



KEEPING YOU IN TOUCH

December 2020

Bringing you the latest information about the Crest Nicholson Group Pension & Life Assurance Scheme – alongside wider pension and financial news.

As the media constantly reminds us, we are experiencing challenging, turbulent times – and over the past year, we have seen a great deal of political and economic uncertainty. As Trustees, our focus is on managing the Scheme against this background.

With that subject in mind, I would also like to draw your attention to our forthcoming Trustee election. Our current member-nominated Trustee Director, Jeremy Fry, has reached the end of his second term of office. I would like to take this opportunity to thank Jeremy for his hard work and commitment to the role over the past six years.

We would now like to invite nominations from any members interested in taking up the role. Please read the key points in our piece overleaf to decide if you are eligible to apply, and if so, what you need to do next.

You will remember that we agreed a three month ‘contribution holiday’ for the Company earlier in the year as we believed that taking an action like this would help ease Company finances at a time when we could do so would be in the best interests of both parties. Contributions restarted as agreed and the missed payments will be made up over the next year.

Wishing you and your family a happy new year.

Duncan Revolta

Duncan Revolta
Chairman of the Trustee

SCHEME INVESTMENT UPDATE

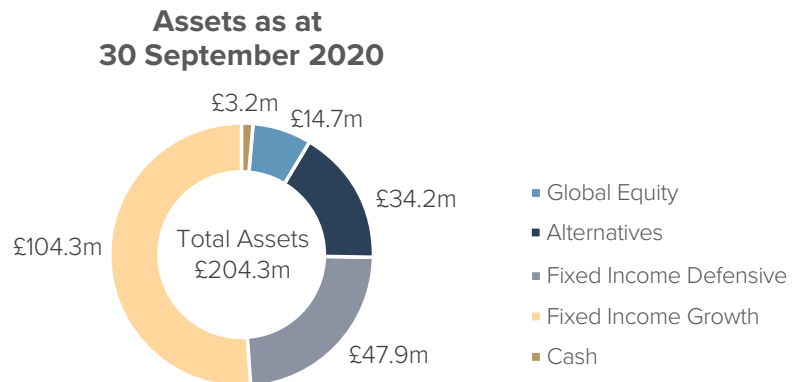
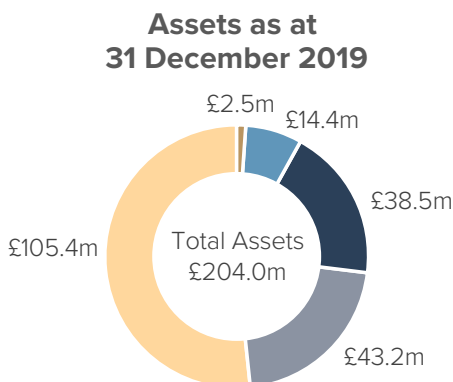
2020 has been a volatile year for many types of investment, with some assets substantially increasing in value and others falling considerably. However, Scheme performance was broadly neutral over 9 months to 30 September 2020 smoothing this volatility, with negative performance in the first quarter of 2020 being made up for by positive performance over the following two quarters. The Scheme’s position has been helped by its relatively low-risk investment allocations, and the decision to not hold any direct UK equity investments.

The Scheme’s index-linked gilts have delivered the strongest returns. It was a difficult year for equities: however, the Scheme’s equity investments are now relatively small.

Alternatives and credit investments posted mixed returns, generally falling over the first quarter then recovering over the rest of the year. The mix of Scheme assets has stayed largely the same over the year, apart from a reduction to one of the alternative holdings to fund ongoing benefits and one of the fixed income growth investments.

The Trustees have managed the Scheme’s cash position carefully over 2020, balancing the need to maintain sufficient cash to pay current benefits, while avoiding selling undervalued assets before they have had a chance to recover their value.

The spread of the Scheme’s assets at the beginning of the year and 30 September 2020 is shown in the charts below. The full investment report is available on the pension scheme webpage.



Note the Scheme sells some assets from time-to-time to meet pension payments, which offsets some investment growth.

COULD YOU BE A TRUSTEE?

Under current rules, at least a third of any pension scheme Trustee board must be nominated by members (as opposed to chosen directly by the Company). As a result, one of our three Trustees is member-nominated: they serve for a three-year term of office, and can put themselves forward again each time the term ends.

Jeremy Fry has been in the role since 2014, and his current term of office has come to an end. Jeremy has indicated that he would be willing to be nominated for a further three year term as your representative. Nominations for the election as a MND commence from receipt of this letter and will be open until 5pm on Friday 29 January 2021. Any applications after this date will not be considered.

Would you like to stand?

Online, you can find a 'job description' which outlines the knowledge, responsibilities and time commitment involved – along with

the nomination form you need to use if you apply for the role – just go to:

<https://www.crestnicholson.com/legal-information/pension-scheme>.

Before applying, please check you are eligible to become a member-nominated Trustee Director:

- You must be a deferred or pensioner member of the Scheme.
- You must be over 18.
- You cannot be 'disqualified' from being a director in some way – for example, if you are an undischarged bankrupt, or have a conviction for an offence involving dishonesty or deception.

If you meet these conditions and would still like to stand, please:

1. Fill in and send your Nomination Form by e-mail to the Trustee, care of Stephanie Fleming, pensions@crestnicholson.com.
2. Make sure you have included names and contact details of two fellow Scheme members to support your nomination.

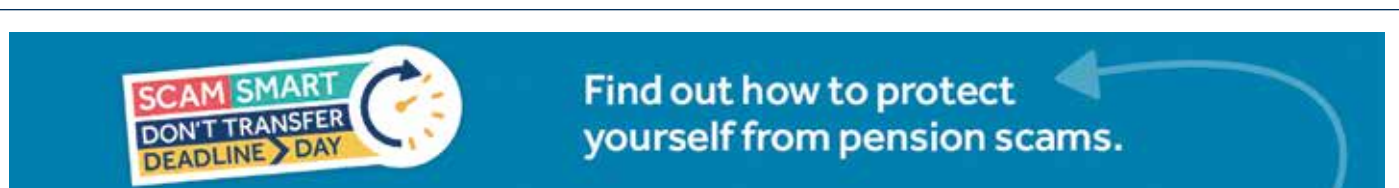
(You can send a form on someone else's behalf, but you must have their consent.)

Some rules to note:

- A member-nominated Trustee Director can choose to step down at any time.
- They may have to step down if they cut any ties with the Scheme – for example, if they transfer their benefits to another arrangement.
- They will be removed from office if at some future date they fail to meet the conditions – for example, if they are declared bankrupt.

We review the process for selecting member-nominated Trustee Directors every three to five years to make sure it still suits the Scheme's circumstances. Currently, we use a selection panel to review the nominations we receive. This panel is made up of a deferred member and pensioner member (both chosen by the board), alongside our current Chair. We will then inform the candidates of the panel's decision, and formally appoint the new Trustee.

If you have any questions after reading the information we have enclosed, please contact Stephanie Fleming using the above details.



We take every opportunity to remind you to be on your guard against pension fraud. However, even as new types of scam emerge, the help and support available online is also developing to keep pace.

The FCA's 'ScamSmart' website now contains a wide range of tools and information to help you look after your savings. It features:

- A quiz you can try to see if you would be likely to spot a scam;
- A step-by-step Q&A facility to help you find out if an offer you've received is already on the FCA's 'Warning List';
- Wider guidance for avoiding investment and online trading fraud as well as pension scams;
- A form to report any firms or individuals you believe have contacted you illegally or with intent to con you.

www.fca.org.uk/scamsmart/how-avoid-pension-scams

Remember that if you think you may have already fallen victim to a scam, report it to Action Fraud on 0300 123 2040 as soon as you can – there may still be time to stop any payments or recover your money.

REVIEWING YOUR AVCS

As you may recall, 'AVCs' are additional voluntary contributions – extra contributions you may have made when you were an 'active' member still building up benefits in the Scheme. (And perhaps you are paying AVCs at a new employer now.)

However, it is worth checking to see if you still have AVCs left in our Scheme – especially if it has been a while since you last did.

While you cannot top them up with further contributions (unless you transfer them out into another arrangement, such as a personal pension), you can still take new decisions about where to invest them.

Your yearly statement will give you the latest value of your AVCs, and the accompanying letter tells you what to do if you want to make any investment changes.

If you have any questions, please contact EQ.

RUNNING THE SCHEME

The Trustees continue to work and meet remotely with our advisors and our administrators, EQ (previously called Equiniti), are also continuing to provide all their usual services while following government guidelines.

Don't forget that if you are looking for some information, or have a question that is not urgent, please consider looking at the website first – you will find most of the official Scheme documents there.

If your query is pressing, please get in touch by e-mail if you feel able. (This avoids any postal delays – whether through office closures or Royal Mail workload – and eases pressure on the phones.)

Visit the website at:

<https://www.crestnicholson.com/legal-information/pension-scheme>

Contact EQ at: dbadmin.reading@equiniti.com or call 0345 268 0286 if you really do need to speak with someone.

If you have any questions for the Trustee, please e-mail pensions@crestnicholson.com.