page 3.

I hope you enjoy reading this newsletter and that you find it a useful way of keeping up to date on what's going on in your pension scheme. If you have any comments or feedback, please get in touch.

With very best wishes



Clive Gilchrist  
Trustee Chairman



# Your Trustee directors

■ Independent director    
 ■ Company nominated trustee directors    
 ■ Member nominated trustee directors



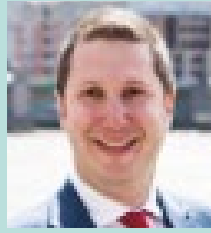
**Clive Gilchrist (Chair)**  
Executive at BESTrustees  
(Independent trustee company)



**Phil Agg**  
Head of Compensation  
EMEA, Zurich



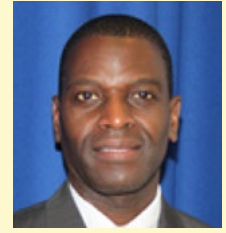
**Tim Grant**  
UK Financial Controller  
Zurich



**Greg Wenzel**  
Head of Longevity Risk Transfer/  
Strategic Execution  
Zurich



**Pete Bishop**  
Senior Analyst  
Programmer, IT  
Endsleigh



**Gil Okai**  
Management Consultant/  
Business adviser

## Scheme Investment: Responsible Investments

Since formalising the responsible investment strategy in 2019, the Trustee board has made further steps to ensure the strategy is fully embedded into the investment decisions and the scheme is compliant with the new regulations.

In September 2020, a revised version of the Statement of Investment Principles (SIP) was agreed. In order to comply with updated regulations, the main changes were within the responsible investment section. To demonstrate the scheme's compliance with the SIP, an Implementation Statement will be published in the second part of 2021 – look out for it in the Endsleigh section of [www.zpen.info](http://www.zpen.info).

The EPensionBuilder section uses two investment managers, Legal & General Investment Managers (LGIM) and Insight.

LGIM manages investments in equities, corporate bonds and government bonds. LGIM is a passive fund manager, so the objective of the funds is to replicate a benchmark. Therefore, there is no discretion in the specific stocks it invests in. The integration of responsible investments is mainly focused on active ownership, this can be achieved through proxy voting and active engagement with the companies the funds invest in. Your Trustee board met with LGIM in June 2020 to discuss its approach to responsible investments. For more information about LGIM's stewardship please click [here](#) to view the ESG Impact report. We'll publish portfolio specific details including significant votes in the Implementation Statement.

Insight manages the Liability Driven Investment (LDI) funds. These funds have holdings in investments that typically have no scope for engagement, this is because they primarily invest in UK government bonds.

For ECashBuilder members an ethical fund (that considers environmental, social and governance (ESG) factors) is available as a self-select option (SW L&G Ethical Global Equity Index). The fund passively tracks a benchmark that screens companies for specific ESG criteria. Companies that do not meet the criteria are excluded from the benchmark.

To find out more of our responsible investment policies, please read the SIP – available in the Endsleigh Pension Scheme section on [www.zpen.info](http://www.zpen.info).

## COVID-19: The impact on your pension scheme

Throughout 2020 the Trustee board monitored the evolving COVID-19 situation with respect to the impact on employer covenant, investment, scheme management and administration. The Trustee's controls stood up well to the challenges and the administrators and advisers implemented their business continuity plans quickly and adapted to fully remote working. Virtual Trustee board meetings have also run effectively.

The Pensions Regulator has issued multiple pieces of guidance, to enable trustees to navigate through the various issues and challenges that have arisen.

Your Trustee board continues to monitor the position, keep up to date with the Regulator's guidance, and take appropriate legal, actuarial and investment advice in relation to particular issues and challenges as they arise.

# Ever thought of becoming a Member Nominated Trustee Director?

We know that many of you are interested in how the scheme is run and becoming a member nominated trustee director is a great way to be involved and do something for the benefit of current and former colleagues.

The term of office for our two member nominated trustee directors ends on 31 August 2021 so we are inviting all scheme members to consider applying for these roles. The current member nominated trustee directors are also eligible to apply for a further term of office.

The role of a trustee director can be very rewarding and can provide a great opportunity for your personal development. If successful you would be part of a board of directors overseeing the pension benefits for around 3,000 scheme members and assets of more than £175m. You don't need to be a pensions expert; you'll get appropriate training and support to help you with the technical aspects. To be an effective trustee director you must be able to work as part of a team with each trustee director bringing their own skill set. You also need to be an effective communicator and that means both listening to sometimes complex discussions and making a positive contribution towards them.

The Trustee board normally meets at least four times a year to consider the effective running of the scheme including making decisions on funding, investments, risk management and discretionary issues. Meeting papers are circulated in advance of each meeting and you will be required to read these before the meeting to ensure you are fully prepared.

The trustee directors represent all beneficiaries equally (not just their own 'constituency' or interests). The Endsleigh Flexible Retirement Plan with Aviva, introduced in April 2018, is not part of the scheme and therefore is not part of the trustees' responsibility.

It doesn't matter which section of the scheme you are from or whether you have deferred benefits or are already taking a pension, if you feel you can make a positive contribution we would really like to hear from you.

You can get an application form from Sally Mallyon (sally.mallyon@uk.zurich.com) or Mike Jones (mike.jones9@uk.zurich.com) in the Zurich UK Pensions and Benefits team.

## The closing date for completed applications is 30 April 2021.

The current trustee directors are happy to share their experiences, if you would like to speak to one of them let Sally or Mike know and they can put you in touch.

If you decide to apply you will need to be supported by three other scheme members.

All nominations will be considered by the selection panel and shortlisted candidates will be assessed through a structured competency based interview process which will include an interview with the selection panel and may also include online aptitude tests and mock Trustee board exercises. If the number of nominations is less than or equal to the number of member nominated trustee director vacancies, those individuals will not be deemed automatically selected and their suitability for the role will be assessed by the selection panel.

***As part of Zurich, we aim to have a diverse mix of directors that reflects our members and the communities in which we live and work. Zurich is a workplace that values different opinions, respects personal needs, and provides equal opportunities for all***

## Update on the EPensionBuilder funding level



**Susanna Morran**  
Scheme Actuary

Every three years the Trustee runs a formal valuation of the scheme to check whether there is enough money to pay EPensionBuilder benefits as they fall due. The latest valuation is being carried out as at 31 December 2020, although the results won't be finalised until early next year.

As soon as the final results are available, we will publish full details in a special valuation newsletter.

## ECashBuilder – Where to find out more about your pension

The ECashBuilder website, hosted by Scottish Widows can be found at:

**<https://www.scottishwidows.co.uk/save/ecashbuilder2016/>**

- Check your fund value
- Check what you're invested in
- Take control of YOUR pension!

# Equalising for the effect of Guaranteed Minimum Pensions (GMPs): Update

You may be aware of a landmark legal ruling which requires pension schemes to equalise benefits for the effect of unequal Guaranteed Minimum Pensions (GMPs) for men and women. GMPs are unequal for men and women because, by law, they are calculated differently and are also payable from different ages.

The legal ruling is concerned with GMPs built up between 17 May 1990 and 5 April 1997 and presents many administrative challenges for pension schemes. During 2020, further guidance was issued by the pensions industry GMP Equalisation Working Group, the DWP and HMRC. There has also been a follow up ruling in the GMP equalisation case.

The Trustee board is continuing to work through the details, but the considerations and calculations are complex, and it may be some time before we can let affected members know the impact on their benefits. However, in nearly all cases, any increases in pension payments are expected to be very small.

## Don't let a scammer enjoy your retirement

**Find out how pension scams work, how to avoid them and what to do if you suspect a scam.**

Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

### Scam tactics include:

- contact out of the blue
- promises of high/guaranteed returns
- free pension reviews
- access to your pension before age 55
- pressure to act quickly

### If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at [www.fca.org.uk](http://www.fca.org.uk)
- Report to Action Fraud on **0300 123 2040** or at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)
- If you're in the middle of a transfer, contact your provider immediately and then get in touch with The Pensions Advisory Service (TPAS) at [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)

[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

## Changes in your personal circumstances

In order to ensure that you receive the benefits to which you are entitled, it is extremely important that you keep us informed of any changes in your personal circumstances, such as a change of name, address or marital status.

If your details change in any way, please let us know by contacting us as soon as possible.

## Scheme Information

- Annual report and accounts
- Valuation report
- Chair's statement on DC governance
- Member's booklet
- Statement of investment and funding principles
- Annual actuarial report
- Recovery plan
- Trustee dispute procedure

If you would like a copy of any of the above please contact [zpenteam@uk.zurich.com](mailto:zpenteam@uk.zurich.com)

## How to contact us:

### ECashBuilder queries:

**0800 917 9907**

[workplacesavings@scottishwidows.co.uk](mailto:workplacesavings@scottishwidows.co.uk)

### EPensionBuilder queries:

**0800 232 1915**

[zpenteam@uk.zurich.com](mailto:zpenteam@uk.zurich.com)

You should consider taking independent advice on your options in relation to your benefits under the scheme. Neither the Scheme Trustee nor any member of the Zurich Group (i.e. Zurich Insurance Group Ltd (registered in Switzerland with number CH-020.3.023.086-6) and its direct subsidiaries) are able to provide you with financial advice or accept any liability for any decision you make with regard to your retirement options.

