

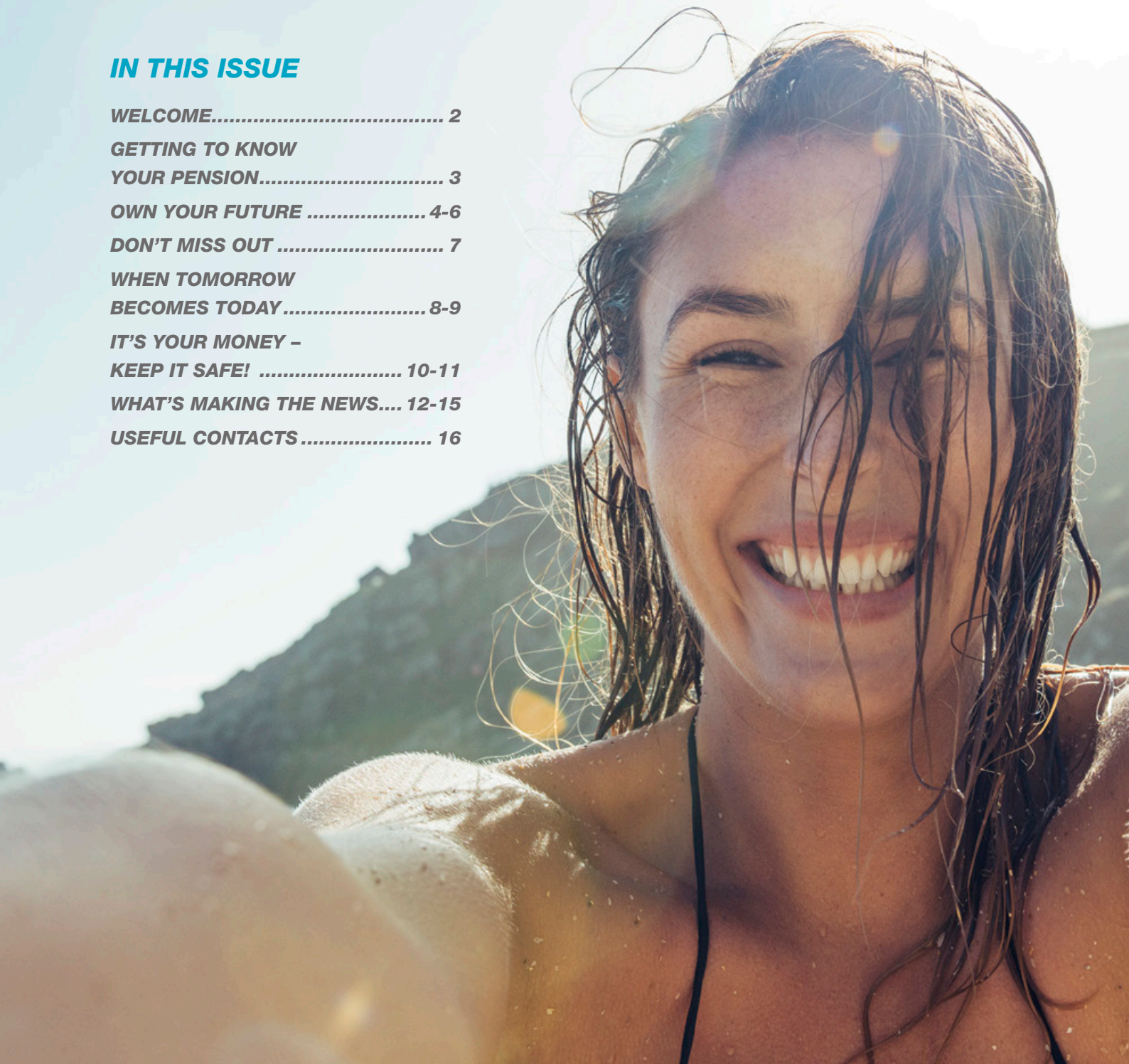
SHOOSMITHS GROUP PERSONAL PENSION

UPDATE 2023

THE LATEST NEWS FROM THE SHOOSMITHS GROUP PERSONAL PENSION

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WELCOME

Welcome to the latest newsletter for members of the Shoosmiths Group Personal Pension (the Plan). Inside you'll find lots of useful information to help you keep on top of your later life savings.

You'll find updates about the Plan, hints and tips we hope will help you think about how you can plan for the future and also a section on topical news affecting pension savers in the UK.

Here's a reminder of your Committee Members:

- David Thompson (Chair)
- Peter Duff
- Lynne D'Arcy
- Heather Chandler
- Sarah Jenkins
- Simon Fennell
- Eleanor Tanner
- Nick Mallett

You're welcome to contact any of the Committee Members at any time to discuss matters relating to the Plan. However, if your question relates to your individual pension benefits, or the administration of the Plan, you should contact the Benefits Team.



The Plan is provided through Aviva.

If you haven't done so already, you can manage your pension savings online at any time, by registering to use MyAviva at: www.direct.aviva.co.uk/myaccount/login

MyAviva has lots of great information about saving for retirement and allows you to:

- check on the value of your pension savings
- review the performance of your investments
- check your target retirement age
- check and update your personal details, including who you have nominated to receive any benefits payable in the event of your death.

Your Benefits

You can also access information about your pension any time through Shoosmiths' integrated benefits platform - Your Benefits. You can also access MyAviva directly through the Quick Links drop down menu found on the home page.

On the platform, you'll find information to help you manage your retirement planning, in conjunction with the MyAviva portal. You'll also be able to check your ongoing monthly contributions. For help with Your Benefits, please contact the Benefits Team.

GETTING TO KNOW YOUR PENSION

Webinar coming soon

We're running a webinar on Tuesday 11th July 2023 to help you get to know your pension. Our pension adviser, Barnett Waddingham, will be leading these sessions to give you an overview of how your pension works, how your money is invested, your options at retirement and where to get more information.

Barnett Waddingham will also provide one-to-one sessions where you can specifically discuss your pension and what your options are. Details have already been sent out via This Week but if you need further assistance, please contact the Benefits Team.

Although Barnett Waddingham cannot give you financial advice during either the webinar or one-to-one discussions, they aim to provide information that is helpful and relevant to you.



OWN YOUR FUTURE

Being a member of the Plan means you can build up pension savings for the future with help from Shoosmiths and tax relief from the Government. The more contributions you pay into the Plan, the faster your pension savings could build up.

	Your minimum contribution	Shoosmiths' contribution	Total minimum contribution
Under age 35	5.0%	5.5%	10.5%
Age 35 plus	5.0%*	5.5%	10.5%

* A legacy contribution structure applies to members who joined the Plan before 1 May 2020.

Pension Auto-Escalation

The Firm introduced Pension Auto-Escalation with effect from 1st November 2022, and as a result your contribution increased by 1% from that date (unless you opted not to participate, or already had a combined contribution of 12% or more). If you continue to participate in Pension Auto-Escalation, your contribution will increase by 1% per annum on 1st November each year until such point that it reaches 7%. Communications will be sent prior to 1st November 2023 and further details of Pension Auto-Escalation can be obtained from the Benefits Team.

You own your future. So if you are unsure how much you are paying, or you'd like to change your monthly contributions, please use Your Benefits.

IF YOU READ NOTHING ELSE

As well as your own contributions, Shoosmiths also pays in to help your pension savings build up quicker.

The Government contributes too by giving you tax relief on your contributions.

More contributions should mean more savings to spend in retirement.

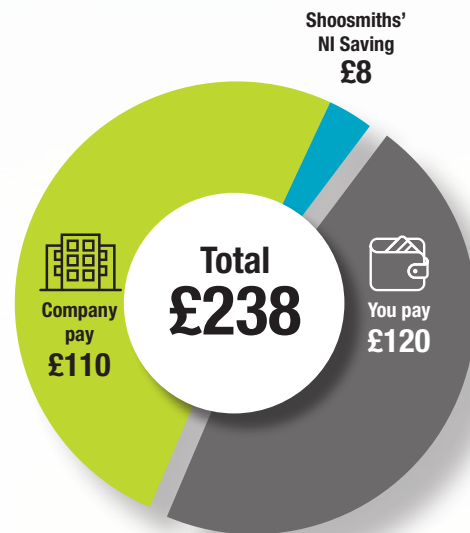
Making the most of tax relief

Your contributions are made each month into the Plan directly from your salary. As you'll also benefit from tax relief the actual cost to you is lower than you might think (see example below). There are limits, however, on the amount of contributions that can receive tax relief in any one year (see Know your limits).

Take a look at the example below; we have assumed you have pensionable earnings of £2,000 per month, pay in 6% (via Salary Exchange*) and receive contributions from the firm of 5.5%. By paying just £120 a month your total pension savings would be £238 a month.

* If you contribute via Salary Exchange, both you and Shoosmiths make a National Insurance (NI) saving; Shoosmiths share 50% of their saving with you in the form of an additional pension contribution.

For more information on how Salary Exchange works, please refer to the GPP Member Guide, or visit the Money Helper at www.moneyhelper.org.uk/en/pensions-and-retirement/building-your-retirement-pot/salary-sacrifice-and-your-pension



IMPORTANT: if you are a Scottish taxpayer then the tax rates you pay may be different.

Are you a higher-rate taxpayer?

If so and you make your payments through Salary Exchange, you'll automatically receive higher-rate tax relief.

Please note the tax treatment depends on your individual circumstances and may be subject to change in the future.

KNOW YOUR LIMITS

The Annual Allowance (AA) is the total that can be paid as pension savings, including the Firm's payments, in any tax year without incurring a tax charge. The AA is currently £60,000 for most people. However, the AA reduces if:

- You have taken any pension benefits using one of the flexible options – cash sum or flexible withdrawals. This is known as the Money Purchase Annual Allowance (MPAA). The MPAA is £10,000.
- If you're a high earner with income above £260,000 a year. This is known as the Tapered Annual Allowance and means your AA might gradually reduce to as low as £10,000.

The Government has recently announced that it intends to remove the Lifetime Allowance (LTA) from 6 April 2024. Please note, legislative change is required to achieve this, so you should consider getting financial advice if you plan to exceed the Lifetime Allowance (£1,073,100) prior to its removal.

As an interim measure, no one will face a tax charge for exceeding the Lifetime Allowance from 6 April 2023. This will be achieved by setting the tax charge to zero, with excess benefits subject to income tax in the normal manner.

The amount of tax-free cash you can take from your pension savings is known as the Pension Commencement Lump Sum (PCLS). This is normally restricted to 25% of your pension savings. Although not an issue for most people, the PCLS limit will be frozen at 25% of the current LTA level (which means it will be capped at £268,275). Anyone with a protected right to a higher PCLS will continue to have this right.

For further information on the AA and LTA, please see www.gov.uk/tax-on-your-private-pension

IF YOU READ NOTHING ELSE

For most people, £60,000 is the maximum you can save into your pension each year and still get tax relief.

The Government intends to remove the Lifetime Allowance from 6 April 2024 subject to a change in the law. In the meantime, there is no tax charge from 6 April 2023, effectively meaning there are now no limits on how much you can save into your pension during your lifetime.

The amount of tax-free cash you can take is 25% of your pension savings, subject to a maximum of £268,275, unless you have a protected right to a higher PCLS (see above).



DON'T MISS OUT

With the cost of living rising sharply we're all feeling the squeeze on our disposable income. For those with savings in the bank, rising interest rates can be good news, but for anyone with a mortgage there's yet another increased monthly cost. So for many, paying for today may seem more important than saving for tomorrow.

But if you were offered free money would you say no to that opportunity? That's just one benefit the Plan offers members. We've listed a few more below:

- When you pay in, your employer does too!
- You receive tax relief on your payments into the Plan.
- Your contractual salary is reduced in exchange for employee pension payments, rather than you making payments directly. This means you and Shoosmiths won't pay National Insurance (NI) on the salary you exchange for employee pension payments, and Shoosmiths will share 50% of their saving with you.
- You have flexibility over how much you pay in, where your pension savings are invested and at what age (currently over 55) you want to take your pension savings.

IF YOU READ NOTHING ELSE

Just by staying in the Plan you're on a journey to building your future retirement savings pot.

And you're getting free money.

What if I were to take a break or dip into my retirement savings pot?

If you were to take a break from making pension contributions, you'd miss out on Shoosmiths' contributions and tax relief going into your pension savings. You'd also miss out on potential investment growth on these contributions. We've illustrated below the cost of taking a break.

COUNTING THE COST OF TAKING A BREAK

Let's look at the impact of taking a break from paying into your pension. This example assumes Asa and Max both earn and pay the same into their pension, but at age 40, Asa decides to stop paying into his pension for 5 years, but then re-joins the scheme and re-starts his contributions.



Assumptions: Asa and Max, both start on an annual salary of £22,000 at age 22; 5% employee contribution (via Salary Exchange), 5.5% employer contribution (total 10.5%); 2.5% p.a. salary increases; 2.5% inflation rate; 5% investment return (net of charges).
*Figures shown in today's terms.

These calculations are for illustrative purposes only. Returns are not guaranteed and the value of your investment may go down as well as up, so you may get back less than you invest. For free, impartial money and pensions guidance, visit www.moneyhelper.org.uk

IF YOU READ NOTHING ELSE

The earlier you dip into your pension savings the less time left for them to potentially grow in value.

There may even be nothing left in future years, and you may pay more tax now than in retirement.

WHEN TOMORROW BECOMES TODAY

The Plan gives you flexibility to choose when (currently after 55), and how, you take your pension savings. You may decide to do this earlier than your selected retirement age (see below), or you may decide to work longer to build up more pension savings. You may even choose to phase from full-time to part-time work.

Mind the gap

Unless you made a different choice when you joined the Plan your selected retirement age will be set at your 65th birthday.

Under current UK law, other than for anyone in serious ill health, the earliest you can start to draw your pension savings is age 55. As your selected retirement age will affect any investment or lifetime strategies it's really important to keep it up to date. If you want to check or change your selected retirement age you can do this through MyAviva or by contacting Aviva directly.

If you're considering retiring early you should note the minimum pension age will change to 57 from 2028 - so plan ahead!

You should also remember any State Pension benefits won't come into payment until your late 60s - so you need to consider how you will fill that gap if you retire early.

Your pension savings options

When it's time for you to access your pension savings, you'll have the flexibility to choose how and when. You can choose either one, or a combination of:

- A cash lump sum (normally 25% is tax free, up to a limit of £268,275).
- A guaranteed income for life (annuity)
- Flexible withdrawals (drawdown)

However, as some of the options will more than likely have tax implications you should consider contacting Pension Wise, a Government service from MoneyHelper. Pension Wise offers free, impartial pensions guidance to people aged 50 and over about their retirement choices. You can find out more in the Useful contacts section.

IF YOU READ NOTHING ELSE

55 is the earliest you can take your pension savings (57 from 2028).

State Pension age is currently 67 and rising.

Check your State Pension details at www.gov.uk/check-state-pension

STATE PENSION BENEFITS

You may also have built up State Pension benefits during your working life. The exact amount of State Pension benefits you might get will depend on your National Insurance record (www.gov.uk/new-state-pension/how-its-calculated).

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

The full level of the new State Pension for the 2023/24 tax year is £203.85 a week (up from £185.15 a week).

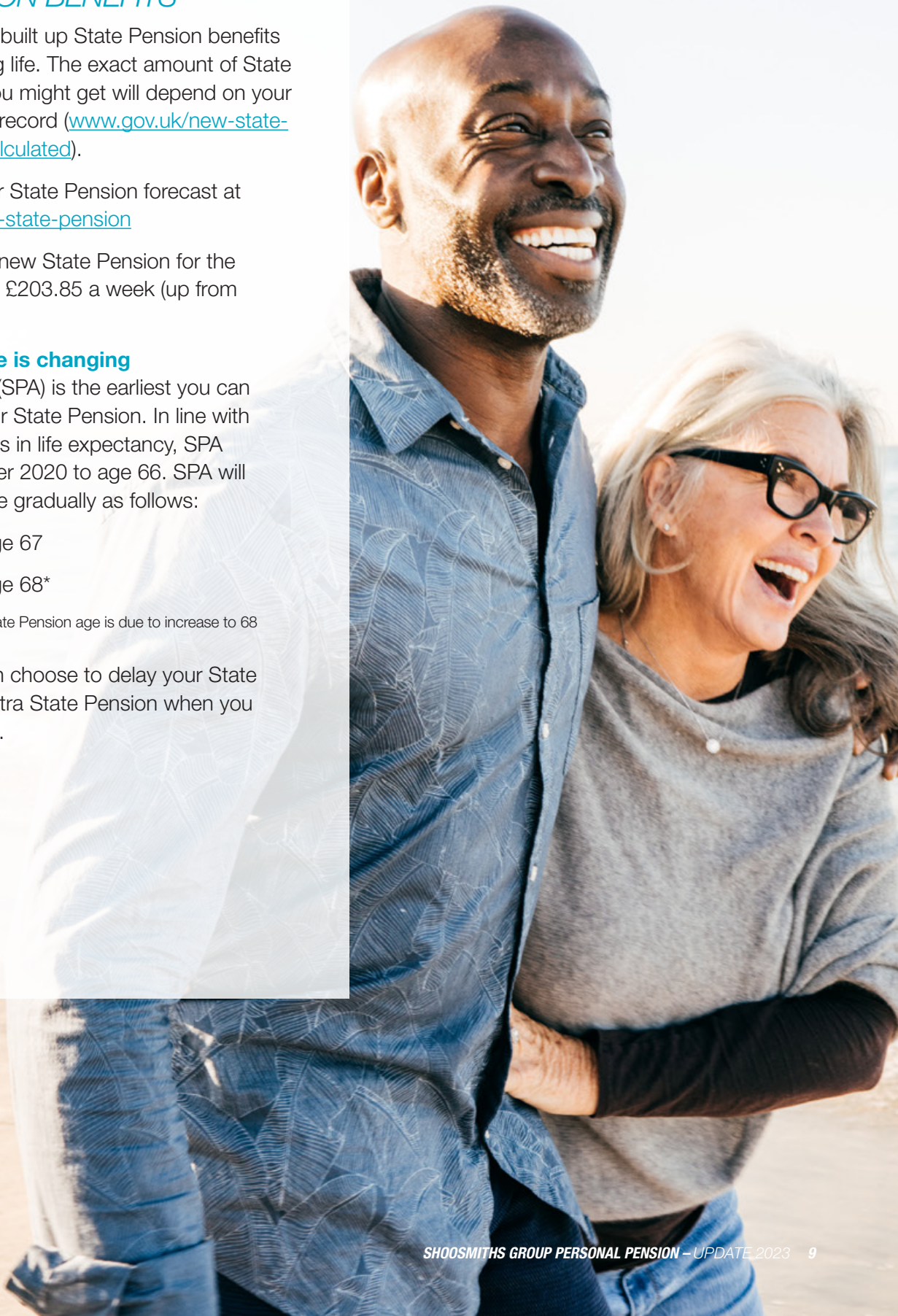
State Pension age is changing

State Pension age (SPA) is the earliest you can start accessing your State Pension. In line with continuing increases in life expectancy, SPA increased in October 2020 to age 66. SPA will continue to increase gradually as follows:

- 2026 – 2028 – age 67
- 2037 – 2039 – age 68*

* Under current law, the State Pension age is due to increase to 68 between 2044 and 2046.

If you wish, you can choose to delay your State Pension and get extra State Pension when you do come to claim it.



IT'S YOUR MONEY – KEEP IT SAFE!

Protecting your dependants

It's important you keep your Beneficiary Nomination form up to date as Aviva needs to know who you would like to receive any benefits that may become payable in the event of your death.

Although the nomination isn't legally binding, Aviva will take your wishes into account when deciding who should receive any benefits due. Under the current law, this normally means any lump sum can be paid free of Inheritance Tax.

You can change your beneficiaries online through MyAviva or contact Aviva directly for a form and return it to them once you've completed it.

Please note you have a separate form for your Group Life Assurance benefit. If you haven't completed this form or need to update it please do so via the Your Benefits portal, or contact the Benefits Team.

Finding lost pensions

To help with your retirement planning, you'll need to know how much income you might have from all of the pension schemes you've been a member of. It can be hard to keep track, so if you've lost touch with a workplace or personal pension, there's a free Pension Tracing Service that can help. To find out how, visit www.gov.uk/find-pension-contact-details

IF YOU READ NOTHING ELSE

Make sure you keep your Beneficiary Nomination form up to date.

Lost track of any pensions? Visit www.gov.uk/find-pension-contact-details

Don't let a scammer enjoy your retirement www.fca.org.uk/multimedia/fca-tpr-pension-scams-tv-ad

BE AWARE OF PENSION SCAMS

According to the Financial Conduct Authority (FCA) and The Pensions Regulator, each person who falls victim to a pension scam loses on average £51,000. You've saved hard for your later life, so follow these steps to make sure nobody else enjoys your money!

- Cold calling about your pension is now illegal. If someone calls, emails or messages about your pension, don't engage with them!
- Be on your guard – scammers are now using increasingly sophisticated-looking texts, emails and websites to convince people they're legitimate companies.
- Never give personal information (including bank details) to someone you don't know.
- Putting people under time pressure is a well-known scammers' tactic – always take your time to check who you're dealing with before you make any decision about your pension or finances.
- Offered an 'amazing' deal? Beware! No investment returns are ever 'guaranteed', especially high ones. And you can't access your pension before age 55 without severe tax implications.
- Using an adviser? Make sure they're registered with the FCA.
- Recommended by a friend? Check everything yourself.
- Think you've been scammed? Act immediately.

Find out more about staying scam smart at www.fca.org.uk/scamsmart

If you think you're being targeted by a pension scam, contact: Action Fraud on 0300 132 2040. Remember – if it sounds too good to be true, then it probably is!



WHAT'S MAKING THE NEWS

THE BIGGER PICTURE

Did you know the average person in the UK might expect to have 12 different jobs in their working life. If that's you and you've saved for retirement in every job you'll need to keep track of 12 different pensions. That's a job in itself!

To help make sure everyone knows where their pension savings are and how much they're all worth when added up, a new Pensions Dashboard will be launched over the next few years. It will enable individuals to access their pensions information online, securely and all in one place, with the objective of supporting better planning for retirement and growing financial wellbeing. As well as your workplace pension savings the Pensions Dashboard will also include your State Pension.

As you can imagine, this is a huge undertaking and a very complicated project. The Department of Work and Pensions (DWP) initially targeted 31 August 2023 as the start for the largest pension schemes to be up and running with the Pensions Dashboard. It has recently 'reset' this target but still expects all pension schemes to be phased onto the Pensions Dashboard over the next few years. The aim is that by 2026 every pension saver should be able to see all their pension savings in one place.

For more information on the Pensions Dashboard project, please visit www.pensionsdashboardsprogramme.org.uk

ESG AND YOUR PENSION

ESG stands for Environment, Social and Governance and for pensions it's about measuring not just the financial return of an investment, but the overall impact.



Environmental factors include areas such as the impact a company makes on carbon emissions.



Social factors involve how employees, suppliers and communities are affected.

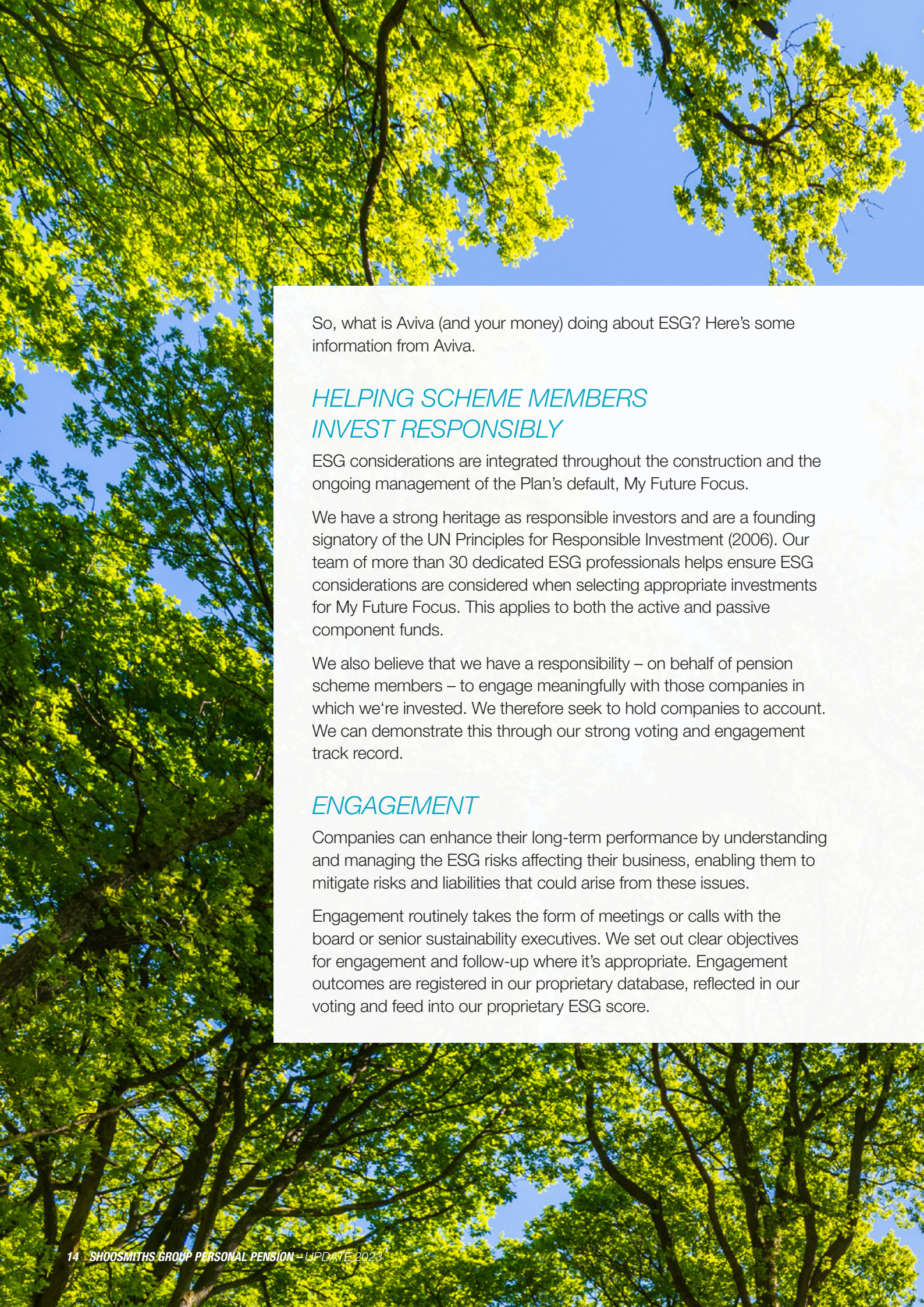


Governance factors look at how the business is run, considering areas like diversity and equal pay.

Taken together, an ESG approach to pensions is about investing responsibly without affecting the future growth of your savings. An example could be investing in companies with strong sustainability characteristics and low carbon footprints.

Increasingly, pension savers are saying they want their money to 'do good' while it grows, so it also helps the environment and benefits wider society. The Government has also implemented regulations on pension providers and trustees of pension schemes to build in ESG factors into their decision making on investments.





So, what is Aviva (and your money) doing about ESG? Here's some information from Aviva.

HELPING SCHEME MEMBERS INVEST RESPONSIBLY

ESG considerations are integrated throughout the construction and the ongoing management of the Plan's default, My Future Focus.

We have a strong heritage as responsible investors and are a founding signatory of the UN Principles for Responsible Investment (2006). Our team of more than 30 dedicated ESG professionals helps ensure ESG considerations are considered when selecting appropriate investments for My Future Focus. This applies to both the active and passive component funds.

We also believe that we have a responsibility – on behalf of pension scheme members – to engage meaningfully with those companies in which we're invested. We therefore seek to hold companies to account. We can demonstrate this through our strong voting and engagement track record.

ENGAGEMENT

Companies can enhance their long-term performance by understanding and managing the ESG risks affecting their business, enabling them to mitigate risks and liabilities that could arise from these issues.

Engagement routinely takes the form of meetings or calls with the board or senior sustainability executives. We set out clear objectives for engagement and follow-up where it's appropriate. Engagement outcomes are registered in our proprietary database, reflected in our voting and feed into our proprietary ESG score.



VOTING

Voting is a crucial part of the investment process and we're proud to have had a formal voting policy since 1994. We vote against items where we consider that the specific proposals are not in the best interests of our clients; where we have wider concerns with individual directors, strategy, oversight and reporting; or to reflect disappointing outcomes from prior engagements.

We believe that this engagement sets us apart from our competitors.

ESG INTEGRATION

The ESG team provide both quantitative and qualitative research. The quantitative research is our proprietary ESG score which combines both internal and externally sourced data. From a qualitative perspective, the team provides thematic as well as sector and industry research. This ESG research is integrated within My Future Focus in a number of ways.

We've developed a market-leading ESG report, showing ESG scores across a range of criteria at the level of both the My Future Focus Growth fund and the underlying building block funds in which it invests, together with a summary of voting and engagement activity.

For Shoosmiths' scheme members, this means that through Aviva Investors, your Plan can help make the world a better place while aiming to deliver investment returns.

If you would like to find out more about Aviva's approach to ESG, please follow this link: www.aviva.co.uk/retirement/workplace-pension/pension-power

Source: Aviva

USEFUL CONTACTS

Shoosmiths' pension advisers

Barnett Waddingham LLP

Email: shoosmithshelpline@barnett-waddingham.co.uk

Telephone: 0333 11 11 331

The Plan's provider

Shoosmiths Group Personal Pension
Aviva, Po Box 520, Norwich, NR1 3WG

Email: contactus@aviva.com

Telephone: 0800 145 5744

www.direct.aviva.co.uk/myaccount/login

MoneyHelper

MoneyHelper offers a broad range of financial guidance and support. You can access free, impartial help about money matters and your pension, find a local financial adviser and use a range of handy calculators and tools:

www.moneyhelper.org.uk/en

Financial advice

If you'd like financial advice, but you don't have a financial adviser, the MoneyHelper website provides information about financial advice and help with choosing a financial adviser:

www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser

Pension Wise

Pension Wise is a Government service from MoneyHelper offering free, impartial pensions guidance to people aged 50 and over about defined contribution pension options. If you're thinking about accessing your DC pension savings, your provider must refer you to the Pension Wise guidance and offer to book an appointment with them or you can contact Pension Wise directly. An appointment with Pension Wise will:

- Help you understand what your overall financial situation will be when you retire.
- Talk you through your options at retirement to help you make the right decision.
- Help you find out about the other factors you need to consider when deciding on your options.

To find out more or book an appointment, visit www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

This newsletter doesn't constitute financial advice, only information. You should consider taking regulated financial advice before making any decision regarding your pension.

The figures included in this newsletter are relevant to the 2023/24 tax year and are likely to change from year to year. Figures in the examples are for illustration purposes only. Shoosmiths' pension advisers, Barnett Waddingham LLP, helped in the preparation of this newsletter. Barnett Waddingham is authorised and regulated by the Financial Conduct Authority (FCA).



Tell us how we're doing

What do you think of our newsletter? It's easy to give us your feedback. Click on this [link](#) or scan this QR code using your smartphone camera and you'll be taken directly to a website page where you can tell us your thoughts. We value your opinion so please complete the survey now.

Written, designed and produced by DrumRoll, Barnett Waddingham's creative communications team.