



# Citrus DB Master Trust

| Taking care of your pensions challenge

**Citrus**

**WHY MOVE TO A DB MASTER TRUST?**

The costs of running DB schemes have soared in recent years. Despite UK companies committing billions in deficit contributions, most have seen deficits rise. Many schemes find themselves in a situation where costs erode asset outperformance, leading to higher cash contributions and no progress towards their end game.

Further to this, with legislative change and tighter regulatory scrutiny, smaller schemes are faced with additional pressures and an

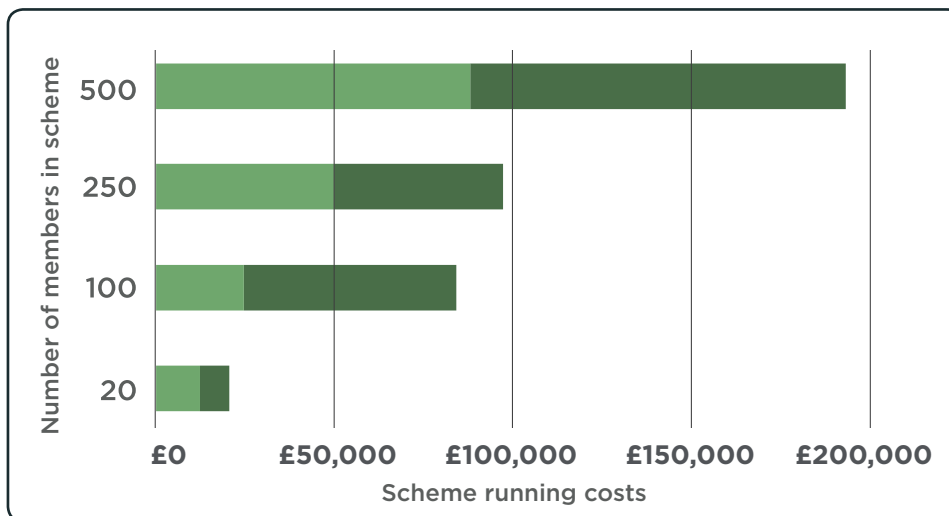
increasing governance burden. The time commitment required can divert attention away from running businesses.

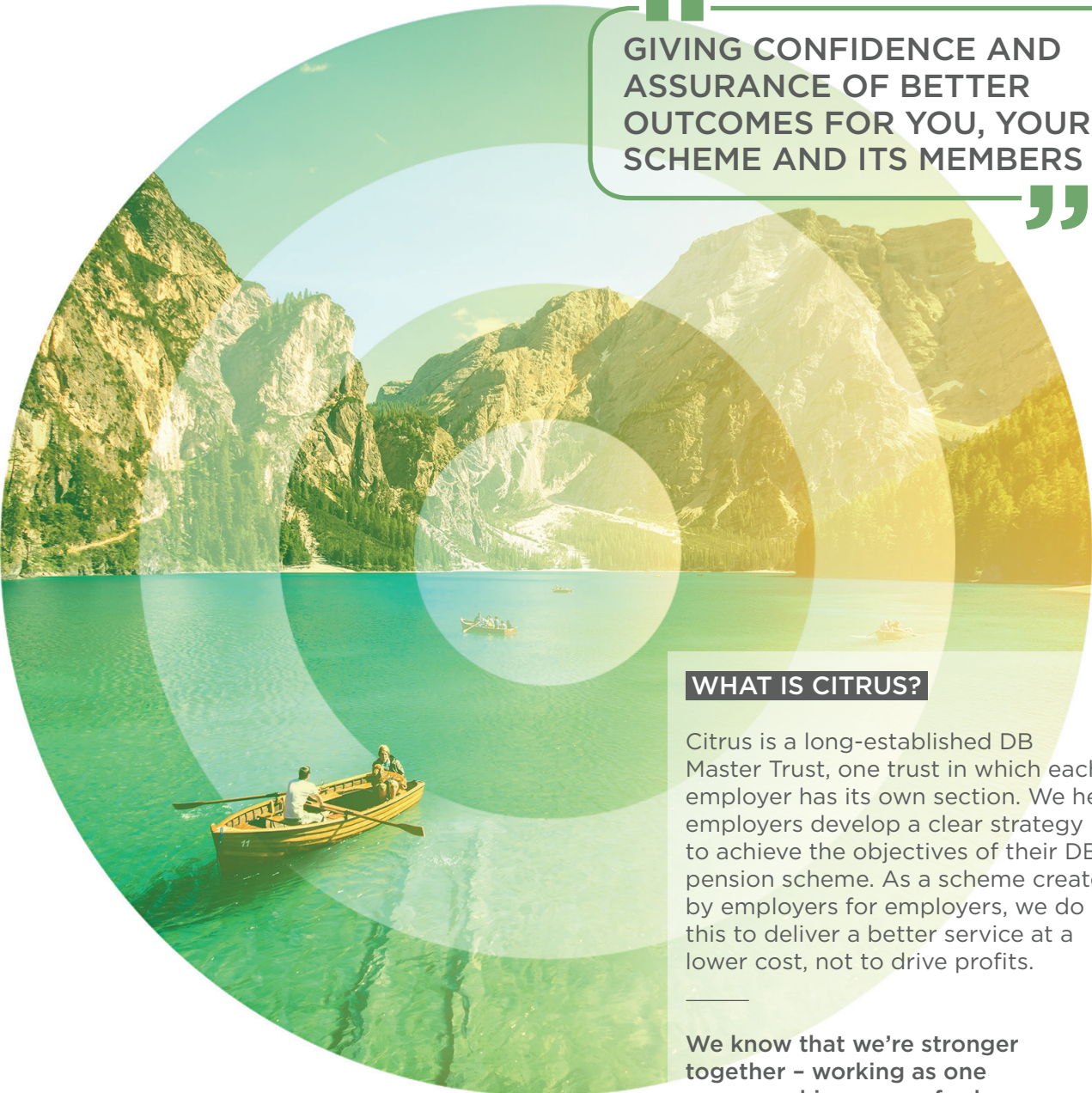
Moving to a DB Master Trust can significantly reduce the annual costs and strain of running your scheme, as well as enhancing the outcomes. Below we compare the Pension Regulator’s (tPR’s) analysis of average scheme running costs with the cost of running schemes of equivalent size in the Citrus DB Master Trust.

**AVERAGE COST SAVINGS OF C. 50% BY MOVING TO CITRUS**

**POTENTIAL COST SAVINGS**

● Citrus costs ● Average scheme running costs





**GIVING CONFIDENCE AND  
ASSURANCE OF BETTER  
OUTCOMES FOR YOU, YOUR  
SCHEME AND ITS MEMBERS**

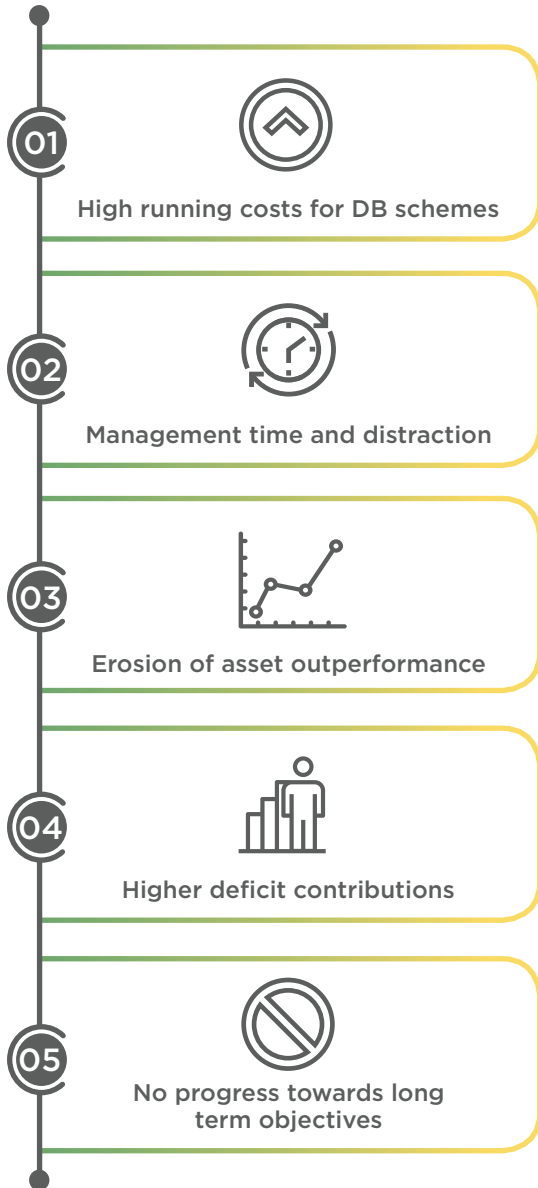
#### **WHAT IS CITRUS?**

Citrus is a long-established DB Master Trust, one trust in which each employer has its own section. We help employers develop a clear strategy to achieve the objectives of their DB pension scheme. As a scheme created by employers for employers, we do this to deliver a better service at a lower cost, not to drive profits.

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**We know that we're stronger  
together - working as one  
we can achieve more for less.**

**YOUR CHALLENGE**



**OUR SOLUTION**





## THE CITRUS JOURNEY

- 01 Feasibility report sets out the costs and timescales for moving to Citrus, and initial views on funding and investment strategy.
- 02 Streamlined transition process into your own ring-fenced Citrus section, overseen by our dedicated transition team. Retention of current employer contributions for the transition period.
- 03 The transition enables us to explore with you the chance to extinguish some smaller liabilities.
- 04 Initial valuation in year 1 sets your long term funding and investment strategy.
- 05 Online access to latest funding position letting you track progress against your objectives and explore the impact of changing contributions and investment strategy.
- 06 Aggregating liabilities with other employers when transferring risk to the insurance market. This gives smaller schemes access to competitive annuity pricing.

## THE CITRUS PROMISE

- **Strong governance:**  
The trustees and an experienced team of advisers manage the sections, allowing you to concentrate on running your business
- **Cost control:**  
Through cost sharing and lower fund management charges, we'll reduce your costs and manage fees while delivering an industry leading service.
- **Better management of risks and investments:**  
Your scheme will benefit from sophisticated Integrated Risk Management (IRM), with access to a broader range of investment opportunities than typically available to smaller schemes. We've worked with fund managers to develop innovative capital efficient investment strategies. These achieve the same returns but require less capital to do so, ensuring your assets work harder and deliver more value to you and your members.
- **Set clear objectives for your section:**  
We'll implement a strategy that's right for your scheme, and agree a level of involvement that's right for you.
- **Get you to buy-out sooner:**  
We've a proven process for bringing employers together to lower the cost of buying out your benefits, getting you to your destination sooner. If your scheme is less mature, through our stewardship we'll ensure it's in good shape for when the time is right.
- **A smooth transition:**  
We'll give you peace of mind throughout the transition, with a tried and tested approach, managed by dedicated project professionals.
- **A better service for you:**  
With access to online reporting, you can easily track up-to-date funding levels, investments and risk analytics.
- **A better service for members:**  
With online access to statements and benefit illustrations at the touch of a button.

“  
As an employer, I want a clear long-term plan for my pension scheme, a quality service and value for money. Working with the trustees, we have agreed that targeting buy-out within 15 years is a realistic and tangible objective for the scheme. The ability Citrus has to bring smaller schemes together at the point they wish to buy-out provides the prospect of a better deal from insurers, adding real value. We have agreed a strategy to target buy-out that strikes a suitable balance between contributions and investment risk. The support provided by trustees' advisers throughout the funding negotiations was excellent.

”  
- Mike Quayle, Group CEO,  
The Parkwood and Alston Groups

**WHY CITRUS?**

- **Created by employers for employers**

Delivering a solution that's right for your scheme, with a level of involvement that's right for you

- **We know we're stronger together**

Achieving more for less by sharing costs and benefiting from scale

- **Passionate about delivering a quality service**

Innovating to deliver greater value and meet your scheme's objectives



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