



# PensionsLine

Step into your future

Defined Contribution (DC) Section

March **2024**

# HELLO

Welcome to our member newsletter, which gives an overview of key developments in the Roche Pension Fund since we last wrote to you in the summer.

We completed an investment strategy review last year, which resulted in some changes being made to the funds we use. We wrote to everyone who was affected in September, and the switch to the new funds took place between 28 November and 19 December.

The changes are aimed at improving member retirement outcomes – or, in other words, helping you achieve the retirement you want. If you haven't visited the Retirement Living Standards website yet, it can help you answer that vital question: 'How much money will I need in retirement?' Find out more on page 10.

However, achieving a good retirement outcome is about more than just money: it's also about the decisions you take as a member. That's why we're asking our active members to help us by answering some questions in our inaugural member survey. The survey aims to help us identify any gaps in understanding, so we can help everyone achieve a good retirement income. We'll send an email to work addresses giving you the link to the online survey, so please keep an eye out for it.

## Take it online

Remember to visit our dedicated member website at [www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk). If you have a general question about the Fund and how it works, take a look there to see if it's answered on the website. To view or manage your pension savings, go to your online Fidelity PlanViewer account.

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# FACTS & FIGURES

The DC Section is now the main retirement savings vehicle for Roche UK employees, following the closure of the DB Section in the summer.

The total value of member accounts was just under **£275 million** at the end of March 2023.

Here are some other facts about the DC Section...



**£80,000**

The average pot size for a member within 5 years of retirement

**2023 £274.3m**

2022 £275.5m 2021 £240.2m

**DC Section assets**



**2023** — 2022

**DC Section active members**

**2,241**

2,123

**DC Section deferred members**

**2,194**

2,058

**Why no pensioners?** *The DC Section doesn't have any pensioners because when you retire, you'll either take the money in your account as cash or transfer it to another arrangement, which could be a drawdown account or an annuity.*

**2023 12.2%**

% of DC Section members who've nominated beneficiaries online\*



**Are you among the 9 in 10 members who haven't completed a form yet?**

\*Your nominated beneficiaries are the people you'd like to receive benefits if you die before taking your retirement savings.

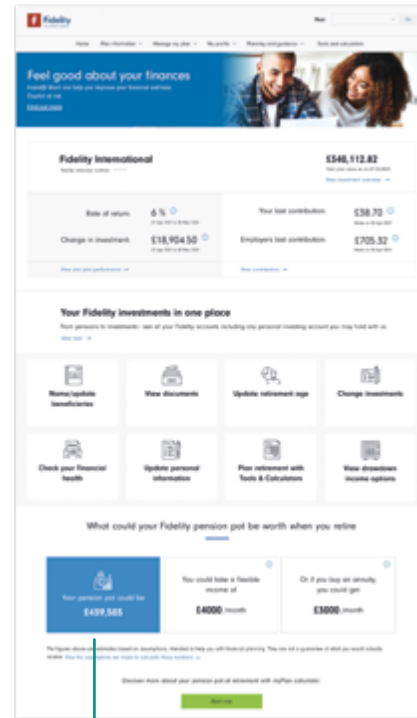
# FIDELITY'S PLANVIEWER HAS A FACELIFT

If you haven't visited PlanViewer recently, you'll love its new look and improved user experience.

The 'action tiles' on the home page make it easy to go straight to where you need to be, if you have a specific reason for logging in, whether that's to manage your beneficiaries or explore your retirement options.

Fidelity has added key information on investment performance and recent contributions up-front, as well as at-a-glance projections of what your retirement income could be worth in pounds and pence.

Visit the DC Section's area on [www.rocchepensionfund.co.uk](http://www.rocchepensionfund.co.uk) and click on 'Manage your account' to log in. If you need help, you can call the team at Fidelity on **0800 3 68 68 68** or email [pensions.service@fil.com](mailto:pensions.service@fil.com)



Improved navigation labelling

Key information up-front with information on performance and recent contributions

Easy to view historical performance

Easy access to action tiles

Easy to understand projection of retirement – in pounds and pence

## Tap into your pension

The PlanViewer app allows you to easily keep track of your retirement savings online. You can use the app to:

- ▶ see the current value of your pension
- ▶ review your recent contributions
- ▶ find out about the performance of your pension investments
- ▶ get an idea about what you might need to save for the future you want.

Signposting to key tools and guidance for employees to explore

# MAKE SURE YOUR WISHES ARE KNOWN

Many members haven't appointed a beneficiary or beneficiaries for their pension savings in the Fund. If you're still working for Roche when you die, there's an extra insured lump sum payment too – so how do you make sure the money goes to the people you want it to?

All members need to fill in an Expression of wish form to share their wishes regarding the payment of any cash lump sums from the Fund (including, for active members, the insured lump sum mentioned above). Then, if you're not married or in a civil partnership, you should also complete a Nomination form. Your Nomination form isn't binding but it will be taken into account by the Trustee when paying benefits from the Fund, so it's important to review it as your wishes and circumstances change. You can update your Expression of wish form on PlanViewer at any time, or download a Nomination form from the member website, [www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)

The Fund's Expression of wish and Nomination forms are different from a Will. Any death benefits payable from the Fund won't be included in your estate and therefore aren't covered by your Will. The advantage of this is that your loved ones won't have to pay inheritance tax on any lump sums paid out from the Fund.



# ARE YOU PLANNING TO RETIRE EARLY?

*The minimum pension age is rising to 57 – are you affected?*

In April 2028, the government is raising the minimum age when people can start taking their pension benefits from age 55 to 57. The last time it changed was in 2010, when it went up from 50 to 55.

However, some pension savers have a protected pension age (PPA), which means they're not affected by this latest change (although it's important to note that you can lose your protected status in certain circumstances\*).

## How do you know if you're affected?

- ▶ If you joined the Roche Pension Fund after 4 November 2021, your minimum retirement age is 55 and it will rise to 57 from 6 April 2028.
- ▶ If you joined the Fund between 6 April 2006 and 3 November 2021, you have a PPA of 55 – so you won't be affected by this change.
- ▶ If you joined the Fund before 6 April 2006, you have a PPA of 50. This means you weren't affected the last time the minimum pension age went up (from 50 to 55) and you won't be affected this time around either.

## What does this mean in practice?

If you were born on or after 6 April 1973, and you don't have a PPA, you'll have to wait until you reach age 57 before you can take your benefits (unless you're retiring early due to ill health).

If you'll be aged between 55 and 57 on 6 April 2028 and have already started planning for early retirement, you may need to adjust your plans. If you don't have a PPA and don't take your pension before 6 April 2028, even if you're 55 or 56 at the time, you'll have to wait until age 57.

\*There are certain circumstances where you can lose your PPA status, such as if you transfer your pension out of the Fund. If you have a PPA of 50 and transfer out, you may still be eligible to retire at 55, but if your PPA is 55, then you will have to wait until 57 to draw your benefits (unless you're retiring early due to ill health). It's also important to note that if you have benefits in both the DB Section and the DC Section of the Fund, you may lose your PPA if you don't take them at the same time. So, before you make any decision about taking your Fund benefits, make sure you understand the impact of your choices on your PPA.



## Example

Darren turns 55 on 5 March 2028. He doesn't have a PPA, so he has one month to take his pension if he wants to retire at 55; if he doesn't, he'll have to wait until his 57th birthday. We're still not clear on what will happen if Darren wants to take regular lump sums out of his pension account from age 55; we're waiting for the government to provide guidance on how this will work.



# SPOTLIGHT ON INVESTMENTS

## Aiming for better member outcomes

The Trustee wrote to all members in the DC Section about some improvements we're making to some of the underlying funds that are used in the Lifestyle strategies (and which are also available to Self-select members).

The aim is to provide better retirement outcomes for members by improving potential long-term returns in the growth phase (when you're a long way from retirement) and also by protecting your savings as you get closer to the big day, depending on which Lifestyle strategy you've chosen.

There was a short blackout period from 28 November 2023 to 19 December 2023, during which time you weren't able to make any changes to your investments.

We're pleased to publish our first Taskforce on Climate-related Financial Disclosures (TCFD) report (for the year to 31 March 2023), which is available on our website, [www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk). The report sets out how we assess, monitor and manage the Fund's exposure to climate risks and opportunities.

## Are you getting value from the Fund?

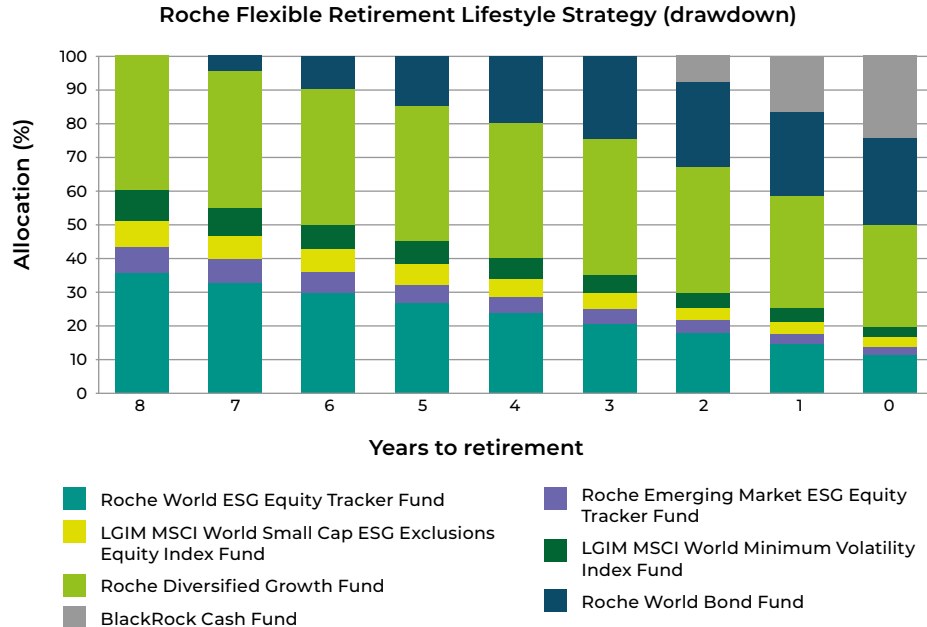
Every year, the Trustee is required to produce a Chair's Statement. It summarises the Fund's DC Section arrangements and explains to members how it provides them with value for money. It forms part of the Trustee's formal Report and Accounts, which are audited by PricewaterhouseCoopers. A copy of the full Report and Accounts for the year ending 31 March 2023 is available on request from Fidelity, the Fund administrator. Contact details are on the final page.





## Automatic for the people: a reminder of how Lifestyle investments work

The vast majority of our members invest their main DC accounts using the Roche Flexible Retirement Lifestyle Strategy (drawdown). This is the default investment, unless you decide to move your funds elsewhere.



A lifestyle strategy gradually adjusts and moves your funds into investments which are likely to be lower risk, as you get closer to retirement. The chart above shows how this switching process works for our default investment.

## It's automatic

We've had a few enquiries recently from Lifestyle members who were concerned that their retirement savings were being switched into funds that are feeling the impact of recent market volatility and rising interest rates. They may have noticed from their 2023 benefit statement that the value of their savings had fallen, or perhaps they've been tracking movements in real-time on PlanViewer.

It's important to understand that the lifestyle switching process happens in a completely automated way. If a portion of your account is due to be switched from Fund A into Fund B, this will happen regardless of what is happening in investment markets at the time. Even if Fund A is outperforming Fund B at that point, your money will still be switched.

The Trustee set up the Lifestyle strategies on the advice of its consultants and believes that the default is appropriate for most of our members. However, everyone's circumstances are different, which is why it's so important to review your investments regularly and consider whether Lifestyle is right for you. You can change your investments through PlanViewer.

# PENSIONS ROUND-UP

## How much income will you need in retirement?

The Retirement Living Standards website was set up by the Pensions & Lifetime Savings Association to help you answer this vital question. They've updated their figures to reflect the ongoing cost-of-living crisis and changing expectations about living standards. This indicates that the ballpark figures you need to aim for, depending on your lifestyle of choice, are:



Single



Couple

£14,400 a year	Minimum	£22,400 a year
£31,300 a year	Moderate	£43,100 a year
£43,100 a year	Comfortable	£59,000 a year

These figures assume you're no longer paying off a mortgage and live outside London. Find out more at [www.retirementlivingstandards.org.uk](http://www.retirementlivingstandards.org.uk)

## Don't fall victim to a pension scam

Research has found that half of pension savers don't believe they're at risk of being targeted by a pension scammer. Unfortunately, pension scams can happen to anyone, and no pension pot is too small for a scammer.

Some scammers are now operating as so-called claims management companies and attempting to use 'subject access requests' to get their hands on your personal pension data. Please be particularly vigilant if you're approached in this context.

Find out how to be a scamsmart investor here:

[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

## Lifetime Allowance update

Our last newsletter told you about the government's plan to remove the Lifetime Allowance (LTA) from April 2024. In its draft legislation, it is proposing to replace the LTA with a new 'lump sum allowance' and an overall 'lump sum and death benefit allowance' set by reference to the current LTA (£1,073,100). The draft legislation focuses on how member and death benefit lump sums will be taxed after the LTA is removed, with some detail left to regulations. If you think you may be affected, you should consider getting proper financial advice.

# MAKING YOUR CONTRIBUTIONS COUNT

The more you pay into the Fund, the more Roche pays in too, so it's worth considering whether you can afford to pay the maximum matched contribution available to you.

You get tax relief on all your pension contributions (up to £60,000 a year\*), so it might not cost as much as you think.

## Making additional retirement savings

If you're already paying the maximum matched contribution, and you can afford to pay in a bit more, have a think about paying additional voluntary contributions (AVCs). Even though these contributions won't be matched by Roche, they'll still be eligible for tax relief, as long as your total retirement savings don't exceed £60,000 in the current tax year\*. You can find out more about tax relief on the Roche member website under 'Your contributions'.

## Changing your level of contribution

This can be done on the My Total Roche benefits portal during the annual flex enrolment window. Or, you can make changes at other times by contacting the Darwin Online Benefits helpline on **0203 435 7753** (8.30am - 6pm, Mon-Fri) or email [helpdeskEMEA@darwin.com](mailto:helpdeskEMEA@darwin.com)

If you want to pay AVCs, you can also set these up on My Total Roche, with complete flexibility to pause, stop or change them whenever you want.

\* This is the standard Annual Allowance that applies to most members. Very high earners or those who have already accessed their pension pots flexibly could have an Annual Allowance as low as £10,000.




# WAYS TO GET IN TOUCH

 **Member website**  
[www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)  
(no login required for this general member website)

 **DC Section administrator**  
Fidelity International  
Visit: **[www.planviewer.co.uk](http://www.planviewer.co.uk)** to log in to your online pension account

 **Email:** [pensions.service@fil.com](mailto:pensions.service@fil.com)

 **Call:** 0800 3 68 68 68 or +44 1737 838 585 (from outside the UK)

You can also explore a range of retirement planning and pensions tax calculators at: **[www.fidelity.co.uk/retirement/calculators](http://www.fidelity.co.uk/retirement/calculators)** (no login required).

## Member website

Remember to visit our dedicated member website at **[www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)**

We'll post regular updates about developments in the Fund in the news section, and update the Library with the latest versions of member guides and trustee documents. If you haven't visited already, please do take a look.

## MoneyHelper

MoneyHelper (**[www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)**) is a government website that provides information and guidance on money, pensions and debt, with an online retirement directory where you can search for an adviser.



Principal Employer of the Roche Pension Fund