

# Pension Newsletter

## November 2018



### What's inside?

Meet the Pensions Manager · An introduction to Retiready · An update on investments

**VAILLANT GROUP**  
**DEFINED CONTRIBUTION (DC) PENSION SCHEME**

# Welcome

## Welcome to this year's Pension Newsletter for members of the Vaillant Group DC Pension Scheme (the Scheme).

It's been a great first year for me as Pensions Manager and another busy year for the Scheme.

In this year's newsletter you'll be able to find out about Retiready, a platform provided by Aegon, our pension administrator. Retiready gives you more control over your retirement savings and provides a single place where you can track all your retirement saving plans and goals. You'll be able to find out how you can log-in and make the most of Retiready on [pages 4-5](#).

You'll also find your usual update on the Scheme's investment performance on [page 6](#) and on [page 10](#) we'll also bring you the latest and most relevant news from the pensions world.

You may remember that the new General Data Protection Regulations (GDPR) came into force on 25 May 2018. As a result of this, Aegon now has an updated Privacy Policy. Find out more about GDPR and the new privacy policy on [page 11](#), along with some top tips on keeping yourself, and your benefits, safe.

In April 2019, the government will be making some changes to the level of contributions that need to go into your account each month. If this affects you, you'll receive more information over the coming months.

I'm always interested to hear your feedback and find out what sort of information you'd like to hear about the Scheme, both in this newsletter and on our website. As such, there's currently a survey on the website to find out more about what you, the members, want from the Scheme. You can share your feedback at [vaillantpensions.com/survey](http://vaillantpensions.com/survey)

I hope you enjoy this year's newsletter and find it a useful source of Scheme information.

**Steve Tickner – Pensions Manager**  
2018

[Is your Nomination Form up to date?](#)

# Meet Steve

**I am pleased to introduce myself to you as the Pensions Manager for the Vaillant UK businesses.**



## My first year at Vaillant

My first year at Vaillant has been extremely busy!

Having spent the last 30 years in pensions, I wanted to join a company where I could apply my knowledge and passion to helping a group of my own colleagues better plan for, and understand, their journey into retirement.

This past year no two days have ever been the same. In my job, I work with the wider pensions and HR teams to ensure we are administering the pension scheme effectively and supporting the Scheme Trustees, which involves a wide range of duties. One day I can be working on statutory reporting, and the next dealing with the Pensions Regulator or working with the Scheme's Professional Advisers on a legal or complex investment matter.

I joined the Vaillant Group at an exciting time for the Scheme and I am encouraged to see the strong commitment there is from the Company to meet their pension commitments to members. Along with most of you, I still have some nervousness around what Brexit will actually mean for the UK, and what impact it will have, but I will relish the challenges this will undoubtedly bring.

## My interests outside of work

Enjoying family time and helping with my youngest son's football team – which invariably means setting up goals and running the line every Sunday at 9.30am. I also enjoy travel and have seen a lot of France, a country I also like to escape to regularly to spend a week fishing for carp. As my children are growing up, I start to think more and more about retirement and grandchildren. If my retirement savings allow, my intention is to buy a retirement house in France, complete with a small lake, where I can spend some quality time in search of the elusive 'one that got away'.

## If I could tell members one thing

If I could tell members one thing, it would be that I am passionate about pensions and it is important to me that you know I am here to support you through this (often complex) journey. I am keen to engage with all of my colleagues so that they truly understand the significant value of the pension scheme, which is supported and paid into by Vaillant. I am also keen that everyone understands the importance of contributing to the Scheme themselves and starting to save as early as possible.

# Retiready

from 

**Retiready is the online administration system that Aegon provides to enable you to manage your pension online.**

## **What can you do on Retiready?**

Retiready helps to make sure that you're in control of your retirement plans and savings. Not only that, it makes doing so easy!

### **Here are just some of the things you can do on Retiready...**



- You can view and monitor your savings value at any time.
- You can manage your savings all in one place.
- You can access guidance with Aegon Assist.
- You'll get a personalised retirement readiness score so you can see whether you're prepared for retirement.

## **Goals and the planner**

The tools Retiready provides allow you to check whether or not you're on track when it comes to achieving your retirement goals.

You can set and track your goals easily on the Retiready dashboard, which you can access for free once you've obtained your Retiready score.

With each month that passes, Retiready helps you on your journey to becoming retirement-ready. Setting goals is only the beginning – Retiready also guides you through making investment choices, helps you consider your retirement options and reminds you to keep your details up to date.

**Additional tools available on Retiready**

## New joiner process

If you're new to the Scheme you can also use Retiready. Within six to eight weeks of joining the Scheme, you will receive an activation email from Aegon letting you know how to start using your account.

Once your account is activated you can log in, get your score and begin your Retiready journey! Over the next few months you'll receive further emails introducing you to all the features available and helping you to get the most out of the system.

If you have any problems logging in or using the system, simply ring Aegon Assist (using the contact details on the [back page](#)).

## Pension statements

As well as benefiting from the many tools available on Retiready, you can also access your pension statements. You'll receive a new one every six months so it's important that you keep checking in as pension statements are a great way to track the changes in your savings.

## How to log in

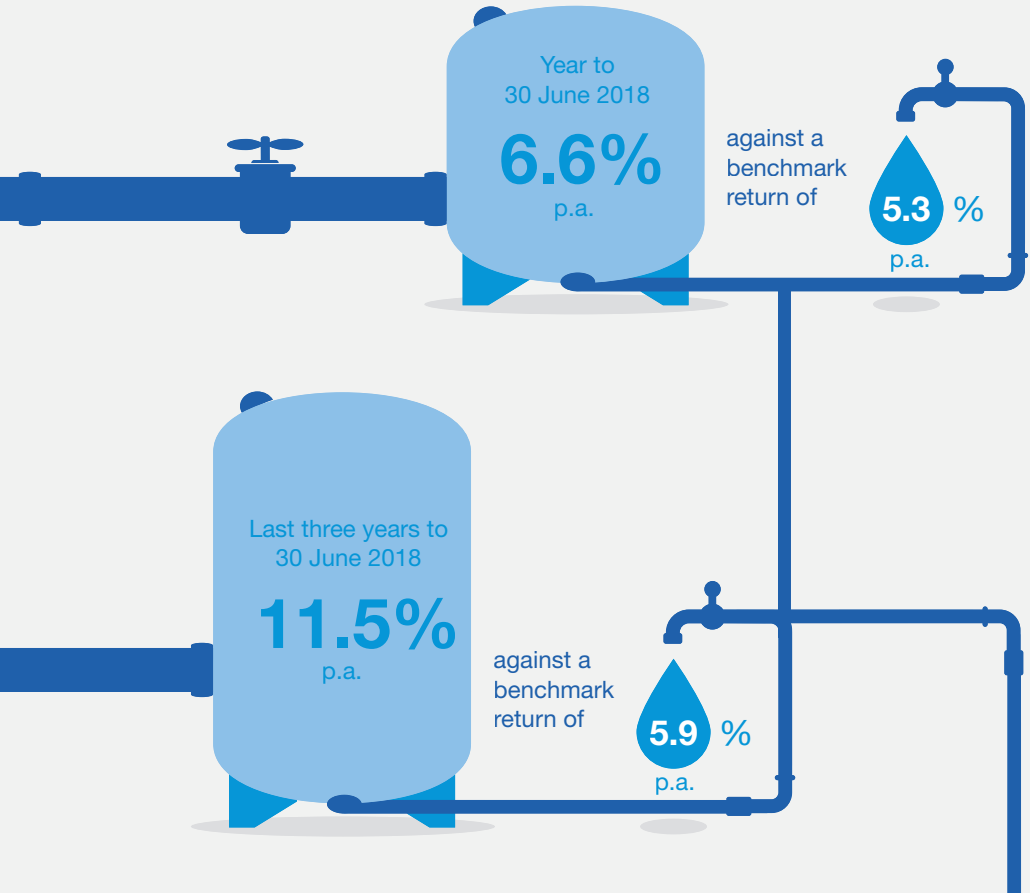
You can access Retiready through the [Vaillant pension website](#). Just click on the Retiready logo at the top of the page.



# Investment performance

**Here you'll find an update on the Scheme's investment performance in the Mercer Growth Fund as at 30 June 2018.**

We are pleased to confirm that this fund has exceeded the benchmark (the target for investment returns) both in the shorter and longer term.



If you have changed your investment options, and would like more information on how those investments have performed, please request this from Aegon via your Retyready account using the online [webchat service](#), or by sending them an [email](#).

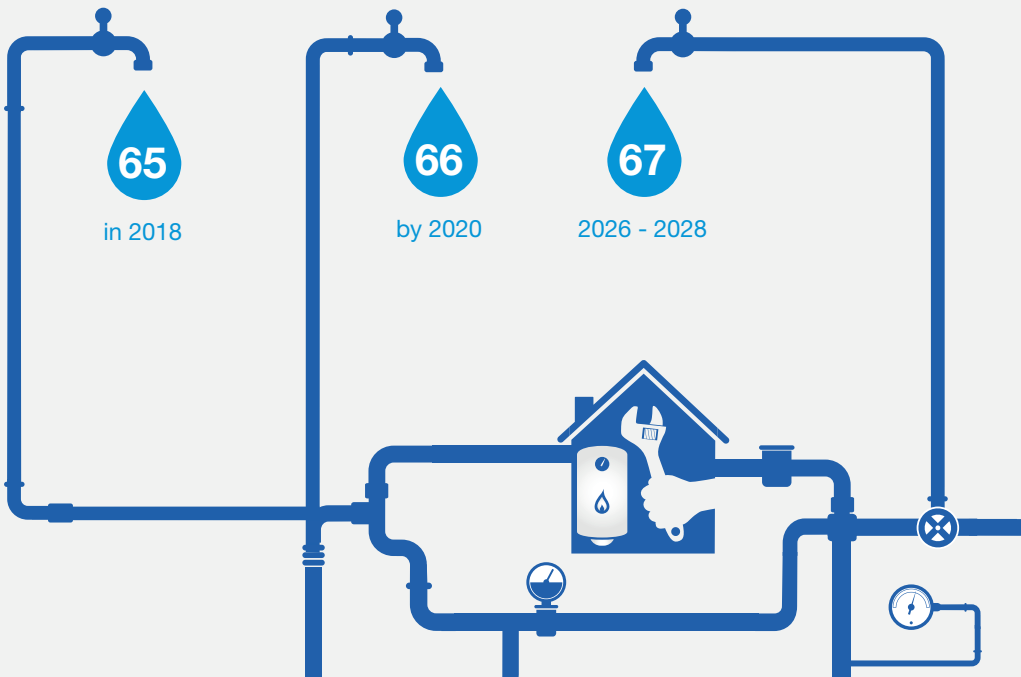
# State Pension age update

**The State Pension age (SPA) has undergone numerous changes since April 2010 so it's important that you stay up to date and know when you'll be eligible to claim your State Pension.**

The SPA is currently 65. This is expected to increase to 66 by October 2020. There are more changes on the horizon as the SPA is currently under review. Further increases are planned and the government aims to increase the SPA from 66 to 67 between 2026 and 2028.

You can check your SPA on [the government website](#). You can also find out more about your TRA and how to update it on [page 8](#).

**Your exact SPA depends on when you were born.**



It's important that you keep your Target Retirement Age (TRA) up to date as this is separate from your SPA and will decide how, and when, we make changes to your investment options if you're in the default investment fund. Your TRA is the date you plan to retire, and is set at age 65, unless you change it.

# Improving your retirement

## Could you increase your contributions?

When thinking about your retirement savings it's important to think of them like you would any sort of savings pot – the more you put in now, the more you'll get out later.

With this in mind, would you like to get on track and give your future self the best chance of having a comfortable retirement? If yes, then you could consider increasing your contributions, in [Retiready](#). It's easy to do and can help you towards your desired retirement.

### Small change, big savings

We know that there are always demands on your money and pensions can sometimes seem like a distant thought for the future, but it's worth bearing in mind that even small increases to your contributions can make a big difference to your savings.

Not only will beginning to save earlier mean you have longer to grow your funds, it will also mean you can take advantage of things like compound interest. This means you can gain interest on top of your interest, saving you money in the long run.

Many people don't think about their pension while they're young and sacrifice years' worth of savings without realising. Are you contributing to your pension pot yet? If no, then now is a good time to start! If yes, then could you be saving even more?

Use the [Contributions calculator](#) to see how increasing your contributions now would impact your take-home pay.

Use the [Small change, big savings calculator](#) to see how starting to save earlier can have a big impact on your pension.

### Your Target Retirement Age (TRA)

Your Target Retirement Age (TRA) is the age at which you're planning to retire.

Make sure you let Aegon know when this will be as your TRA determines how and when your investments move if you're in the default fund.

You can set, or update, your retirement date through Retiready.



## Your investment options

Managing your investments is important but doing so isn't always simple. This is where Mercer SmartPath comes in.

When choosing where your savings are invested, your first decision is whether you're happy to remain in the default investment strategy, or whether you'd prefer to manage your own investments.

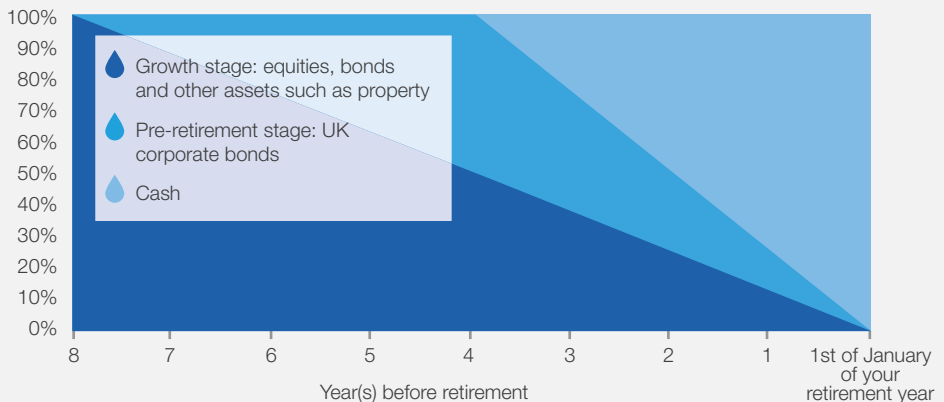
If you'd prefer the second option, you can move out of the default fund and choose where your savings are invested. As an active investor, it is your responsibility to stay on top of managing your investments.

## What is the default fund?

The default fund is where contributions are automatically invested in when members first join the Scheme. Our default fund is a lifestyle fund, which means that the investment focus changes from growth to security as you get closer to retirement.

Our default fund is called the Mercer Growth Fund and you can find out more about it, and the other investment funds available, on Retiready.

## Asset class changes during pre-retirement stage



# In the news

## Pension scams

You may remember the article concerning the threat posed by pension scams in last year's newsletter. Pension scams usually take one of two forms:

- either the scammers will assure you that you can access your pension before age 55, which you cannot usually do without incurring a large tax charge, or
- they will try to get you to transfer your pension into their arrangement with promises of high investment returns, which cannot be guaranteed.

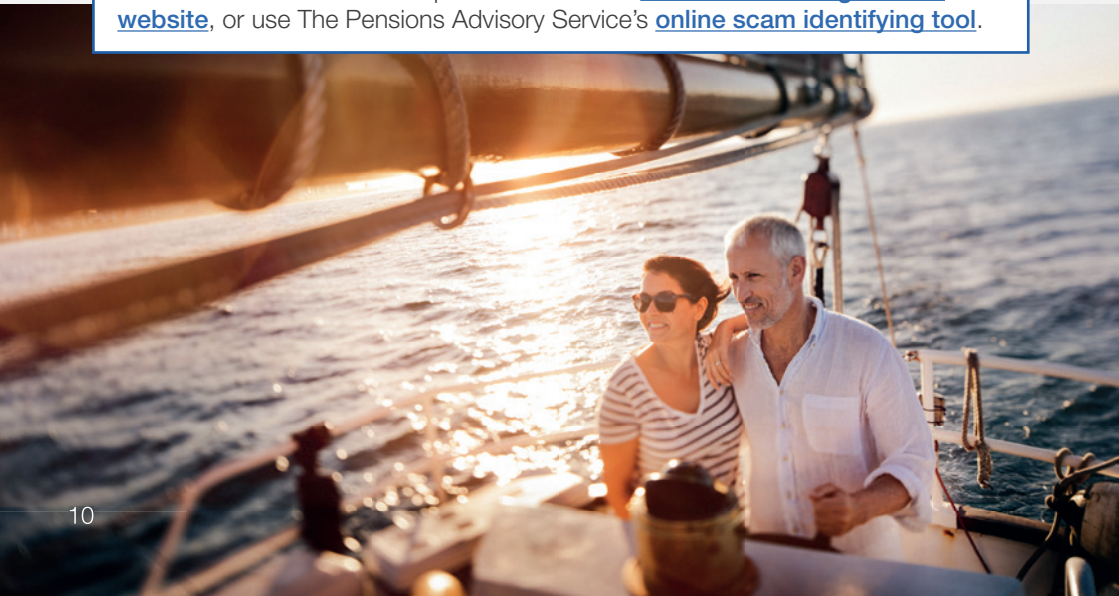
Scammers might try to target you by cold calling, texting or emailing you. Since last year's newsletter, members of the House of Commons Work and Pensions Committee have called for ban on pension cold-calling. While this would not stop all pension scams, they believe that it would be an 'important preventative measure'.

It was hoped that the ban would be in place by the end of June 2018, but unfortunately this has been delayed as the government is still consulting on technicalities.

The Pensions Regulator estimates that around £500 million is stolen from pensions every year, with the real figure potentially even higher as not all victims will report the loss.

If you are thinking about transferring your pension into a different scheme, we recommend that you consult a financial adviser.

You can find out more about pension scams on [The Pensions Regulator's website](#), or use The Pensions Advisory Service's [online scam identifying tool](#).



# Security update



The Company takes its responsibility to protect your data and personal information very seriously, and under the General Data Protection Regulation (GDPR) 2018 it's more important than ever for them to ensure the information held about you is accurate and kept up to date. Aegon is responsible for holding member data for the Scheme and both the Company and Aegon review the controls and data protection policies in place.

## GDPR and your data

From 25 May 2018, GDPR came into force. It is intended to give you more control over your personal information and ensure your data is fully protected, as well as increasing the penalties and ensuring you are notified within 72 hours if a breach occurs.

If you want to review the full Privacy and Data Protection policy for Aegon, you can access this at <https://www.aegon.co.uk/support/faq/privacy.html>

## What does the Scheme do with my data?



### We do...

- use your information to look after the Scheme and your pension.
- pass your information on to third parties where it is needed to administer the Scheme.
- store all your information in line with data protection laws.



### We don't...

- pass your information to third parties for marketing or for any other purpose apart from looking after the Scheme.
- hold your information for longer than we need to.
- hold any information about you that we don't need.

In addition to this, it's important that you also take precautions to keep your benefits safe. Here are our top tips.

**Keep your benefits safe**

# Get in touch

If you have any questions about your benefits, the Scheme or this newsletter, please let Steve Tickner (Pensions Manager) or Dan Whyld (HR Manager) know.

## Pensions Department

Vaillant Group Pension Scheme  
Nottingham Road,  
Belper,  
Derbyshire,  
DE56 1JT

Telephone: 01773 596 048

### Aegon Assist

Aegon Assist is a free service that you can contact for help understanding your options. While they don't give advice, they are able to guide you through your choices and help you take your retirement benefits.

As well as this, Aegon Assist can also help with any questions about Retiready or transferring your benefits into the Scheme.

Find more information about **Aegon Assist** on their website.

Alternatively, you can telephone on 03456 03 05 09

If your query is NOT about Retiready, you can contact Aegon on 03456 10 00 10.

Lines open: Monday-Friday 8:30am-5:30pm