

Newsletter

Summer edition

Welcome to the latest edition of your SLSPS newsletter. Twice a year we bring a mix of pension news, together with useful information on the Scheme and its Trustees.



A message from the Chairman



Christopher Wheeler
Trustee Chairman

First of all, I hope you and your families are all keeping safe and well. The coronavirus pandemic arrived in the UK about 18 months ago. We are now slowly starting to see encouraging signs that we will be able to move towards some degree of normality in the future.

The Trustees and their advisers have continued to work as normal on the Scheme, just in a more virtual environment. We have all adjusted to hosting our meetings online and are now well versed in video calls. We are also continuing to monitor the impact of Brexit with a focus on the ongoing operational effectiveness of the Scheme as well as the continual monitoring of the Scheme investments.

I am delighted to welcome three new Trustees to our board and want to express my thanks to Jamie, Asa and Robert, who have moved on, for all their effort, experience and knowledge they have contributed to the Scheme. You can find out more about the new Trustees in the Trustee update section of the newsletter. Similarly, we have also added detail to the FAQ section of the [Hub](https://www.slsp.co.uk) (www.slsp.co.uk) covering the various advisers and providers who support the Trustees. We are currently working with Standard Life Aberdeen on a project to transition the

Trustee Board to a Corporate Body – this will have little impact on members, but we will provide additional information in a separate communication.

In the DC strategy section of the newsletter, you will see we have now completed the implementation of the investment changes. Confirmation letters have been issued to members who had their investments updated. I would encourage you to log in online or download the app to view your DC investments.

I also want to draw your attention to the importance of completing your Expression of Wish form to inform us of the nominated beneficiaries of your pension benefits. You can find out more by reading the Beneficiaries Guide and the Expression of Wish form by visiting the [Hub](#).

Finally, I would like to remind you to be vigilant to Pension Scams; they continue to be on the rise with scammers taking advantage of the pandemic. We have added some information on how to spot scams in the Making the News Section.

Tell us what you think

Your opinions matter

Trustee update

Find out more about our new Trustee

Making the news

What's been making the headlines?

Company matters

Read more about Scheme governance

Trustee update

During 2020 we have said goodbye to a number of our Trustees; Jamie Jenkins, Asa Norrie and Robert McKillop. We would like to thank them for their invaluable contribution as Trustees. We are however delighted to welcome three new Trustees; Rowan McNay, Douglas Hogg and Sue Clemenson. As a reminder, you can view information on all of your Scheme Trustees on the [Hub](#).



Rowan McNay

Rowan is a member of the Finance Leadership team, having joined Aberdeen Asset Management in 2010. She has performed a number of roles including promotion to Head of Group Reporting in 2014. In

2019, she was appointed Global Head of Financial Operations and Control, responsible for the UK and EMEA Financial Control teams as well as all aspects of Finance Operations.

Rowan has a BSc (Hons) in Mathematics and Statistics and qualified as a Chartered Accountant with the Institute of Chartered Accountants of Scotland in 2000.



Douglas Hogg

Douglas has worked in the pensions industry for almost 20 years and qualified as a Fellow of the Institute and Faculty of Actuaries in 2006. He started his career working as a pension actuary, advising trustees and

corporate sponsors of UK pension schemes on a wide range of issues from actuarial valuations to investment strategy reviews and designing de-risking solutions for his clients.

Douglas is currently a Senior Solutions Director within the Client Solutions Group at Aberdeen Standard Investments. He joined ASI in 2014, initially as a Client Director in the UK Institutional team, before joining the Pension Solutions Team in 2018.

Douglas graduated with a BA (Hons) in Mathematical Sciences from University College, Oxford University.



Sue Clemenson

Sue is a specialist in using communications to drive employee commitment to business change. She has spent much of her career working as a consultant on complex or challenging change programmes

across a range of sectors, including financial services, energy, transport and the arts.

In her current role at Standard Life Aberdeen, Sue is a member of the HR Leadership Team with responsibility for ensuring that HR activities that affect colleagues are effectively managed into the business, to build support and minimise disruption. This often involves prioritising activities and looking for linkages to help stakeholders and colleagues make sense of changes.

Valuation results

Since the last newsletter the Scheme Actuary has completed the full Actuarial Valuation as at 31 December 2019, calculating that the Scheme held assets of £4.6 billion, against a funding target of £3.3 billion. This equals a funding level at 31 December 2019 of 140%. Further to this, the Trustees have also received an updated funding position as at 31 December 2020 which produced a funding level of 149%

More detail on the 2019 results as well as the updated funding position as at 31 December 2020 position can be found in the Summary Funding Statement available on the [Hub](#).



DC investment changes



The Trustees carry out periodic reviews of the DC investments to ensure that the strategy remains fit for purpose. The Trustees undertook a major review of the DC investments as they sought to simplify member decision making, obtain greater value for members and ultimately, target better outcomes for members.

Members were briefed on the impending changes in March and April, and at the end of April over 1,000 of the Scheme's circa 2,700 members were subject to changes to their investments. The Trustees recognise that elements of the changes are disappointing to some members, but feedback has been overwhelmingly positive.

The changes in summary are;

- MyFolio Managed IV (Lump Sum) Lifestyle Profile Strategy was launched
- SLSPS Managed Lifestyle Profile Strategy removed for all members bar those invested in it with less than 10 years from target retirement age

- Self-select fund range reduced to 24 funds, MyFolio Managed IV (Annuity) Lifestyle Profile Strategy inclusive
- With-Profit investments in the RAP were not impacted

As a reminder, investments in all discontinued funds were switched into the Default Arrangement – MyFolio Managed IV (Universal) Lifestyle Profile Strategy.

Remember to check your DC investments regularly at www.standardlife.co.uk. The new [DC Investment Guide](#) is also available to view on the Hub.

Other DC news

Scheme Rebate: Great news for DC members – Standard Life have increased the Scheme rebate on investment management charges from 0.75% per annum to 0.80%. This increase was effective from 1st May 2021 and means you pay less in charges, although the charges themselves are reviewed periodically.

Accidental Default: Last year we wrote directly to some of you, whose DC savings had been subject to a period of over-charging following fund closures and redirection into a default investment. Rectification of the over-charging was completed in March by applying a roll-back of charges to the Default charge-cap level of 0.75% per annum. This has put your fund into the

position it would have been in had the charge-cap been in place from the date of the redirection.

Ethical Investing: The Trustees are assessing the ethical options available to DC members and whether additions could be made to the Scheme investment options. More details will follow once the assessment has been completed.

DC Governance and Value for Members: the Trustees have also recently finalised their annual review of the DC service provision and this will shortly be available on the [Hub](#). This review covers various areas, including the quality of scheme governance and the investment options available to members.

Guaranteed Minimum Pension (GMP) equalisation



We reported in a previous newsletter that the High Court ruled that Trustees have a duty to ensure that GMP benefits provided for men and women are equal.

Further to this, a secondary High Court ruling on GMP equalisation was released in November 2020 which ruled that schemes are required to equalise historic transfer values dating back to 17 May 1990. Please note that these judgements only apply to benefits built up between 17 May 1990 and 6 April 1997.

The Trustees working-party will take this secondary court hearing into account as they continue to work through the detail of this complex project. It is likely to be 2022 before we can communicate with impacted members given the amount of work involved in the project, as well as outstanding guidance from industry bodies such as HMRC.

Statement of Investment Principles

The Statement of Investment Principles (SIP) was updated in September 2020 and can be found on the [Hub](#). The Trustees are currently working with their DC Investment Consultant to update the SIP to take account of the recent DC investment changes.

The purpose of the SIP is to set out the principles which govern the Trustees' decisions regarding the investments of the Scheme. In the updated SIP, there is an increased focus on social and responsible investing.

If you have any questions around the SIP, please contact standardlifetrusteesecretarialmailbox@aon.com

Review of Administration service

We have renewed our contract with Mercer, with effect 1 January 2021, to continue to provide the Scheme administration services. This contract renewal has included a review of the services that Mercer provides. There was an acknowledgment that there have been some errors and delays experienced by members, but this is in part due to the complexity and size of our Scheme.

To ensure that the Scheme administration services are effective and efficient going forward, a new performance monitoring approach has been put in place. This will focus on 5 key areas:

1. Enhanced team structure to ensure resource provided where needed
2. Knowledge and understanding of the call handling team
3. Knowledge and understanding of the core administration team
4. Improvements to existing controls and processes
5. Introduction of new communication and escalation processes

We hope that this provides members with comfort that the Trustees are actively monitoring this key area and we are confident that these new measures will ensure that members' receive an enhanced level of service moving forward.



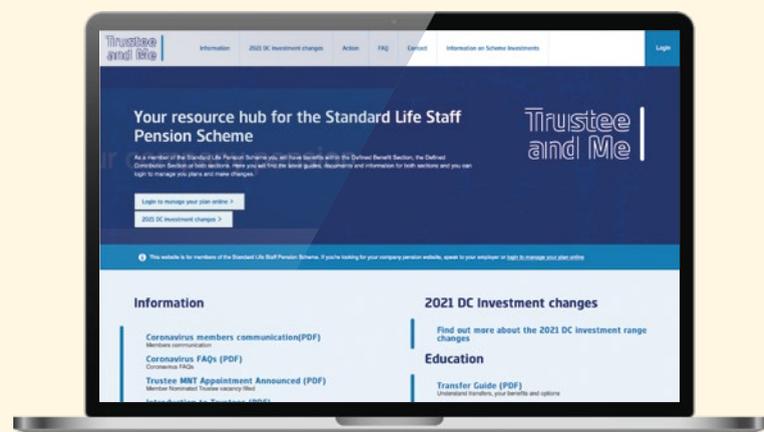
Communications

As Trustees, we are keen to provide as much information as we can to help with your understanding of the SLSPS.

In 2021, we are continuing to look at the support we offer to all members. There is lots of information available via the [Hub](#), OneView and the Standard Life microsite, which is intended to educate members, for example the various member guides which are held on the [Hub](#).

We are looking at how best to bring these resources together and make it easier for members to find relevant and useful information. We will also be looking to gather your feedback to understand what information you need, so please look out for a survey being issued in the future.

We will keep you up to date with our progress of this in future newsletters.



Making the news

Pension scams on the increase



Pension fraud is on the increase, and those behind it are sadly finding increasingly sophisticated ways to convince savers to part with their hard-earned money.

Websites, emails and marketing material all look entirely genuine and legitimate. Calls sound convincing and credible.

Please continue to be vigilant - the Financial Conduct Authority has a great site that helps you spot warning signs, check you're dealing with legitimate firms,

reject unauthorised approaches and protect your pension savings.

Visit www.fca.org.uk/scamsmart for more information or read the Pensions Regulator scams booklet at www.thepensionsregulator.gov.uk/en/pension-scams.

Minimum retirement age

The Government has confirmed that it still intends to increase the minimum retirement age from 55 to 57 in 2028, to coincide with the rise in State Pension Age to 67.

This is the earliest age at which pensions and lump sums may normally be drawn from a registered pension scheme. The normal pension age for your Standard Life Staff Pension Scheme is age 60.

If you are considering taking early retirement in 2028 or later should take this change into account – in particular, those that will turn 55 just after the change takes effect. Note that some members of the Scheme will retain the ability to retire from age 50 permitted certain requirements are met.

Pensions tax allowances

We have added a [FAQ section](#) onto the Hub on Pensions Allowance.

This provides useful information on the Lifetime Allowance (LTA) which is the total amount of pension savings you can have in your lifetime before a tax charge needs paid. In March 2021, the UK Government announced that the standard LTA will be frozen at £1,073,100 for the next five tax years.

The FAQ also provides information on the Annual Allowance (AA) which limits the annual pension savings you can have, including how your SLSPS benefits impact your AA.

You can also find further information at [Tax on your private pension contributions - GOV.UK \(www.gov.uk\)](https://www.gov.uk/tax-on-your-private-pension-contributions)

Pensions Bill

We covered the Pension Schemes Bill in our last newsletter. As a reminder the Bill includes:

- New powers for the Pensions Regulator so they can take stronger action when schemes are not being run properly
- Support for the development of online pension dashboards

- Requirement to produce a statement on a long-term funding and investment strategy
- Restrictions on transfer payments to help prevent pension scams

The Pension Schemes Act 2021 is now law but some of the provisions require regulations and guidance to be made before they are put into force. We will continue to keep you updated.

How to find out more

The best place to do this is via the Scheme's dedicated [Hub](#). Or you can also get in touch with Mercer on +44 (0)330 100 3491 for active and deferred members or +44 (0)345 602 4710 for pensioners. Or by email at standardlifepensions@mercer.com

For general questions about the Scheme, please contact:

The Scheme Secretary, Stephen Davidson, c/o Aon,
144 Morrison Street, Edinburgh EH3 8EX.

Email:

standardlifetrusteesecretarialmailbox@aon.com



You should also contact Mercer:

- If your personal details change. This is particularly important if you move house, marry or begin a civil partnership – especially if a name change is involved or you change your bank details. These circumstances can affect your pension benefits and it is important that we can contact you.
 - If you need to update your Expression of Wish form, please note a copy of this is also available on the hub. This lets us know who you'd like to receive any discretionary benefits payable following your death.
- If you haven't recently completed an Expression of Wish form or can't remember ever doing so, we strongly recommend completing one.
- If you'd like copies of any of the following official Scheme documents: Annual Report & Accounts, the Statement of Investment Principles, and the Scheme's Trust Deed and Rules. As some of these documents are fairly large, there may be a small administrative charge to post them out to you.