



Your guide to the

# Sabre Pension Plan – UK

February 2024

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# 1. Outline of the Pension Plan

This booklet provides an explanation of the benefits to which you and your dependants are entitled through membership of the Sabre Pension Plan – UK (the 'Plan'). Please take the time to read it as your pension is a valuable asset and it is important that you understand all the benefits to which you are entitled.

The Plan is established under Trust so that its assets are completely separate from those of Sabre Global Technologies Limited (the Company). It is run by Trustees who have responsibility for the proper management of the Plan, including the security and investment of the assets, and who must ensure that members' interests are protected at all times. Details of the current Trustees can be found overleaf. Three Trustees are "Member Nominated Trustees", which means that your colleagues from Sabre have nominated them.

Full details of the benefits provided by the Plan are contained in the Trust Deed and Rules (the documents governing the Plan). Any member of the Plan can inspect the Trust Deed and Rules by contacting the Human Resources Department or a Trustee. In the event of any discrepancy between this booklet and the Trust Deed and Rules, the Trust Deed and Rules will prevail. The booklet is based on the Trustees' understanding of the law as it currently stands.

The Plan is known as a defined contribution scheme. This means that you know what the contribution to the Plan will be. Your benefits at retirement will depend on a number of factors including the amount of contributions paid and the investment return earned by those contributions up to retirement.

The Plan provides much more than just retirement benefits. It provides a lump sum life assurance benefit and pensions for dependants on death before or after retirement. The benefits and membership conditions of the Plan are briefly summarised in the next section and described in more detail in the pages that follow.

Pensions is a technical subject but we hope we have achieved our aim of writing this booklet in clear, understandable language. Nevertheless, you may well have queries and, if so, please contact the Human Resources Department or the Plan's Administrator (details overleaf).

The Company and the Trustees want to help you get the best from the Plan.

## Trustees

### Appointed by the Company:

Pooja Chadha  
Tuan Le  
Melanie LaRocque

### Appointed by the members:

Mary Graham (Chair)  
Karl Bromley  
Paula Arnold

## Plan's Administrator

Quantum Advisory  
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Pascal Close  
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CF3 0RE

E-mail: [sabre@qallp.co.uk](mailto:sabre@qallp.co.uk)

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## Human Resources Department

Human Resources Department  
Sabre  
1 Church Road  
Richmond  
TW9 2QE

Or you can visit the People Team Service Centre  
([Employee Topic - Employee Centre \(service-now.com\)](#)) through the Sabre Help Desk.

## 2. Summary of Benefits and Conditions

This section provides a brief summary of the main areas covered by this booklet.

### Company Contribution

The Company contributes 8% of Pensionable Salary into your Plan Account, *plus* the costs of the life assurance benefits and the costs of administering the Plan.

### Your Contribution

If you do not participate in **Pension Boost** (see below), you contribute 4% of Pensionable Salary. However, you can contribute more by paying Additional Voluntary Contributions (AVCs). There is a limit on the amount you can tax efficiently pay to the Plan. Please contact the Human Resources Department for further details on how much you can pay. If you participate in **Pension Boost** you do not pay contributions to the Plan.

### Pension Boost

**Pension Boost** is the default arrangement for paying contributions to the Plan. Rather than you paying contributions, the Company pays your contributions on your behalf and reduces your Basic Salary by a corresponding amount. See section 4 for further information on **Pension Boost**.

### Pensionable Salary

Is defined as your Basic Salary.

If you participate in **Pension Boost**, your Pensionable Salary will include the amount by which your actual pay is reduced.

### Part Time Service and Pensionable Salary

If you change your working hours then your Pensionable Salary will be based on the new number of hours worked and your current hourly rate.

### Plan Account

This is the accumulated value of contributions paid by you and paid on your behalf by the Company. This includes the investment returns achieved on your Plan Account.

### Investment Choice

You have the choice to invest in a range of equity, target return, bond and cash funds, on either an active or passive management basis. There is a default approach for members who do not wish to make a choice.

### Retirement Age

Your normal retirement age is 65, but you may retire from age 55, increasing to age 57 for some members from 2028. Any members who retire from the Plan from active service who were also actively contributing to the Plan before 4 November 2021 have a protected minimum pension age of 55.

### Retirement Benefits

At your retirement, the proceeds of the contributions and investment returns will be used to provide you with an income in retirement. See section 7 for details of the retirement options available to you.

### Death In Service Benefits

In the event of your death whilst employed by the Company, your dependants will be provided with a lump sum of four times Salary (before any deduction for **Pension Boost**). This applies to all staff regardless of Pension membership.

In addition, if you are a member of the Plan, your financial dependant partner will receive a pension of 25% of your Salary (at the previous 1 September) payable for the rest of their lives.

### Leaving the Plan

Options on leaving the Plan are dependent on if you are a **Pension Boost** member. Please see section 9 for further details on the options that will be available to you.

### State Benefits

Plan benefits are payable in addition to the State Pension. You can find out more information on State Pension in section 10.

### Benefit Options Website

As a member of the Plan, you will be given secure access to a website, known as Benefit Options, where you can find up-to-date information about your Plan Account, your options and real time investment performance. On the website you can also change your personal details, investments and request quotations. You should contact the Plan's administrators if you have lost your log-in details.

Website link: <https://www.benefitoptions.co.uk/>

### 3. Membership of the Plan

If you have pension benefits from a previous arrangement, it may be possible to transfer them to the Plan, subject to the Trustees' agreement. The Human Resources Department can give you more information about this option.

Should you decide to opt-out of the Plan, you will forego valuable retirement benefits, although you will still be provided with a lump sum death in service benefit of four times Basic Salary.

You may make contributions to a Personal Pension Plan, or Stakeholder Plan and be a member of the Plan. If you wish to investigate this option you should seek advice from your financial adviser, or the pension product provider.

## 4. Contributions

On joining the Plan an Account will be opened on your behalf.

### Non Pension Boost members

If you do not participate in **Pension Boost**, you contribute 4% of your Pensionable Salary to the Plan.

### Pension Boost members

**Pension Boost** is the default arrangement for paying contributions to the Plan. Rather than you paying contributions, the Company pays your contributions on your behalf and reduces your Basic Salary by a corresponding amount.

This means that you no longer pay National Insurance contributions on your pension contributions and your net take home pay is therefore higher than if you did not participate in **Pension Boost**.

In addition to your National Insurance saving, the Company pays 50% of the saving it makes as a result of you participating in **Pension Boost**, as an additional contribution to your Plan Account.

### Company contributions

The Company will pay 8% of your Pensionable Salary into your Plan Account in addition to the above.

The Company also meets the significant cost of the life assurance benefits (both lump sum and pension), and the administration expenses of the Plan.

### Examples

You do not pay any tax on contributions paid to the Plan. If you participate in **Pension Boost** you also do not pay National Insurance (NI) on these contributions. Therefore, your take-home pay is reduced by less than the contributions you make. This is done automatically under the PAYE system and requires no action on your part. Below are some examples assuming that members participate in **Pension Boost**:

#### Example 1

Pensionable Salary	<b>£35,000 per annum</b>
<b>Pension Boost</b> contributions	<b>£1,400 per annum</b>
Salary after Pension Boost	<b>£33,600 per annum</b>

<b>Amount invested in Plan</b>	<b>£</b>
Company's Contribution (including NI saving)	2,897
<b>Pension Boost</b> Contribution	1,400
Total Investment	4,297

<b>Effect on take home pay</b>	<b>£</b>
<b>Pension Boost</b> Contribution	1,400
less Tax relief at 20%*	280
less NI relief at 10%*	140
Reduction in take home pay	980



## Example 2

Basic Salary	<b>£70,000 per annum</b>
<b>Pension Boost</b> contributions	<b>£2,800 per annum</b>
Salary after Pension Boost	<b>£67,200 per annum</b>

<b>Amount invested in Plan</b>	<b>£</b>
Company's Contribution (including NI saving)	5,793
<b>Pension Boost</b> Contribution	2,800
Total Investment	8,593

<b>Effect on take home pay</b>	<b>£</b>
<b>Pension Boost</b> Contribution	2,800
less Tax relief at 40%*	1,120
less NI relief at 2%*	56
Reduction in take home pay	1,624

\*Assumed to be applicable as at the date of calculation - tax rates and NI rates may change

## 5. Additional Voluntary Contributions

### Non Pension Boost members

In addition to your paying your standard 4% member contribution, you can make extra contributions to the Plan out of your pre-tax pay. These are known as Additional Voluntary Contributions.

### Pension Boost members

If you participate in **Pension Boost** and want to make extra contributions to the Plan, the Company will pay these extra contributions on your behalf and reduce your Basic Salary by a corresponding amount. The Company will also pass on half of its National Insurance saving as an additional contribution i.e. in the same way as your regular contributions.

### Limit on contributions

There is a limit (known as the Annual Allowance) to the amount that can be paid tax efficiently into the Plan each year. Please see Section 10 for further information on the Annual Allowance or contact the Plan's Administrator for further details on how much you can pay.

### How can I make extra contributions to the Plan?

Please visit Benefit Options for further details on how you can make extra contributions to the Plan or speak to the Human Resources Department.

### Bonus Boost

The option to make a single lump sum contribution may be of interest following a bonus award. The Company and Trustees have introduced an arrangement called **Bonus Boost** to allow you to do this.

This arrangement works in the same way as **Pension Boost**. Instead of paying the contribution as a member contribution, you exchange part of or the entire VCP bonus as a Company pension contribution. This is then paid into your individual Plan Account. As well as the tax saving you receive on your contributions, you do not pay any National Insurance on the contribution - hence helping you make a further saving. As with **Pension Boost** the Company will also pass on 50% of the National Insurance saving they make by you using **Bonus Boost**, as an additional contribution to your Plan Account.

The Human Resources team send an e-mail to active members with information on taking part in **Bonus Boost** in the first quarter of each year.

## 6. Investments

At the time of joining the Plan, if you are auto-enrolled you will be automatically invested in the LifePlan (Default) Approach. However, you can select the fund(s) in which you want your Plan Account to be invested at any time.

Both yours and the Company's contributions are credited to your Plan Account each month, and the value of your Plan Account changes in line with the investment performance of the relevant investment fund(s). A professional investment manager undertakes the day-to-day investment of the money paid into your Plan Account. Details of the managers are on Benefit Options, together with further details on the investment funds and historic investment performance.

### Investment Options

The following funds are available to members:

Fund	Management	Asset type
SSGA TimeWise Target Date Fund	Active	Equity and Diversified
LGIM World Equity (ex UK) Index	Passive	Equity
LGIM Future World Global Equity Index	Passive	Equity
LGIM UK Equity Index	Passive	Equity
LGIM North America Equity Index	Passive	Equity
LGIM Dynamic Diversified Fund	Active	Diversified
LGIM AAA-AA-A Corporate Bond All Stocks Index	Passive	Bonds
LGIM Future World Annuity Aware Fund	Passive	Gilts and Bonds
LGIM Over 5 Year Index-Linked Gilts Index	Passive	Gilts
LGIM Cash Fund	Passive	Cash

Key: LGIM = Legal & General Investment Management, SSGA = State Street Global Advisors

**Passive management** (also known as index tracking) is an investment management approach based on investing in exactly the same securities, in the same proportions, as an index e.g. FTSE 100.

**Active management** is simply an attempt to "beat" the market as measured by a particular benchmark or index e.g. FTSE 100. Active management investment charges are higher than index tracking management as the manager uses in-house resources to research and analyse stocks with the aim of picking better performing ones. There is no guarantee that an active manager will achieve this.

### Choosing Investments

As market conditions change, the value of investments also changes. Most people are aware that investments can fall as well as rise. But there is another risk that many people tend to forget: the risk of being too cautious. The levels of risk and investment performance vary between different types of investment. If the investor only chooses assets with little potential risk, this can reduce the investment's potential for growth.

You should think about your own circumstances and then choose your investments to meet your personal needs. You should decide what level of investment performance you are seeking, and what level of risk is acceptable to you. This balance between performance and risk is the key to investment.

## Equities

### ***What are they?***

An equity is a stake in a company listed on a stock exchange which entitles you to receive a share of the profit of that company (a dividend). As well as providing dividends, shares of successful companies are normally expected to increase in value in the long term. But, remember, the value of shares can go down as well as up. Shares are traded on stock markets (in the UK and overseas).

If you have many years to go before you retire, you may be willing to invest in equities and take a higher level of risk than someone who is close to retirement.

### ***What are their prospects?***

Historically, equities have achieved a higher level of return over the longer term than other types of investment. However, over the short term, the value of equities can fluctuate. For this reason, funds that invest mainly in equities are generally regarded as being most suitable for those in the early to middle years of their careers. For these people, the prospect of short-term volatility is less important, as the prospect of higher long-term growth is expected to more than compensate.

## Bonds and Gilts

### ***What are they?***

As you approach retirement, it is likely you will want to invest in a way that will increase the security of the money you have built up through the Plan.

Bonds are a form of “I Owe You” that companies and governments issue. They are certificates for a promised amount of money that will be paid at an agreed point in the future. They work in a similar way to a loan. The company or government borrows money from you, paying interest regularly and paying your money back when the loan matures.

Gilts are a type of bond that the government issues. Because the government issues them, they are regarded as extremely secure investments.

### ***What are their prospects?***

Bonds normally pay a fixed rate of interest over a period. Or they may offer interest, which is linked to an index, for example the retail prices index. Bonds can offer greater security than equities, and, as a result, their long-term returns have tended to be lower. They are suitable in the years leading up to retirement when you want to maintain the purchasing power of your retirement fund.

## Cash Investments

### ***What are they?***

Investing in a cash fund means investing in short-term deposits, including deposit accounts with banks and building societies.

### ***What are their prospects?***

Cash is generally considered to be very low risk because there is very little chance of your investment falling in value. However, it does not normally offer the same potential for growth as other types of investment. It may be more suitable for part of your investments in the few years leading up to retirement.

Cash has historically provided low rates of return, but it provides security and stability over the short term.

## Diversified Funds

### ***What are they?***

Diversified growth (or diversified target return) funds use a combination of traditional assets (such as equities and bonds) and some more complex financial instruments to produce a highly diversified portfolio.

### What are their prospects?

These funds aim to provide lower volatility than equity investments, without lowering the expected returns in the medium to long term.

## LifePlan (Default) Approach

The Trustees recognise that it is appropriate that members should have discretion over where to invest their contributions. However, the Trustees do not merely wish to give members a wide range of investment options without offering general guidance. With this consideration in mind, the Trustees provide a default approach, called the LifePlan Approach.

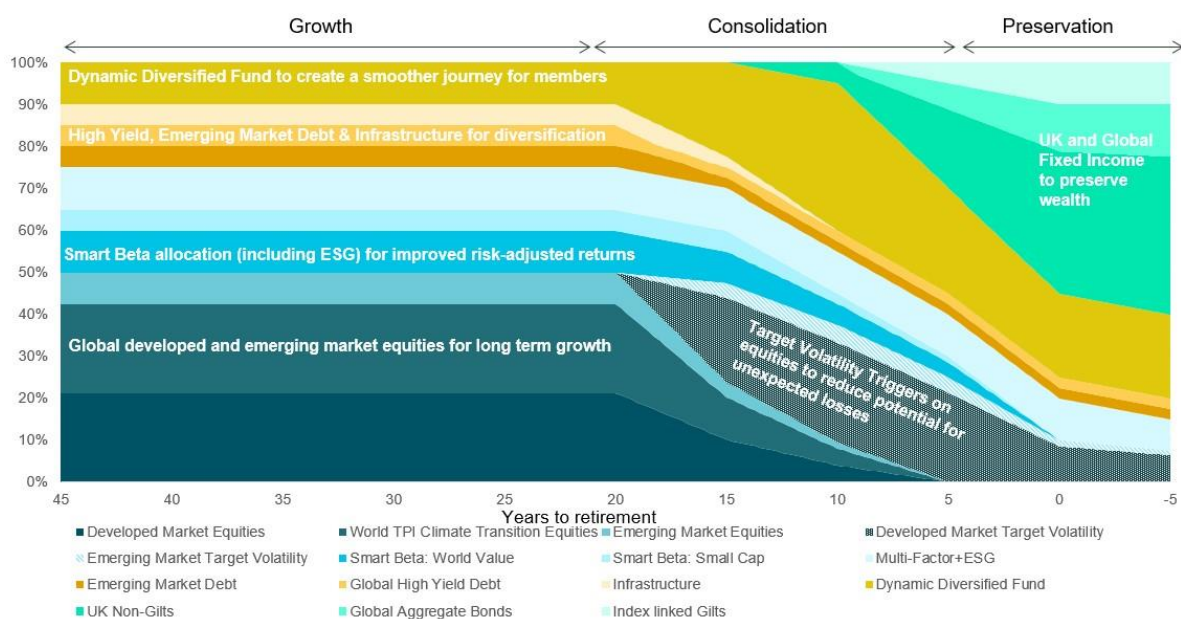
Within the LifePlan Approach you will be invested in the SSGA TimeWise Target Date Fund (TDF), which is a pooled fund designed so that the fund's asset allocation is adjusted as the member approaches their Selected Retirement Date (SRD) moving from higher risk investments to lower risk investments, like a lifestyle strategy.

For simplicity and flexibility, the individual TDFs do not usually cover every retirement year, instead they are grouped into 'buckets'. State Street Timewise offers currently over 10 different TDFs which are grouped into 5-year buckets i.e. 2023-2027, 2028-2032, 2033-2037 etc, and members are placed into the TDF 'bucket' which is closest to their SRD. For example, if you will reach your SRD in 2025, you will be invested in the State Street Timewise 2023-2027 TDF. Each bucket has a slightly different mix of investments and members' assets are de-risked automatically through the fund as they approach their SRD.

State Street is responsible for actively managing the asset allocation (to reflect their economic views and the ageing profile of the underlying members over their lifetimes) and largely implement this using passive investments.

The growth phase of the TDF consists largely of higher risk assets (c.75% equities, c.10% high yield/emerging market bonds and c.15% active Diversified Growth Funds (DGF)). De-risking starts at around 20 years from the SRD. At retirement, the target split is c.55% bonds, c.25% active DGF and c.20% equities.

The following chart shows the investment profile of a State Street TDF:



## FreeStyle Approach

If you prefer not to use the LifePlan (Default) Approach, you can choose to invest in any of the funds shown at the beginning of this section. You can choose to invest in a number of different funds, but the Trustees may impose minimum investment limits (you will be notified if these apply to you).

## Selecting Funds

On joining the Plan, you can indicate how you wish your Plan Account to be invested on Benefit Options. You may subsequently change the allocation of future contributions to your Plan Account or how your accumulated Plan Account is invested - please find information for this on Benefit Options.

## Keeping Track

The Trustees actively monitor the performance of the funds on a regular basis. Members can monitor their investments via the Benefit Options website.

The Trustees may change investment managers (and funds available) at any future date - you will be notified of any such change.

Please note that the Trustees and the Company are not able to give you investment advice. If you are unsure of how to invest, we urge you to seek advice from an independent financial adviser.

## Investment Charges

The Company meets all the administration expenses of the Plan. However, charges in respect of investment management will be met from your Plan Account. These charges are often deducted as part of the pricing mechanism of the relevant funds and thus will not form an explicit deduction on your Plan Account. You can request details of the current charges at any time or visit Benefit Options for details of the investment managers' charges. These charges would be lower than those that apply to individual investors as they reflect the total size of the monies invested by the Plan as a whole.

## Investment Platform

Mobius Life Limited ("Mobius Life") is the investment platform which is used by the Plan's Administrator to access the funds in the Plan. The benefits of investing via an investment platform include a reduction in fund charges, faster times for transactions, better reporting tools and producing an overall improvement in the operating efficiencies of the Plan's investments.

## 7. Retirement Benefits

Your normal retirement age is 65. However, you may retire after reaching age 55, increasing to age 57 in 2028 unless you have a protected minimum pension age.

The following paragraphs describe the benefits you may take at retirement. You will have several options and, unless you are retiring early, these will be explained in more detail about six months before your normal retirement age or selected retirement age (see below).

### Your Plan Account

On your retirement there will be a fund of money, i.e. your 'Plan Account', which has built up in the Plan from the Company's and your own contributions, together with the investment return achieved over the period of your membership. When you retire, this money will be used to provide benefits for you and your dependants.

### Your options at retirement in the Plan

	Description	Key benefits
<b>Option 1</b>	Leave your money invested in your Plan Account and take your benefits at a later date.	<ul style="list-style-type: none"> <li>Continued investment of your Plan Account until you need it.</li> </ul>
<b>Option 2</b> (annuity purchase)	Buy a pension (an annuity). This converts your Plan Account into guaranteed pension income.	<ul style="list-style-type: none"> <li>Use your Plan Account to provide you with secured income levels, which are payable for life.</li> <li>One-off tax-free lump sum option.</li> <li>Choose additional benefits such as dependant pensions if you die first.</li> <li>Choose annual pension increases.</li> </ul>
<b>Option 3</b> (UFPLS)	Take your Plan Account as a one-off Uncrystallised Funds Pension Lump Sum (UFPLS), or as a series of UFPLS payments	<ul style="list-style-type: none"> <li>25% of each lump sum is payable tax-free and the remaining 75% is taxed at your marginal tax rate.</li> <li>Take as a one-off payment or as a series of payments throughout your retirement.</li> <li>If taken as a series of payments, Plan Account remains invested in line with your investments before retiring.</li> </ul>
<b>Option 4</b> ( <i>adapt</i> )	Keep your Plan Account invested in the Plan with the option to receive a regular income.	<ul style="list-style-type: none"> <li>Take your tax-free cash and leave your remaining Plan Account invested in the Plan or spread your tax-free cash allowance over time.</li> <li>Flexibility to stop, start, increase or reduce withdrawals, once a year.</li> <li>Your dependants benefit from the full value of your remaining Plan Account when you die.</li> </ul>
<b>Option 5</b> (transfer)	Transfer your Plan Account to another pension provider.	<ul style="list-style-type: none"> <li>Greater freedom over where your funds can be invested.</li> <li>More options as to how much you can withdraw each year.</li> <li>Wider range of annuity options.</li> <li>Consolidation of pensions from various sources may provide better outcomes.</li> </ul>

## Option 2 – Annuity

An annuity converts your Plan Account into pension income for life and is the safest way of ensuring that your retirement income is totally predictable and you will receive a guaranteed income for the rest of your life.

Annuities are purchased with an insurance company. The Plan’s Administrator will review the market to ensure that the rates that you are offered are competitive. Annuity payments are usually paid monthly and are treated as earned income and so are taxed at your standard rate under the PAYE system.

You can take up to 25% of your Plan Account as a tax-free lump sum when you retire. The amount may be more than 25% if you are entitled to protected tax-free cash i.e. you were a member of the Plan before 6 April 2006.

### Annuity options

There are a wide range of annuity options available to you to meet your needs and circumstances. The following are the basic options that are offered:

Option	Description	Considerations
<b>Single life</b>	Pays you an income for the rest of your life	<ul style="list-style-type: none"> <li>&gt; Pays you a higher income than a joint life annuity but there is no provision for your spouse/partner/financial dependants if they survive you</li> <li>&gt; Most suited if you have no financial dependants or have investments elsewhere</li> </ul>
<b>Joint life</b>	Pays you an income for your lifetime. Upon death, your dependant will continue to receive an income	<ul style="list-style-type: none"> <li>&gt; Pays you a lower income than a single life annuity</li> <li>&gt; The higher the level of spouse/civil partner/financial dependant’s pension, the lower your initial income</li> <li>&gt; Different rates of dependant’s pension available (e.g. 50%, 66%, 100%)</li> </ul>
<b>Level income</b>	Pays you a fixed income, which is set from the outset of the annuity	<ul style="list-style-type: none"> <li>&gt; Pays you a higher initial income than an escalating income annuity</li> <li>&gt; As the income is fixed, inflation will erode the value of your income over time</li> </ul>
<b>Escalating income</b>	Pays you an income that increases each year by a fixed percentage (typically 3% or 5%) or in line with inflation	<ul style="list-style-type: none"> <li>&gt; The initial income will be lower than a level income annuity, but will increase over time</li> <li>&gt; It can take a number of years before the income reaches the amount it would have been with a level annuity</li> </ul>
<b>With a guarantee period</b>	Your income will continue to the beneficiary of your estate on your death if you die within the guarantee period	<ul style="list-style-type: none"> <li>&gt; Guarantee period can be between 1 and 30 years</li> <li>&gt; Your income will be slightly less than if no guarantee period is taken</li> <li>&gt; Generally, it is not an expensive option, especially on a joint life annuity</li> </ul>
<b>Without a guarantee period</b>	Your income will cease on your death unless you opted for a joint life annuity	<ul style="list-style-type: none"> <li>&gt; Your income will be higher than an annuity with a guarantee period</li> </ul>



Improved terms can often be obtained if you have certain health problems or if your lifestyle indicates that you may have a reduced life expectancy, for example, if you are a smoker. The Plan's Administrator will try to obtain improved terms on your behalf if the information that you provide indicates that improved terms might be possible.

## Option 3 – UFPLS

An Uncrystallised Funds Pension Lump Sum (UFPLS) allows you to either:

- Take your whole Plan Account as a one-off lump sum, 25% of which would be tax-free, with the remainder subject to income tax at your marginal rate.
- Take your Plan Account as a series of payments, with 25% of each payment being tax-free; any non tax-free allowance is subject to income tax at your marginal rate.

Currently, you are entitled to two free withdrawals during your retirement, each subsequent withdrawal will incur you a charge of £180 (£150 + VAT). You are allowed a maximum of three withdrawals in any tax year. After your second free withdrawal from the Plan, you must have a remaining fund value of at least £18,000 for future payment(s).

If you were a member of the Plan before 6 April 2006 and entitled to protected tax-free cash, please note that your tax-free cash will be restricted to 25% if you access your Plan Account via an UFPLS(s).

## Option 4 - *adapt*

The ***adapt*** facility (available from 1 August 2021) enables you to keep your money invested in your Plan Account and you are also able to make regular withdrawals from this account to meet your needs. It is a form of income drawdown.

### Flexibility

You can stop, start and change the amount you withdraw once a year to reflect your income requirements at that time. Your options are:

- No income
- Cautious (receive 3% of your Plan Account as income over a 12 month period)
- Standard (receive 4% of your Plan Account as income over a 12 month period)
- Adventurous (receive 5% of your Plan Account as income over a 12 month period)

For example, if you have a Plan Account of £100,000 at retirement, you could opt to receive an income for the year of £3,000, £4,000 or £5,000.

Every year, you will receive a personalised retirement options quotation giving you details of the amount you can withdraw from your Plan Account using the ***adapt*** facility.

### Tax-free allowance

You can take up to 25% of your Plan Account as a tax-free lump sum when you retire. The amount may be more than 25% if you are entitled to protected tax-free cash i.e. you were a member of the Plan before 6 April 2006. Under the ***adapt*** facility, your entire protected tax-free cash must be taken as a single lump sum at retirement.

You can take your tax-free cash and leave your remaining Plan Account invested via the 'no income' option.

Alternatively, under the ***adapt*** facility, you might decide to use your 25% tax-free allowance to top up your regular withdrawals.

## Helping to protect you from risk

There is no guarantee that the income will be sustainable throughout your retirement. There is a higher chance of an income level of 3% being sustainable compared to the adventurous option of 5%. While your Plan Account is invested, its value can go down as well as up.

The Trustees aim to protect you from the risk of using up all of your money by applying a restriction on the maximum amount that you can withdraw (5%).

The investment strategies are designed (but not guaranteed) to provide long term investment returns above the rate of income, whilst seeking to smooth the impact of gains and losses by investing in a range of different investments, including company shares, property, commodities and company and Government debt. This is to avoid some of the volatility associated with investment in one type of asset.

## Where will I be invested?

We invest your Plan Account in two funds. The growth fund used is the Legal & General Dynamic Diversified Fund which is designed to achieve investment returns that are above the rate of inflation. The cash fund used is the Legal & General Cash Fund which is used to provide income withdrawals if the growth funds have fallen in value. This helps avoid selling investments when their value is reduced. Depending on which level of income you choose, the corresponding investment strategy will change, as follows:

Income choice	Legal & General Dynamic Diversified Fund investment	Legal & General Cash Fund investment
Cautious (3%)	60%	40%
Standard (4%) and no income	80%	20%
Adventurous (5%)	100%	0%

## Better protection for your dependants if you die

In the event of your death, the balance of your Plan Account is available for your dependants. Your dependant will have the option to receive the fund as a lump sum, continue with **adapt** (the dependant will effectively become a member and will have the same options) or have an annuity purchased for them.

## What are the costs?

There is an annual management charge of 0.3% of your Plan Account value, which will be deducted from your Plan Account in addition to the normal investment management charges. The charge is collected by a monthly disinvestment from your Plan Account.

## Flexible Retirement

If you are an active member (i.e. paying contributions to the Plan) over age 55 (or age 57 from 2028 for members without a protected retirement age), you can access your Plan Account by opting-out of the Plan and immediately re-joining, effectively creating two periods of service – becoming a deferred and new active member of the Plan.

You can then access your deferred Plan Account via any of the retirement options on page 13.

Once you leave the Plan, you may have the option to combine both periods of service or access your Plan Account in your second period of service via a different retirement option.

You can apply for this option by writing to the Trustees or the Plan's Administrator.

## Selected Retirement Age

If you invest via the LifePlan (Default) Approach (see section 6 - Investments) it sets an age by which your fund gradually switches to investments that will reduce the exposure of your Plan Account to market movements. Please go to Benefit Options if you would like to change your Selected Retirement Age, which can be any age from 55 to 75 (the minimum retirement age is increasing to 57 from 2028 unless you have a protected minimum pension age), or would like further information on this. This does not mean you have to retire at the target age you give.

## Late Retirement

You can continue in employment after age 65 and contributions will automatically continue to be paid to your Plan Account. You will be notified of the benefits payable on death during your continued employment.

## Guidance and seeking professional advice

Just before retirement, you should contact Pension Wise, which is a service provided by the government offering free and impartial guidance. Visit [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk) for more information, where you can book an appointment to get free guidance either over the phone or face-to-face.

If you are still unsure about which decision would suit you best, you should seek advice. See section 10 for more information about finding a suitable independent financial adviser.

## 8. Death In Service Benefits

### Lump Sum Benefit

Should you die while an active member of the Plan (i.e. you are paying contributions), your dependants would be entitled to receive a lump sum equal to four times your Salary (before any deduction for **Pension Boost**) plus the proceeds of your Plan Account.

The lump sum benefit is insured with a leading life assurance company, which may request medical evidence before providing full cover. In very extreme cases, if the evidence is not satisfactory, the life assurance company could restrict the level of benefit. In these cases, the Plan's liability is limited to the amount insured. You will be informed if medical evidence is necessary or if any restrictions apply to your benefits.

### Pension Benefit

In addition, should you die while an active member of the Plan, a pension will be paid to a financially dependent partner (whether you are married or not) for the rest of their life. This pension will be equal to 25% of Salary.

This pension will increase annually in payment in line with the increase in the Retail Prices Index to a maximum of 5% per year.

The comments made above in relation to the lump sum benefit and medical evidence also apply.

### Nomination of Beneficiaries

The Trustees of the Plan have absolute discretion to decide who should receive any lump sum death payment. As a result, the lump sum paid from the Plan will, under current legislation, be free of inheritance tax.

However, you may nominate whom you would like to receive your death benefit using documentation available from Benefit Options or the Human Resources Department. The Trustees will take note of your wishes but cannot be bound by them. Please be certain to update your nomination form at regular intervals so that it reflects your current wishes.

## 9. Leaving the Plan

The options open to you will be explained in full if the situation arises. A brief explanation is given below.

### Leaving Service Benefits

#### **Less than thirty days' Pensionable Service**

##### **Pension Boost members**

You will not receive any benefits from the Plan.

##### **Non Pension Boost members**

You will receive a lump sum equal to the value of your own contributions (plus investment return) less tax.

#### **More than thirty days' Pensionable Service**

##### **Pension Boost and Non Pension Boost members**

You will be entitled to deferred benefits, payable from your chosen retirement date.

Your benefits are based only on contributions to the date you leave. These contributions continue to earn investment returns until retirement benefits are taken. Your investment choices will still apply unless you choose to amend them. After leaving service you will continue to receive a statement of your Plan Account on an annual basis.

### Death Benefits

On the event of your death after leaving the Company but before your retirement, your dependants will be provided with benefits secured from the proceeds of your Plan Account. The type of benefits and the recipients will be determined by the Trustees, taking into account any nominations you may have made.

### Early Retirement

As a deferred member, the earliest you can currently retire from the Plan is age 55 (increasing to age 57 from 2028 unless you have a protected minimum pension age).

If, having left the Company, you subsequently become unwell and are unable to work; you may be allowed to take your retirement benefits at an earlier age. In these circumstances the Trustees will require satisfactory medical evidence.

### Transfer

As a deferred member, an alternative to leaving your Account invested in the Plan until retirement, is to transfer the value of your Plan Account to a new employer's pension scheme, to a personal pension scheme or to another suitable pension arrangement.

### Opting Out

You may leave the Plan while remaining in employment with the Company. If you do so, your options are the same as described above.

If you wish to opt out of the Plan, you should contact the Plan's Administrator. The Company will cease contributions to your Plan Account and you will be unable to make any further contribution to your Plan Account.

Please note that the Company will re-enrol you within three years of your opt out. If you do not wish to join the Plan at this stage, you can again opt out.

You are strongly recommended to take independent financial advice before opting out of the Plan.

# 10. Other Information

## BENEFITS

### Absence from Work

#### *Sickness*

Whilst away from work on authorised sickness absence of up to 26 weeks (Short Term Disability), pension contributions will continue to be invested into your Plan Account and you will remain eligible for death in service benefits.

#### *Maternity Leave*

If you are on maternity leave and have complied with the Company and statutory regulations then the Company's pension contributions will continue at the same rate as those prior to commencement of maternity leave. Contributions will continue whilst you are in receipt of Company or statutory pay.

Eligibility for death in service benefits continues throughout maternity leave (including unpaid leave).

If you do not give notice that you intend to return to work following maternity leave, the options available are as for leaving service. Pension membership and eligibility for death-in-service benefits shall cease on the earlier of:

- the date that you inform the Company that you will not be returning to work; and
- the date that the statutory period for the notice expires.

#### *Other Absence*

During other authorised periods of leave of absence, the Company will continue pension contributions.

During any periods that are unpaid, Company contributions will not normally continue. Under these circumstances, death in service benefits could continue to be provided for up to three years.

### Divorce

The Trustees must comply with any order made by the Court following a divorce, or any overriding legislation. A copy of the charges payable on divorce is available on request and will be sent automatically when a transfer quotation relating to divorce is requested.

### Definition of Dependants

Dependants are considered to be any individuals who are financially dependent on you. This automatically includes your lawful spouse and any children below the age of 18 (or up to age 25 if the child continues in full-time education).

## LEGAL STATUS

### Tax Status

The Plan was originally approved by the Inland Revenue under Chapter 1, Part XIV, of the Income and Corporation Taxes Act 1988 and is now registered under Chapter 2, Part 4 of the Finance Act 2004. This results in the following tax advantages.

- You will receive full income tax relief on your contributions to the Plan, including any AVCs.

- The cash sums payable on retirement or death are currently free of tax.
- The Plan benefits from tax advantages in respect of its investment income.

### Structure of the Plan

The assets of the Plan are held under Trust and are completely separate from those of the Company. They are administered on your behalf by the Trustees in accordance with the Definitive Deed, the document that governs the Plan. **This booklet is only a guide and will always be over-ruled by legal documents governing the Plan and any overriding legislation that is in force for time to time.** You are entitled to see copies of the legal documents governing the Plan, upon request from the Human Resources Department. In addition, certain financial information, including the annual accounts will be available each year, on request.

The Trustees are registered as Data Controllers under the Data Protection Act 2018.

### Amendment or Discontinuance

Although the Company has every intention of continuing the Plan in its present form, it has the absolute right to amend or discontinue it at any time.

If the Plan is discontinued, you will be informed and your benefits will be secured with an insurance company, another suitable pension arrangement or the Trustees will make provision for the Plan to be run as a closed scheme. There will be no obligation on the Company to provide any additional funds beyond any contributions due to the date of discontinuance.

### Annual Allowance

The annual limit of pension benefits that you can build up tax efficiently in pension arrangements. The limit for the 2023/24 tax year is £60,000. The Annual Allowance affects all of your pension arrangements and not just your membership of the Plan.

A tapered Annual Allowance affects individuals on very high earnings.

If you think that the Annual Allowance or tapered Annual Allowance will impact you and you would like more information on this please contact the Plan's administrators.

### Money Purchase Annual Allowance (MPAA)

If you access your benefits either through taking an uncrystallised funds pension lump sum of more than £10,000 or withdrawing an income via flexi access drawdown, you will trigger the MPAA. You will receive a letter from your pension scheme confirming when you have triggered the MPAA and you must inform your other pension providers.

Once you have triggered the MPAA, the total contributions that you and any employer can pay into a defined contribution pension (like the Plan) each year will be limited to £10,000.

### Lifetime Allowance

The Government provides valuable tax incentives to encourage people to save for their retirement but limits the extent of these incentives by applying a Lifetime Allowance on the amount of pension benefit you can build up.

The Lifetime Allowance was fixed at £1,073,100 in the 2021/22 tax year. If the value of your benefits from this Plan and any other pension arrangements exceed the Lifetime Allowance, the Government will reclaim the tax benefit that you have received by charging tax on the excess.

Please note that following the 2023 UK Government budget, The Lifetime Allowance has been removed and will be fully abolished from the 2024/2025 tax year. Please contact the Plan's Administrators if you require further information regarding this.



## LIAISON

### Provision of Information

You will be provided with a benefit statement annually to illustrate how your fund has grown over the period. Projections are also included to highlight what your expected annual pension will be, based on your current contribution rate and investment choice.

If you leave the Plan with entitlement to a deferred benefit, you should make sure you notify the Plan of any change of address, so as to avoid any possible delay in the payment of your pension. The address of the Plan's external administrators will be on your deferred benefit leaving statement.

### The Pension Tracing Service

Information about the Scheme has been given to the Pension Tracing Service. This acts as the central tracing agency to help individuals keep track of their benefit entitlements with previous employers' schemes.

You can contact the Pension Tracing Service in the following ways:

- Telephone: 0800 731 0193
- Website: [www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details)

### Administration Problems

Complaints about the Plan are rare and are generally resolved on an informal basis. However, should you or your dependants encounter any problems with the administration of the Plan or the payment of your benefits, you should contact the Human Resources Department or the Plan's Administrators for the Plan's Internal Disputes Resolution Procedure.

If you are dissatisfied with your reply from the Trustees, you may take your complaint to the Pension's Ombudsman.

- Telephone: 0800 917 4487
- E-mail: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)
- Website: [www.pensions-ombudsman.org.uk/](http://www.pensions-ombudsman.org.uk/)

### MoneyHelper

MoneyHelper is a free guidance service to make your money and pension choices clearer and is provided by the Money & Pensions Service. MoneyHelper aims to cut through the all of the complexity, explain what you need to do and how you can do it. They offer guidance in a number of areas: benefits; family & care; money troubles; savings; everyday money; homes; pensions & retirements; and work. They also offer tools and calculators to help you keep track and plan ahead. Please visit their website for further information.

If you are above the age of 50 and want to discuss your retirement options, you can book a Pension Wise appointment. Pension Wise is a free and impartial government service provided by the Money & Pensions Service and is there to help you understand what you can do with your pension money. They offer telephone or face-to-face appointments with highly-trained professionals, where you will get guidance on how to make the best use of your money, information about tax when taking money from your pension and tips on getting the best deal, including how to compare products, get financial advice and avoid scams.

To book a Pension Wise appointment go to the website below or alternatively you can give them a call:

- Website: [www.moneyhelper.org.uk/en](http://www.moneyhelper.org.uk/en)
- Telephone: 0800 011 3797

## The Pensions Regulator

The Pensions Regulator works to raise standards in the administration of pension schemes. It provides guidance to help trustees and employers in running their schemes.

The Regulator also has the power to suspend, imprison or fine anyone involved in running a scheme for not carrying out their duty properly.

You can find out more information on the Regulator by visiting:

- Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

## State Pension

From April 2016, a single-tier state pension was introduced replacing the old two-tier system of basic and additional (S2P) state pension.

From November 2018, the State Pension Age (SPA) is 65 for both men and women and will then be increasing in stages to age 68. As a result, the age you can claim your State Pension will be determined by when you were born. You can find out exactly when you will be able to claim your State Pension by using the SPA calculator on The Pension Service website at: [www.gov.uk/state-pension-age/](http://www.gov.uk/state-pension-age/)

To receive the full level of the single-tier State Pension you will require 35 years of qualifying National Insurance Contributions (NICs) or credits. Individuals with fewer qualifying years will receive proportionately less pension, though a minimum 10 years will be required to qualify for any State Pension.

Plan benefits are in addition to the State Pension. You can get a projection of the amount of State Pension you will be entitled to in the following ways:

- Website: [www.gov.uk/check-state-pension](http://www.gov.uk/check-state-pension)
- Telephone: 0800 731 0175

## Independent financial advice

If you are uncertain about any decision to do with saving or investment, you should consider taking independent financial advice.

The Financial Conduct Authority consumer website has more information about finding a suitably qualified adviser. The address is [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk).

An organisation called IFA Promotion Ltd can give you details of a financial advisor in your area. Visit their website at [www.unbiased.co.uk](http://www.unbiased.co.uk).

Please check that whoever advises you is qualified and authorised to do so, and remember that you may have to pay a charge for the advice they give you.

# Examples of Benefit Calculations

As explained earlier in this booklet, the benefits that may be provided at retirement depend on investment returns and financial conditions at the time of retirement. The example below assumes that the member stays employed by the Company and continues contributing to the Plan via Pension Boost up to retirement.

The following assumptions have been used:

Inflation and Salary increases:	2.5% per annum
Investment growth:	7.0% per annum (after charges)
Member contribution rate	4% of Pensionable Salary
Company contribution rate (including NI saving):	8.276% of Pensionable Salary
Annuity purchase:	Increases: In line with inflation Dependant's pension: 50% (Member is Male with a spouse three years' younger)
Member's age at date of calculation:	30
Basic Salary at date of calculation:	£30,000 per annum

**Please note: actual experience will differ from these assumptions and thus the benefits actually provided will be different.**

The figures are calculated assuming that the member contributes to the Plan at the minimum level and also shows the effect of paying extra contributions of 5% of Pensionable Salary.

The pension figures are shown in today's money terms.

Retirement Age	55	60	65
<b>Main benefits</b>			
Value of Plan Account at retirement	£132,000	£180,000	£240,000
Estimated cost of £1 per annum of pension	£69.97	£58.22	£47.71
Pension (annuity) at retirement per annum	£1,890	£3,100	£5,030
Pension as a % of Basic Salary	6%	10%	17%
<b>Extra contributions of 5% of Pensionable Salary</b>			
Value of Plan Account at retirement	£57,600	£78,500	£104,500
Estimated cost of £1 per annum of pension	£69.97	£58.22	£47.71
Pension (annuity) at retirement per annum	£820	£1,350	£2,190
Pension as a % of Basic Salary	3%	4%	7%
<b>Total Benefits</b>			
Value of Plan Account at retirement	£189,600	£258,500	£344,500
Estimated cost of £1 per annum of pension	£69.97	£58.22	£47.71
Pension (annuity) at retirement per annum	£2,710	£4,450	£7,220
Pension as a % of Basic Salary	9%	15%	24%