

MAKING THINGS SIMPLER

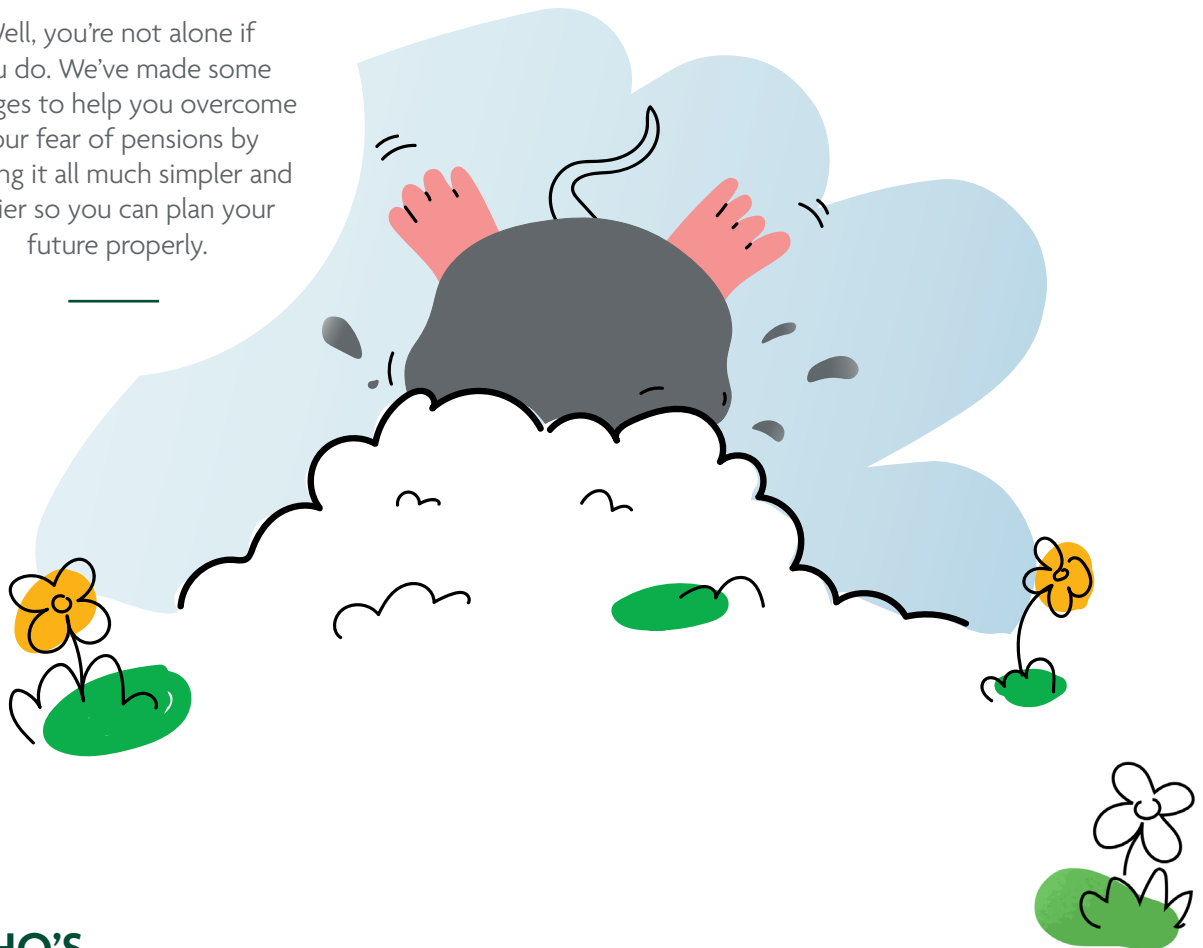
With the Retirement Saver Plan

MARCH 2021

Do you hide away from your pension?

Does it all feel **too difficult?**

Well, you're not alone if you do. We've made some changes to help you overcome your fear of pensions by making it all much simpler and easier so you can plan your future properly.



WHO'S LOOKING AFTER YOUR PENSION?

You have a new best friend when it comes to getting information about your future pension or the pension you're being paid now. See more on **page 3**.

BEWARE OF FRAUDSTERS

We want you to know how to spot a pension scam so you can avoid a fraudster getting hold of your pension. Go to **page 6** and find out what to look out for.

Welcome to a new year and a new look

I hope that you have all kept safe and well during 2020. It was a difficult year for many and we all hope that 2021 will be a little brighter.

In good hands

We've even been able to continue with our plans to appoint a new administrator to look after your pension. This was an important move as it will be much easier for you to get hold of information about your pension. It will also help us, your Trustees, as all three of the Morrisons' pension schemes will be looked after under one roof, making everything simpler for us. Find out more about your new administrator on **page 3**.

Making things simpler

You'll have noticed that this newsletter looks different to the ones you've received before. It's the start of our new approach to communicating with you about your pension, which we hope makes things simpler for you. As your Trustees, we have a responsibility to you to make sure you understand as much as possible about what you have and the choices you can make. We also want to make it as easy for you as we can and we'll be in touch later in the year with more news on how we can do this for you.

All about the finances

We've also included a separate insert that shows the financial report for the year and an update on the overall financial health of the the Plan. Apart from being a legal obligation for us to share this information, it does have an impact on your pension. The Plan promises to pay you a certain level of pension and benefits and for you to receive these in full, the Plan needs to have enough money available to pay these out when they become due. That's why we review the financials so closely and let you know just how healthy the finances are. You should be reassured that with the investment returns and contributions from Morrisons, the Plan is in a healthy financial position.

Sad news

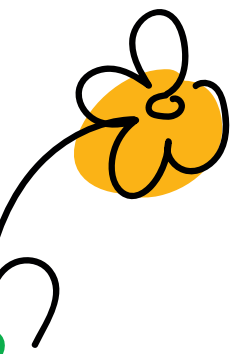
We were very sad to hear that one of our Trustees – Andrew Plews – passed away in February 2020. We've included some more information about his long-standing contribution as a Trustee on the back page.

Please take a bit of time to look through this newsletter. There will be useful snippets of information for you and contact details as well. Keeping in touch with your pension scheme – especially when you no longer work at the company – means that you'll be in a better position to get all the right information when you're ready to retire.

Wishing you all a healthy and safe 2021.

Steve Southern

Independent Chair of the Trustees



Who's looking after your pension?

When you want to find out how much pension you'll have when you retire, or when you want to tell someone in the Plan that you've changed your address, it will be the Plan administrator that you contact.

Our administrators have your information at their fingertips. They know about the Retirement Saver Plan, what you can do with your pension savings, what the 'normal retirement age' is and who can help you with your questions.

So, the administrators are extremely important for the smooth running of the Plan. They are also your main contact with the Plan.

Who are the new administrators?

Your new administrators are Mercer. Mercer is a large firm who are well experienced in running pension schemes like ours. They've been working with Capita in the last few months to move all your information across to the new systems so that everything is up and running for when you ring up with your questions.

Why move?

The Trustees were keen to bring all three of the Morrisons pension schemes under one roof and simplify processes. They also felt that Mercer had the digital systems in place to give you great customer service, helping you to discover more about your pension really easily and giving you access to information online.

You may not notice much change to start with – other than the different contact details. However, we'll be introducing some new ways to enable you to do more things online yourself in the near future – so look out for our next communication to you about this.

Your pension benefits are now being looked after by the Mercer admin team – the new administrator appointed by the Trustees.

With the move to Mercer you'll have quick and easy access to information about your pension. You'll be able to:

- ☑ speak to the admin team on their dedicated helpline;
- ☑ upload any completed forms or documents onto a secure digital portal;
- ☑ email or write to the team with your questions or requests; and
- ☑ find out online how much pension savings you have in the Plan.

**NEW PEOPLE
TO TALK TO!**

**NEW PHONE
NUMBER!**

**NEW EMAIL
ADDRESS!**

Contact details for Mercer

☎ 0345 450 6564

✉ morrisonsadmin@mercer.com

Have your National Insurance number to hand when you call so that the admin team can easily identify you.

Your pension put simply

DID YOU KNOW?

1 in 4

people over 55 don't know what income they'll need in retirement.*

1 in 5

people in the UK don't know how much pension they will have in retirement.*

We want to make sure you're one of the people in the UK who does know what pension they'll get in retirement, so over the next few months you'll be hearing more from us as we help you get to grips with what you have, and what you can or will be able to do with it.

So, what are we are doing to help you?

Now Mercer is looking after the administration of the Plan, and as part of our plan to make things simpler for you, we are putting things into place so you can access your pension information easily online.

We'll let you know when everything is up and running later in the year, and how you will be able to access this information.

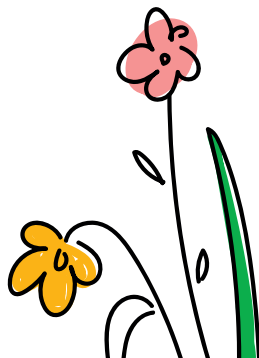
You'll be able to see things such as how much you've built up in the Retirement Saver Plan, your Normal Retirement Date and much more.

We'll also be communicating with you regularly throughout the year, and telling you about:-

- **the different things you can do with your pot of money;**
- **who you can talk to when you're ready to take your retirement savings; and**
- **what you can do in the meantime.**

We hope all this help will give you the information you need to plan your retirement.

*Research from Unbiased.



How does the Retirement Saver Plan work?

When you were paying 5% of your Pensionable Pay into the Plan, a guaranteed total amount of 16% of your Pensionable Pay was built up in your retirement pot each year. The Company made up the difference. This pot of money is increased each year in line with inflation up to 2.5% until you decide to take the money for your retirement.

The Company is responsible for making sure that your pot of money retains its value for as long as it remains in the Plan - even if investments go down.

The Trustees of the Plan invest the money on your behalf so that the Plan can increase the value of your pot of money each year by up to 2.5%. The Trustees also maintain all aspects of the Plan for you, so you don't need to actively do anything until you are ready to take your money. You can do that at any time after the age of 55.

When you come to retire, or take your money from the Plan, you'll have some decisions to make about how to take your money. You have a choice to:

- Take the whole amount as cash with up to a quarter of the pot value being tax free. You will pay income tax on anything above this amount though.
- Use all your pot of money (or what's left after you take a quarter as a tax-free cash sum) to buy a regular annual income from an insurance company – this is called an annuity.
- Transfer your pot to an arrangement where you can withdraw sums of money at different times during your retirement while the rest of it is invested for you. You may also take a quarter of this as a tax-free cash sum as well. This is called Income Drawdown.

You can talk to a specialist about your choices free of charge through the Government website – Pension Wise. Go to www.gov.uk/pensionwise to find out more.

We're also looking at how we can support you as you make these decisions about how to use your retirement saver pot and will be in touch in the future about this.



Make sure no-one steals your hard-earned pension savings

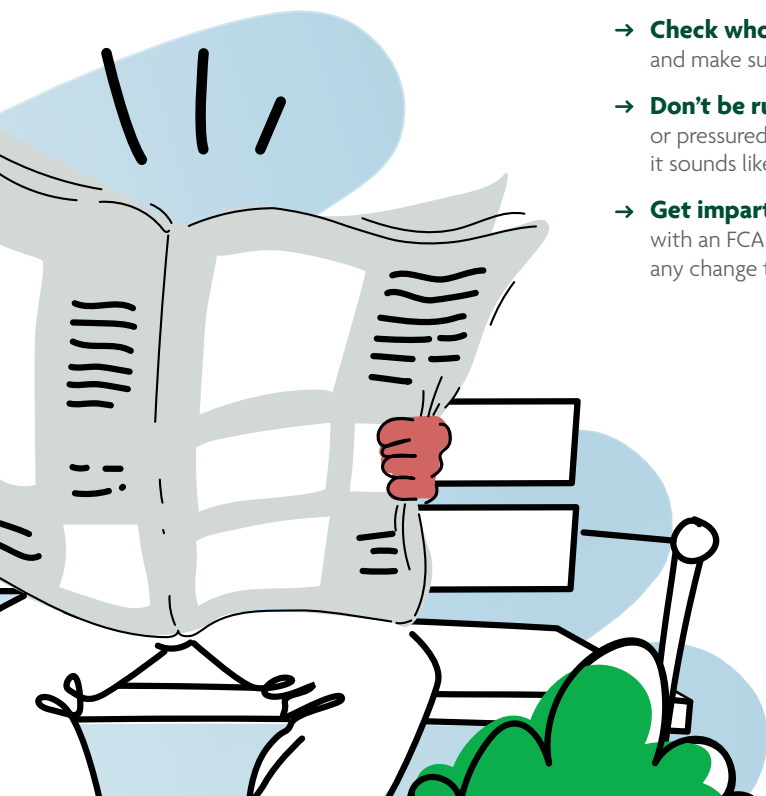
It's a sad reflection on human nature that when there's a crisis, there will be criminals intent on taking advantage of people's increased concerns and anxieties. This has been true of the Covid-19 pandemic, with a dramatic rise in all kinds of fraud, cyber-attacks, and scamming activity over the past year with serious concern that pension savers are particularly at risk.

So please, remember to ignore any messages that come from someone you don't know or have never heard of, especially if they are telling you that you can have your pension earlier than age 55 or that they'll review your pension for you. If you're online, look at the Financial Conduct Authority's advice on their website at www.fca.org.uk/scamsmart/how-avoid-pension-scams.

Top tips to remember:

- **Always double-check the website address**
is the same as the address shown in any official communications. Sometimes scammers will impersonate websites but there's usually something different about it that you can spot.
- **Reject unexpected offers**
which often come from text or social media messages.
- **Check who you're dealing with**
and make sure they are FCA authorised.
- **Don't be rushed**
or pressured into making a decision – even if it sounds like a great deal.
- **Get impartial advice**
with an FCA authorised adviser before making any change to your pension.

The Financial Conduct Authority (FCA) is a financial regulatory body in the UK



Other

pension news

When can I claim my State Pension?

The State Pension age for both men and women has been gradually increasing and is now age 66. The Government is planning to raise the State Pension age again to 67 for everyone by 2028.

You can check your State Pension age at www.gov.uk/state-pension-age.

Building up your pension savings tax efficiently

The Annual Allowance is how much you can pay into all of your pension savings over a tax-year (which runs from 6th April to 5th April each year), without paying a tax charge on your pension contributions. Although you're not making contributions into your Retirement Saver Plan pension, this is important to know for any other pensions you're saving into for your retirement.

DID YOU KNOW?

The current standard Annual Allowance of £40,000 hasn't changed since 2016.

However, if you're a higher earner, you may also be subject to a lower 'Tapered Annual Allowance'.

This means that if you currently earn more than £240,000 the Annual Allowance reduces by £2 for every £1 you earn over £240,000 – which could reduce your Annual Allowance to as little as £4,000.

When can you start taking your pension?

The Government has put forward plans to increase the age when you can start to access your pension savings from age 55 to age 57 in 2028.

The reason for the change is that people are living longer and there is a concern that some people who start to use their pension savings too early might run out of money in retirement. Given future increases to the State Pension age, it also makes sense to encourage people to wait a bit longer before drawing on their own savings.

The people behind the Plan

The Retirement Saver Plan has two sections – the Morrisons 1967 Section and the Retirement Saver Plan Section. The Plan is set up as a Trust – Wm Morrison Pension Trustee Limited - under a Trust Deed and Rules. This sets out how the Plan should be run including administration and management. All the money held by the Plan is kept completely separate from the Company.

The Trustee Company is made up of a board of directors who we refer to as Trustees. They are responsible for making sure the Plan is properly managed on behalf of all the members. The Trustees appoint a number of professional advisers and service providers to help them run the Plan with additional support from the Pension & Benefits Team at Morrisons.

Company appointed:

Steve Southern (Chair and Independent Trustee)

Lindsey Crossland

Andrew Plews (to 3 February 2020)

Owen McLella

Member nominated:

Graham Logie

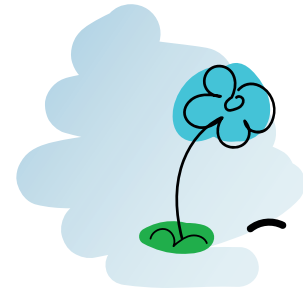
John Sampson

Charlotte Surblys-Seale

Daniella Wainwright (until 31 July 2020)

Secretary to the Trustees

Steven Robson, Head of Pensions & Benefits



A sad loss to us all

We were saddened to hear of the death of Andrew Plews in February last year. He was an extremely valuable member of the Trustee board and we'll miss his insights, experience and active contribution to the running of the pension scheme. He started his career at Presto in 1974 and worked continuously for Presto, Safeway and Morrisons for 43 years until he retired in 2017. Andrew became a Trustee for the Safeway scheme in 2000 and the Morrisons scheme in 2010 and continued as a pension scheme Trustee after his retirement. He was well known to many of you and will be remembered fondly by us all.

Who to contact, if you...

Have a question about your pension

Mercer at:

☎ 0345 450 6564

✉ morrisonsadmin@mercero.com

Have your National Insurance number to hand when you call so that the admin team can easily identify you.

Want to find out more about your State Pension

To find out your State Pension age:
www.gov.uk/state-pension-age

To find out how much State Pension you'll get: www.gov.uk/check-state-pension

Have a complaint about the Plan that can't be resolved by Mercer, the Trustees or the Company

Contact the Pensions Ombudsman:

☎ 0800 917 4487 (UK Freephone)

✉ enquiries@pensions-ombudsman.org.uk

👉 www.pensions-ombudsman.org.uk

