

## Chair's statement 2025

This compliance statement relates solely to the historical MGL (Demolition) Limited Pension and Life Assurance Scheme and not any present defined contribution schemes that the company operates for present employees.

Members have built up valuable benefits in the MGL (Demolition) Limited Pension and Life Assurance Scheme ("the Scheme"), so it is important to know that the Scheme is well run and your benefits are being looked after. This is the responsibility of the Scheme trustees.

Each year, the trustees produce a document called the Chair's statement. This sets out important information about the benefits in the Scheme and demonstrates how the Scheme has met its legal requirements in a number of key areas. It includes:

- The Scheme's investment strategy and its governance;
- The processing of core financial transactions;
- The disclosure of member-borne transaction costs and charges;
- The assessment of value for members; and
- How the trustees have met trustee knowledge and understanding.

The Chair's statement on the following pages cover the Scheme year from 1 April 2024 to 31 March 2025.

If you have any questions about the Chair's statement or would like a printed copy, please email [enquiries@mglgroup.co.uk](mailto:enquiries@mglgroup.co.uk).

# **Annual Chair's statement for the Scheme year ending 31 March 2025**

This statement has been prepared by the trustee of the MGL (Demolition) Limited Pension and Life Assurance Scheme ("the Scheme") to demonstrate how the Scheme has complied with the governance standards introduced under The Occupational Pension Schemes (Charges and Governance) Regulations 2015 in relation to the defined contribution ("DC") section of the Scheme. This statement relates to the period 1 April 2024 to 31 March 2025 inclusive ("the Scheme Year").

Please note from 1st August 1997, the Scheme no longer accepted new members and from 2003 no contributions of any nature have been paid into the Scheme.

## **Introduction**

The MGL (Demolition) Limited Pension and Life Assurance Scheme ("the Scheme") is a historical/legacy scheme that was originally with Equitable Life but has since been transferred to Utmost Life and Pension as the provider for providing the investment platform and administration thereof for members still with an interest in the Scheme.

Whilst the trustees continue to ensure the members' interests are correctly managed, they are actively seeking all the existing members informing them of the value of investment and so giving them the opportunity to take their Utmost policy into consideration when reviewing their personal financial planning arrangements. This approach is considered appropriate when considering the age profile of the remaining members the majority of which are of or are approaching retirement age. To demonstrate this, three members have transferred or taken their benefits within this reporting period.

It is the intention of the trustees to seek out all members and eventually close the Scheme down.

## The Scheme's investment strategy

All of the funds are invested under Utmost's Investing by Age Strategy ("IBAS").

The Investing by Age Strategy invests your savings in a portfolio of assets that gradually changes to less risky investment as you get older as follows:

- They are 100% invested in the Multi-Asset Moderate Fund until age 55.
- From age 55, each year for the next 10 years 10% of their value gradually moves into the Multi-Asset Cautious Fund.
- They are 100% invested in the Multi-Asset Cautious Fund from age 65-75.
- From age 75, each year for the next 10 years, 10% of their value gradually moves into the Money Market Fund.
- They are fully invested in the Money Market Fund by age 85.

Projected growth rates on the above fund can be illustrated:

| <b>Fund</b>                 | <b>Assumed Rate %</b> | <b>Annual Management Charge (AMC) %</b> |
|-----------------------------|-----------------------|---|
| <b>Multi-Asset Moderate</b> | 3.00                  | 0.75                                    |
| <b>Multi-Asset Cautious</b> | 3.00                  | 0.75                                    |
| <b>Money Market</b>         | 1.00                  | 0.50                                    |

The above funds are invested as follows:

### Multi-Asset Moderate fund information

The Utmost Multi-Asset Moderate fund invests in the JPM Multi-Asset Fund Moderate OEIC, ISIN GB00BJ0LS234.

| <b>Equity</b>                  | <b>ISIN</b>  | <b>60.00%</b> |
|--------------------------------|--------------|---------------|
| <b>JPM UK Global REI</b>       | GB00BJ0LB987 | 20.00%        |
| <b>JPM US REI</b>              | GB00BJ0LQ964 | 7.00%         |
| <b>JPM Europe (ex-UK) REI</b>  | GB00BJ0LBD56 | 2.00%         |
| <b>JPM Asia Pacific Equity</b> | GB00BJ0LBC40 | 1.00%         |
| <b>JPM UK Equity Core</b>      | GB00BJXDIK58 | 27.00%        |
| <b>JPM EM Equity</b>           | GB00BJXDIH20 | 3.00%         |

| <b>Fixed income</b>            | <b>ISIN</b>  | <b>35.00%</b> |
|--------------------------------|--------------|---------------|
| <b>JPM Sterling Corp Bond</b>  | GB00BJXFHT23 | 8.75%         |
| <b>JPM Global Corp Bond</b>    | GB00BK8MBG03 | 8.75%         |
| <b>JPM UK Govt Bond</b>        | GB00BJ0LS671 | 8.75%         |
| <b>JPM Global (ex UK) Bond</b> | GB00BJXD1L65 | 8.75%         |

### Multi-Asset Cautious fund information

The Utmost Multi-Asset Cautious fund invests in the JPM Multi-Asset Cautious OEIC, ISIN GB00BJ0LS010.

| <b>Equity</b>                        | <b>ISIN</b>  | <b>30.00%</b> |
|--------------------------------------|--------------|---------------|
| <b>JPM UK Global REI</b>             | GB00BJ0LB987 | 10.00%        |
| <b>JPM UK Equity Core</b>            | GB00BJXD1K58 | 13.50%        |
| <b>JPM EM Equity</b>                 | GB00BJXD1H20 | 1.50%         |
| <b>JPM US REI</b>                    | GB00BJ0LQ964 | 3.50%         |
| <b>JPM Europe (ex-Europe-UK) REI</b> | GB00BJ0LBD56 | 1.00%         |
| <b>JPM Asia Pacific Equity</b>       | GB00BJ0LBD40 | 0.50%         |

| <b>Fixed income</b>            | <b>ISIN</b>  | <b>60.00%</b> |
|--------------------------------|--------------|---------------|
| <b>JPM Sterling Corp Bond</b>  | GB00BJXFHT23 | 15.00%        |
| <b>JPM Global Corp Bond</b>    | GB00BK8MBG03 | 15.00%        |
| <b>JPM UK Govt Bond</b>        | GB00BJ0LS671 | 15.00%        |
| <b>JPM Global (ex UK) Bond</b> | GB00BJXD1L65 | 15.00%        |

## The processing of core financial transactions

The trustees monitor the core financial transactions of the Scheme. These include the transfer out of the Scheme, fund switches and payments out of the Scheme to and in respect of members and beneficiaries. Given that the Scheme is closed to new members and contributions there is no longer any need to monitor timing of investment.

The trustees worked to ensure core financial transactions were processed promptly and accurately over the Scheme Year by the methods set out below.

The trustees had agreed service level agreements (“SLAs”) in place with Utmost the investment administrator during the Scheme Year. These SLAs are the trustees agreed levels for the promptness of the processing of financial transactions (as set out below).

### Service Level Agreements

- Service Level Agreements during 2024 were measured as follows:
- 95% of payments out made within 5 days
- 95% of illustrations completed within 10 days
- 95% of general servicing completed within 10 days

All Service Level Agreements were met during 2024.

The trustees believe that the service standards agreed remain suitable.

## The disclosure of member-borne transaction costs and charges

The trustee is advised and monitors the fund charges on an annual basis in correspondence with Utmost. In its report on the fund charges, the trustees have taken account of statutory guidance and confirm that it is compliant with the Charge Cap Regulations, meaning that the charges for the Schemes' default arrangements do not exceed 0.75%.

The tables below detail the charges for the default arrangements and all other fund options within the Scheme over the Scheme Year and have been prepared to take into account the statutory guidance:

| <b>Fund Name</b>            | <b>AMC%</b> | <b>Additional Expenses %</b> | <b>Total Expense Ratio (TER)</b> |
|-----------------------------|-------------|------------------------------|----------------------------------|
| <b>Multi-Asset Cautious</b> | 0.75%       | 0.00                         | 0.75%                            |
| <b>Multi-Asset Moderate</b> | 0.75%       | 0.00                         | 0.75%                            |
| <b>Money Market Pension</b> | 0.50%       | 0.00                         | 0.50%                            |

### Switching funds

There is no charge for switching funds. However, Utmost reserves the right to introduce a charge at any time in the future, but will let us know if any changes come into effect.

### The trustee's assessment of traction costs

In the context of the information available the trustee has concluded that the transaction costs reported over the period are reasonable.

## **The assessment of value for members**

Costs of the provision of benefits under the Scheme are split between members and the trustee. During the Scheme year (and currently), members paid investment related charges only (i.e. the member-borne deductions noted above). The trustee paid all other costs incurred by the Scheme including the costs of administration, scheme governance and communication.

Taking into consideration the nature of the Scheme and the status of the majority of its members, the trustees feel that the present costing arrangements are appropriate and represent fair value for the members.

The trustee monitors the marketplace and compares the costs being paid for the Company's two present live pension schemes, and in comparison feels that the current arrangements are cheaper than the cost of these schemes and therefore represent good value for members.

## **How the trustees have met Trustee Knowledge and Understanding**

As described in the introduction statement the Scheme is a legacy scheme with historic members and no new applicants since 1st August 1997 and no contributions since 2003.

The Scheme is in effect in run off with the majority of members unaware that they have an interest in the Scheme and as a result we are actively seeking members to advise them of their holdings to allow them to assess and decide their best course of action. The present trustee has only recently been appointed through default.

The previous trustees were also members but on retirement from the company they reassigned as trustees leaving the present trustee being appointed as a result of them being Company Secretary of the Employer to the Scheme.

The previous trustees were obviously unaware of their obligations following the introduction of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 of the need to produce a Chairs Statement but also their wider responsibilities as trustees thinking that all of this was undertaken by Equitable Life and subsequently Utmost.

As a result of the present trustee completing the Scheme return for Scheme Year 31 March 2020 and subsequently correspondence and dialogue with the Regulator these such duties came to light.

As a result of this the trustee has held meetings with their independent company financial advisors to discuss responsibilities and also registered for the TPR's Trustee Toolkit to assist with this.

The trustee believes they now have sufficient understanding of the Scheme and their responsibilities and do not believe any actions not taken due to lack of previous knowledge have in any way been detrimental to the members.

A review has taken place with our independent financial advisors as to the appropriateness and options available for the Scheme and it is their opinion that Utmost pensions offer the best solution at present for its members.