



The Options Workplace Pension Trust Newsletter

February 2023

Message from the Chairman of Trustees

Welcome to our 2023 newsletter. Investing for your future has never been more important and we hope you find this newsletter both informative and helpful in formulating your retirement plans.

As we all know the last 12 months have been difficult for everyone in the UK, with steep increases in the cost of living - but it is still important to continue to save for your retirement.

The Trustees oversee the running of the Options Pension Trust and have a legal duty to act in the members' best interests. They meet on a regular basis throughout the year to enable robust governance standards to be maintained and to ensure members are at the heart of what we do. In the last 12 months we have strengthened the Trustee board by appointing two new independent Trustees.

The Trustees have specialist committees which also meet regularly, and which oversee the work in three key areas. This year we have created two new committees which we believe will improve how we deliver for our members.

- ✔ The Investment committee - which focuses on the investments offered in the Options Pension Trust. This committee is supported by the appointed Investment Advisers to the Trustee Board - Dean Wetton Advisory.
- ✔ The Communications committee (set up in 2022) which looks at how the Trustees are communicating with the members.
- ✔ A Risk and Compliance committee (set up in 2022) which oversees how the Trustees manage the various risks in the Options Pension Trust and focuses on maintaining good governance

Members are the most important part of the Options Pension Trust so we would welcome your feedback and suggestions about what you would like us to include in our future newsletters. You can get in touch with us at workplacepensions@optionspensions.co.uk

The Rising Cost of Living

It seems nearly impossible to turn on the news or check your social media without hearing about the cost-of-living crisis that has hit the UK over the last 12 months. So, what can you do with your pension savings?

Experts agree it is important to save for your future, even when the current climate is looking a bit uncertain. Your pension savings are invested in funds designed to grow over time and, if you're still currently working, your employer will also pay in contributions alongside yours to help you build up more savings.

Your retirement needs

- ✔ Do you know what benefits are available to you when you retire?
- ✔ Do you know what level of financial income you may need in retirement?
- ✔ Have you considered increasing your contributions?

Please see our document 'Retirement planning and options' on our website by following the link <https://www.optionspensions.co.uk/resources>

There is also a modeller (available through your eMember login) which can help you plan for your future. If you haven't already registered online or have forgotten how to do this we can help. Please contact us on 0330 124 1510.



The Rising Cost of Living (continued)

Taking your pension benefits.

Currently you can take your benefits any time after the age of 55 (but please see below under “Increasing the Normal Minimum Pension Age”). If you’re thinking about taking your pension benefits in the near future, we can send you details of your benefits but please note that, before you apply to take these, we strongly encourage you to seek guidance from Pension Wise. Pension Wise is a free and impartial government service to help you understand what you can do with your pension money and the options available.

They offer telephone or face-to-face appointments, and can provide guidance on:

- ✓ how to make the best use of your money
- ✓ information about tax when taking money from your pension
- ✓ tips on getting the best deal, including how to compare products, get financial advice and avoid scams

You can find information online at: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>.

As an alternative to Pension Wise you could seek guidance and advice from an independent financial adviser (IFA). You may already know an IFA – or you can use a website like www.unbiased.co.uk to find an IFA in your area. Whichever way you choose an IFA, we recommend that you check to make sure they are approved by the Financial Conduct Authority to advise on pension matters. You can do this here <https://register.fca.org.uk/s/>.



Increasing the Normal Minimum Pension Age

In September 2020, the Government confirmed that the minimum age at which people can access their private pensions will rise from 55 to 57 from 6 April 2028. This means that, if you will reach age 55 after 6 April 2028, you won't be able to take your pension benefits until age 57.

Feedback

We welcome your feedback on anything to do with your pension arrangement. If you have any comments, please email us at workplacepensions@optionspensions.co.uk. Please don't forget to include your member reference number in your email.

Options Workplace Pension Trust – our year in numbers

[as at 31 December 2022]

Scheme Memberships

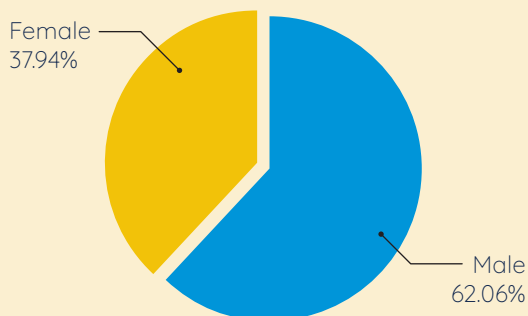
285,422

We now have

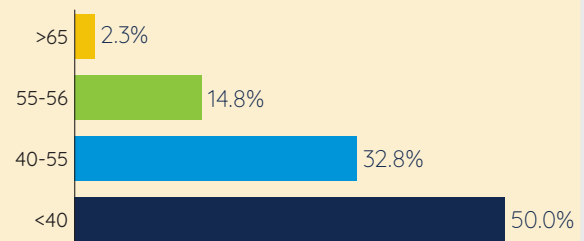
3,636

Participating Employers

Membership Profile



Membership Age Profile



Average Age of Members

**41 years &
7 Months**

99%

of our members are
in a default fund

The default fund is where your contributions are invested unless you have specifically chosen a different investment fund

Investments – an update



Dean Wetton and Pete Osborn-Barker
Investment Advisers

Dean Wetton Advisory continues to provide full advice on the Investment Strategy for our Trust. Dean Wetton has many years' experience advising clients, including other Master Trusts, and also specialises in the Sharia Funds which have to meet particular requirements.

A copy of the latest Statement of Investment Principles dated June 2022 covering the Options Pension Trust's default funds has been uploaded to the website at <https://www.optionspensions.co.uk/workplace-pension-master-trust-trustees>

An update from Dean:

Recognising the importance of investing responsibly, the Trustees commissioned two reports that looked into the carbon emissions generated by the Options Pension Trust in line with recommendations made by the Taskforce for Climate-Related Financial Disclosures (TCFD). The process proved very educational, and the Trustees have set themselves a goal of halving investment emissions by 2030 and aim to be net zero by 2050. In addition, we have assisted the Trustees in setting up the "Options Your Tomorrow" fund, which is a self-select investment designed to invest in companies with good Environmental, Social and Corporate Governance (ESG) Practices. The Trustees, supported by us, continue to work to improve the range of investments offered to members and are developing a scheme wide self-select range for members.

2022 was a difficult year for markets, with uncertainty coming from a variety of factors including the invasion

of Ukraine, energy supply shortages and residual effects of the global pandemic. The high global inflation has resulted in rising interest rates worldwide, which has negatively affected the price of corporate and government bonds. Despite a difficult year, we and the Trustees remain committed to providing well diversified default investment strategies that will help members achieve the retirement income they seek. Many members of all pension schemes experienced falls in the value of their pension pot last year, but, it is important to remember that pensions are long term investments, and over the lifetime of your savings journey you should expect to benefit from being invested in the Options Pension Trust. We would like to remind members that the best thing they can do to improve their pensions outcomes is to invest more money as early as possible if they can afford to do so, as the longer their funds are invested the longer they have time to grow.

Transfer your other pensions to your Options Pension

If you have worked for several other employers, it's likely you may have several pension saving pots with various pension schemes. You may be able to transfer these existing pots into your Options pension. In some cases, having one larger pension pot rather than lots of small ones may be helpful – because it's simpler to manage, and may reduce the overall charges you may be paying. If you are unsure about transferring, we recommend you speak to an independent financial adviser, details can be found online at sites similar to www.unbiased.co.uk for example.

If you want to look at the possibility of transferring your other pension pots into your current workplace pension with us, please call a member of our team who will be happy to assist

Telephone: 0330 124 1510 Monday to Thursday 8am – 6pm and Friday 8am – 5pm



Benefit Statements

Benefit statements are due to be issued by the end of June 2023. We'll tell you when your annual benefit statement is available to view online. If you have forgotten your password, or haven't yet registered to view your account online, please contact a member of our team on 0330 124 1510 Monday to Thursday 8am – 6pm and Friday 8am – 5pm who will be happy to assist.

Pension News update

Are you contributing as much as you can into the Scheme?

If you want to increase your contribution rate, – just tell your employer that you want to do this. You can do this at any time. Remember pension contributions are tax efficient so you may find increasing your contributions costs less than you think.

Pensions Dashboard

Pensions dashboards are a Government initiative aimed at providing people with information about all their pension benefits (including state pension) in one place online. The plan is that pension schemes will be set up on the dashboard system in stages. We will keep you posted on what's happening and when.



Watch out for pension scams

Pension scams continue to increase. Sadly, there are many people who have lost all of their pension savings to scammers and been landed with a tax charge. You can guard against this happening to you. Here are a few tips to avoid pension scams:

- ✓ Never give out personal information if you receive unsolicited calls, emails or contacts through social media.
- ✓ If someone offers you a free pension review – avoid it. Properly regulated independent advisers charge fees.
- ✓ Remember that currently you can legally only take pension benefits from age 55 onwards. So if someone says they have a scheme where you can take your pension benefits earlier than this, it's a scam.
- ✓ Be very wary if you are advised to invest in unusual schemes – or investments which promise unrealistic returns. Be particularly wary of investments overseas – these can often be vehicles set up to avoid tax and you may fall foul of tax laws by investing in these.
- ✓ Always ask what fees those advising you will charge.
- ✓ If someone puts pressure on you to act quickly (for example to transfer your pension fund somewhere else) it's likely to be a scam. Properly regulated advisers and schemes will always give you time to think things through.

The Options Pension Trustees are required by law to carry out certain checks on your chosen pension arrangement before going ahead with a request to transfer your pension. Those checks include a requirement to assess transfer applications against the conditions and potential risk flags set out in regulations.

Please bear this in mind if you ask to transfer your pension, because these checks may take some time. Depending on the outcome of these checks you may be asked to attend an appointment with Pension Wise. The transfer may even be stopped from going ahead if the chosen pension arrangement does not meet requirements set out in the regulations.

We are pleased to announce that the Pension Trust's administrator, Options Corporate Pensions UK, has signed up to the Pension scams pledge. This new pledge is to help stop pension scams. Introduced by The Pensions Regulator (TPR), the pledge is designed to help protect members from the ever-growing problem of scammers offering transfers to illicit investment schemes. TPR is asking providers, trustees and administrators, to sign the pledge and then to self-certify that they meet six key commitments, each with an extensive list of requirements. This includes warning members about scams, carrying out due diligence when handling and recording transfers and reporting potential scams to the relevant authorities. More information on the new scams pledge can be found at www.thepensionsregulator.gov.uk/pledge.

Keeping us updated

It is very important for us and for you, that we can stay in contact with you whenever we need to. We don't want you to miss out on key information if you move to another employer and/or join another pension scheme. To ensure we can maintain contact with you, we would really appreciate you informing us of a current personal email address. It is also important to let us know if you change your address.

If you are currently contributing to the Options Pension Trust, please let your employer know your new address and this will ensure that our records will get updated. If you are not currently contributing, you can amend your address by logging into the portal.

Alternatively, you can keep us updated by either writing to us or calling a member of the team on 0330 124 1510 Monday to Thursday 8am – 6pm and Friday 8am – 5pm.

Options Corporate Pensions UK Ltd

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Furzton, Milton Keynes
Bucks, MK4 1GA

Expression of Wish

'Covid 19 has shown us all how fragile life can be and it is important that all members have an 'Expression of Wish' on file which advises the Trustees of your wishes on who should receive benefits from the Options Pension Trust if you die. If someone dies and they haven't completed an Expression of Wish form this can often delay the payment of benefits. So please if you haven't already, complete an Expression of Wish. More details can be found on our website under www.optionspensions.co.uk/trustee. Alternatively, you can complete one on the portal by going in to 'my information'.

The Pensions Tracing Service

You can track down pensions from previous employers using the Pensions Tracing Service who can provide you with an up-to-date address of that scheme. You can fill in a form online at www.gov.uk/find-pension-contact-details or you can write to: The Pension Service 9, Mail Handling Site A, Wolverhampton WV98 1L or call 0345 6002 537

Need financial advice?

We recommend you only take advice about your pension from an Independent Financial Adviser, regulated by the Financial Conduct Authority. To find a financial adviser go to: www.unbiased.co.uk or <https://register.fca.org.uk/directory/s/>

Remember that

- ✔ You don't pay normally any tax on your pension contributions (free money)
- ✔ Your employer is contributing as well to your pension (free money)
- ✔ You can contribute more to your pension and for your future if you wish



This Newsletter is for information purposes only. Your benefits within the Scheme are based on the Scheme Rules. In the event of any discrepancy between any information provided to you in this Newsletter and Scheme Rules, the Scheme Rules will prevail.



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