

Pensions news

Important Newsflash! • Important Newsflash! • Important Newsflash!

A further update from the Chair of the Trustee

In previous editions of *Pensions news*, we explained that the Trustee continues to look at ways of improving the security of Members' benefits. We are pleased to confirm that we have taken a big step forward in this respect and are happy to share some important information below. We were keen to get this news to you as soon as possible and we will write to you again in the coming weeks with further information and to answer any questions that you may have.

The Trustee believes that this is very good news for Members, and gives added security for your valuable benefits and there is no action for you to take.

As always if you have any questions on your benefits within the Plan, or any questions following the information in this *Newsflash* edition of *Pensions news*, please get in touch using the contact details on the back page.



John Reeve – Chair of the Trustee

Finsbury Trustee Services

20 September 2022

We have made your Plan benefits more secure

- **Good news - increased security for the Plan and your benefits.**
- **No action for you to take.**
- **No change to your contact points for the Plan.**
- **A link to the necessary data privacy notice is included for your information.**

Please take a few minutes to read the following good news about the security of your benefits within the Plan.

Working with our professional advisers, we have purchased a second policy ('buy-in policy') with Pension Insurance Corporation plc ('PIC') so that the benefits for all Plan Members are now secured with PIC. As Trustee, we want to explain this important development in a little more detail.

Securing Members' benefits – what this means for you

As mentioned in previous newsletters, the Trustee has continued to look at ways of providing additional security for Members' benefits. This follows a previous 'buy-in' with PIC in 2014 where we secured the benefits for Members who were in receipt of their pension at that time. We continued to liaise with our professional advisers and the Company on how we would achieve this aim and have now entered into a second policy which means that **all Members'** benefits within the Plan are secured with PIC. This means that the reliance on the Company to fund your benefits has been significantly reduced, and the Plan will no longer rely on returns from investments such as stocks and shares to pay pensions.

There will be no changes to the payment of your pension benefits:

- Members who have not yet retired will receive their pension from the Plan on retirement, and
- Those already in receipt of a pension will continue to be paid from the Plan in the same way.

There is no change to the running of the Plan – the Trustee remains responsible for your benefits and the Plan, and all contact details remain unchanged.

Why we bought the buy-in policy

The policy that the Trustee has purchased provides income to the Plan that matches the benefits that we need to pay to Members. This makes your pension even more secure because the policy will pay irrespective of investment returns and is independent of Yell.

In the long term, insurance companies like PIC are considered to be reliable providers of pension scheme benefits. Insurers specialise in this area, paying benefits to much larger groups of people than most individual company pension schemes.

Choosing PIC

We have taken detailed professional advice before choosing PIC. We considered PIC's financial strength, the Regulatory environment in which it works, the service it provides to Trustees and Members, the terms of the policy, and the cost of the policy. We secured the pensioners in payment within the Plan in 2014 with PIC and we have been very happy with the service they provide.

Membership data

To secure the policy, PIC needed certain membership data, for example, details of Members' benefit entitlements. Please be assured that this information was shared securely and limited only to the information needed to secure the policy.

PIC's formal privacy notice can be viewed here for your reference - www.pensioncorporation.com/privacy-policy. The notice is a standard document PIC use to comply with data regulations by informing you how your data might be used.

About PIC

PIC is a UK regulated insurance company, regulated by the Prudential Regulation Authority and the Financial Conduct Authority, that specialise in securing Members' pension scheme benefits. PIC's purpose is to pay the pensions of its current and future policyholders. The company has approximately £50 billion of assets brought together by consolidating over two hundred company pension schemes, including schemes relating to Cadbury, Co-op, Honda and Marks & Spencer, which it uses to pay the pensions of its c.300,000 pensioner policyholders. Its purposeful investment strategy, designed to pay pensions over decades, means that it has invested billions of pounds in areas like social housing, renewable energy, and urban regeneration. You can read more about PIC online at www.pensioncorporation.com.

Any questions?

We will continue to provide regular updates in relation to the Plan. We will write again in the coming weeks to answer some questions that you will undoubtedly have. If you have any questions about your benefits in the Plan, or the buy-in policy with PIC, please contact the administration team using the details below:

Email: YellPensionPlan@premiercompanies.co.uk

Call: **0800 488 0796**

or write to: Yell Pension Plan, Premier Pensions, PO Box 108, Blyth NE24 9DY.

