

MAKING THINGS SIMPLER

With the Morrisons 1967 Section

APRIL
2023

What does your Morrisons pension mean to you?

Whether your Morrisons 1967 Section pension is a big, or a small, part of your overall retirement savings – it's worth thinking ahead and working out the role your 1967 Section pension could play in your, and your loved ones, future.



WHAT'S YOUR PENSION WORTH?

When things around money may feel uncertain, it's natural to focus on the here and now.

But what you'll get from your 1967 Section pension shouldn't feel uncertain. We're here to help you. Find out how to understand **what your pension is worth** on **page 8**.

THINGS TO THINK ABOUT

'Retirement' means different things to different people. And even if it feels like a long way off, it's never too early to think about the future you want.

You've got lots of support to help you make some big decisions. Find out more about **your options at retirement** on **page 6**.

Looking for **extra support** with the cost of living?

The Government has created a dedicated 'Help for Households' website that pulls together an overview of the cost-of-living support you could be eligible for.

Find out more:

<https://helpforhouseholds.campaign.gov.uk>

Helping you feel confident about your pension, in uncertain times

With all the uncertainty in the last year, we hope that you've stayed safe and well and that the start to 2023 has been good to you all.

Your pension is safe

When financial markets are going up and down, as they have been recently, you may worry about how this could affect your pension. We want to reassure you that any ups and downs with investments with your 1967 Section pension are covered by Morrisons and won't affect the amount you will get as a yearly pension – this amount remains guaranteed.

About the Plan's finances

With your newsletter, we've included a separate insert that shows the financial health of the Plan. The good news is that, at the 2022 formal valuation, the Plan continues to have all the money it needs to pay member's pensions both now and in the future. With being in such a strong financial position, we decided to further increase the security of the Plan's benefits by taking out an insurance policy with an insurance company called Rothesay. Nothing changes for you, and as your Trustees we still look after the Plan but the insurance policy means that the Plan is covered should inflation or investment returns affect the Plan's finances.

You should have recently received a letter from us explaining this change, and what it means to you as a member. If you haven't, please get in touch with Mercer (contact details on the back page).

The sale of Morrisons

You'll most likely be aware that the sale of Morrisons to the US-based private equity firm Clayton Dubilier & Rice (CD&R) was completed in late 2021. Your 1967 Section pension is unchanged as a result of the sale, and Morrisons remains committed to supporting the Plan.



Helping to keep up with the increased cost of living

For many of you the increased cost of living will be on your mind – whether that's due to the rise in energy, fuel or food prices. We appreciate that some of you may worry about whether your 1967 Section pension can keep up with these increased costs too. Each year your pension may be increased (in line with the Plan's rules) to help it keep pace with any increases to inflation, both now, and after you've started to take your pension.

But any yearly increases may have an upper limit. This means that some years the increase will keep up with increased costs and other years it won't cover it completely. It's common practice for pension schemes to have capped increases to help make sure that they're sustainable for the long-term and able to pay all members pensions when they're due.

Helping you make 'big' decisions

It's easy to forget about your pension, but it's hard to make those 'big' decisions about your future without it. On pages 6 to 11 you'll find some information to help you:

- find out what your pension's worth,
- get to grips with the choices you have for taking your 1967 Section pension, and
- think about the things you might find helpful before you make any final decisions.

Please take some time to look through this newsletter. We hope you'll find some useful bits of information in here, as well as key contact details for how to keep in touch.

Wishing you all a healthy and safe 2023.

Steve Southern

Independent Chair of the Trustees

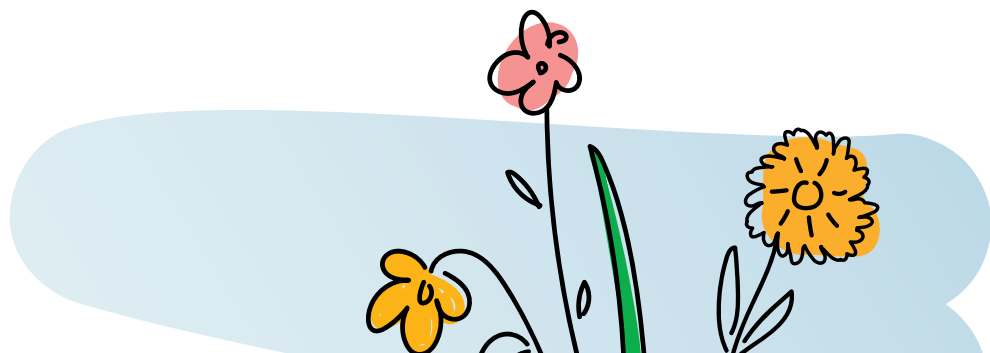


What you told us

We really want you to get the most out of your 1967 Section pension by helping you understand what it's all about – by making it as simple as possible.

So, in last year's newsletter, we asked you to fill in a short survey to help us understand what you've found helpful from the different things we've shared with you, and what else we could do. Thank you to everyone who took the time to let us know your feedback.

Here's a snapshot of what you said in your survey responses:



A new way to contact Mercer

We've changed the way you can get in touch with the Plan Administrators, Mercer - making it simpler for you.

Introducing the new contact portal from Mercer

You can now contact Mercer quickly and easily online via their new contact portal.

Go to <https://contact.mercer.com> and go through the onscreen instructions to select what you want help with.

You can do things like:

- change your details,
- ask a question about your transfer value,
- let Mercer know you're ready to take your Safeway pension,
- notify Mercer of a death of a member,
- log any general queries you may have, and
- share any feedback you have.

If you can't find what you're looking for online, you can still phone Mercer on **0345 450 6564** or email morrisonadmin@mercerc.com

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

Protecting your loved ones

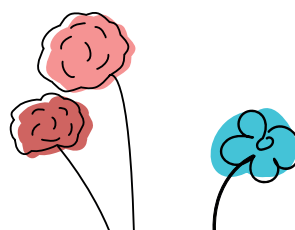
The Trustee decides who your death benefits are paid to, so it's important that you let us know who you would like this to go to, if you were to die before taking your pension.

You can let us know who this should be by completing an Expression of Wish form, which you can do on Benpal.

If there is more than one person you'd like to leave your benefits to, you can also let us know the allocation split too.

It's important to keep this information up to date should your circumstances change.

To update your Expression of Wish form, visit <https://login.benpal.com> and log in. If you're not yet registered on Benpal, information on how to do this can be found on page 8.



Thinking about taking your 1967 Section pension?

Deciding when, and how, to take your 1967 Section pension are 'big' decisions. But there's lots of information to help you make the right choice.

Your options for taking your pension

You can:

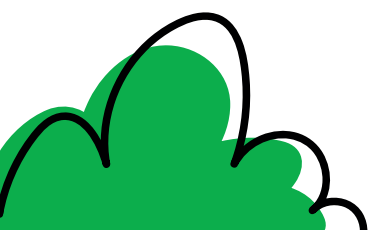


Take a guaranteed yearly pension

A guaranteed yearly pension will be paid to you for the rest of your life from when you choose to take it.

If you take it:		
Early Currently anytime from age 55, rising to age 57 in 2028	At your Normal Retirement Age (NRA) For most of you this is at age 65, but some of you may have an NRA of age 60 or 62.	Late Up to age 75
You'll get:		
A smaller guaranteed yearly pension	A guaranteed yearly pension	A larger guaranteed yearly pension

Whenever you take a yearly pension, you can also choose to take a tax-free cash lump sum first – but this will make your yearly pension amount smaller.





Or

Take a transfer value

Taking a transfer value means that you will be giving up your guaranteed yearly pension, and transferring the value of your 1967 Section pension out of the Plan and into a different pension arrangement.

It can offer more flexibility about how you use your pension savings, but remember, unless you buy an income for life with your transfer value (which is known as an annuity), you'll be giving up a guaranteed income that increases each year, and potentially a pension for your spouse too, if you were to die first.

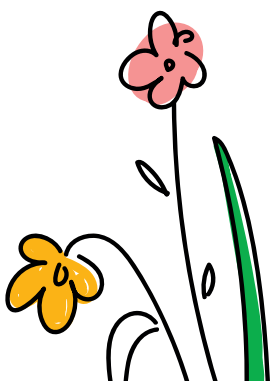
You can transfer your benefits at any time and access your pension savings from age 55. The minimum age for accessing your pension will rise to age 57 in 2028.

Watch our videos that explain:

- How your pension works
- What your options are
- What a transfer value is



www.vimeo.com/showcase/1967section



What's your pension worth?

When things around money may feel uncertain, it's natural to focus on the here and now. But what you'll get from your 1967 Section pension shouldn't feel uncertain.

See what you've got in just a few clicks

You can get an idea of how much yearly pension you might get from the 1967 Section by logging on to Benpal and taking a look at what your pension was worth when your pensionable service stopped.

To see how much you've got, visit <https://login.benpal.com>

You'll need to log in using your username and password.

Then click on 'Your pension' from the Benpal home screen.

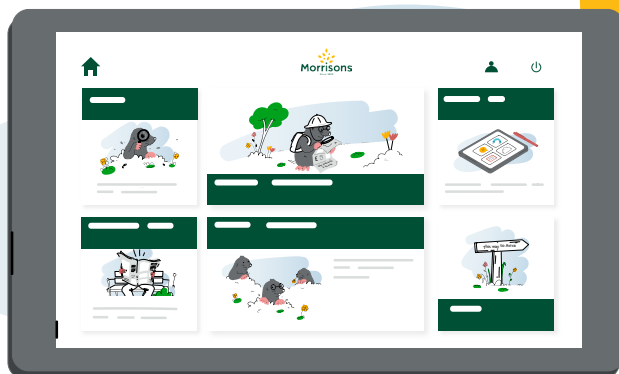
Having trouble logging in?

- **If you've logged in before but can't remember your username and password**, you can re-set your password or get a reminder of your username by clicking on the 'Unable to login' link.
- **If you've not logged in before** or have any other problems logging in, call Mercer on **0345 450 6564** and they'll be able to help.

Remember, on Benpal, you can also:

- check your personal details and change them
- tell us who you'd want any death benefits to be paid to

If you'd like a retirement quotation or transfer value, you'll need to get in touch with Mercer, the Plan's Administrator. Their contact details are on the back page of this newsletter.



New to Benpal?

Scan the QR code to watch our 2-minute video all about Benpal



Other pension savings and income

When thinking about your total pension amount, don't forget any other saving and income that you might have, including:

- The Aviva scheme, if you're currently working for Morrisons or if you've paid into the scheme in the past.
- Any other workplace pensions you may have.
- The State Pension, which can really boost your income in retirement.
- Any other savings, investments, or income from working.

Understanding all the pensions savings and income that you have, will give you a more accurate overview of your full retirement savings.

The State Pension

The maximum flat rate State Pension will increase to **£10,600.20 a year** from April 2023, following a record-breaking increase of 10.1% as announced in last year's Autumn Statement.

But the amount you'll get will depend on your National Insurance record.

You can get a forecast of how much you might get from: www.gov.uk/check-state-pension



How do you know if you've got enough



'Retirement' means different things to different people. And what you'll need will depend on what retirement means for you, and the lifestyle you want.

How much will you need for the retirement that is right for you?

The Pensions and Lifetime Savings Association (PLSA) have published a report to help people understand how much money they're likely to need in retirement.

PLSA's research shows that if you're single and don't need to pay towards a mortgage or pay any rent, you'll need:

£12,800 a year for:	£23,300 a year for:
A 1-week holiday in the UK	A 2-week holiday in Europe
£54 a week on food	£74 a week on food

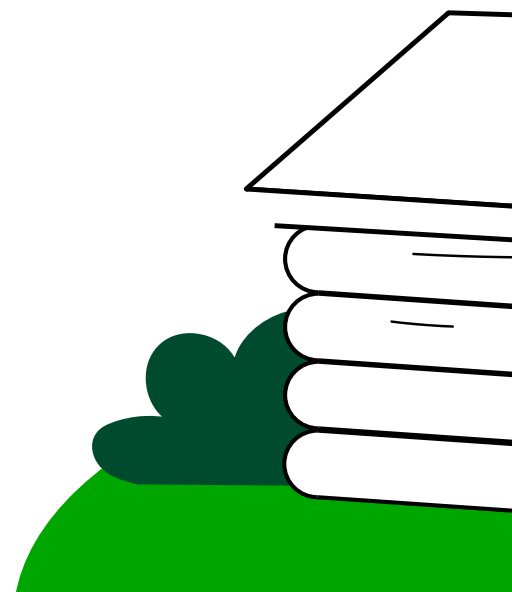
You can find out more about PLSA's retirement living standards at: www.retirementlivingstandards.org.uk

These living standards are based on assumptions, and might not be quite right for you, but they're a great place to start if you're not sure what to aim for.

Taking your pension doesn't mean you have to stop working, if you don't want to.

You could choose to continue working after you've taken your 1967 Section pension, or you might want to consider reducing your working hours.

It's important to remember that you're taxed on your pension income just like your earnings. So, make sure you consider how much tax you'll be paying overall before making a decision.



You don't have to make a decision alone

Before you make any big decisions, you may find it helpful to spend some time with an impartial financial adviser.

An adviser will explore what you want your future to look like including your spending, savings, debts and your retirement goals alongside the pension savings you have. They will then make a recommendation based on your situation, so it's completely personal to you.

Financial advisers will charge for their services, but that expense can be worth it to make sure you're making the best decisions for your future.

They're also regulated by the Financial Conduct Authority (the FCA), so they must follow strict rules when they give you advice – make sure you check that they're registered with the FCA before you start a conversation.

Looking for an independent financial adviser?

You can find a list of advisers through MoneyHelper:

www.moneyhelper.org.uk

Search for 'Retirement advice' in the search bar at the top of the page, and then follow the steps to 'Find a retirement adviser'.

If you're considering transferring out...

If you're considering transferring out and your transfer-value is worth £30,000 or more, you'll have to take advice from a regulated financial adviser before the Trustees can legally allow the transfer to go-ahead.

This is to protect you and your retirement savings.

Keep your pension savings safe

Taking advice also reduces the risk that your hard-earned pension savings are stolen by a scammer. But even if you decide not to take financial advice, make sure you're aware of the ScamSmart guidance and keep your savings safe by following these four rules:

1. Always double-check a website address is the same as the address shown in any official communications.
2. Reject any unexpected offers - these often come from texts or social media messages.
3. Check who you're dealing with - make sure they're authorised by the Financial Conduct Authority (FCA).
4. Don't be rushed or pressured into making a decision – especially if it sounds like a great deal. It probably isn't.

You can find out more at www.fca.org.uk/scamsmart



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 (resigned 12 July 2022)

Owen McLellan (resigned 29 April 2022)

Matthew Hart (appointed 5 August 2022)

Member nominated:

John Sampson

Charlotte Surblys-Seale

Secretary to the Trustees

Steven Robson, Head of Pension & Benefits



Who to contact, if you...

Have a question about your pension

Contact Mercer via their new Contact Portal:

<https://contact.mercer.com>

Alternatively, you can still contact Mercer via phone or email using the details below:

[0345 450 6564](tel:03454506564)

[morrisonadmin@mercerc.com](mailto:morrisonsadmin@mercerc.com)

Remember to 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 Scheme that can't be resolved by Mercer, the Trustees or the Company

Contact the Pensions Ombudsman:

[0800 917 4487](tel:08009174487) (UK Freephone)

enquiries@pensions-ombudsman.org.uk

www.pensions-ombudsman.org.uk