



Your 2018 update

from Pace DC



Your pension account online

We send you a printed benefit statement once a year in the post, but did you know that you can keep track of your pension online? In fact, just like you can check your bank account, you can also see the value of your pension account any time you want to.

Manage Your Account is Legal & General's secure online site where you can register to:

- Check the value of your account
- See how much you and the Co-op have paid in
- See your statements
- Change your investments.

To register and log into Manage Your Account, go to coop.co.uk/pensions and follow the link from the menu to 'Manage Your Account'.



Thinking about taking your pension benefits?

There are some great tools and more information on the Pace website to help you plan for your retirement.

Go to coop.co.uk/pensions and click on 'I'm thinking about retirement'. This section explains your options for taking your Pace benefits (including any pension you might have in Pace DB).

- Your retirement guide will help you to answer some important questions and understand your options. There's also a useful budgeting tool and checklist of things to do when you're approaching retirement.
- You can watch a quick video about your retirement options and use the DC pensions modeller to work out what your Pace pension account could give you - whether you take it as cash, a pension or keep it invested. The modeller also lets you see the effect of changing your contributions or the date you retire.
- If you prefer to speak to someone in person, you can contact a retirement adviser at HUB Financial Services - a company appointed by the Pace Trustees (the cost of any advice will be explained to you before you decide to go ahead).

HUB: 0345 863 0495

Email: retirementsolutions@hubfs.co.uk



Your 2018 statement

Your annual benefit statement aims to help you understand how much you might have in your pension account when you stop working. This information will help you stay on track for a more enjoyable retirement.

However, you might notice that the projected pension figure shown in this year's statement is different from the amount we showed you last year. There are a number of reasons for this, including:

1. Contribution increases

In October 2017, contributions for some members of Pace went up, so if you were paying 1% of your Pay, this increased to 2%. The Co-op's contribution also increased from 2% to 3% so this means that your estimated pension at retirement has increased since last year. You can check your current contribution rate by looking at your payslip.

2. Better interest rates

Interest rates have improved slightly (compared with 2017), which means you get more pension for your money - so your estimated pension at retirement may have increased compared to last year.

3. Investment changes

Also, L&G has changed its assumptions about how quickly your pension account will grow between now and your retirement date. Further information on how pension forecasts are calculated is enclosed and can also be found through Manage Your Account, available at coop.co.uk/pensions.

Increases to pension contributions - April 2019

If you're currently paying 2% of your Pay into Pace DC, this will increase in April 2019 to 3% of your Pay. The Co-op's contribution will also increase from 3% to 5%. This is part of the Government's plan to make sure we're all saving towards retirement.

We'll be in touch again nearer the time to remind you about this increase. Your estimated pension doesn't take account of the increase that will happen in April 2019, for some members. This will be included in next year's statement.

Changes to Pace

On 6 August 2018, two separate sections of Pace were created: the Co-op Section and the Co-operative Bank Section. For members of Pace DC, these changes won't have any impact.

- Your Pace DC account will remain invested as a separate account for your retirement.
- The Trustees of Pace are still responsible for looking after both sections of Pace.
- Pace DC continues to be administered by Legal & General.

You might see a difference in some of the pension communications we send to you, and on the pensions website, which will reference 'The Co-op Section'.

Pensions website

Go to coop.co.uk/pensions to have a look around. There is lots of useful information about Pace DC and ways you can make changes to your account.

Working out your pension

The Co-op has developed an online pension modeller to show you:

- How much it costs you to be in Pace DC and how much the Co-op will pay in to help you save
- What you might get at retirement and what your choices are.

You can access the modeller by going to coop.co.uk/dcm modeller

Please note that this newsletter contains a summary of the benefits provided by Pace DC, but the actual benefits are governed by the Pace Rules. In the event of any uncertainty between this newsletter and the Rules, the Rules will prevail. The value of investments can go down as well as up and past investment performance is no guarantee to future returns.

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