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Chairman's introduction



Welcome to our 2022 Newsletter which includes key updates on your pension plan over the past year together with information and articles that we hope you find useful and interesting.

Trustee Board changes

Following a successful selection process for Member Nominated Directors (MND) towards the end of last year, we are pleased to report that Sharon Love, George Amabile, Ashley Munden and Paul Smith were all reappointed as MNDs for a second term of office. Thanks to those of you who expressed an interest in this role.

Modernisation of your investment choices

Earlier this year the Trustee modernised the investment options available to you under the Plan. These changes are set out below:

- **A new default investment strategy was introduced – the “Drawdown lifestyle”.** It is designed for members who expect to transfer to an income drawdown provider at retirement.
- **The previous Annuity lifestyle (which was also the previous default investment strategy), was closed and replaced with an updated design** incorporating Environmental, Social and Governance (ESG) factors.
- **The previous Lump Sum lifestyle was closed and replaced with an updated design** incorporating Environmental, Social and Governance (ESG) factors.

- **A new Global Equity fund, the EUKPP Global Equity Fund, was introduced.** This fund is used in all three of the lifestyle strategies, plus it was added to the self-select fund range. This fund takes into account Environmental, Social and Governance (ESG) factors.
- **A new EUKPP Shariah Global Equity Fund was added to the self-select fund range.**

Changes to the investment options were made following a detailed review by the Trustee in conjunction with their investment advisers. The Trustee believes the investment options now better suit members’ needs and likely decisions at retirement. In addition, the Trustee is committed to helping members invest in more sustainable investment options.

The Trustee will continue to monitor the investment options and make changes as and when appropriate, to ensure that you continue receive good value and have an appropriate range of investment options to meet your needs.

Please note that the new lifestyle strategies still target age 65 as your expected target retirement age. It is important that you log on to your account and check that this is still appropriate in light of your plans. Remember, your State Pension is likely to come into payment after age 65.

Chairman's introduction



Announcing a new retirement option from the Emerson UK Pension Plan

The Trustee has been reviewing the options available to Plan members at retirement and was concerned about the breadth of drawdown arrangements available. The FCA (Financial Conduct Authority) has recently highlighted that some members who move to drawdown arrangements could receive much more income each year by shopping around for a better value arrangement, and that the costs and charges are often confusing and opaque. The Trustee has therefore decided to facilitate access to a drawdown arrangement called LifeSight. It is important to note that this won't be the most appropriate arrangement for everyone and is not a recommendation. It is, however, a simple, transparent self-service drawdown arrangement which the Trustee feels offers good value to many members who wish to access drawdown.

LifeSight is a master trust arrangement governed by Independent Trustees and administered by Willis Towers Watson. Just like the Emerson UK Pension Plan, LifeSight is run by a Trustee Company, who is responsible for managing your money in your best interests. Unlike the Emerson UK Pension Plan, LifeSight is available to individuals from a range of companies and pension schemes. The Trustee of LifeSight is bound by the same trust legislation as the Emerson UK Pension Plan's Trustees, but are also subject to further regulations that cover master trusts, meaning an even higher level of

oversight is required for a master trust. LifeSight has members who are still building up their accounts, but the members of the Emerson Plan are just being offered access to the drawdown element of LifeSight i.e. the spending phase!

LifeSight is free to join and free to withdraw your money from. Members just pay an annual charge covering the administration and investment management of the scheme, making it simple and transparent. LifeSight provides access to five different ready-built investment options with specific aims and 30 individual investment funds allowing you to choose how much control you want over your investments. The online tools help you understand how long your savings may last and how you can use your overall retirement savings to fund your lifestyle.

More information on LifeSight can be found here:
<https://experience200.ehr.com/lifesightdrawdown>

For more information on the retirement options available to you, please visit the Retirement Guide.

We are aware that you might be concerned about reports of investment market turbulence as a result of the Russia-Ukraine conflict, and how this might affect the value of your pension savings. We want to assure you that the Trustee is monitoring the situation to try to limit any adverse effects on the Plan or its members.

Chairman's introduction



The Pensions Regulator has highlighted the potential risk of increased scam activity as fraudsters look to prey on people's concerns, as a result of the conflict. You can find out how to spot a pensions scam as well as where to get more information in the Pension scams section.

You may also have some concerns around the rise in inflation, causing an increase in the cost of living. This is front of mind for the Trustee who is considering the impact of this on our members. The government recently announced the launch of an Energy Bills Support Plan, providing people with £400 off energy bills. Also, if you're at State Pension age or older and receive a winter fuel payment you'll receive an extra £300 on top of your annual payment. For more information on these government initiatives, please visit the MoneyHelper website.

As communicated previously, Buck assumed the role of our new DB Plan administrator in September 2021. You can find more information

about who Buck are as a Company and some of the new tools you'll have access to in the Take control of your pension section.

It's important to make sure the details we hold for you are correct and we encourage you to log on to your secure Member Portal, where we have added new functionality so you can update not only your email address, physical address but also your Expression of Wish online.

We hope you enjoy this newsletter. As always, we welcome your feedback, so please get in touch with us using the information in the contact details section.

I wish you and your families well for the rest of the year.

David Meade
Chair of the Trustee
Emerson Pension Plan

Take control of your pension



As mentioned at the start of this newsletter, Buck are now the pension administrators for the Plan.

Buck has been providing pension services across the globe for over 100 years and is a well-known and trusted provider.

We want to tell you about some of the great tools you have at your disposal to help you get the most out of your pension.

Your new online pension portal

Your Emerson Member Portal (the Portal), provides you with quick and simple online access to your pension held within the Plan. Once registered, you'll be able to log in to the portal anytime on a desktop computer, smartphone, or tablet.

What can you do on the Portal?

The Portal is the easiest and most secure way to manage your pension, you'll be able to:

- View your personal information and membership details;
- View the value of your Pension;
- Manage your investments;
- Update your Expression of Wish;
- Update your contact information; and
- View important Plan related documents.

Access the Portal now.

Not Accessed the Portal Previously?

If you are yet to log in to the portal simply access the OneEmerson webpage and click first time user. Follow the onscreen instructions to register. If you have previously visited the site and registered, you will already have a Login ID and Password to access your details.

Your Plan website

The Plan website is full of content to help you better understand your pension and benefits as well as giving you insight into how the Plan is run.

Simply visit OneEmerson.co.uk to view the latest updates and useful information including:

- How the Plan works;
- Access to useful information and documents; and
- News and updates in relation to your pension.
- Your new retirement modeller

You now have access to a new tool which it aims to help you better understand how much money you will need for retirement.

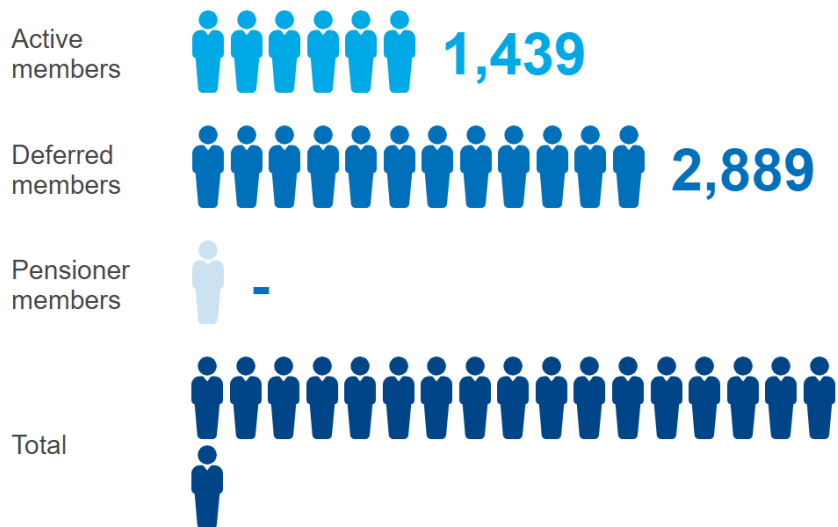
All you need to do is input the values of your current retirement savings by following the on screen instructions to get a clearer picture on whether you have enough to fulfil your retirement aspirations.

Access the modeller now.

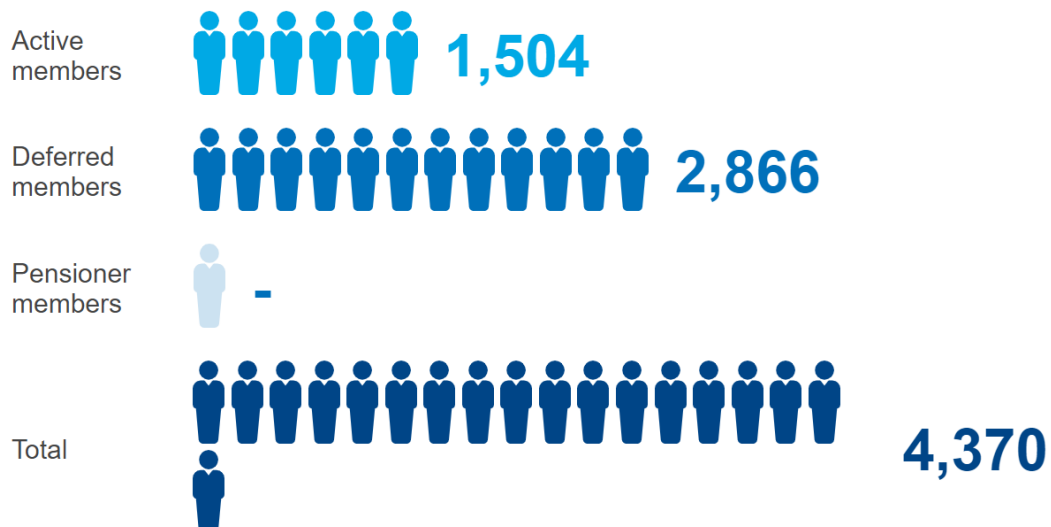
Plan membership – an update



Members at 1 April 2021



Members at 31 March 2022



Expression of Wish – update your wishes online (Important!)



As a member of the Plan you build up valuable benefits which you are able to access once you retire from the Plan. However, what happens if you were to die? Where would that money go?

No one likes to think or talk about death, but it's really important that you complete an Expression of Wish form. This form allows you to tell the Plan Trustees who you would like to receive your pension benefits in the event of your death.

If you've already completed an Expression of Wish, you should also make sure that the details are up to date to reflect your current circumstances.

How can I update my Expression of Wish?

We've made improvements so it's even easier to confirm your wishes to the Trustee.

You can update your Expression of Wish through the Portal. This is the most secure way to tell the Trustee your wishes.

If you'd prefer, you can still access a printable Expression of Wish form from the Library section of the Plan website.

Pension scams – don't become their next victim (Important!)



If you are considering transferring your benefits out of the Plan check carefully that you're not falling victim to a 'Pension Scam'.

The Plan administrator is required to undertake several checks before it can approve a transfer and these checks are there to help protect you. The checks may change over time, as pension scams evolve, but are likely to include:

- Checking that the receiving arrangement is registered with HMRC and is approved to receive pension savings. This check is designed to ensure you are not falling victim to a 'Pension Scam';
- Checking that the company or individual who has advised you to transfer is duly authorised to do so (applicable to transfer values greater than £30,000); and
- Confirming your identity.

New transfer regulations

At the end of last year, The Pensions Regulator (TPR) published new regulations, that will require the Trustee and administrators of pension schemes to, in some cases, do more checks on a transfer, to make sure it's not a scam.

The regulations, arising from the Pension Schemes Act 2021, introduce a system of red and amber flags, giving Trustees the power to refuse transfers where there's a heightened risk it may be part of a scam.

Both the regulations and guidance were drafted with close co-operation between the Department for Work and Pensions (DWP), TPR, the Money and Pensions Service (MaPS) and the Pension Scams Industry Group (PSIG).

Most pension transfers are legitimate and can proceed with minimum intervention. However, PSIG estimates 5% of all transfer requests give trustees and scheme managers cause for concern.

Therefore, new conditions will apply on transfers out of the Plan and the Trustee may not be allowed by law to proceed with your transfer (or you may be required to take further advice from the government's MoneyHelper service before the Trustee can implement your transfer request).

How to spot a scam

To help you spot the signs and protect yourself from a scam, the Financial Conduct Authority (FCA) and The Pensions Regulator (TPR) suggest following four simple steps:

Step 1 – Reject Unexpected Offers:

If you're contacted out of the blue about a pension opportunity, chances are it's a scam. Pension cold calling is illegal, and you should be very wary. An offer of a free pension review, from a firm you've not dealt with before, is possibly a scam.

Step 2 – Don't be rushed or pressured

Take your time to make all the checks you need — even if this means turning down what seems to be an ‘amazing deal’.

Step 3 – Get impartial information or advice

You should seriously consider seeking financial advice before changing your pension arrangements.

Step 4 – Check who you’re dealing with

Visit the ScamSmart page on the FCA website to help you avoid investment and pension scams. This interactive page will take you step by step through how to check an investment or pension opportunity

For more information on how to avoid being scammed, visit [FCA ScamSmart](#).

What do I need to know about ESG?



Environmental, social, and governance (ESG) criteria are a set of standards to ensure a company's operations that are socially responsible and cover many different factors.

Environmental impact is perhaps the most obvious and talked about factor. It covers fossil fuels, single-use plastic, palm oil plantations and the many other activities that threaten our climate and ecosystems.

Social responsibility addresses considerations such as the opioid crisis, gambling addiction, gender discrimination and human rights abuses.

Governance standards consider the systems in place to manage cyber security, accuracy of reported accounts, gender diversity on boards, executive pay and many other indicators of how well a company is being run.

How can fund managers influence these issues when deciding how to invest our money?

The most obvious way is to avoid investing in companies with poor ESG performance, but there are other tools at their disposal. As shareholders in a company, they can and do vote on resolutions at Annual General Meetings and require the company's management to meet them to discuss corrective actions. In the last few years, the 'E' in ESG has taken on a more positive slant too. Many fund managers now seek out companies whose activities will have a positive environmental impact, such as renewable energy and new approaches to water management.

The Trustee is continuing to consider how best to further incorporate the principles of ESG within the Funds investment strategy.

Changes to when you can take your pension



A new normal minimum pension age (NMPA)

The NMPA is the minimum age at which most pension savers can access their pensions without incurring an unauthorised payments tax charge (unless they are retiring due to ill-health).

The NMPA is currently age 55 but will be increasing to age 57 from 2028.

When can I claim my State Pension?

In November 2018, State Pension age was 65 for men and women. However, this is gradually increasing and now depends on when you

were born. State Pension age is gradually increasing for men and women, and will reach 67 by 2028.

State Pension age is going to be kept under review, which means that it could change again in the future, depending on different factors, such as changes in life expectancy.

Will the State Pension age change again?

State Pension age is gradually increasing for men and women, and will reach 67 by 2028.

You can check your State Pension age on the government website.

Pension Tax allowances



Saving into a pension is one of the most tax-efficient ways to save for retirement. Not only do pensions enable you to grow your retirement savings largely free of tax, but they also provide tax relief on contributions. However, there are various pension allowances in place that you need to be aware of. These limit the amount of money you can contribute to a pension in a year, as well as the total amount of money you can build up in your pension accounts, while still enjoying the full tax benefits.

Annual allowance

Your annual allowance is the most you can save in your pension pots in a tax year before you have to pay tax. You'll only pay tax if you go above the annual allowance, which is £40,000 for this tax year (6 April 2022 to 5 April 2023).

Your annual allowance applies to all of your private pensions, if you have more than one. This includes:

- the total amount paid into a Defined Contribution scheme in a tax year by you or anyone else (for example, your employer);
- any increase in a Defined Benefit scheme in a tax year.

If you use all of your annual allowance for the current tax year you might be able to carry over any annual allowance you did not use from the previous three tax years.

Lifetime allowance

The lifetime allowance is the limit on how much you can build up in pension benefits over your lifetime while still enjoying the full tax benefits. The lifetime allowance for most people is £1,073,100 in the tax year 2022/23 and has been frozen at this level until the 2025/26 tax year.

There's no limit on how much you build up in pension benefits. But checks are carried out at certain times to see if the value of your pension benefits exceeds the lifetime allowance. The allowance applies to the total of all the pensions you have. If you've built up more than the value of the lifetime allowance when a check is carried out, you might have to pay a tax charge. This is called the lifetime allowance charge.

Pension Wise – free guidance when accessing your pension



Pension Wise is a government service from MoneyHelper that offers free, impartial pensions guidance about members' options for their defined contribution (DC) pension savings.

From 1 June 2022 the Plan is required to offer to arrange Pension Wise appointments for those who apply to transfer flexible benefits or start receiving flexible benefits.

Appointments, which last between 45 and 60 minutes, are open to members aged 50 and over and can currently be conducted by telephone or online.

The new rules mean that the Plan cannot proceed with the application unless the member has received, and notified them of receipt of, the Pension Wise guidance, or the member opts out of receiving the guidance and provides the trustees with an opt-out notification.

You can find out more about Pensions Wise and the service they provide on the MoneyHelper website.

Visit your annual benefit statement online

- Click on the 'Library' tab and your statement will be ready to view
- Viewing your statement is important as it helps you to understand the potential value of your pension in retirement. Your statement is based on the current data we hold for you and contains information about the death benefits under the Plan. You should check that the personal details we hold for you are correct.

You will shortly receive your annual pension benefit statement. The statement contains important information to help you make informed choices about your future.

All you need to do is:

- Log on to your Member Portal
- Input your username and password (if you've forgotten your details or haven't registered follow the relevant process on the site)

- Click on the 'Library' tab and your statement will be ready to view
- Viewing your statement is important as it helps you to understand the potential value of your pension in retirement. Your statement is based on the current data we hold for you and contains information about the death benefits under the Plan. You should check that the personal details we hold for you are correct.

- Click on the 'Library' tab and your statement will be ready to view
- Viewing your statement is important as it helps you to understand the potential value of your pension in retirement. Your statement is based on the current data we hold for you and contains information about the death benefits under the Plan. You should check that the personal details we hold for you are correct.

More flexibility when accessing your pension



When you come to use your account from the Emerson UK Pension Plan, there are a range of options available to you. You can choose to purchase a guaranteed income for the rest of your life (an annuity), you can choose to withdraw it all as one (or two) cash lump sums, or you can keep it invested and withdraw amounts as and when you wish to (drawdown). You can also mix and match these options, for example use part of your account to purchase a guaranteed income and transfer the rest to a drawdown arrangement. With any of these options, you are also able to take up to 25% of your account as tax free cash (within certain limits).

If you purchase an annuity, this will be from an insurance provider and your account (after a tax free cash lump sum has been paid) will be transferred to that insurer. The Trustee recommends that you shop around to get the best price.

If you elect to take taxable cash, this will be paid directly from the Plan to your bank account in either one or two lump sums. Please contact the Plan's administrator if you wish to withdraw your account as cash.

If you wish to keep your account invested and withdraw it when you wish, you will need to transfer to a drawdown arrangement outside of the Plan. There are many different types of drawdown arrangement available in the market, which all offer different features. Members often report that trying to find an appropriate arrangement is both daunting and expensive. The Trustee has therefore decided to

facilitate access to a drawdown arrangement called LifeSight. This is not a recommended option, and will not be the best option for all members, but it is a simple, transparent, self-service arrangement which the Trustee feels offers good value to many members who wish to access drawdown.

What can LifeSight offer you?

- **Flexibility** - You access your savings as and when you need them
- **Accessibility** - Ease of access through your personal online Account
- **Choice** - Invest your savings in a way that matches with your goals
- **Planning** - Online tools to help you see when your savings will run out
- **Support** - Ongoing touch-points to help you manage your savings
- **Protection** - A Trustee Board responsible for looking after assets

Further information about LifeSight can be found by going to www.lifesight.com/drawdown

On the 'Home' tab there are guides that explain the key features of LifeSight. The 'How to join tab' explains how you can apply for LifeSight and how you can contact the team with any questions.

We'll also be producing a detailed 'Retirement Guide' which will provide more information on the options available to you.

Useful links



Money Helper

MoneyHelper joins up money and pensions guidance to make it quicker and easier to find the right help. MoneyHelper brings together the support and services of three government-backed financial guidance providers: the Money Advice Service, the Pensions Advisory Service and Pension Wise.

enquiries@pensionsadvisoryservice.org.uk

0800 011 3797 (Monday to Friday 9am to 5pm)

www.moneyhelper.org.uk

Pension Wise
PO Box 10404
Ashby-de-la-Zouch
Leicestershire
LE65 9EH

The Pensions Ombudsman

The Pensions Ombudsman may be able to investigate or determine any complaint or dispute of fact or law. The Ombudsman can be contacted via:

enquiries@pensions-ombudsman.org.uk

020 7630 2200 (Monday to Friday 9am to 5pm)

www.pensions-ombudsman.org.uk

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB

The Pensions Regulator

There is a regulatory body that oversees the running of pension plans. The Pensions Regulator can intervene where trustees, employers or professional advisers fail in their duties. Further information in relation to The Pensions Regulator can be found on their website:

www.thepensionsregulator.gov.uk

Independent financial advice

By law neither the Emerson Pension Plan nor anyone connected with it can give you financial advice. If you're not sure about what pension decisions to make, you should speak to an independent financial adviser (IFA). You can find the name of one in your area through MoneyHelper. You may have to pay for the services of an IFA, so ask for a quote first.

Plan advisers/contact details



The Trustee and its advisers

The Plan is run by a corporate Trustee – Emerson UK Trustees Ltd. The Trustee’s role is to act in the best interests of all members and beneficiaries, and to ensure that the Plan is run properly and in accordance with the law.

To do this the Trustee Board currently has 10 Trustee Directors:

COMPANY-NOMINATED

David Meade, Chairman
Martin Fernandez
John Gallagher
Jeremy Rowley
Phil Lamb
Willy Vandormael

MEMBER-NOMINATED

Ashley Munden
George Amabile
Paul Smith
Sharon Love

The Trustee Directors appoint various professional advisers to ensure the Plan is run to the highest possible standards:

- **Actuary:** Edwin Sheaf, Towers Watson Limited
- **Administrator:** Buck
- **Secretary to the Trustee:** Pam Sohi, Towers Watson Limited

- **Custodian:** Northern Trust
- **Auditor:** KPMG LLP
- **Investment managers:** Aviva, BlackRock, Legal & General Investment Management, Scottish Life, Royal London, Clerical Medical
- **Banker:** National Westminster Bank Plc
- **Legal adviser:** Baker McKenzie LLP
- **Investment adviser:** Towers Watson Limited

CONTACT US

For all queries you can write to the Plan administrator(s) at:
emerson.pensions@buck.com

0330 123 9698 (Monday to Friday 9am to 5pm)

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Buck (Manchester)
PO Box 324
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GL14 9BJ