

JAGUAR PENSION PLAN

PLAN YOUR FUTURE –

NOVEMBER 2018



ABOVE & BEYOND

Welcome to the latest edition of **Plan Your Future**, the newsletter for the Jaguar Pension Plan, keeping you up-to-date with your Pension.

In this edition of the newsletter, we have a few changes that we would like to share with you.

The first of these is a change to the way that the Plan calculates early and late retirements, and transfer quotes. The changes will take effect from 1 December 2018, and will affect early or late retirement quotations where the proposed retirement date is on or after 1 December 2018. Because of these changes, some members will not be able to request transfer values between now and 1 February. You can read more about these changes on page 5.

As a member of the Jaguar Pension Plan, you will no doubt be aware that the Plan helps you save for your retirement. To help you make the most of the Plan, we will be launching our new, online portal in early 2019. We have developed this portal, called Benpal, with JLT Employee Benefits (JLT) and it will allow you to check your pension details at any time from any computer, tablet or smartphone. You can read more about Benpal on page 5.

Since the last edition of the newsletter was issued, there have been some changes to the Trustee Board, namely the resignation of Karen Barber and retirement of Graham Squires. Karen resigned from her post on the Board with effect from 18 July 2018. Graham Squires, who was Secretary to the Trustees from 2008, retired from the Board with effect from 31 May 2018. He was replaced by Julie Hooker from 1 June 2018.

We would like to thank both Karen and Graham for their service and contribution to the Board.

We would like to remind everyone about the Pension Decision Service that was launched in late 2017. There is more information about this service on page 2 should you need it.

In this edition of the newsletter, you will also find the usual accounts summary, as well as other pension news, which we hope you find interesting.

As usual, we welcome any feedback or suggestions for forthcoming newsletters, so please do get in touch if you have any suggestions. Our contact details can be found on page 8.

Rob Lummis
Chair of the Trustee Board

INSIDE ...

2

Trustee Board Changes
Pension Decision Service

3

High Court Ruling –
GMP Equalisation

4

Report and Accounts
for the year ended
5 April 2018
Summary Funding
Statement

5

Benpal
Changes to retirement and
transfer value calculations

6

Your AVC Options

7

Marsh & McLennan to
acquire Jardine Lloyd
Thompson Group



TRUSTEE BOARD CHANGES

Since our last newsletter, there have been some changes to the Trustee Board.

Thanks to our departing Trustee **Karen Barber**. A Member Nominated Trustee Director, Karen resigned from the post on 18 July 2018. We would like to thank Karen for her contributions to the Board.

Thanks also to **Graham Squires**, Secretary to the Trustee, who retired from Jaguar Land Rover on 31 May 2018. Graham has been in the role of Secretary since 2008, and we would like to thank him for his service to the Board over the last 10 years.

Julie Hooker replaced Graham as Secretary to the Trustee from 1 June 2018. Some of you may remember that Julie was Secretary to the Trustee before Graham took over the role.

PENSION DECISION SERVICE

Your free personal Retirement Relationship Manager

For those members who are yet to retire, the Plan offers different options. Planning for your retirement should be all about achieving the right outcome – but understanding what the right outcome is can be a daunting task. JLT offers free, personalised retirement help called Pension Decision Service (PDS) that aims to inform members of their options. When you receive your retirement pack from JLT, it will contain more information about PDS and how to access it.

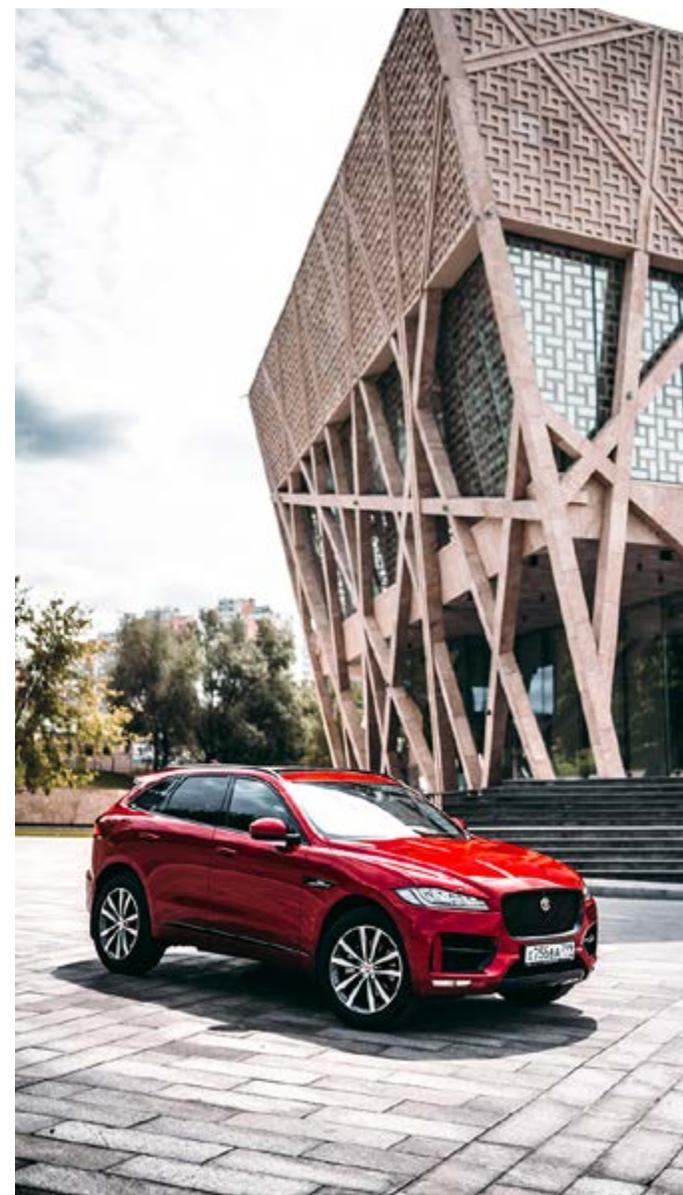
If you choose to use PDS, you will be allocated a dedicated Retirement Relationship Manager who will discuss your circumstances with you and help you make informed decisions and plan your next steps. They can also help you find an independent financial adviser in your area if you are considering options outside the Plan.

You can find out more about PDS at www.jltemployeebenefits.com/pensions/pension-decision-service

Is there anything else I should know?

While the PDS offers invaluable guidance and help when it comes to making decisions about retirement, it is not the same as financial advice. You may want to consider seeking independent financial advice alongside the guidance that PDS offers, however you will need to cover any associated costs yourself.

Please note that if you decide to transfer your benefits out of the Plan to another provider, and the value of the transfer is £30,000 or more, you will need to provide evidence that you have taken financial advice.



HIGH COURT RULING – GMP EQUALISATION

You may have seen in the news that on 26 October 2018, the High Court has recently ruled that defined benefit (DB) pension schemes must equalise guaranteed minimum pension (GMP) for men and women, and update their rules as a result.

Why has this come about?

From 6 April 1978, a pension scheme could opt-out of the State Earnings Related Pension Scheme (SERPS) and pay less National Insurance. In exchange, the scheme would then be responsible for paying a GMP to the member. The GMP is equivalent to the amount of SERPS the member would have earned had he or she not been contracted out.

In 1990, the courts ruled that occupational pension schemes must equalise the retirement ages for both

men and women (for example, a scheme who had retirement ages of 60 for women and 65 for men opted to equalise the retirement age to 65 for women as well as men).

However, GMPs did not equalise in the same way and can result in inequality because:

- GMPs are payable at age 60 for women and 65 for men
- GMPs attract different increases before and after retirement
- GMP increases tend to be lower than scheme increases on non-GMP elements
- GMPs build up at a quicker rate for females than for males

There are other factors that result in the inequality of GMPs, and the ruling seeks to address them, and where necessary, make good any shortfalls that a member may have suffered as a result.

How is the Plan affected?

At present, the Trustees are not able to say definitively what impact the ruling will have on the Plan, however they want to reassure members that they are aware of the ruling and will be considering their next steps.

The Trustees will continue to update you as and when they know more.



REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2018

Below are the headline figures from the Plan's latest Annual Report and Accounts, which covers the financial year to 5 April 2018. If you would like to know more, you can request a copy of the full report from the Administration Team (please see page 8 for contact details).

Membership

Total number of members: 15,375



Financials

	£000
NET ASSETS AS AT 6 APRIL 2017	4,059,586
MONEY INTO THE PLAN	
Contributions	132,270
Other income	942
Total money in	133,212
MONEY OUT OF THE PLAN	
Investment management expenses	6,650
Negative return on investments	53,254
Pension Plan benefits paid to members	106,599
Payments made for leavers	364,797
Other payments	1,296
Administrative expenses	2,661
Total money out	535,257
Therefore in total we have a net decrease of	402,045
NET ASSETS AS AT 5 APRIL 2018	3,657,541

SUMMARY FUNDING STATEMENT

The Plan is currently undergoing the latest triennial valuation; this valuation will show the financial position of the Plan as at 5 April 2018. The results of this valuation will be published once it has been finalised.



BENPAL

Helping you before and in retirement

The Trustee Board have been working with JLT to launch a new system to help you learn more about your pension in the Plan. Whether you are an active or deferred member who wants to keep up to date with your retirement planning or a pensioner member who wants to make sure your bank details are up to date, this new system, called Benpal, is designed to help you.

Benpal is a secure, online portal that lets you access your personal record at any time, from any computer, tablet or smartphone.

Different facilities will be available depending on whether you are an active, deferred or pensioner member of the Plan, so we've listed some of them in the table opposite:

	ACTIVE MEMBERS	DEFERRED MEMBERS	PENSIONER MEMBERS
Transfer quotes	✓	✓	
Early retirement quotes	✓	✓	
Update your Expression of Wish details	✓	✓	✓
Update your address		✓	✓
Update your bank details			✓
See your latest payslips, P60s and tax information			✓
Download the latest newsletter	✓	✓	✓
Download information about the Plan	✓	✓	✓

Benpal will launch in early 2019, and we will send you more information soon.



CHANGES TO RETIREMENT AND TRANSFER VALUE CALCULATIONS

When a retirement or transfer value is calculated, it will use factors set by the Plan actuaries. These factors allow the Administration Team preparing the calculation to apply a consistent approach based on the member's age and gender at the time the calculation is prepared.

With effect from 1 December, new factors will be used when calculating some quotes.

Early or late retirements

Retirement quotes that are before or after a member's normal retirement age, where the proposed retirement date is on or after 1 December 2018, will be subject to the new factors.

Transfer quotes – deferred members

The new factors will be used to calculate transfer quotes for deferred members. In addition, retirement statements issued to deferred members will include transfer values calculated using the new factors.

Transfer quotes – active members

There is a suspension on providing transfer quotes for active members until 1 February 2019. Transfer quotes will be based on the new factors once the suspension is lifted.

From 1 February 2019, retirement statements issued to active members will include a transfer value.

Note

Where an active member has a transfer quote that was calculated on or after 1 September 2018 and subsequently requires a guaranteed transfer value because they have opted out of the Plan or left service, it will be calculated using the old factors if higher provided the guaranteed transfer is requested before 1 February 2019. Requests made from 1 February 2019 will be based on the new factors.

YOUR AVC OPTIONS

Members of the Plan who were paying additional voluntary contributions (AVCs) before April 2013 are able to pay them into the Plan's AVC arrangements. Members of the Plan who are not currently paying AVCs, or who began paying AVCs after April 2013, pay them into the Jaguar Land Rover Defined Contribution Fund (the DC Scheme) instead.

Whether you pay AVCs into the Plan, the DC Scheme or you don't pay AVCs, it's always a good idea to check whether what you are paying (if anything) and where you are investing are right for you.

WHAT SHOULD YOU DO NOW?

Plan AVCs

If you have been paying AVCs since before April 2013, it is highly recommended that you review the AVCs you pay to make sure they are right for you. AVCs you pay into the Plan are used to buy extra annual pension or lump sum when you retire, unless you transfer them elsewhere.

This may not suit your retirement plans, in which case transferring your AVCs to the DC Scheme and making future contributions to that scheme may be more beneficial, as you will have access to a range of retirement options that the new pension freedoms offer.

DC Scheme AVCs

If you began paying AVCs after April 2013, they will be invested in funds offered by the DC Scheme. When you retire, you can use the value of your contributions to provide a range of retirement benefits that the new pension freedoms offer, including an annual income or taking it all as cash.

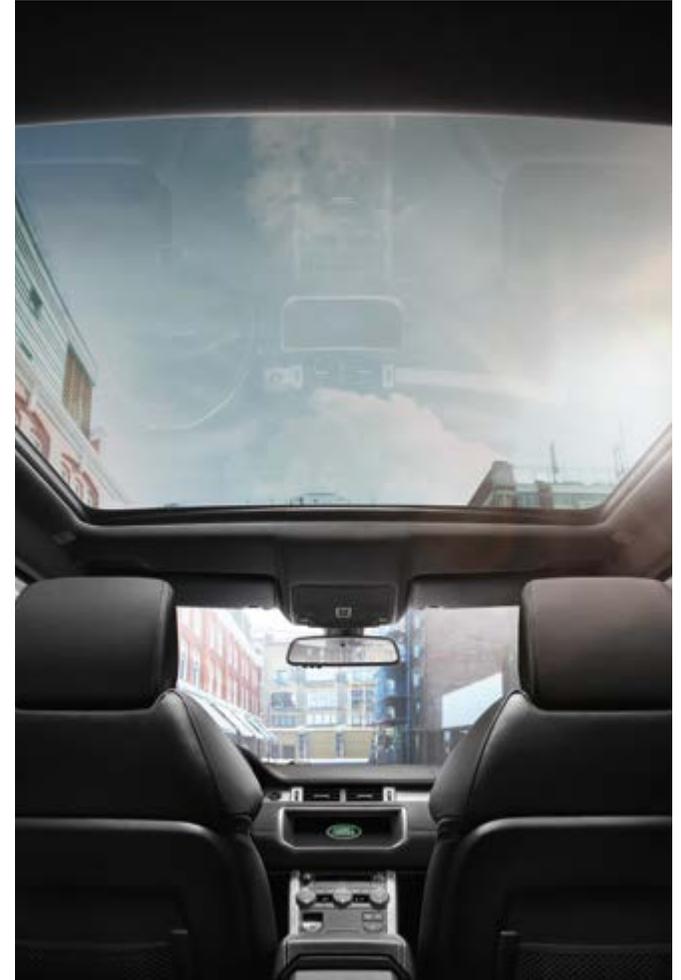
It is a good idea to check the funds you are investing in regularly, to make sure they are still right for your retirement plans.

You are not paying AVCs

AVCs are an excellent way of helping boost your retirement income. While your pension in the Jaguar Pension Plan will provide you with a regular monthly income, AVCs can be used in a variety of ways. Some of the options are:

- Use your AVCs as an annual income to top up your Plan pension
- Take the value of your AVCs as a one-off lump sum to spend how you want, whether it's to pay off your mortgage or finance that once-in-a-lifetime trip you have been promising yourself
- Leave the AVCs invested and just take out what you need, when you need it

If you are not already paying AVCs, you should consider whether you can afford to start paying some, because it could be of real benefit to you in retirement.



You can read more about AVCs and investing by downloading the AVC booklet and Investment Guide at <http://jaguarlandroverpensions.com/scheme-booklets>

You may want to speak to an independent financial adviser before commencing or changing any AVCs.



MARSH & MCLENNAN TO ACQUIRE JARDINE LLOYD THOMPSON GROUP

On September 17 2018, Marsh & McLennan, a global professional services firm, announced that it had reached an agreement to acquire Jardine Lloyd Thompson Group plc. Jardine Lloyd Thompson Group includes JLT, the administrators of the Plan.

The transaction has been approved by the Board of Directors of both companies and is expected to be finalised next spring.

While the acquisition has not been finalised, we do not anticipate that it will result in any changes to the administration of the Plan.

This means that, as members of the Plan, you can be assured that the everyday administration of the Plan will continue as normal, including contact phone numbers and addresses. Pensions will also continue to be paid as they are now.

If there are any changes to the administration of the Plan in the future that you need to be aware of, whether as a result of this acquisition or not, we will let you know at that time, with as much notice as possible.

WHERE TO FIND OUT MORE



HR Direct

To request an 'Opt Out' form (only required if you wish to leave the Plan completely), please contact HR Direct

To contact HR Direct, call **047** (internal) or **01926 691 747** (external), raise a ticket on the People Portal or email **HRDirect@jaguarlandrover.com**

For all other queries, please first check the Pensions website at **jaguarlandroverpensions.com**. If you still have a query after checking the website, then this should be directed to the Plan administrator. Contact details can be found opposite.

If you do not have access to a printer then please ask your supervisor to print the relevant forms for you. Please ensure these are taken directly from the Pensions website to ensure that they are the most up-to-date and accurate versions of the forms.

Administration Team Contact Details

Jaguar Pension Plan,
JLT Benefit Solutions,
St James's Tower,
7 Charlotte Street,
Manchester,
M1 4DZ

0345 078 2052 or
0044 129 889 0252 (if calling from outside the UK)

jaguar@jltgroup.com

EXPRESSION OF WISH FORM

In the event of your death, whilst you are still a member of the Plan, your Expression of Wish form will guide the Trustees in the distribution of the benefits payable to your dependants. It is very important, therefore, that you regularly complete an Expression of Wish form – even if the details have not changed – so that the Trustees have recent documentation to ensure that your wishes are taken into account. Forms are available to download from our website at **jaguarlandroverpensions.com**

Please return your completed form to the administrator – see above for contact their details. If you are receiving a dependant's or child's pension, there is no need for you to complete an Expression of Wish form.

Happy to go paperless?

If you are receiving a printed newsletter but would rather switch to an email version, please email **jaguar@jltgroup.com** and let us know. Receiving your copy by email will not only help to reduce our print and postage costs, but will also help to reduce our carbon footprint.