

Update

FOR MEMBERS OF REUTERS SUPPLEMENTARY PENSION SCHEME (THE 'SPS')

Autumn 2023



A meteor streaks in the night sky during the annual Perseid meteor shower on the island of Lastovo, Croatia. REUTERS/Antonio Brunic

Welcome to Update

From Catherine Redmond, BESTrustees Limited, Trustee Chair



2023 has been just as busy as 2022. Valuation activity is now well underway and we have also seen some changes to the Trustee Board.

Following the successful completion of a buy-in investment policy, the Trustee continues to work with Capita and the buy-in provider, Legal & General Assurance Society ('L&G'), to bed down the services provided to members and further improve the quality of member data.

The Trustee was disappointed to learn about the cyber incident experienced by Capita earlier this year, and we have communicated with those members affected. We encourage all members to be vigilant in looking out for potential fraud or scam activity and take steps to protect their identity.

The SPS Scheme Actuary carries out a full financial health check of the SPS to work out the funding level at least once every three years. This formal process is called an actuarial valuation and the actuarial valuation as at 31 December 2022 is now underway, with the results due to be finalised by 31 March 2024. The results will be communicated to members in next year's Summary Funding Statement. We know that members are concerned about the expiry of the cost of living agreement in 2024, and we are discussing this with LSEG as part of our engagement on the valuation.

And finally, my thanks to Greg Meekings who retired in March of this year. Greg served as Trustee Chair for 18 years, and on behalf of the Board I would like to thank him for his excellent leadership and dedication to members' interests. Members will also have recently received information about a Member Nominated Director election, and I would like to take this opportunity to congratulate Geoffrey Sanderson who has been re-elected to serve on the Trustee Board for a further term.

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LSEG

Update from LSEG

From Georgina Wallis, Director, UK DB Pensions, London Stock Exchange Group ('LSEG')



Over the last year, the Trustee and LSEG have continued to work collaboratively to manage the SPS.

I am delighted that the Trustee has appointed me as their Pensions Manager to work closely with the Trustee, OSC and the secretariat team at Barnett Waddingham to ensure the smooth operation of the SPS.

As noted in Catherine's and Martin's updates, it has been a very busy year with many challenges for this pension scheme and many others. I and the wider company have been supporting the Trustee with actions arising from the Capita cyber incident and administration projects. LSEG is also continuing its dialogue with the Trustee around the triennial valuation process and the expiry of the cost of living agreement at the end of next year.

I would also like to add my thanks to Greg Meekings who provided excellent stewardship of the SPS for the last 18 years. I am confident that the appointment of Catherine Redmond as Chair will continue to provide strong trusteeship of the SPS.

Investment Update

From Alex Lindenberg, SPS Investment Adviser – Redington



In October 2021, the SPS purchased a full bulk annuity insurance contract with L&G.

This insurance contract covers all members of the SPS and is intended to provide an income to the SPS matching pension payments due to members. This is a long-term contract over which the Trustee does not make investment strategy decisions or monitor performance

– and, as such, there will be no changes to the SPS's investment strategy going forwards.

Over the year, a small amount of residual cash owed to the SPS was reinvested into the Columbia Threadneedle Sterling Liquidity Fund.

Update from the Operations Sub-Committee ('OSC')

OSC STRUCTURE

Mark Harries joined the OSC in April this year following his appointment to the Trustee Board of the Reuters Pension Fund. Mark also chairs the London Stock Exchange Group Pension Scheme operations committee. In her role as Pensions Manager for the SPS, Georgina Wallis attends OSC and project meetings. We welcome the experience that both Mark and Georgina bring to the OSC.

ADMINISTRATION MATTERS

We are nearing completion of the project to ensure that the details of all member records are accurately recorded in the SPS administration database and to ensure that the investment fee paid to L&G is correct.

You may recall from previous Updates that as a result of a court case involving the Lloyds Bank pension schemes there is a need for pension schemes to equalise benefits to remove gender inequalities in the Guaranteed Minimum Pension ('GMP') calculation. We have now started equalising GMP records and the work is scheduled to be completed in the first half of 2024. Affected members of the SPS will be contacted with details of the impact on their pensions in due course.

The Trustee intends to transition the administration of the SPS from Capita to L&G (who have their own in-house administration team) in 2024. Further details of this will be provided in due course.

CAPITA CYBER INCIDENT

At the end of March, Capita experienced a cyber incident. The Trustee became aware of technical issues being experienced on 31 March but it was not confirmed they were a result of a cyber incident until 3 April. During April and May, as part of the investigation Capita was undertaking, Capita's position moved from no individual member data being affected to 1% of data from the servers having been exfiltrated (see note below). The Trustee received confirmation on 18 May that the SPS data had been part of the data exfiltrated, but it was not until 17 July that we received confirmation of the list of members impacted. We have been dependent on Capita to provide you and us with the relevant information which regrettably took several months.

The OSC activated its incident response process in April and has been responsible for updating The Pensions Regulator ('TPR') and the Information Commissioner's Office ('ICO') on how the cyber incident affected the SPS's pension data. If your data was involved in the incident, we have updated you by letter on how your personal data may have been accessed by the cyber attack and we have also provided general updates on the SPS website. Capita has provided all members who have potentially been affected by the cyber incident with free of charge access to the Experian security application and advice from other websites as to how to secure your personal data. We now await a formal report on the incident from the ICO to determine what further action we can take.

Note: data exfiltration is a form of a security breach that occurs when an individual's or company's data is copied, transferred, or retrieved from a computer or server without authorisation.

GOVERNMENT PENSIONS DASHBOARDS

In last year's Update we mentioned the Government-led initiative known as "Pensions Dashboards" – an online resource where individuals would be able to view information about all of their pension savings in one place, including the State Pension. The development of the Pensions Dashboards has been delayed until 2026. To ensure that you can access the Pensions Dashboards once it is available, it is vitally important that we have the correct contact information for you, so please ensure that you keep us updated of any changes as necessary.

You can find out more about Pensions Dashboards, including a video gallery, online at www.pensionsdashboardsprogramme.org.uk

MEMBER COMMUNICATIONS

We will be reviewing our member communications during the next few months. A full list of contacts for the SPS can be found on the last page of this newsletter and we will be reviewing these and other ways that we can keep in contact with you. If you have an issue or concern with your pension that you cannot resolve first with Capita, please raise this with the Trustee, by emailing sps.pm@barnett-waddingham.co.uk, so that we can ensure a timely resolution.



A super moon, known as the Blue Moon, rises above the city of San Diego, California, August 30. REUTERS/Mike Blake

From the Accounts

The figures in the table below are taken from the SPS's formal Report and Financial Statements for the year ended 31 December 2022.

They have been audited by PricewaterhouseCoopers, who confirmed that they are true and fair. If you would like to see a copy of the full report, please contact Capita (the SPS administrators), or log on to the SPS Trustee's website at www.reuterssps.co.uk

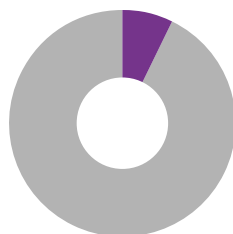
	2022	2021
	£'000	£'000
CONTRIBUTIONS AND BENEFITS		
Employer contributions	846	894
Other income	-	2,246
Total contributions	846	3,140
Benefits paid or payable	(13,044)	(12,738)
Transfers out to other schemes	(4)	(2,111)
Administrative expenses	(1,715)	(979)
	(14,763)	(15,828)
Net withdrawals from dealings with members	(13,917)	(12,688)
NET RETURNS ON INVESTMENTS		
Investment income	12,615	3,195
Change in market value of investments	(75,375)	(24,929)
Investment management expenses	(25)	(280)
	(62,785)	(22,014)
Net decrease in the Fund	(76,702)	(34,702)
Opening net assets of the Fund	299,294	333,996
Closing net assets of the Fund	222,592	299,294

THE MEMBERSHIP

There were 164 members in the SPS on 31 December 2022.

Deferred members 12

Pensioner members 152



Pensions and the law

Update from Sacker & Partners LLP – Legal advisers to the SPS

Sackers

SPRING BUDGET 2023

The Spring Budget brought news for pension savers about changes to the Lifetime Allowance.

Lifetime Allowance

The Lifetime Allowance ('LTA') is the maximum amount of pension benefit that can be paid from pension schemes without triggering a special tax charge. For the 2023/24 tax year, the standard LTA is £1,073,100.

Until 6 April 2023 a consequence of exceeding the LTA was that a special tax charge (the "LTA charge") would be deducted from any benefits paid in excess of the LTA. As part of the Spring Budget 2023, the Government announced that the LTA charge would be removed from 6 April 2023, so that any benefits that would have triggered an LTA charge would no longer have this charge applied. As the framework for the LTA remains in place for the time being, all pension schemes – including the SPS – are still required to carry out checks against the LTA for the 2023/24 tax year, but the Government has announced that this requirement will fall away from next April.

Maximum tax-free cash lump sum

The maximum pension commencement lump sum (also known as tax-free cash) which can be taken at retirement will be limited to 25% of the LTA in force for the 2022/23 tax year, meaning a maximum of £268,275 tax-free cash can be taken across all of your pension arrangements (except where specific protections apply).

Further information

The Trustee is not able to provide tax or financial advice regarding this change, so if you would like further guidance, including on your position if you have registered with HMRC in the past for any LTA "protections", we recommend that you obtain advice from an authorised independent financial adviser, or contact MoneyHelper www.moneyhelper.org.uk/en

Bulletin

RESULTS OF THE MND ELECTION

The term of office for Geoffrey Sanderson was due to come to an end on 25 September 2023 and a vacancy therefore arose for a Member Nominated Director ('MND') on the Trustee Board of the SPS. The Trustee Directors wrote to all deferred and pensioner members in August inviting them to put themselves forward for election to the Board. One nomination was received, in respect of the incumbent, Geoffrey Sanderson, and he was therefore re-elected to serve for a further term. Congratulations to Geoffrey.

EQUALITY, DIVERSITY & INCLUSION ('ED&I')

Earlier this year TPR published guidance for trustees and scheme sponsors on how to begin meaningful engagement on ED&I. In simple terms, ED&I is how a diverse group of people can function together in a fully inclusive way, where everyone is able to participate fully and can do so without any barriers being present. This means that in an inclusive group, people are able to give to the best of their ability.

Reviewing the function of a trustee board through an ED&I lens can help enhance a scheme's overall governance by identifying areas that are preventing trustees from giving to the best of their ability, causing inefficiencies or even blind spots in the way the board operates. It can even help provide solutions to matters that might not have been considered as ED&I issues, such as trustee recruitment and overall member engagement. Effective governance is the cornerstone of trustees' responsibilities and it provides the framework and practices necessary to guide decision-making and ensure proper oversight.

A clear strategy on ED&I can lead to a more effective trustee board, better scheme governance and therefore better outcomes for members. The Trustee Board has received some initial training on this topic, agreed some guiding principles, is considering the SPS Rules and Trustee decision making process, and has engaged with the Company and the SPS's advisers. Work is also underway relating to a review of member communications and producing an ED&I policy.

KEEPING YOUR PENSION SAVINGS SAFE

Data theft is on the rise as demonstrated by the cyber incident experienced by Capita earlier this year, and the Trustee is aware that people may try to gain access to member personal data for fraudulent purposes. To keep your information safe and secure you should stay vigilant – keep a look out for unexpected calls and emails which may be suspicious. The National Cyber Security Centre website includes some useful guidance on cyber security as well as tips for staying secure online that we would encourage members to refer to - www.ncsc.gov.uk/guidance/data-breaches.

Further information is also available on Action Fraud's website at www.actionfraud.police.uk

In previous editions of our Update, we have highlighted the increased threat from scammers who employ a number of methods to try to access individuals' pension savings. There are various ways you could be tricked into such a scam - be cautious of unsolicited offers offering a 'free' pension review, those promising access to cash or 'one-off' investment opportunities. If you've been offered an investment out of the blue, chances are it's very high-risk or a scam. Pension scams continue to be an area of concern and we urge you to be on your guard. Whilst the Trustee has an important role in looking after the SPS it is your responsibility to protect yourself from pension scams, and unfortunately once you've moved your money into a scam it's too late. You could end up losing all of your money and, in some cases, face significant tax bills in addition.

Go to www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam to find out what more you can do to protect your savings from pension scams. You can also visit the Financial Conduct Authority's ('FCA') website at www.fca.org.uk/scamsmart for further information. The FCA website includes a Warning List to check the risks of a potential investment and you can also search to see if the firm is known to be operating without FCA authorisation. Alternatively you can speak to the SPS's administrator, Capita, if you have any concerns.

TRANSFERS OF BENEFITS – TIMESCALES

If you request a cash equivalent transfer value and decide to go ahead and transfer your benefits out of the SPS, you should note that there are timescales to be adhered to. A transfer value is only guaranteed for a limited time. If you do not apply for a transfer by the guarantee date, you will lose the right to a guaranteed amount and the transfer will not go ahead. An administration fee is payable if you request another quotation within twelve months.

In addition, the transfer process can be complex and take some time. There are some specific checks that must be made before complying with a member's request to transfer their pension and these checks are designed to protect pension scheme members and their savings against pension scams. If you request a transfer value, Capita will provide you with more information about the checks that will take place, but you should note that the transfer can only be completed once all conditions to transfer have been met, so you should make sure you factor this into your financial planning. Some of the steps to be taken will require your input so you should ensure that you act promptly to ensure that statutory timescales are met.

EXPRESSION OF WISHES

Benefits upon a member's death are paid according to the detailed provisions of the rules of the SPS, but you can indicate to whom you wish any lump sum benefits and/or pension benefits to be made payable in the event of your death (if applicable). Note that the Trustee will take members' wishes into account, although they are not legally obliged to do so.

You should ensure that your Expression of Wish details are kept up to date and reflect your current wishes, particularly if your circumstances, or those of your nominated beneficiaries, change. If you need to update your Expression of Wish details please contact Capita for assistance.

CONCERNS REGARDING THE SPS

Providing a high-quality service to members is a priority for the Trustee and any complaints or disputes can generally be easily resolved by contacting the SPS's administrators, Capita, using the contact details on page 10. However, if you are experiencing difficulties and would like to escalate matters, the Trustee does operate an Internal Dispute Resolution Procedure ('IDRP') which enables the formal review of a member complaint independent of their service providers (i.e. Capita). A copy of this procedure can be obtained from Capita or by contacting the Trustee Secretary at sps.pm@barnett-waddingham.co.uk. The IDRP provides full details of the steps to take to ensure the matter is dealt with fairly and promptly.

If you are still not satisfied after going through the IDRP process, the Pensions Ombudsman is an independent body set up by the Government that has legal powers to settle complaints and disputes. Its service is free and they will investigate your concerns and, if it believes there are grounds, it will attempt to mediate between you and the other party. Further details of the service provided by The Pensions Ombudsman can be found on the organisation's website at www.pensions-ombudsman.org.uk

We appreciate that there have been a number of changes relating to pension schemes which are or have historically been associated with Thomson Reuters. For those of you who may be a member of more than one pension arrangement, please note the following contact details for the various schemes:

Reuters Pension Fund –

administered by Isio.

Contact reuters@isio.com

Reuters Supplementary Pension Scheme –

administered by Capita.

Contact refinitivpensions@capita.com

Refinitiv Retirement Plan –

transferred to Legal & General.

Contact employerdedicatedteam@landg.com

Running the SPS

Trustee Directors

APPOINTED BY THE COMPANY

Catherine Redmond

(Independent Trustee,
BESTrustees Limited) (appointed
26 October 2022) - Chair

Rachel Croft

(Independent Trustee,
Independent Governance Group)

Greg Meekings

(until 31 March 2023)

Mike Sayers

Martin Vickery

ELECTED BY MEMBERS

Jeremy Penn

Geoffrey Sanderson

PROFESSIONAL ADVISERS TO THE SPS TRUSTEE BOARD

Scheme Actuary

Michael Maltwood, Aon Solutions
UK Limited

Scheme Administrator

Capita Employee Benefits

SPS Trustee Secretary

Barnett Waddingham LLP

Legal Adviser

Sacker & Partners LLP

Independent Auditors

PricewaterhouseCoopers LLP

Investment Adviser

Redington Limited

Covenant Adviser

Cardano Advisory Limited

Banker

National Westminster Bank

Members' rights are governed by the
SPS Rules. In the event of any apparent
conflict with this newsletter, the Rules
will prevail.

Small island cays and the prominent tidal channels cutting
between them in the Bahamas in a photo taken from the
International Space Station. NASA/via REUTERS

Contact points

IF YOU NEED INFORMATION

If you have any questions about your benefits please contact the Refinitiv Member Services Centre at Capita.

Write to: **Refinitiv Member Services Centre, Capita Employee Benefits, PO Box 555, Stead House, Darlington, DL1 9YT, United Kingdom**

Email:

refinitivpensions@capita.com

Phone number for UK callers:

0800 077 8250

Phone number for overseas callers:

+44 (0)114 273 8397

Helpline opening hours:

09:00-17:00 (UK time)

Monday to Friday

Online services

SPS Trustee's website:

www.reuterssps.co.uk

If you want to check your benefits online

Log on to the member website at

www.hartlinkonline.co.uk/sps

If you have not yet used the website, you can register and obtain log-in details by following the instructions directly on the website.

If you wish to bring something about the SPS to the attention of the Trustee, please contact

Write to: **SPS Trustee Secretary, Barnett Waddingham LLP, 2 London Wall Place, London, EC2Y 5AU, United Kingdom**

Or email them at:

sps.pm@barnett-waddingham.co.uk

IF YOU NEED ADVICE

MoneyHelper brings together the Money Advice Service, the Pensions Advisory Service and Pension Wise in one, easily accessible place. Offering a broad range of financial guidance and support, you can access free, impartial help about money matters and your pension, find a local financial adviser and use a range of handy calculators and tools.

www.moneyhelper.org.uk

If you'd like financial advice, but don't have a financial adviser, MoneyHelper provides information about financial advice, help with choosing a financial adviser, as well as questions to ask.

You should consider taking financial advice before making any decision regarding your pension.

FURTHER READING

The SPS Trustee's website at www.reuterssps.co.uk gives more detailed information about the SPS and some of the latest documentation including:

- The current Statement of Investment Principles which explains how the Trustee invests the money paid into the SPS
- The latest Annual Report and Financial Statements

- Historic 'Update' newsletters

If you would like to receive a copy of any SPS documentation please contact Capita in the first instance.



Japan's Mount Fuji is seen covered with snow. Mount Fuji, at 3,776 metres (12,388 feet), is the tallest mountain in Japan. REUTERS/Issei Kato



LSEG