

Sabre Pension Plan – UK

2022 Value for Members Assessment

Please note that this is a short version of the 2022 Value for Members Review. A full copy is available upon request.

Comparison of net investment returns

The Trustees believe in providing a default arrangement that delivers a suitable risk/return outcome and a range of alternative self-select investment options suitable for the needs of the membership.

Default investment returns comparison

Using three comparison schemes, Quantum Advisory have obtained net investment returns to 31 August 2022 to compare against the Plan:

Scheme	Default fund – 1-year return	Default fund – 3-year return (pa)	Default fund – 5-year return (pa)
Sabre Pension Plan – UK (returns for SSgA TDF 2040 Fund)	-5.1%	+7.1%	+6.5%
Occupational trust-based scheme	-11.3%	+8.9%	+7.7%
NEST (returns for NEST 2040 Retirement Fund)*	-7.6%	+3.8%	+5.1%
The People’s Pension*	-12.1%	+0.1%	+3.4%
Now: Pensions*	-19.2%	-3.2%	+0.6%

* Returns are to 30 September 2022.

While the 1-year net return for the Plan is poor, it performed better over this time period than the comparison schemes. It also performed well over the 3-year and 5-year time periods, outperforming most of the comparison schemes. However, the net returns above are not necessarily comparable, given that the trustees of each comparison scheme may have different risk appetites. Furthermore, the funds will have different targets and the ages used to determine the returns in the case of schemes that operate lifestyling will impact the figures shown.

The returns shown for NEST are for the NEST 2040 Retirement Fund which is the fund that NEST currently refer to, to demonstrate default fund performance.

Self-select fund investment returns

For information, the table below shows performance, net of all charges and transaction costs, of all funds available to members during the year to 31 August 2022:

Fund	1-year		3-years		5-year	
	Return	Benchmark	Return	Benchmark	Return	Benchmark
SSgA Timewise Target Retirement 2020 Sub-Fund	(12.5)	(11.4)	(0.7)	(0.9)	1.6	1.4
SSgA Timewise Target Retirement 2025 Sub-Fund	(10.4)	(9.4)	1.3	1.4	2.9	2.8
SSgA Timewise Target Retirement 2030 Sub-Fund	(7.5)	(6.1)	4.0	3.9	4.5	4.3
SSgA Timewise Target Retirement 2035 Sub-Fund	(5.9)	(4.8)	5.8	5.9	5.7	5.6
SSgA Timewise Target Retirement 2040 Sub-Fund	(5.1)	(4.5)	7.1	6.9	6.5	6.3
SSgA Timewise Target Retirement 2045 Sub-Fund	(4.8)	(3.4)	7.3	7.4	6.7	6.6
SSgA Timewise Target Retirement 2050 Sub-Fund	(4.8)	(4.3)	7.4	7.0	6.7	6.4
SSgA Timewise Target Retirement 2055 Sub-Fund	(4.8)	(3.3)	7.4	7.4	6.7	6.6
SSgA Timewise Target Retirement 2060 Sub-Fund	(4.8)	(4.3)	7.5	7.0	6.8	6.4
SSgA Timewise Target Retirement 2065 Sub-Fund	(4.8)	(4.3)	7.4	7.0	6.7	6.4
L&G Life UK Equity Index Fund	1.1	1.0	3.9	3.9	3.3	3.3
L&G Life North America Equity Index Fund	3.1	3.3	13.6	13.8	13.6	13.8
L&G Life Future World Global Equity Fund	(1.7)	(1.7)	--*	--*	--*	--*
L&G Life Dynamic Diversified Fund	(5.8)	5.1	1.8	4.9	3.0	5.0
L&G Life Pre-Retirement Fund	(25.5)	(25.4)	(7.9)	(7.7)	(2.6)	(2.4)
L&G Life AAA-AA-A Corporate Bond — All Stocks Index Fund	(16.2)	(15.9)	(4.6)	(4.4)	(1.3)	(1.2)
L&G Life Over 5 Year Index-Linked Gilts Index Fund	(27.1)	(27.0)	(8.5)	(8.4)	(2.2)	(2.1)
L&G Life Cash Fund	0.4	0.6	0.2	0.3	0.3	0.4
L&G Life World (ex UK) Equity Index Fund	0.0	0.2	10.8	11.0	10.2	10.5

Source: Legal & General and State Street

*Information not available due to the fund's inception date.

The performance of these funds is not part of this value for members assessment.

Overall conclusion

Quantum Advisory

Based on the information above, the overall conclusion of Quantum Advisory is that the Plan provides good value for its members.

Trustees

Based on the charges payable by members and the services that the Trustees provide, the Trustees conclude that the Plan delivers good value to members. In addition, the Trustees take comfort that the members benefit from services such as regular member communications, good quality administration, professional advice (provided to the Trustees) and strong Plan governance and management at no cost to members.