

# JAGUAR EXECUTIVE PENSION PLAN



APRIL 2024

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# CHAIR'S INTRODUCTION

Welcome to the Jaguar Executive Pension Plan winter newsletter, keeping you up to date with the latest news on your pension.

**ACTION REQUIRED** – if you are a current employee of JLR Limited, please make sure to read the article on page 6 concerning death in service benefits (DIS) and ensure you have completed ALL necessary nomination forms for both your benefits in the Plan and those payable from the Death Benefits Trust which is a separate arrangement to the Plan.

The Trustee also conducts annual updates to the valuation and the results of the latest annual update at 31 March 2023 (known as a Summary Funding Statement) are shown on page 3.

You can also find a summary of the Plan's annual accounts for the year ended 31 March 2023, that includes a membership breakdown and a summary of the money in and out of the Plan during the year on page 5.

We also have Plan News, including a major update on your online pension portal, changes to AVC investments and news from the world of pensions – including the latest on the Pensions Dashboard and a reminder to be on the look-out for pension scammers.

If you have any queries or feedback about this year's newsletter, please do get in touch using the contact details on page 8.

**Rob Lummis**  
Chair of the Trustee Board

# PLAN NEWS

## Improving your pensions experience

Our administrators, Mercer, have been working on a major project to redesign and improve their digital and online platform for our members. In the coming months, a new improved member portal **MERCER ONEVIEW**, will replace your existing Benpal account.

Although Benpal has been a reliable solution for a number of years, OneView includes additional functionality and simplifies how you access your information.

Watch out for more information on this exciting change in the coming months.

## Changes to the Additional Voluntary Contribution investments

The Trustee, with the help of our advisers, has decided to make some changes to the Additional Voluntary Contributions (AVCs) held with Legal & General.

The existing 'lifestyle strategy' will be replaced with two lifestyle options:

- ▶ **L&G Cash Lifestyle Future World Multi-Asset** – designed for members who are more likely to take their AVC pot as cash at their retirement.
- ▶ **L&G Annuity Lifestyle Future World Multi-Asset** – designed for members looking to take tax-free cash and use the remaining AVC pot to buy a guaranteed lifetime income (typically an annuity) at their retirement date.

The Trustee has also decided to add a new self-select fund, the L&G Future World Multi Asset Fund. This fund reflects some members' preference to select more responsible and sustainable investment options.

These new investment options will be available from 20 February 2024.

**For full details on these fund changes, including how to add these investment funds to your AVC savings, please go to:**

<https://members.pensionpal.co.uk/jaguarlandroverpensions>

# JAGUAR PENSION PLAN – SUMMARY FUNDING STATEMENT

This section provides information about the latest review of the Plan's funding position and the steps being taken to protect your benefits.

## HOW WELL FUNDED IS THE PLAN?

Here we compare the results at this date with the results of the actuarial update carried out as at 31 March 2022, and the results of the full actuarial valuation carried out as at 31 March 2021. The next full valuation will be due on 31 March 2024.

	2023	2022	2021
<b>Assets</b>	£121.2m	£177.3m	£178.3m
<b>Liabilities</b>	£116.8m	£161.8m	£167.6m
<b>Surplus / (Shortfall)</b>	£4.4m	£15.5m	£10.7m
<b>Funding Position</b>	104%	110%	106%

## WHY HAVE THE ASSETS AND LIABILITIES CHANGED SINCE THE 2021 VALUATION?

Changes in the funding position from one year to the next reflect the net effect of several factors, some of which have a positive impact and some a negative impact.

Between 2022 and 2023 both the value of the assets and liabilities reduced significantly due to the gilts crisis in September 2022. Overall, the funding position worsened. The main reason for this was worse than expected investment returns on the assets. This has been partly offset by the increase in gilt yields over the year acting to reduce the value of liabilities.

Between 2021 and 2022 the funding position improved. The main reason for this was better than expected investment returns on the assets. Contributions paid also improved the position, which was partly offset by benefit indexation being higher than expected.

### **WHAT CONTRIBUTIONS WILL BE PAID IN THE FUTURE?**

The 2021 valuation showed a surplus i.e. there were sufficient assets in the Plan to meet the value of benefits accrued. As such no Recovery Plan was needed and the shortfall contributions ceased in June 2022. However, the Trustee and Company agreed that additional shortfall payments would be paid if the funding position falls below 95% at two consecutive quarter ends.

As noted last year, gilt yields have increased sharply due to rising interest rates, and this has continued into 2023. This has led to a significant reduction in the cost of providing new benefit accrual in the Plan. As a result of this it was agreed to reduce the contributions paid into the Plan by the Company from 1 April 2023. The Trustee and Company also agreed that the contributions being paid would be updated to reflect the current cost of providing new benefit accrual in the Plan if the cost was to change by more than 5% of pay at two or more quarter ends.

### **HAS THE COMPANY RECEIVED ANY PAYMENTS FROM THE PLAN?**

There have been no payments made from the Plan to the Company in the past twelve months.

### **HAS THERE BEEN ANY INTERVENTION FROM THE PENSIONS REGULATOR?**

The UK Pensions Regulator can change the Plan, give directions about how the liabilities are calculated as part of a valuation or impose a schedule of contributions. We are pleased to say that the Pensions Regulator has not needed to use its powers in this way for the Plan.

### **TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT**

A new requirement placed on trustees of pension schemes is to report on how the pension scheme is meeting the climate governance requirements in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Trustee of the Plan has produced a report setting this out which can be found on the Welcome page of the Jaguar Land Rover PensionPal website <https://members.pensionpal.co.uk/jaguarlandroverpensions>.



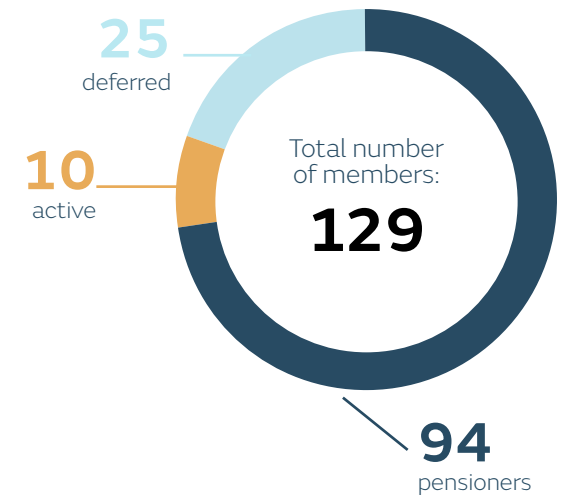
# REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Below are the headline figures from the Plan's latest Annual Report and Accounts, which covers the financial year to 31 March 2023. If you would like to know more, you can see the full Annual Report & Accounts online at <https://members.pensionpal.co.uk/jaguarlandroverpensions>.

## FINANCIALS

	£'000
<b>NET ASSETS AS AT 31 MARCH 2022</b>	<b>177,430</b>
<b>MONEY INTO THE PLAN</b>	
Contributions	1,316
Return on investments	(48,276)
<b>Total money in</b>	<b>(46,960)</b>
<b>MONEY OUT OF THE PLAN</b>	
Pension Plan benefits paid to members	(5,300)
Transfers out	(3,670)
Administrative expenses	(205)
<b>Total money out</b>	<b>(9,175)</b>
<b>NET ASSETS AS AT 31 MARCH 2023</b>	<b>121,295</b>

## MEMBERSHIP





# DEATH IN SERVICE BENEFITS

ACTION REQUIRED – IF YOU ARE A CURRENT JLR EMPLOYEE PLEASE MAKE SURE THAT ALL OF YOUR NOMINATION FORMS ARE UP TO DATE FOR BOTH THE PLAN AND THE DEATH IN SERVICE ARRANGEMENT. Please read below for further detail. Lately we have received a number of queries regarding the benefits payable on the death of a UK employee of JLR. You may know that some changes were made to these arrangements in April 2022 and so below we have set out the benefits that may be payable on death:

- Firstly, half of your Plan pension built up to your date of death will be paid to your legal spouse or civil partner for the rest of their life. This pension may also be payable to an adult that the Trustee determines was financially dependent on you at the time of your death.
- In addition to the above, all JLR UK employees are covered for death in service benefits from the Jaguar Land Rover Death Benefits Trust. Please note that THIS IS A SEPARATE ARRANGEMENT TO THE PLAN AND THEREFORE REQUIRES A SEPARATE NOMINATION FROM ANY YOU MAY HAVE ALREADY COMPLETED FOR THE PLAN.

**i. A Standard Lump Sum of 3.5 x your basic salary** – this is payable at the discretion of the Trustees of the Jaguar Land Rover Death Benefits Trust who may take into account any nomination form you have completed. PLEASE NOTE THAT THIS BENEFIT REQUIRES A SEPARATE NOMINATION FORM FROM ANY YOU MAY HAVE COMPLETED WITH REGARDS TO YOUR PLAN BENEFITS. IT IS THEREFORE VITALLY IMPORTANT TO MAKE SURE THAT YOU KEEP THIS NOMINATION UP TO DATE

**To obtain a nomination form for the Standard Lump Sum please go to the JLR People Portal (UK) > Reward & Recognition > Insured Benefits > Group Life Insurance > Insured death benefits nomination form.**



**ii. An Additional Lump Sum if you leave an Adult Dependent** – this is payable at the discretion of the Trustees of the Jaguar Land Rover Benefits Trust. However, whether someone qualifies as an Adult Dependent depends on whether someone was financially

dependent on you at the time of your death and this will be for the Trustees to decide and is NOT based on any nomination you may have made. For example, this may include a spouse, civil partner or partner that you were co-habiting with. The amount of Additional Lump Sum payable depends on the number of years between your date of death and when you would have reached age 65 as set out below:

Prospective Service from Date of Death to Age 65 (whole years)	Additional Adult Dependent Lump (Multiple of basic salary)
Over 25	10 x
20 to 25	8.5 x
15 to 20	7 x
10 to 15	5.5 x
5 to 10	3.5 x
0 – 5	1.5 x
Over age 65	None



**iii. A Child's Lump Sum** of 1 x basic salary for each Child up to a maximum of 2 x salary. If there are more than 2 qualifying Children, the maximum lump sum of 2 x basic salary will be split between each of the children. A qualifying Child is deemed as any natural, step or adopted child under the age of 23.

# PENSION NEWS

## Pension scams - protect yourself from cyber-crime

The internet has become part of our daily lives, with millions of people across the UK using it for shopping, banking, social media and much more.

However, data from UK Finance, the collective voice for the banking and finance industry, shows that criminals stole £1.2 billion through scams and fraud in 2022. In reality, the scale of the problem may be much bigger, as people often don't realise they've been scammed until years after it's happened.

Remember – never accept an unexpected investment offer, and always talk to a regulated independent financial adviser before making any decisions about your pension savings.

Here are a few common ways that can be used to hack your personal information:

- **Computer viruses** – Also known as malware (malicious software), these programs can steal your information and spread from one device to another.
- **IT phone scams** – A fraudster claiming to be from your IT provider will phone you and try to get your passwords or other information or install malware on your devices.
- **Fake websites** – By creating a website that looks genuine, such as a bank, scammers can steal passwords and codes.
- **Email and text Phishing scams** – This is an email or text scam where a message looks genuine but encourages you to click on a link to a fake website, which collects your information.

We have put together the following tips to help you stay safe online:

- 1 Use strong passwords.** They should include a mix of letters, numbers and special characters and should be different for each site you use.
- 2 Do not write your passwords down.** A secure password manager is a far better way to keep track of your passwords. Your paper record could fall into the wrong hands.
- 3 Keep your browsers,** device and antivirus software up to date. Updates keep the security of your devices up to date.
- 4 Check for the padlock.** A secure website will have a padlock icon next to their address on your web browser.
- 5 Never click on links or open attachments** from emails claiming to be from financial companies. Call the company directly if you are worried about anything you have read.

You can find more resources at [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

If you think you have been a victim of fraud, or you have been targeted, report it immediately.

Phone Action Fraud on **0300 123 2040** or visit [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

You can also dial **159** to speak to your bank's fraud department. This service lets you check quickly and easily if an offer is genuine.

You can find out more about this service, including which banks are involved, at <https://stopscamsuk.org.uk/159>

# PENSION NEWS

## Pensions Dashboards update

The Pensions Dashboards Programme, led by the Money and Pensions Service, will enable you to see all your pensions – including your State Pension – securely online, helping you to plan for your retirement and rediscover any lost pensions.

The programme is particularly complicated, as it requires the development of new technology to connect thousands of pension schemes, which collectively hold millions of records. The Department for Work and Pensions has decided that more time is needed to deliver this complex project.

It is now expected that all schemes will be connected by 31 October 2026. The revised timeline for the delivery of the programme is to ensure that the pensions industry has the time and the technical information needed to ensure the system is safe, secure and user-friendly.

You can find out more about Pensions Dashboards, including a video gallery, online at [www.pensionsdashboardsprogramme.org.uk](http://www.pensionsdashboardsprogramme.org.uk).

In the meantime, if you're looking to track down a lost pension, visit [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) and search 'finding lost pensions' for advice and support.

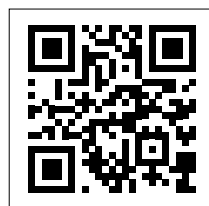
# HOW TO FIND OUT MORE ABOUT YOUR PLAN

## Contacting Mercer Admin (CMA)

Mercer has improved their process and method of communication with members. The online portal, CMA, is a secure and easily accessible, user-friendly digital method for members, dependants and their advisers to use.

Some benefits/key features of CMA are:

- ▶ Digital for all – members, dependants and advisers can use CMA.
- ▶ Requests received immediately in a structured format ready to be actioned.
- ▶ Requests can be in response to previous correspondence or for a brand new request.
- ▶ Completed forms and photos of certificates can be attached to a request.



You can access CMA quickly and easily online by scanning this QR code or by visiting [www.contact.mercer.com](http://www.contact.mercer.com)

When contacting Mercer, it would be useful for you to be ready to confirm your date of birth and National Insurance number to enable them to locate your details quickly. Alternatively, you can write to:

Jaguar Executive Pension Plan  
c/o Mercer Limited  
Maclaren House  
Talbot Road  
Stretford  
Manchester M32 0FP

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

Please ensure you quote the Plan name and your NI Number in any correspondence.

