

Master Trusts

The past, present and future

Poll 1.

Have you been involved in a Master Trust selection and/or transition process?

Y/N

Poll 2.

For those who have, been involved in a Master Trust selection and/or transition process - how would you rate the overall experience up to the launch?

- a. Good
- b. Average
- c. Poor

Poll 3.

For those currently in a Master Trust, how would you rate the ongoing experience for members?

- a. Good
- b. Average
- c. Poor

Poll 4.

Are you likely to be involved in a Master Trust selection and/or transition process over the next 12 months?

Y/N/Unsure

Poll 5.

For all, do you believe Master Trusts have the ability to support improved member outcomes relative to standalone defined contribution schemes?

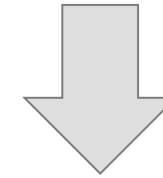
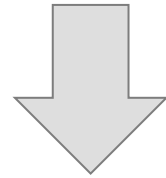
Y/N/Unsure

The vision

2022

155,000* defined contribution schemes in Ireland with €55bn AUM

*66,000 One Member Arrangements (OMAs); 80,000 frozen; 9,000 group



2023

~130,000 (~4,500 group) defined contribution schemes with €35-40bn AUM

17 Master Trusts with €20-25bn AUM and ~25k employers

2027

100-200 defined contribution schemes

10-15 Master Trusts

The journey so far



2022



2023



**H1
2024**

Some learnings

1

Be clear on roles and responsibilities between employer, trustees and providers



2

Be aware of conflicts of interest



3

Clarity on services and fees and accurately reflected in on-boarding documentation



4

Comprehensiveness of data records (particularly deferred members)



5

Asset transfer delays and practical issues (e.g. benefit statements, retirements, leavers etc.)



6

Treatment of death benefits and Pension Adjustment Orders



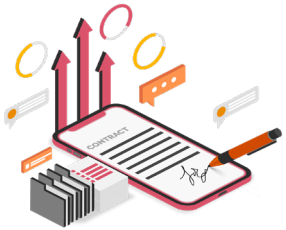
The “good news” story



- Communications are better - high volumes of member engagement tools
- Persona-driven and tailored communications



- Investment in technology is significant
- Priority vehicle - mass adoption of Master Trust in a number of RAs



- Costs have reduced - in places materially
- Refresh of pension proposition by some employers

**SPOILER
ALERT!**



- Better for (many) deferred members
- Platform to be much more member focussed into the future

But...



- Communications are not obviously driving engagement
- Participation at generic presentations is very (very) low



- Use of technology needs greater focus
- Priority vehicle - albeit current priority is client acquisition

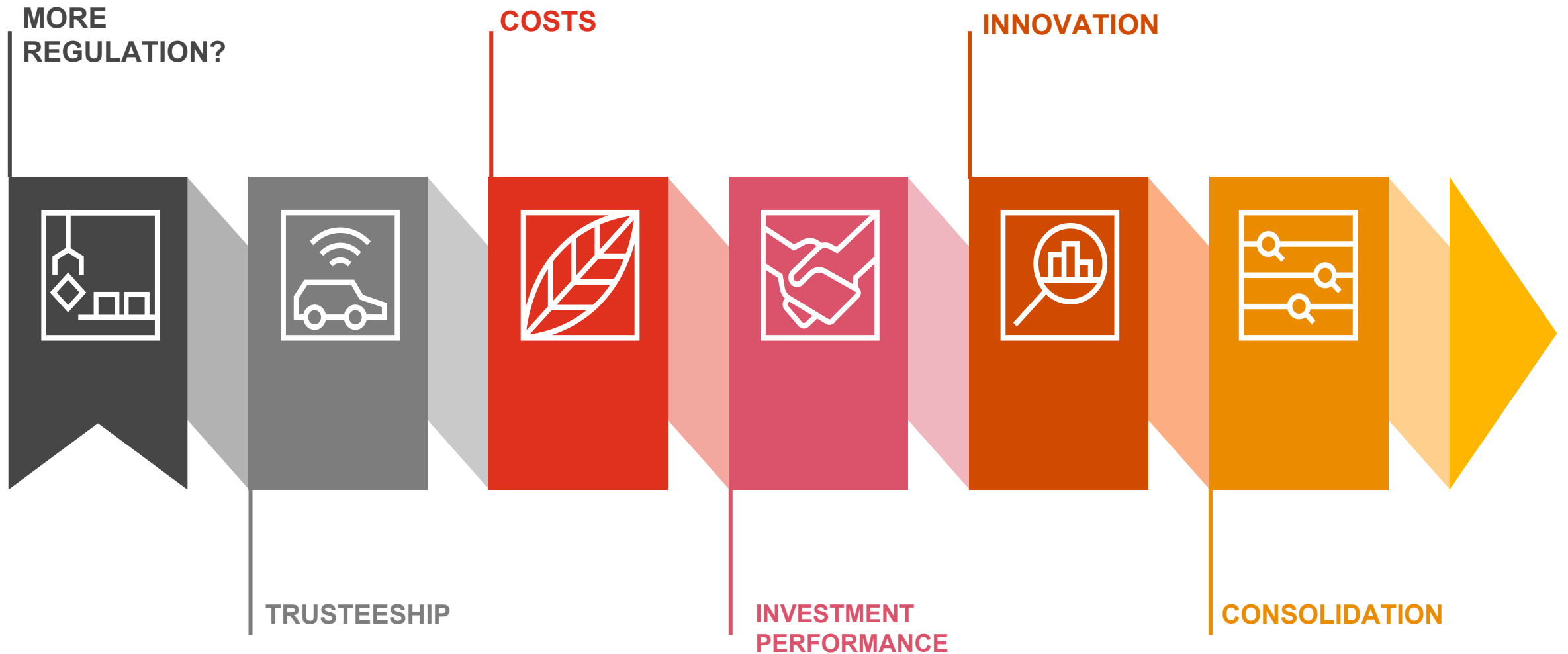


- Costs may be too high - or too low; variability is a future challenge
- Opportunity to negotiate greatest at point of transition



- Employer more remote
- Level of “independence” of Master Trusts needs to develop

The future





To provide efficient and effective pension solutions for employers and their employees, ensuring a secure and well-managed retirement savings arrangement.

A Master Trust mission statement courtesy of Microsoft Copilot!

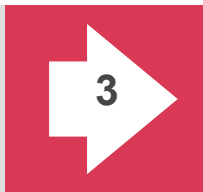
What happens next



The Pensions Council has drafted a note that sets out some of the practical steps and considerations for Employers and Trustees when working through a move to a Master Trust.



“First mover” concern fully dissipates; onerous requirements of Own Risk Assessments, Internal Audit and Risk Management Key Function Holders drives further movement



Legal concerns addressed - not defined in Irish law; no Revenue definition, no Taxes Consolidation Acts definition, no Pensions Act definition, no IORP II definition, no Code of Practice definition.



Culture changes



Final Poll

Do you believe the 2027 vision will be met?

Y/N/Unsure