



Water for the North West

United Utilities Pension Scheme (UUPS)

Pension News

For members of the UUPS with Defined Contribution (DC) benefits

Welcome to the latest newsletter for contributing and deferred members of the United Utilities Pension Scheme (DC sections).

Spring 2023

Your Trustees

You may recall that an election for two member-nominated Trustee Director positions was held in early 2022. Thank you to all members who took part in the process, either by putting themselves forward or voting in the election. It was great to see so many members interested in using their voice by becoming member-nominated Trustees. We are pleased to confirm that the successful candidates were Andrew Lambert and Dale Walker, who started their terms of office in March 2022.

The Trustee Board is made up of five member-nominated and five company-appointed Trustee Directors, who are all there to ensure that the Scheme is run correctly for the benefit of all members. There will be a further opportunity for you to get involved with the running of your scheme in early 2024, when the remaining three member-nominated Trustees will reach the end of their current terms.

Reducing paper use and helping the environment

The Trustee is looking at ways to cut down on paper usage - and we are therefore looking at ways that we can work with Aegon to achieve this. Over time, we intend to start issuing any communications electronically where we can. To consent that you are happy for us to do so, please make sure you are registered on TargetPlan. See the 'contact information' section for how to do this.

You can read about the Trustee's approach to responsible investing later in this newsletter and on the UU Pensions website - key documents are available in the **Information Library**.



Benefit statements

Benefit statements for all members were issued at the end of last year – please contact Aegon if you have not received yours.



Minimum pension age

The government has recently confirmed a change to the normal minimum pension age, which is the earliest age that you can usually access your pension savings. The minimum age is currently age 55 – however this is rising to age 57 from 6 April 2028.





Responsible Investment

Responsible investment is a key factor considered by the Trustee when deciding on the Scheme's investment strategy, and when monitoring performance. This is about ensuring we are protecting the long term value of pension savings.

Environmental, Social, and Governance (ESG) highlights



The Scheme's approach

The Trustee considers the ESG policies of the Scheme's fund managers for any new investments.

We also monitor ESG ratings for the existing fund managers, which are provided by the Scheme's independent DC advisers.



Climate change

The Trustee sees climate change as a financially material issue that presents risks, as well as opportunities.

We will soon be publishing a detailed report on how the Scheme manages climate risks, with information such as the carbon footprint of the investments – look out for this later in 2023.



DC fund changes

In January, changes were made to the default fund and some other funds to further embed ESG factors. A new self-select fund managed with specific sustainability goals was also added to the range in 2022 (the LGIM Future World Global Equity Fund).



Voting and Engagement

Some investments come with the right to vote, as a shareholder, in a company.

We review the votes cast across our funds each year - for the default fund alone, there were over 10,000 votes cast in one year! You can read more in the **Implementation Statement**, including examples of significant votes on issues such as climate change.

You can find out more about responsible investment and the Trustee's approach to ESG on the [UU Pensions website](#)

Value for Members

The Trustee carries out an annual review of the extent to which the Scheme provides value for you as a member.

How we assess the value you receive

- Benchmarking charges and costs against a peer group
- Analysis of fund returns after costs
- Administration quality
- Quality of the investment funds, including how well they integrate environmental, social, and governance factors
- Scheme communications and other benefits such as online tools

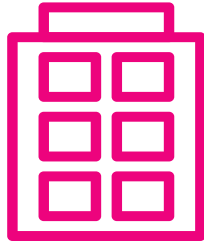


The Scheme was assessed by our independent advisers as providing members with good value.

Recap – who pays for Scheme services?

Company pays for:

- Employer contributions
- Communications that you receive
- Trustee supervision
- Professional, independent advice to the Trustee incl. legal, investment and audit.



You pay for:

- Administration & investment management

The Chair's Statement lists the total charges you pay, for each fund within the Scheme



What's going on in investment markets?



2022 was a tough year for investments, impacted by concerns over inflation, the economy, and the Russia/Ukraine crisis. Most markets and funds have produced negative returns.

Whilst this can be unsettling, it's worth remembering that pension saving is a long term activity and investments can fall as well as rise over short term periods. Over the long term, the expectation is that the value of your savings will grow.

Another key point is that even though markets have declined, more positively the cost of buying a secure income for life (an "annuity") has also gone down – this is why you might have heard that annuity rates are now much better. For our members nearing retirement, the Trustee Board is very mindful of the situation in markets and the implications for your pension. We have a number of measures in place to ensure your savings are invested in a safe and secure way.

Regular Monitoring –

Regular measurement of fund performance to ensure options remain fit for purpose.

Diversification –

This helps to protect against the risk of market falls for specific types of assets.

Professional advice –

The Trustee Board is supported by investment advisers who provide detailed updates on markets and any required actions.

Extra Help

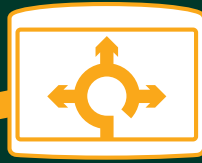
Did you know that United Utilities has a Priority Services register for those customers who might need some extra support?

This could be due to age, ill health, disability, mental health problems, financial worries or language barriers. If you are a customer of United Utilities, you can register for Priority Services (completely free) to benefit from additional services to support your particular needs. United Utilities can also offer support for those who might be struggling to pay their water bill in these difficult times. For more information on the support available, visit unitedutilities.com/help-and-support or call **0345 672 2888** (for priority services) or **0800 072 6765** (for financial difficulties).

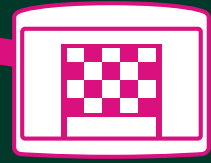




1: Get going



2: Decision ahead



3: Nearly there

Keeping us up to date

Your pension is a very important benefit so it's essential to keep your contact details up to date. It means we can pay your benefits promptly and accurately and the Scheme is administered efficiently. You can update your details by logging in to **TargetPlan**.



Pensions dashboards

With record numbers of people saving for retirement, it is more important than ever that people understand their pensions and prepare for financial security in later life.



Pensions Dashboards is a government-run scheme which will allow you to view all your pension information, across all pension providers, in one place online. It is expected to improve the way we plan for retirement and help us make the most of our savings.

Pensions Dashboards are being developed over the next few years and we'll let you know in future newsletters when the UUPS is on board.

You'll be able to view all your State Pension information on your pension dashboard too. The date you become eligible, the forecasted state pension amount and the estimated amount based on your national insurance record will all be included.

See more information at pensionsdashboardsprogramme.org.uk

Pension scams

Don't be tricked into transferring your pension into a false scheme and losing all your money! Pension fraudsters can be smart, pleasant, charming and financially knowledgeable. Don't be fooled.

Anyone can be the victim of a pension scam, no matter how financially savvy you think you are. Spot the warning signs and avoid being caught out:

1. Always reject unexpected calls, emails, texts or social media approaches about pensions.
2. Be very wary if you're offered a free pension review.
3. Never allow yourself to be rushed into a decision.
4. If a pension or investment offer sounds too good to be true, it probably is. Steer clear.
5. Do research on anyone offering you financial advice. Check the Financial Conduct Authority (FCA) register at [fca.org.uk](https://www.fca.org.uk) or call 0800 111 6768 to make sure they are FCA-authorized.



Looking after your loved ones

Have you made an Expression of Wish? This lets you tell the Trustee where you'd like the tax-free lump sum to be paid if you die before you've taken your benefits. It's important to keep this up to date because if the Trustee doesn't know where the money should go, there could be a delay and the payment might be taxed - which would reduce the sum considerably.

You can obtain an Expression of Wish form on the **UU pensions website** or by contacting Aegon



Contact Information

Administrator: Aegon
my.pension@aegon.co.uk
01733 353481

You can also visit aegon.co.uk/targetplan to view details of your DC account, or download the 'Aegon UK' app from the iTunes App Store or Google Play Store (you will need to have previously accessed your online account at aegon.co.uk/targetplan before being able to use the app).

unitedutilities.com/pensions

UU pensions website - for general information on the scheme.



Sources of information and guidance - did you know?

MoneyHelper is a free service that offers impartial help on all aspects of money, including benefits, savings and pensions. It is backed by the government.

As well as accessing lots of information, you can book a "Pension Wise" guidance appointment through MoneyHelper. Find out more at www.moneyhelper.org.uk.

Other helpful contacts

gov.uk

Government information and services across a wide range of subjects, including state pension provision.

gov.uk/state-pension-statement

Government site to get a quotation of your state pension and check your state pension age.

gov.uk/government/publications/easy-read-new-state-pension

Government site where you see an easy-read guide to the new state pension

fca.org.uk

The Financial Conduct Authority (FCA) is the UK's financial regulator. Firms and individuals must be authorised or regulated by the FCA to carry out certain activities. You should always check the FCA register or call 0800 111 6768 to make sure anyone offering you financial advice is FCA-authorised.

thesilverline.org.uk (or call 0800 470 8090)

Free website and 24-hour helpline providing information, advice and support for older people.



Full details of the UUPS can be found in its trust deed and rules, which are legal documents which govern the scheme. If there is any discrepancy between this communication and the trust deed and rules (as amended from time to time), the trust deed and rules will take precedence.

This communication does not confer any rights to benefits. UU reserves the right to amend or discontinue the UUPS at any time.

Statements made in relation to the tax treatment of contributions and benefits

are based on UU's understanding of law and HMRC practice at the date of publication. The tax treatment of contributions and benefits will be in accordance with the actual law and HMRC practice at the time of payment. Neither UU nor the Trustee of the UUPS are able to offer financial advice, and you should consider getting independent financial advice on matters discussed in this communication.

The Scheme's privacy notice provides information regarding the personal data held by the Trustee and how it is

processed. If you would like to see a copy of the privacy notice, it can be accessed here: <https://www.unitedutilities.com/corporate/careers/pensions/information-library/uups-privacy-policy/>

