

BOC Retirement Savings Plan



Summary Report and Accounts 2020



Chairman's welcome

Hello and welcome to your 2020 Summary Report and Accounts for the BOC Retirement Savings Plan (the RS Plan).

In this edition, you'll find your annual update on the RS Plan's accounts and how its investment funds are performing — see pages 3 to 7. In these figures, you'll see that the RS Plan's value has risen in the year. However, returns on investments decreased and – in the Pensions news section (pages 8-10) we outline how we, the Trustee, have worked even more closely than usual with our investment advisers and the BOC investment department to keep your pension safe during the COVID -19 pandemic. Remember, pensions are invested for the long term and most members will have the opportunity for their investments to recover any possible loss in value and grow.

We've seen a marked rise in pension scams during the pandemic. We don't want someone else to enjoy your retirement, so we've listed some of the main signs of a scam and the simple steps you can take to protect yours (pages 8-9).

Andy Cheseldine

Capital Cranfield – Professional Trustee
Chair of the RS Plan Trustee

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The headlines

Here's a useful summary of the RS Plan's headline figures. You can find a breakdown of these financials on pages 4 and 5.

As at 30 June 2020:

The value of the
RS Plan was

£258.2 million

This is an increase of £32.05 million
on the previous year.

Income has risen to

£47.9 million

Expenditure has risen to

£15.1 million

The total return on
investment over the year
to 30 June 2020 was

-£708,000

There were

14,660 members

The breakdown of the financials have been rounded and also include the figures from the AVC section.



The financials

The Trustee publishes an Annual Report and Accounts every year. This shows how the RS Plan's finances have developed over the year.

There are two sections in the RS Plan: the RS section and the AVC section. The graphic below shows these separately, as well as the combined figures as at 30 June 2020, along with 30 June 2019 for comparison.

	RS section 2019/2020 £'000	AVC section 2019/2020 £'000	Total 2019/2020 £'000	Total 2018/2019 £'000
Value of the RS Plan at beginning of year	200,761	25,421	226,182	202,703
Income	+	+	+	+
Contributions	39,180	6,626	45,806	26,665
Transfers in	157	-	157	-
Other income	1,937	-	1,937	1,491
Return on investments	+	+	+	+
Return on investments	(966)	258	(708)	8,689
Expenditure	-	-	-	-
Benefits payable	(4,449)	(4,303)	(8,752)	(8,088)
Payments to and on account of leavers	(2,371)	(735)	(3,106)	(2,860)
Administrative expenses	(1,173)	-	(1,173)	(990)
Other payments	(2,116)	-	(2,116)	(1,428)
Value of the RS Plan at end of year	230,960	27,267	258,227	226,182

Note: Brackets represent outgoings

Membership

Within the RS and AVC sections of the RS Plan, there are four membership groups: the Automatic Enrolment (AE) section, the Member Choice (MC) section, the RS 3, 4, 5% section and the Additional Voluntary Contributions (AVC) section.

The amount members pay in contributions varies depending on which section they belong to. Company contributions will differ depending on membership group too. There are also 'Life cover only' members, who have opted out of the RS Plan, but who still get life assurance from the Company.

RS section

Active members

AE and MC sections	RS 3%	RS 4%	RS 5%
2020: 1,191	2020: 2,159	2020: 218	2020: 3,319
2019: 1,531	2019: 1,384	2019: 218	2019: 2,297

Deferred members

2020: 6,436
2019: 5,694

Life cover only members

2020: 466
2019: 454



AVC section

Active members

2020: 295
2019: 424

Deferred members

2020: 576
2019: 390





Investments

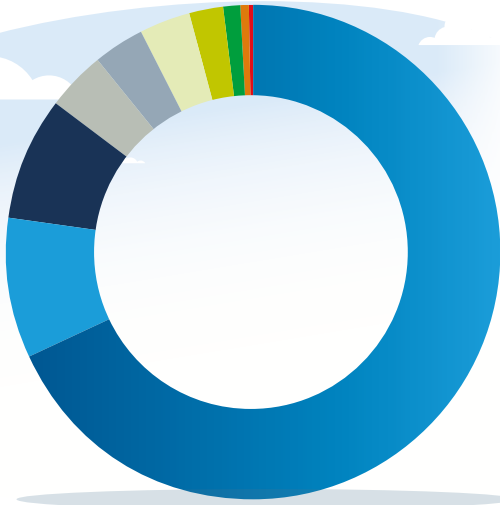
The RS Plan is a defined contribution (DC) pension scheme. This means that, when you decide to access your Account, its value will depend on how much you and the Company have paid in, and how your investments have performed.

You have two investment options for your Account:

Lifestyle – this is the default option, and means that you don't have to choose which individual funds you invest in. It automatically moves your money into less volatile funds as you approach retirement.

FreeChoice – this option gives you complete control over which funds you want to invest in. You can choose from a range of funds selected by the Trustee, so your investment strategy is completely up to you.

The chart below shows the value of each investment fund in size order:



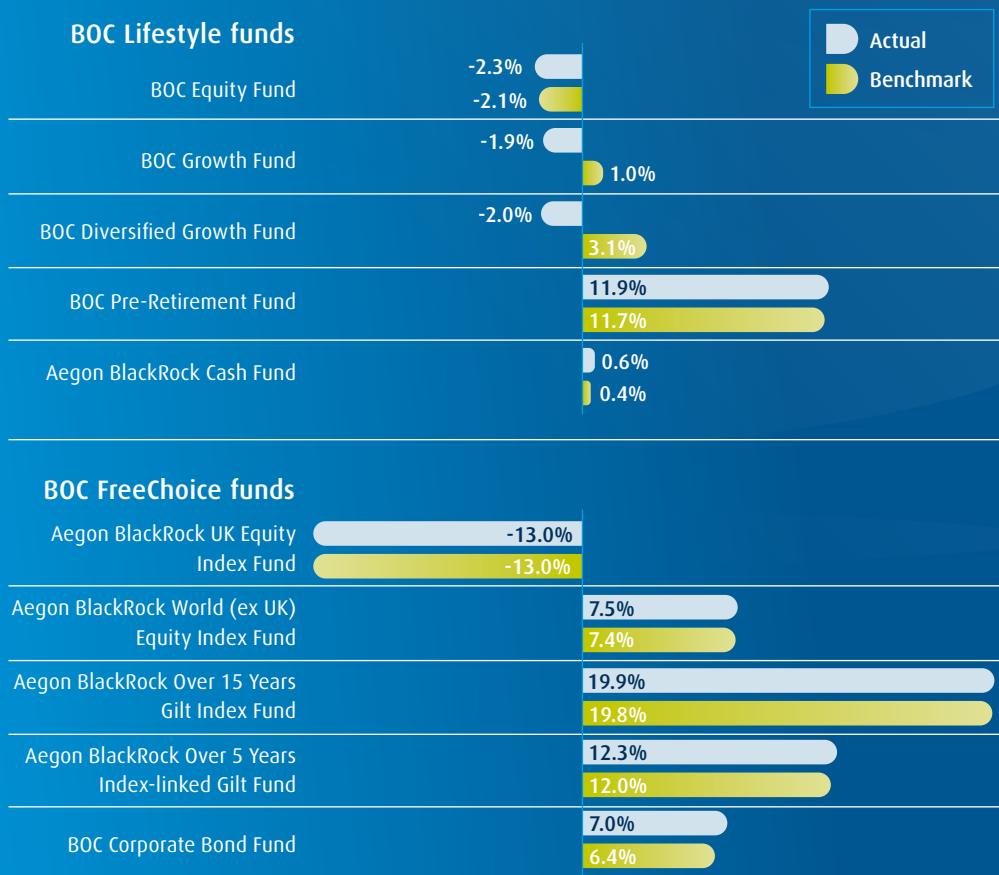
The investment funds and performance for the AVC section are not listed here. You can find these in the full Report and Accounts at bocpensions.co.uk

Fund name	Value £'000
BOC Growth Fund	157,725
BOC Pre-Retirement Fund	20,991
BOC Diversified Growth Fund	18,759
Aegon BlackRock World (ex UK) Equity Index Fund	8,825
Aegon BlackRock Cash Fund	7,989
BOC Equity Fund	7,691
Aegon BlackRock UK Equity Index Fund	5,235
Aegon BlackRock Over 5 Years Index-linked Gilt Fund	2,134
Aegon BlackRock Over 15 Years Gilt Index Fund	1,351
BOC Corporate Bond Fund	387

Investment performance

To see how well the various investment funds are performing, the actual investment results are compared against a benchmark, or target.

The graphic below shows how well each of the funds have performed over the year to 30 June 2020.



To find out more about investments, download *Your guide to investments* from [bocpensions.co.uk](https://www.bocpensions.co.uk) or download individual factsheets for each fund from [lwp.aegon.co.uk/io/boc](https://www.lwp.aegon.co.uk/io/boc)



Pensions news

COVID-19 update

Over the last year, people may have worried about the effect that the pandemic has had on investments and, more specifically, those that their pensions are invested in.

The RS Plan's investment adviser and the BOC Pensions Investment Department regularly update the Trustee on the performance of the RS Plan's investments. Since the start of the COVID-19 pandemic, these briefings have become more frequent and more detailed so that the Trustee can more fully assess how resilient the funds it invests in are to market volatility.

This is an ongoing and active process and we would like to reassure members that a pension is a long-term investment so most members will have the opportunity for their investments to recover any possible loss in value and grow. If you are invested in the default option (Lifestyle), please note that it is designed with the aim of providing increased protection from stock market falls as you get closer to retirement.

The BOC Pension Services team has been working from home since March 2020. They have maintained full operational function throughout, prioritising bereavement services, payment of retirement benefits and the timely investment of contributions.



Pension scams

On average, each person who falls victim to a pension scam loses £91,000. So, follow these steps to make sure nobody else enjoys your hard-earned retirement:

- Cold calling about your pension is now illegal. If someone calls, texts, emails or contacts you on social media and asks to talk to you about yours, or offers you a 'free pension review', don't engage them in conversation.
- Be on your guard – scammers are now using increasingly sophisticated-looking texts, emails and websites to convince people they're legitimate companies.
- Don't click on links in messages that have come from someone you don't know.
- Never give personal information (including bank details) to someone you don't know – no trustworthy organisation will contact you out of the blue to ask for this.
- You can't access your pension before age 55 without severe tax implications.
- No investment returns are ever 'guaranteed', especially high ones.
- Putting people under time pressure is a well-known scammers' tactic – always take your time to check who you're dealing with before you make any decision about your pension or finances.



How to keep your pension safe

Find out more about pension scams on the Financial Conduct Authority's website at [fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart)

Always check who you're dealing with at [fca.org.uk/register](https://www.fca.org.uk/register)

And if you're contacted by a scammer, report them to [fca.org.uk/consumers/report-scam-us](https://www.fca.org.uk/consumers/report-scam-us)

If you're thinking about transferring your savings out of the RS Plan, we strongly recommend you take regulated financial advice before taking action. Find an adviser near you at [unbiased.co.uk](https://www.unbiased.co.uk)



Other scams

During the pandemic, criminals have been taking advantage of the fact that we've moved a lot of our financial transactions online. As we get more used to transferring our money electronically, we must be as vigilant as ever. Here are some of the latest scams to keep an eye out for:

Royal Mail

A text alleging to be from Royal Mail asking you to pay an excess postage fee. Contains a link to a website where you'll be asked to input your bank account details. No reputable company will ever ask you to divulge your bank details in this way. Do not access the link and do delete the text.

'Official' fines or refunds

More text scams, either purporting to be from the police saying you need to pay a lockdown fine, or from the Government or HMRC and that you're due a tax refund or a 'goodwill' payment. The texts contain a link that takes you to a website that will harvest your bank account details. No reputable company will ever ask you to divulge your bank details in this way. Do not access the link and do delete the text.

BOC share sales

A scam aimed at BOC colleagues. A call from a company asking if you want their help to sell your shares in BOC, or saying that BOC needs your bank details to repay you money that it owes you. These calls are not genuine – BOC will never ask for your bank details over the phone.



Visit the Government's National Cyber Security Centre to find out more about how to deal with suspicious calls, emails and text messages: [ncsc.gov.uk/guidance/suspicious-email-actions](https://www.ncsc.gov.uk/guidance/suspicious-email-actions)

Pensions news



Accessing your pensions

The age at which you can access your pension is changing.

The minimum pension age is the earliest you can start accessing your pension savings without incurring a tax charge.

State Pension age is the earliest you can start accessing your State Pension, if you qualify for one.

This move reflects our growing life expectancy. Living longer means that our pensions will have to last for longer too.

Change to minimum pension age

In February 2021, the Government confirmed that it would be increasing the minimum pension age from age 55 to age 57 from 6 April 2028.

Change to State Pension age

In October 2020, the Government increased the State Pension age to age 66. It will increase again to age 67 by 2028.

Where to go for more information about money and pensions

From June 2021, the Money Advice Service, The Pensions Advisory Service, and Pension Wise will be brought under one umbrella: **MoneyHelper**.

MoneyHelper has been created by The Money and Pensions Service (MaPS) to provide a single source of information and guidance which can easily be found in one place. All the information and guidance will be free to use and impartial.

It is scheduled for launch in June 2021, when the existing websites of the Money Advice Service, The Pensions Advisory Service and Pension Wise will be replaced and people will be redirected to the new MoneyHelper website. Pension Wise will continue as a named service under the MoneyHelper umbrella.



Once launched, its website will be available at moneyhelper.org.uk



Who looks after the RS Plan?

There are seven Directors on your Trustee Board. Four of them are appointed by the Company, and three are nominated and elected by members of the RS Plan.

Company-Appointed Directors

Capital Cranfield

Professional Trustee, represented by
Andy Cheseldine

Martin Gleeson

Gases, Guildford

Jon Davies

Gist, Chineham

Vacancy

Member-Nominated Directors

Mark Poole

Jeff McMahon

Dan Waldron

Advisers and administrators

We also use several advisers and administrators to help us run the RS Plan:

Actuarial Adviser

Hymans Robertson LLP

Administrator

BOC Pension Services

Annuity Purchase Adviser

Origen Financial Services Ltd

Auditor

Ernst & Young LLP

Bankers

HSBC Bank Plc

Group Life Assurance

Legal & General Assurance
Society

Investment Adviser

Mercer Limited

Investment Managers

Aegon, Aviva Life Services
UK Limited, The Prudential
Assurance Company Limited

Investment Services

BOC Pensions Investment
Department

Legal Adviser

Mayer Brown International
LLP

Medical Adviser

Medigold Health

Contact us

It's likely you'll be able to find the information you need at www.bocpensions.co.uk

If you've tried the website and still need to contact us then use the details below. Please be aware that, due to an increase in the volume of inquiries, the response time may be longer than normal.

BOC Pension Services

The Priestley Centre, 10 Priestley Road, The Surrey Research Park,
Guildford, Surrey GU2 7XY, United Kingdom
pensions.uk@boc.com



www.bocpensions.co.uk

Legal note

Please note that this newsletter is intended to summarise the events of the past RS Plan year and nothing in it grants any legal right to benefits. Your entitlement to benefits is defined in the Trust Deed and Rules (as amended from time to time) at the date you leave service. You can download a copy of the current Trust Deed and Rules from the website at www.bocpensions.co.uk or request one from BOC Pension Services. If you are a deferred member you should ask for a copy of the edition which applied when you left service. Nothing in this newsletter constitutes financial advice. It is your responsibility to obtain financial advice if you decide that you need it. To find details of financial advisers in your area visit www.unbiased.co.uk