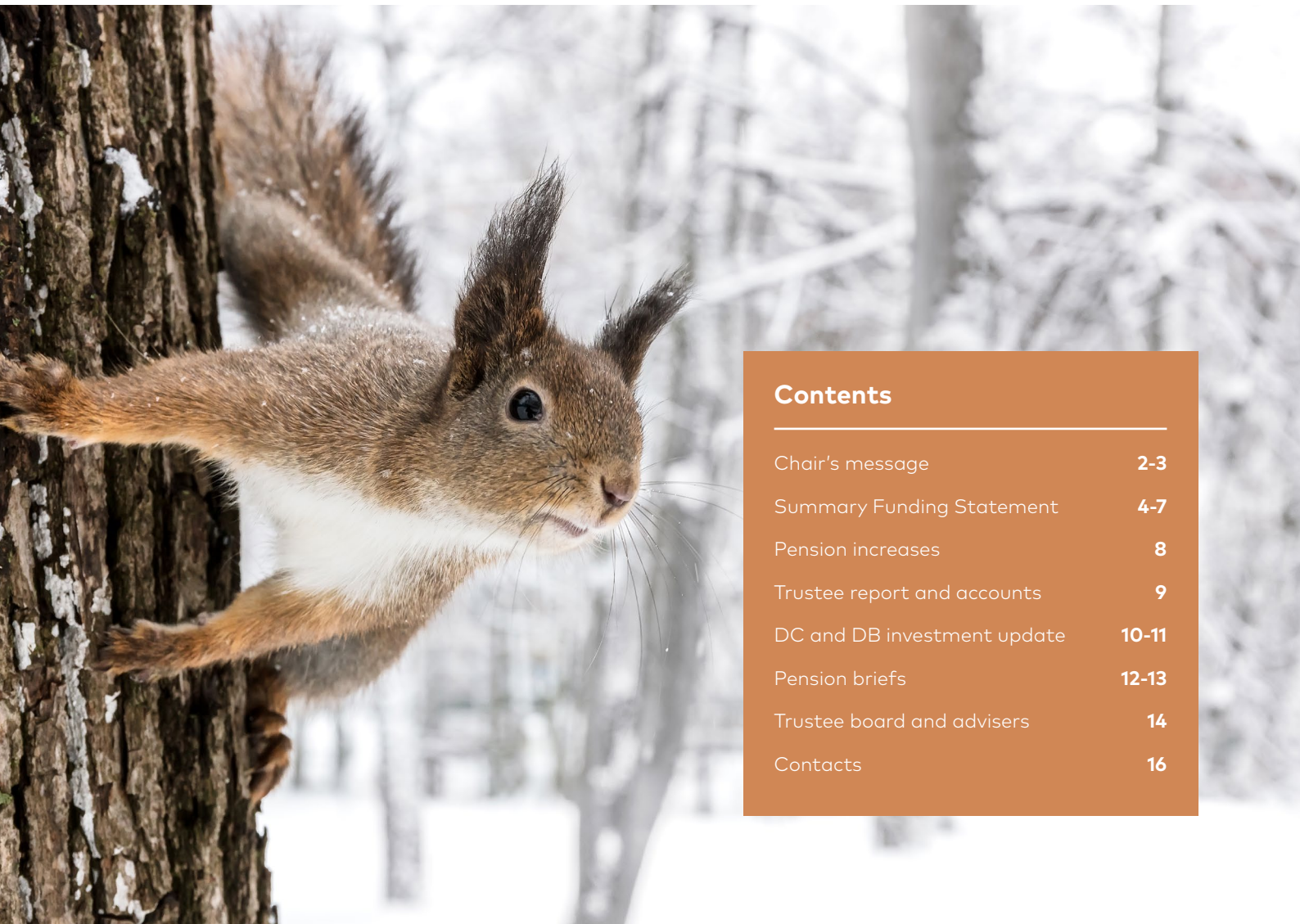


Pension News

Issue Nº 6
Winter 2021

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Chair's message...

Welcome to the 2021 edition of Pension News, the newsletter for members of the Wood Pension Plan.



Mervyn Walker
Trustee Chair

After the significant upheaval Covid-19 caused in 2020, life in 2021 was beginning to feel a little bit more 'normal'. Hopefully the recently discovered Omicron variant does not cause significant further disruption. 2021 has been a reasonably settled year for the Plan with investments recovering after a volatile 2020, minimal corporate activity, the pensions team hybrid working arrangements becoming 'business as usual' and no changes to the Trustee Board. The last year has therefore offered a great opportunity for the Plan to review its offering to members and plan a range of improvements. Some of these developments will be more noticeable and of more interest to some members than others and below I summarise some of the completed improvements to date. There are however, lots more to follow in 2022.

Trustee advisers

As part of the Trustee's regular review of its advisers and following a competitive tender exercise, XPS Group have been appointed to replace Mercer Ltd as the Plan's DB investment advisers and Isio Group Ltd. have been appointed to replace Mercer as the Plan's DC advisers. Both appointments reduce the Trustee's reliance on a single advisor, and I believe the Plan will benefit from some fresh thinking and more varied advice.

Records

Let me start by saying that the Plan's records are very good and consistently scores highly against testing criteria set by the Pensions Regulator. That said, with a history as complicated as ours with various sections merging from different administrators over the years, it is no surprise that our records can be improved. The pensions team have started a detailed data cleanse exercise which will help to identify and correct any missing data which will help the Plan with future projects such as the planned GMP equalisation project. The Trustee has also appointed a professional tracing company, Target, to undertake regular tracing exercises to help locate missing member addresses.

ESG

The recently held COP 26 conference in Glasgow has demonstrated the increasing focus on Environmental, Social and Governance (ESG) matters. Pension funds and other large investors are generally recognised as having a large part to play and the Plan Trustee is fully aware of its obligations. This area will continue to develop over time, and the DC Investment Section contains some news on this subject which can be read on page 10.

The new Wood Pension member Website is now live!

woodplc.com/ukpensions

Why not take a look at our new website. It has lots of valuable pension information and education material to help you understand the types of pensions you have.

Further exciting developments are planned throughout 2022 to make this your first port of call for pensions information.



Communications

This is a large area of focus for the Trustee and the pensions team and will continue to evolve over the coming years. The pensions team recently conducted a survey of active members and is considering the valuable feedback. One of the consistent messages received was that members would value more regular and targeted communications along with enhanced self-serve options within the pension Portal. I am pleased to announce that the Plan has a new website (see above) which will be the hub for our communication plan and host general pensions information alongside specific articles, forms and updates for the Plan. Further interactive developments are planned and I look forward to sharing these improvements with you in 2022 and beyond.

The main website is separate from the pensions Portal which can be accessed from the website or directly at woodplc.compendiahosting.co.uk and remains the place for members to better understand their individual pension values and options.

The Portal has also undergone improvements in the year to make the information easier to view and understand. It is very important that you register for the Portal as you may miss out on valuable information regarding your retirement benefits if you don't. The Portal will also become easier to access for members 'on the go' through the introduction next year of an app to allow members to log in via their phone or tablet.

In other news, the funding level of the DB section of the Plan at 30th September 2021 was 94.5% which is an improvement from 91% at the beginning of the year. The funding level has been helped by positive investment returns and contributions received from Wood under the terms of the agreed 2020 valuation. This improvement is encouraging and you can read more about the Trustee's evolving strategy in the DB investment section.

Members of the DC section should also have benefited from increased investment returns across many asset classes throughout the latter half of 2020 and in 2021. As an example, the Trustee's default growth phase strategy, which contains the majority of member investments, has increased by 19.7% over the year to 30th June 2021. Whilst much of this may be simply recovering some of the losses witnessed in earlier 2020, I am sure it is welcome nonetheless and it demonstrates the importance of making sure your investments are right for your circumstances and that you are happy with the level of risk vs return selected.

I hope you find this newsletter interesting. If you have any questions about the Plan or any of the articles, please don't hesitate to get in touch.

Wishing everyone a safe and happy festive season.

Mervyn Walker

Summary Funding Statement

The Trustee of the Wood Pension Plan (DB Legal Section) (the 'Plan') is pleased to provide you with an update of the funding position of the Plan as at 31 March 2021. The purpose of the statement is to show how the funding position has changed over the year to 31 March 2021.

Why have you sent me this Summary Funding Statement?

The Trustee of the Plan looks after the Plan on behalf of you, its members. We are sending you this statement to tell you about the financial security of the Plan. We recommend you take some time to read it, since the Plan's financial security could affect the benefits you will ultimately receive. We will send you a similar statement each year to keep you up to date, usually as part of the December Pension News.

With effect from May 2021, the Plan's two defined benefit sections, DB Legal and Ex-Serco Protected Persons Legal Section, were combined to become one DB Legal Section. The updated funding position as at 31 March 2021 set out in this statements reflects the combined position.

How is the Plan's financial security measured?

The estimated cost of providing the pensions you and other members have earned to date is known as the Plan's "liabilities". This includes the pensions of members who have left the Company or retired.

We collect money ("contributions") from the Company, and invest this to help provide your pensions. The money is held in a communal fund, not in separate funds for each individual. The amount of money we have invested is known as the Plan's "assets".

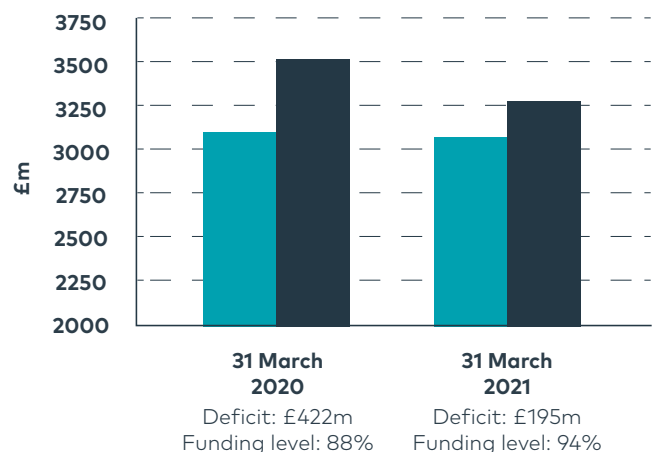
To check the Plan's financial security, we look at its financial position and compare the value of its liabilities to its assets. If the Plan has lower assets than liabilities, it is said to have a "shortfall". If the assets are more than the liabilities, there is said to be a "surplus".

We carry out an in-depth look at the Plan's finances at least every three years. This is called an actuarial valuation. We ask a qualified, independent professional, known as an Actuary, to do this. We also ask the Actuary to review the financial security of the Plan more frequently and, in years when a full actuarial valuation does not take place, we receive an actuarial report from the Actuary on the Plan's finances. This statement provides the results of the 31 March 2021 Actuarial Report.

What is the Plan's financial position?

In the chart below, we have included:

- The financial position at 31 March 2020, being the Actuary's previous Actuarial Valuation (as shown in last year's Summary Funding Statement); and
- An update of the financial position at 31 March 2021 from the Actuary's latest Actuarial Report.



The updated calculations at 31 March 2021 allow for the inclusion of the assets and liabilities of the Ex-Serco Protected Persons Legal Section following its merger into the DB Legal Section post year-end



How has the Plan's financial position changed over the year to 31 March 2021?

The 31 March 2020 valuation date coincided with a period of heightened uncertainty caused by the Covid pandemic, which meant investment markets were suppressed and the funding position reduced. Since that date, markets have recovered markedly, and this has had a positive effect on the Plan's funding level, which has improved to 94%, and reduced the shortfall to around £195 million as at 31 March 2021. More specifically, the improvement in the Plan's funding position compared to that expected is mainly due to the effect of increasing gilt yields, which has reduced the value placed on the Plan's liabilities, and the higher than expected investment returns. These factors have been offset to a degree by the effect of increasing inflation expectations on the Plan's liabilities.

Is the shortfall going to be paid off, and if so, how will this be done?

The Trustee and Company have agreed a plan as to how the shortfall revealed by the valuation will be made up. This will be through a combination of company contributions and anticipated investment returns from Plan assets. The Employer has agreed to pay deficit reduction contributions of £8 million per annum, payable in equal monthly instalments until December 2030.

If the assumptions underlying the actuary's estimate do not all turn out to be exactly in line with what happens in future, it may be necessary to change the level of contributions to the Plan or the period over which the shortfall is paid off.

Although there was a shortfall at 31 March 2021, all members who have retired are still receiving the full amount of their pension.

We are required to inform you whether a payment has been made to the employer, as permitted under the Pensions Act 1995, since we last sent you a summary funding statement. We can confirm that no such payment has been made.

What types of assets does the Plan invest in?

We invest contributions in a broad range of assets, limiting the amount invested in a particular class of assets. As at 31 March 2021, this was as follows:

| | |
|----------------------------------|-------|
| Equities (company shares) | 16.5% |
| Property | 3.1% |
| Bonds | 75.3% |
| Cash | 4.8% |
| Other investment assets | 0.3% |

How does the Trustee know what contributions should be paid into the Plan?

Following each actuarial valuation, the Actuary advises us what contributions should be paid into the Plan so that we can expect to be able to continue to pay people's pensions. We then agree a level of contribution for the Plan with the Company and record this in a document called the Schedule of Contributions.

We review and update the Schedule of Contributions at least each time the Plan has an actuarial valuation.

The valuation and Schedule of Contributions follow standards we have set out in a Statement of Funding Principles. This document describes how we will manage the Plan with the aim of being able to continue to pay people's pensions.

The last valuation was as at 31 March 2020 and as part of the valuation, the Trustee and Company agreed the method and assumptions to be adopted and the contributions to be paid.

The Pensions Regulator has legal powers to make any directions as to any of:

- The level of pensions available from the Plan going forward;
- The method or assumptions used to calculate the liabilities or the length and structure of the recovery plan;
- The contributions that should be paid under the schedule of contributions.



Summary Funding Statement continued

The Regulator has not used these powers in relation to the Plan and not issued any directions.

Is my pension guaranteed?

Our aim is for there to be enough money in the Plan to pay pensions now and in the future, but this depends on the Company carrying on in business and continuing to pay for the Plan.

If the Company goes out of business or decides to stop paying for the Plan, it is expected to pay the Plan enough money to secure all the pensions built up by members with an insurance company. This is known as the Plan being "bought out" and "wound up".

The comparison of the Plan's assets to the cost of buying the benefits with an insurance company is known as the "solvency position".

What happens if the Plan is wound up and there is not enough money to pay for all my benefits?

If the Plan winds up without enough money to buy all the members' pensions with an insurance company then, unless the Company can afford to pay the difference, you are unlikely to receive the full pension you were expecting. To help members in this situation, the Government set up the Pension Protection Fund (PPF). The PPF pays a legally defined level of pension to members of eligible UK pension schemes in certain situations where the scheme does not have enough money to cover the cost of buying this level of pension for members with an insurance company and the company is insolvent and so cannot provide extra finance.

If the Plan were to be wound up and go into the PPF, the pension you would receive from the PPF may be

less than the full pension you have earned in the Plan, depending on your age and when your pension was earned.

Is there enough money in the Plan to provide my full pension if the Plan is wound up?

The actuarial valuation at 31 March 2020 showed that the Plan's assets could not have paid for the full pensions of all members to be provided by an insurance company if the Plan had wound up at that date.

The liabilities if the Plan were to be wound-up were £4,048 million

The Plan's assets were £3,103 million

This means that there was a shortfall of £945 million

The fact that we have shown the solvency position does not mean that the Company is thinking of winding up the Plan. It is just another piece of

information we are required by law to provide and which we hope will help you understand the financial security of your pension.

Can I leave the Plan before I am due to retire?

If you leave Wood before you are due to retire, your pension will be based on your service to the earlier of your date of leaving and the date the DB section closed to accrual. Your pension benefits may then be left in the Plan to be paid at retirement or transferred to another pension arrangement.

Similarly, if you have already left the Plan and have "paid up" benefits you can, if you wish, transfer your benefits to another pension arrangement prior to retirement which is currently available from age 55 onwards.

If you are thinking of transferring your pension out of the Plan for any reason, you should consult a professional adviser before taking any action. The law prevents us from providing you with financial advice.

Where can I get more information?

Documents which provide further information are listed below and are available on the Wood Plan website.

Additional documents available on request

[The Statement of Funding Principles](#)

This explains how the Trustee plans to manage the Plan with the aim of being able to continue to provide the pensions that members have built up.

[The Statement of Investment Principles](#)

This explains how the Trustee invests the money paid into the Plan.

[The Schedule of Contributions](#)

This shows how much money is being paid into the Plan by the Company and includes a certificate from the actuary showing that it is sufficient to meet the requirements set out by law.

[The Annual Report and Accounts](#)

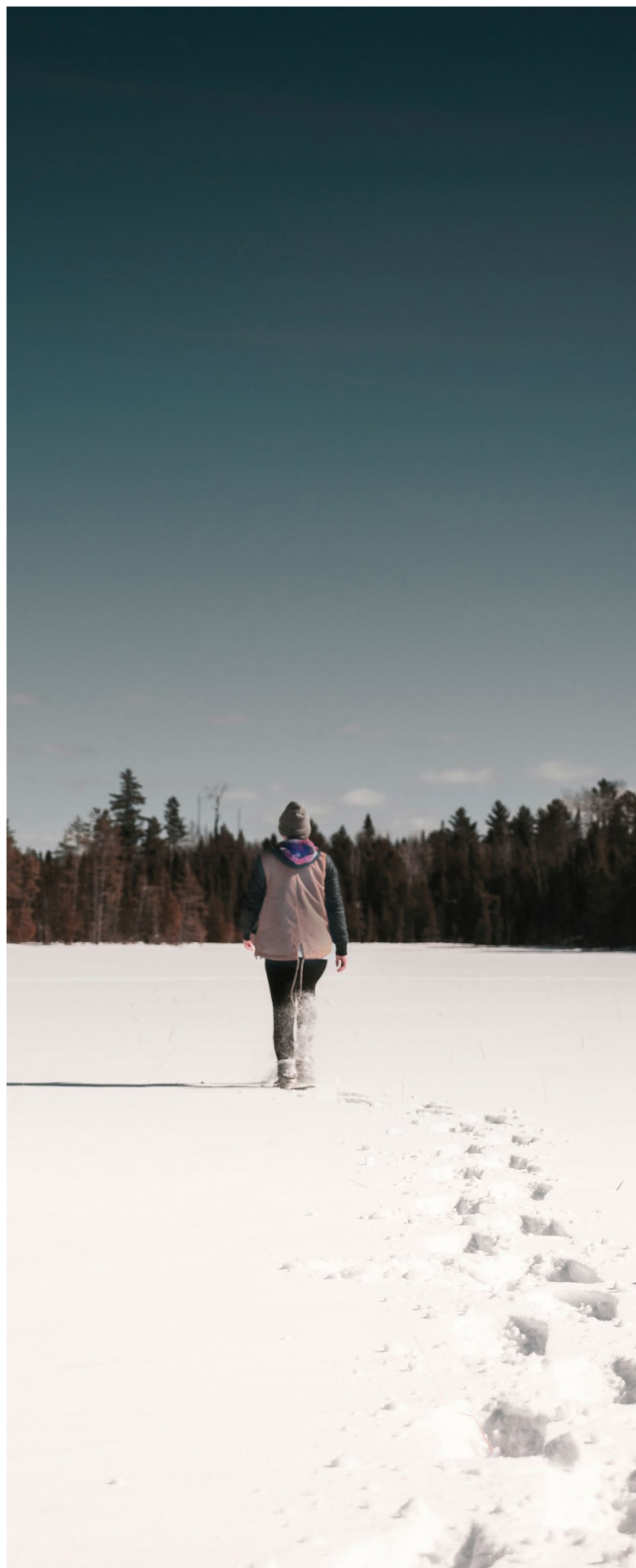
This shows the Plan's income and expenditure in the year ended 31 March 2021.

[The Formal Actuarial Valuation Report as at 31 March 2020](#)

This contains the details of the actuary's check of the Plan's situation as at latest formal actuarial valuation date.

[The Actuarial Report as at 31 March 2021](#)

This contains the details of the actuary's check of the Plan's situation as at latest year-end.



Pension increases

Former Amec DB Section - Pensions to rise in January 2022

The Trustee has approved the rate of increase for pensions in payment and deferred pensions under the former Amec DB section. The increase is effective from 1 January 2022. The rate of increase is set by reference to the Retail Prices Index (RPI) for the 12 months ending September 2021.

The Plan rules provide for pension earned prior to 1 January 2008 to be increased by price inflation up to a maximum of 5% a year and pension earned since 1 January 2008 to be increased by price inflation up to a maximum of 2.5% a year. Active members who left or retired from the Plan during 2021 receive a pro-rata increase.

The RPI published in October 2021 showed an increase in price inflation of 4.9% for the year ending September 2021.

The increase is applied to total pension (excluding AVC pension) up to Guaranteed Minimum Pension (GMP) age (65 males, 60 females) and to the excess over GMP from GMP age. Pensioners who qualify to receive the increase will receive a letter providing more detailed information.

| | Pre January 2008 service | Post January 2008 service |
|---------------------|--------------------------|---------------------------|
| Pensions in payment | 4.9% | 2.5% |
| Deferred pensions | 4.9% | 2.5% |

Increases to the GMP element of pension are applied on 6 April 2022. The GMP earned after 5 April 1988 is increased by the lower of 3% or the change in the Consumer Prices Index (CPI) for the year ending September 2021. The CPI published in October 2021 showed an increase in price inflation of 3.1% for the year ending September 2021 so the increase will be 3%. There are no increases applied by the Plan to the GMP earned before 5 April 1988.

Former Foster Wheeler DB Section - Pensions to rise in April 2022

For the former Foster Wheeler DB section, increases are effective at 1 April 2022. Increases are applied to the pension in the following way:

The rate of increase is set by reference to the Consumer Prices Index (CPI) for the 12 months ending December 2021. This figure will be published in January 2022.

- Pension accrued prior to 5 April 1997 - any increases are discretionary and can only be granted with the agreement of the Company
- Pension accrued between 6 April 1997 and 5 April 2005 is increased in line with CPI up to a maximum of 5%
- Pension accrued after 5 April 2005 is increased in line with CPI up to a maximum of 2.5%.
- GMP earned after 5 April 1988 is increased by the lower of 3% or CPI for the year ending 30 September 2020. The CPI published in October 2021 showed an increase in price inflation of 3.1% over this period so the increase will be 3%.
- There are no increases applied by the Plan to the GMP earned before 5 April 1988.

Former John Wood Group DB Section - Pensions to rise in April 2022.

For the former John Wood Group DB section, increases are effective at 1 April 2022. Increases are applied to the pension in the following way:

The rate of increase is set by reference to the Retail Prices Index (RPI) for the 12 months ending September 2021.

- Pension accrued prior to 5 April 1997 - any increases are discretionary and can only be granted with the agreement of the Company
- Pension accrued between 6 April 1997 and 30 June 2005 is increased in line with RPI up to a maximum of 5%. The RPI published in October 2021 showed an increase in price inflation of 4.9% for the year ending September 2021.
- Pension accrued after 1 July 2005 is increased in line with RPI up to a maximum of 2.5%. The RPI published in October 2021 showed an increase in price inflation of 4.9% for the year ending September 2021 so the increase will be 2.5%.
- GMP earned after 5 April 1988 is increased by the lower of 3% or CPI for the year ending 30 September 2020. The CPI published in October 2021 showed an increase in price inflation of 3.1% for the year ending September 2021 so the increase will be 3%.
- There are no increases applied by the Plan to the GMP earned before 5 April 1988.

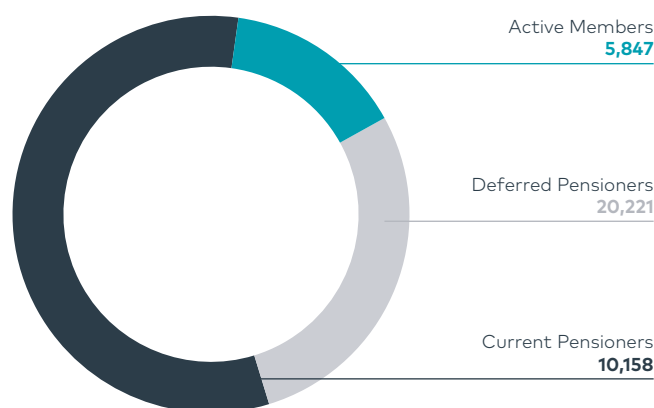
Trustee report and accounts

Members who have registered for the online pension portal may view the full Report and Accounts for the year ended 31 March 2021 through the portal, alongside the previous five years.

Alternatively, the 2021 accounts are also available on the Wood Pension Plan internet site: woodplc.com/ukpensions

Included in the Report and Accounts is the Chair's annual governance statement. The Pensions Regulator (TPR) expects the Chair's statement to "...provide a meaningful narrative of how, and the extent to which, the governance requirements have been complied with." The statement covers our range of DC investments, internal controls, fund charges/ transaction costs and value for members, as well as how the Trustee maintains its own knowledge and understanding to ensure the Plan is governed effectively. Also included is the SIP and a statement explaining how the SIP has been implemented.

Membership Statistics as at 30 September 2021



Summary Fund Accounts

| For the year ended 31 March 2021 | | | | |
|--|------------------|-----------------|------------------|------------------|
| | DB | DC | Total | Total |
| | 2021 | 2021 | 2021 | 2020 |
| | £'000 | £'000 | £'000 | £'000 |
| Contributions and benefits | | | | |
| Contributions receivable | 6,531 | 48,677 | 55,208 | 69,916 |
| Transfers in | - | 1,675 | 1,675 | 67,266 |
| Other income | - | 1,395 | 1,395 | 2,935 |
| | 6,531 | 51,747 | 58,278 | 140,117 |
| Benefits payable | (100,285) | (5,977) | (106,262) | (102,147) |
| Leavers | (44,719) | (34,264) | (78,983) | (44,464) |
| Administrative expenses (including PPF Levy) | (4,381) | - | (4,381) | (4,118) |
| | (44,719) | (40,241) | (189,626) | (150,729) |
| Returns on investments | | | | |
| Investment income | 58,000 | 3 | 58,003 | 54,744 |
| Change in market value of investments | 65,491 | 92,748 | 158,239 | 47,687 |
| Investment management expenses | (5,798) | - | (5,798) | (5,997) |
| Net returns on investments | 117,693 | 92,751 | 210,444 | 96,464 |
| Transfers Between Sections | 145 | (145) | - | - |
| Net increase/(decrease) in the fund during the year | (25,016) | 104,112 | 79,096 | 85,852 |
| Net assets of the Plan at start of year | 3,114,999 | 359,432 | 3,474,431 | 3,388,579 |
| Net assets of the Plan at end of year | 3,089,983 | 463,544 | 3,553,527 | 3,474,431 |

DC section - investment update



Scottish Widows and Mercer Workplace Savings (MWS) continue to manage the DC investment platform on behalf of the Plan Trustee. The platform hosts funds managed by third-party investment managers. Some of these funds are blended together to produce a composite fund into which member contributions are invested. The Trustee undertakes performance and risk-based reviews each quarter to consider the following:

- Performance (net of fees) relative to fund benchmarks, objectives, inflation measures and peer groups for the default arrangement.
- The investment manager research ratings published by MWS. These ratings include an assessment of each manager's environmental, social and governance (ESG) capabilities and the extent to which these issues are integrated into investment processes.
- Analysis of member experience throughout the de-risking path.
- Risk analysis, including the volatility and experience of capital loss ("drawdowns") within the strategy.

With over 90% of members invested in the default investment funds, the Trustee continues to work with its DC investment advisor (Isio) to closely monitor and benchmark these arrangements. Investment returns over the last 12 months have been positive for members and, in the year to 30th June 2021, the 'growth' element of the default arrangement increased 19.7% and the 'retirement' phase increased 5.8%.

For members opting to self-select their funds, the investment return fluctuations over the last couple of years demonstrate that it is more important than ever to regularly review your fund selection to ensure it is still meeting your objectives. This means taking account of things like when you want to retire, how you want to take your funds at retirement and your attitude to risk and responsible investing.

Find out more about investing by reading the investment guide and the fund factsheets on the Plan website. The factsheets contain information on investment profile, return, charges and even recently added carbon information to enable members to better measure the climate impact of their chosen investments.

Following feedback from the membership, the self-select fund options were expanded in September 2021 with the addition of two new sustainable funds – the Passive Sustainable Global Equity fund and the Active Sustainable Global Fund. Sustainable funds integrate ESG factors, for example, investing in shares of companies that use sustainable energy sources, or those that pay their employees fair wages. There is also a focus on lower carbon emissions, and companies that don't reflect the values of sustainability are excluded from sustainable fund portfolios. The Trustee continues to consider ways of improving the Plan's ESG credentials.

In addition to considering investment selections, actively contributing members should regularly review their contribution levels. Pension contributions are tax efficient and small changes can make a big difference to your retirement funds, especially as the Company will match your contributions up to certain levels. The Plan's contribution structure and details on how to make a change can be found on the Plan's website.

During 2021, the Trustee has completed a consolidation of the Plan's historic AVC providers. All AVC funds, with the exception of a small number of 'with profits' accounts, are now consolidated into the DC section of the Plan. Communications have been issued to those members affected.

DB section - investment report

The objective of the Trustee is to achieve sufficient return on the DB investments to ensure that the DB section can pay future benefits as and when they fall due. The Trustee takes advice about DB investment matters from XPS who are newly appointed as professional investment advisers to the Plan. The performance of the Plan's investment managers against their benchmark for the year ending 31 March 2021 is summarised in the table below. The main change over the year to March 2021 was that the Trustee replaced the underperforming Brandes Active Equity Fund with the Blackrock Passive Global Equity fund.

Since the year end, the Trustee has instigated some strategic investment changes mostly within the mid risk and cashflow matching asset class with the introduction of a third Bond manager (AXA) and an increase in the overall allocation from 20% to 30% split evenly across the 3 bond managers. The remaining property funds are not included within this benchmark as the Trustee has decided to sell down these assets over time, ensuring the best prices are obtained. The benchmark for return seeking assets remains at 15% and has reduced to 55% for liability matching assets. The Trustee also decided to increase hedging to 80% against both inflation and interest rates using some of the increase in bond investments to achieve this.

| Company | Asset Class | Asset Allocation % | Fund Return % | Benchmark Return % |
|--|--|--------------------|---------------|--------------------|
| Magellan Asset Management | Global Equities | 5.7 | 18.3 | 38.9 |
| Veritas | Global Equities | 5.2 | 27.2 | 38.9 |
| Blackrock | Passive Global Equity | 4.8 | - | - |
| Dunedin/Collier | Private Equity | 0.4 | 27.1 | - |
| Return Seeking Assets Total | | 17.1 | | |
| LaSalle Investment Management | Core Property & Mezzanine Debt (including Long Benton) | 2.5 | -48.2 | 2.6 |
| LaSalle Investment Management | Inflation Linked Property & Mezzanine Debt | 0.7 | 17.4 | 5.0 |
| Royal London Asset Management (RLAM) | Bonds | 7.4 | 6.0 | 7.0 |
| Prudential Global Investment Management (PGIM) | Bonds | 8.2 | 8.8 | 8.6 |
| AXA | Bonds | 5.0 | - | - |
| Mid Risk/Cashflow Matching total | | 23.8 | | |
| Blackrock | Liability Driven Investments (LDI) | 55.9 | -1.5 | -1.5 |
| Blackrock | Cash | 3.3 | - | - |
| Liability Matching Assets Total | | 59.2 | | |

The overall performance of the DB Section investments over one year and three year periods ended 31 March 2021 was as follows:

| | Year to 31 March 2021 | 3 Years to 31 March 2021 |
|-----------|-----------------------|--------------------------|
| Scheme | 3.5% | 5.1% p.a. |
| Benchmark | 5.3% | 5.4% p.a. |

The overall underperformance of the investments against the benchmark over the periods, most notably over the last year is mostly attributable to the relative underperformance of the Magellan and Veritas global equity funds. Both funds target long term investment growth in line with the Trustee's strategic objectives and do not target short term gains. They have lower exposure to industry sectors that saw significant equity price improvements in 2020 for example the travel or technology sectors.

Pension briefs

Is your 'expression of wish' form up to date?

Under the Plan Rules, the Trustee has complete discretion when deciding who receives any lump sum from the Plan following your death. An 'expression of wish' form allows you to tell the Trustee who you would like to receive lump sum benefits following your death. The Trustee Directors can consider a range of beneficiaries, including:

- Your spouse or civil partner, children, grandchildren, parents, grandparents and their descendants;
- Anyone you were helping to support financially prior to your death;
- The executors or administrators of your estate or any beneficiaries from your will or, if you leave no will, any beneficiaries under the rules relating to intestate estates; or
- Any individual(s) — or charities registered with the Charity Commission, or any society or club — nominated by you.

To update the Trustee regarding your wishes, simply complete an expression of wish form on the pensions website or the pensions portal.

Online pensions portal

woodplc.compendiahosting.co.uk

Online access is now available to all members of the Wood Pension Plan.

The portal contains lots of information about the Plan. You can:

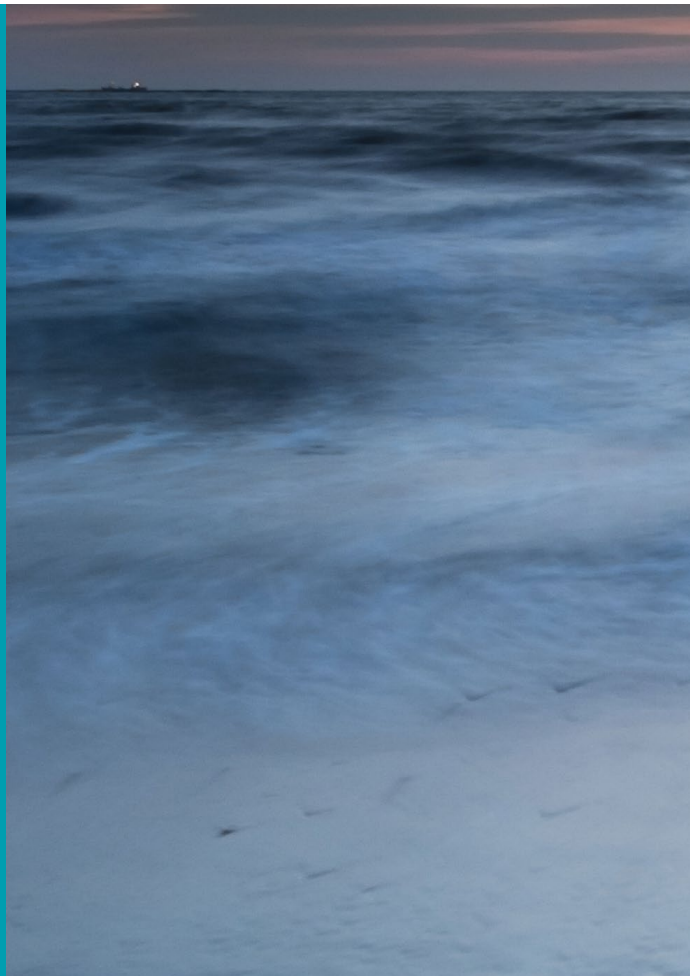
- View key plan documentation
- Monitor your own pension benefits
- Perform projections on your expected DC benefits and alter where your funds are invested.
- Check the basic information we hold
- Run estimated DB retirement calculations
- View current DB deferred pension benefits.
- Carry out estimated DB transfer value calculations

Your registration details have been sent to your home address. If you have misplaced your registration letter you can contact the pensions team for a copy (see back page for contact details).

Don't miss out – Register now!

Change of address

Please remember to keep us updated with your current address. This can be done via the pensions portal or via email/letter. The Trustee has recently undertaken an address tracing exercise with our trace partner 'Target' who may contact you directly. Any disparities with your address could lead to you missing some important pension communications or your pension payments being suspended whilst we investigate.



MoneyHelper

June 2021 saw the launch of MoneyHelper, a Government service offering free and impartial guidance to make your money and pension choices clearer. It combines three former Government supported financial guidance providers – the Money Advice Service, the Pensions Advisory Service and Pension Wise. This consolidation is intended to make it easier for members to be able to obtain suitable guidance. MoneyHelper provides guidance and support on a wide range of financial matters and the Pensions & Retirement section has several useful features. For example, a pensions calculator provides an estimate of your likely pension in retirement and you can find details of how to book an appointment with Pension Wise to obtain free and impartial guidance relating to defined contribution pensions.

Beware of pension scams

If you are under age 55, you cannot receive your pension benefits from the Plan (unless you are in serious ill health). If you are 55 or over, it may be possible to release funds from your pension benefits and this makes pension savings an attractive target for scammers. Following on from last year's article on this subject, here are some common warning signs to be aware of:

- A cold call, text message, website pop-up or someone coming to your door offering you a 'free pension review', 'investment opportunity' or 'legal loophole'.
- Convincing marketing materials that promise you guaranteed or high returns on your investment (typically over 8% per annum).
- Paperwork delivered to your door by courier requiring immediate signature.
- A proposal to put your money in a single investment. In most cases, financial advisers will suggest diversification of assets.
- A claim that you can access your pension before age 55.
- Transfers of your money overseas.

You should never be rushed into making a decision and never take advice from someone who is not regulated by the Financial Conduct Authority. If you think you have been scammed you can get in touch with Action Fraud on 0300 123 2040.

Visit the following websites for more information and help in combating scams:

moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam

fca.org.uk/scamsmart

Help is at hand

Although you need to be vigilant, the Wood pensions team has robust procedures in place to help protect members from scams. A common area exploited by scammers involves pension transfers and the team have processes in place to establish whether the receiving scheme is genuine. This may involve the team contacting you directly to ask questions regarding the proposed transfer.



State benefits and limits

The State Pension is payable to you when you reach your State Pension Age (SPA).

The SPA for both men and women is in the process of increasing to age 68 by 2039. You can check your SPA and obtain a personalised estimate of your State Pension at the gov.uk website.

The amount you receive is based on your National Insurance record. The full new State Pension from 6 April 2021 is currently £179.60 per week. That works out at around £9,339 a year but not everyone will get the same amount. For those who reached SPA before 6 April 2016, your State Pension is calculated differently and you should have received a letter explaining what State Pension you are eligible to receive.

Please note: State Pensions do not become payable automatically, you will need to claim your State Pension when you reach your State Pension Age. You can find further information on claiming your State Pension on the gov.uk website.

The **Lifetime Allowance** is a limit on the amount of pension benefit that can be paid from pension schemes – whether lump sums or retirement income – without triggering an extra tax charge. The Lifetime Allowance for the tax year 2021/22 is £1,073,100 and it is scheduled to stay at this level until 2026. HMRC provides more information at gov.uk/tax-on-your-private-pension/lifetime-allowance

The **Annual Allowance** is a limit on the amount that can be contributed to your pension each year, while still receiving tax relief and not triggering an extra tax charge. It's based on your earnings for the year and is capped at £40,000, though will be less for some people, for example high earners or those subject to the Money Purchase Annual Allowance. HMRC provides more information at gov.uk/tax-on-your-private-pension/annual-allowance

Trustee board and advisers

Company-appointed Trustee Directors

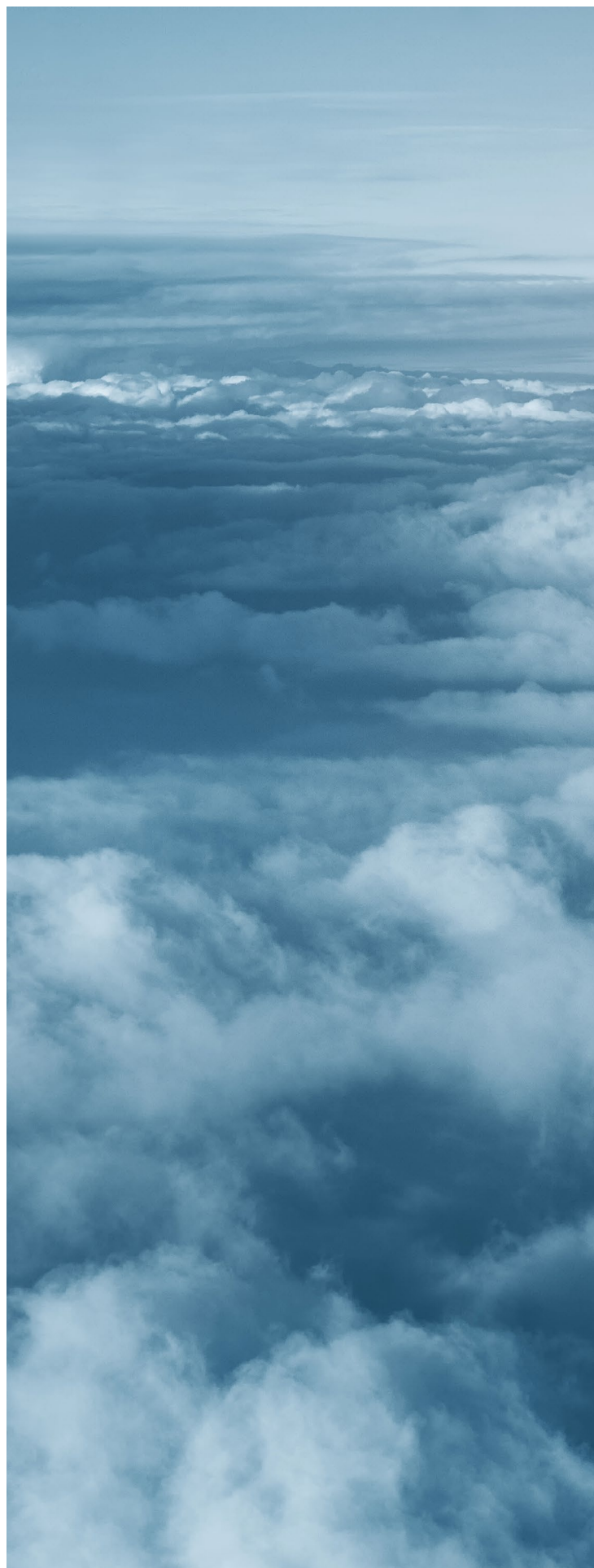
| | |
|----------------|---|
| Mervyn Walker | Independent Trustee Chair |
| Carolan Dobson | Independent Trustee Director |
| Bill Setter | Group Financial Controller |
| Claire Yule | President, Reward & Mobility & P&O Group Functions |
| Garry Lloyd | Pensioner member (former Director of Pensions for Wood) |

Member-nominated Trustee Directors

| | |
|-----------------|-------------------------------|
| Phil Gladman | Pensioner (ex-Foster Wheeler) |
| Matthew Reading | Active member |
| Steve Bubb | Deferred member |
| Roger Thetford | Deferred member |

Advisers

| | |
|----------------|---------------------------------|
| Elaine Hanna | Senior Retirement Manager, Wood |
| Daniel Jackson | Pension Scheme Secretary |
| Steve Jones | Actuary, Mercer |
| Karen Hancox | Auditor, Grant Thornton |
| Ben Gold | DB Investment adviser, XPS |
| George Fowler | DC Investment adviser, Isio |
| Richard Black | Legal adviser, Gowling WLG LLP |
| Matt Cooper | Covenant adviser, PWC |





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Information is believed to be correct at the time of going to press but no liability is accepted for errors or omissions.

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