

YOUR PENSIONS UPDATE 2024

A stylized graphic element consisting of two overlapping, curved bands. The top band is a lighter blue color, and the bottom band is a lighter purple color. They both curve from the left side of the image towards the right, with the purple band positioned slightly below and to the right of the blue band.

WELCOME

Welcome to this update from the Trustees of the Whitbread pension scheme. We're sending this newsletter to all the members in our Defined Benefit (DB) Section so we can tell you about the 2023 valuation and share some useful reminders about your pension.

A valuation is carried out every three years by a pensions specialist called an actuary, who checks how much money there is in the scheme. This tells us whether contributions are needed from Whitbread in order to pay all the pensions that have been promised to members.

The latest valuation looked at the position of the scheme on 31 March 2023, and it showed that the funding level had remained stable over the three-year period since the 2020 valuation. You can read more in the Summary Funding Statement on the [next page](#).

In other news, our revamped pensions website has just been launched. It has a dedicated area for the members of the DB Section, including a page just for pensioners. Check it out at www.whitbreadpensions.com

Inside this issue:

SUMMARY FUNDING STATEMENT

This Summary Funding Statement updates you on the funding position of the Whitbread pension scheme.

Trustees of defined benefit pension schemes, such as the Whitbread scheme, have to carry out what's called an actuarial valuation every three years.

This is where the Trustees see how much money is in the scheme (its assets) and compare it with how much is needed to pay out all the pensions that have been promised to its members (its liabilities).

- If the assets are higher than the liabilities, then there is a **surplus**.
- If the liabilities are higher than the assets, then there is a deficit, and Whitbread would have to pay contributions to clear the **deficit**.



The latest full valuation looked at the position on 31 March 2023. It always takes some time for the valuation to be completed, as it is a process involving the Trustees, Whitbread and pensions advisers.



2023 results

The good news is that, at the 31 March 2023 valuation date, there was a surplus of £34 million. In other words, the scheme had 101% of the assets needed to meet its liabilities – we call this the funding level. This means that Whitbread does not need to pay contributions to the scheme to clear a deficit.

In the years between the full actuarial valuations, the Trustees get less formal funding updates to keep track of the funding level and consider any action that may need to be taken.

This table compares the 2023 valuation results against the last full valuation in 2020 and also how the funding level has changed since 2022, the last time a funding update was carried out.

	31 March 2023 Valuation	31 March 2022 Funding update	31 March 2020 Valuation
Assets	£2,473 million	£3,303 million	£3,438 million
Liabilities	£2,439 million	£3,198 million	£3,383 million
Surplus	£34 million	£105 million	£55 million
Funding level	101.4%	103.3%	101.6%

“ The funding level is very similar to what it was in 2020. The change over the last year is mainly because of returns on the assets being lower than assumed. ”

Solvency basis and Whitbread's support for the pension scheme

Whitbread is a strong company and the Trustees have received independent advice that says this. However, the Trustees have to consider what might happen if this changed in the future and Whitbread wasn't as strong as it is now.

While there are no plans to do this, we do have to tell you how much money would be needed if the scheme were to close and responsibility for paying the benefits was transferred to an insurance company. On this basis, known as the 'solvency' basis, the scheme's assets covered 91% of the cost of paying an insurance company to take over everyone's pensions, as the Trustees would have needed £239 million in addition to the scheme's assets. Insurance companies have to take a more cautious view of the future and need to make a profit, so the funding level on the solvency basis is usually lower than the 'ongoing' basis described in the table on the left.

If the scheme had to close, Whitbread would have to pay this extra funding immediately. If Whitbread was unable to pay the full amount, some Whitbread properties would pass over to the Trustees, who would be able to sell them to raise the cash owed.

If, after that, in the unlikely event that there was still a deficit, the Pension Protection Fund (PPF) would then take over and pay pensions, although only up to certain limits.

To be clear, we are not expecting the scheme to close but we have a legal requirement to tell you what would happen in a worst-case scenario.

Other things we have to tell you

We can confirm that there have not been any payments to Whitbread out of scheme funds since the last funding update, nor has the Pensions Regulator used any of its powers in relation to the funding of the scheme or benefits provided by it.

The valuation calculations are undertaken by Towers Watson Limited. This means that the Trustee has given Towers Watson Limited personal data for members of the scheme (such as date of birth).

The way this data can be used is regulated under the Data Protection Act and Towers Watson Limited are data controllers under the Act. Towers Watson Limited have written a note about this and you can find it on OneView under Plan Materials.

WHAT'S BEEN HAPPENING IN THE SCHEME?

Changes at Mercer

Mercer's UK pension administration business has become part of Aptia, a provider of pensions administration services, so you will see the Aptia name and logo appear on communications you receive about your Whitbread pension. For a while, you may see both the Mercer and Aptia branding and this is nothing to be concerned about. You can carry on using OneView as normal.



New-look Whitbread pensions website

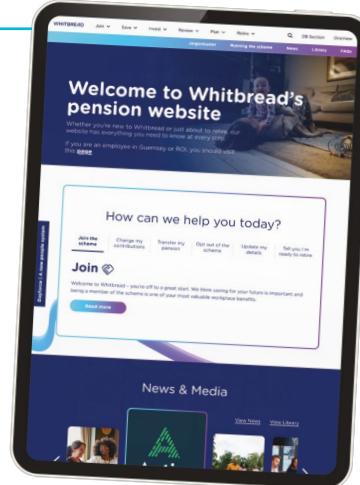
The Whitbread pensions website has been given a refresh, to help members more easily find what they're looking for. This website gives general information.

As a member of the DB Section, you can click on the button at the top of the homepage to see information that is relevant to you. This includes (for pensioners) pension pay dates and links to websites you might find useful in retirement, and (for deferred members) more information about your options for retiring from the scheme, including transferring your pension.



Take a look: www.whitbreadpensions.com

For specific information related to your pension, you should continue to visit OneView (see pages 10 & 11).



TCFD report published

New rules mean that pension schemes have to report on their climate-related risks and opportunities. The Trustees have produced a report assessing the impact of climate change on the scheme. You can find the full report in the Library on the Whitbread pensions website (www.whitbreadpensions.com). If you don't have internet access, you can ask Aptia for a hard copy (see page 12 for contact details).

TRANSFERRING YOUR PENSION

The Pensions Regulator believes it is likely to be in the best financial interests of the majority of members to remain in their DB scheme, but there may be some cases where transferring your benefits to another arrangement is the right thing to do.

If you want an idea of how much you could transfer out, please ask Aptia for a transfer quote.

Aptia has a video that explains the transfer process in more detail. Just scan the QR code below to watch it or click [here](#).



If your transfer value is worth more than £30,000 and you want to go ahead with a transfer, you'll have to show Aptia that you've received impartial financial advice from someone who is authorised to give advice on DB pensions.

Transferring your pension out of the scheme puts you at greater risk of becoming a victim of a pension scam, so read the article on the next page to find out how to spot a scam and keep your pension safe!

THINK YOU CAN'T BE SCAMMED?

Scammers use a number of psychological tricks to push your buttons and get what they want. We've set out some of their common tactics here, so you know what to look out for.

- **Using a voice of authority and trust:** scammers will claim they're someone official, often pretending to be from well-known organisations, including government departments. They do this because you're more likely to take notice of a name you've heard of before.
- **False urgency:** you might find that the service you're being offered is for a limited time only. Scammers will even make threats of fines or negative consequences if you don't act quickly enough. Anyone who tries to rush you into a decision should not be trusted.
- **Emotion:** scammers may use specific language that makes you feel fearful, hopeful or even curious. Criminals will often try to make you follow your heart and not your head.
- **Current events:** sometimes, fraudsters will exploit current news stories, big events or specific times of the year (such as tax deadlines) to make their approach seem more relevant and genuine. If a message seems unusually timely, it could be a scam.

Fraud can come in all shapes and sizes, and many scammers will use a mixture of the above tactics to steal your hard-earned pension.



Find out more: www.fca.org.uk/scamsmart

Did you know?

Half of pension savers don't think they're at risk of being targeted by a scammer.

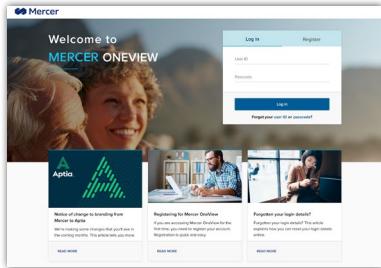
DON'T BE A STRANGER

It's important that Aptia always has your latest contact details, so they can reach you when it's time to pay your pension – or if there's something important happening in the scheme that you need to know about.

It's easy to update your details on OneView. Here's a step-by-step guide.

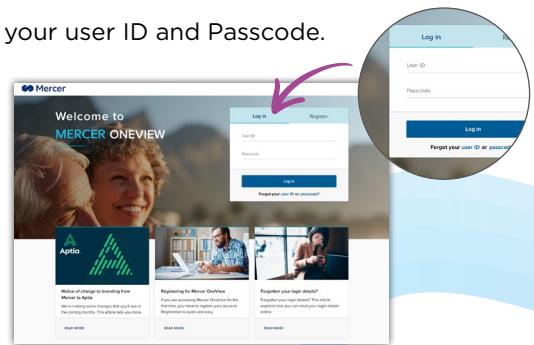
STEP 1

Go to <https://v3.merceroneview.co.uk/WHITBREAD/login>



STEP 2

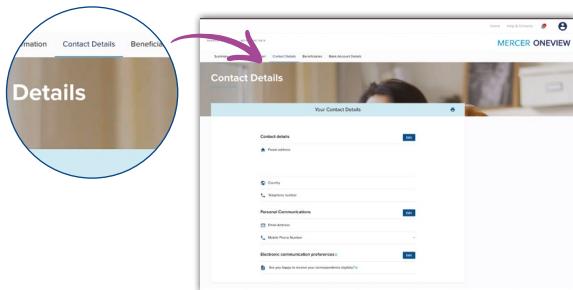
Log in with your user ID and Passcode.



If you have any difficulties logging in, you can contact Aptia OneView on www.contactpensionsadmin.com/OneView or 0345 600 0229.

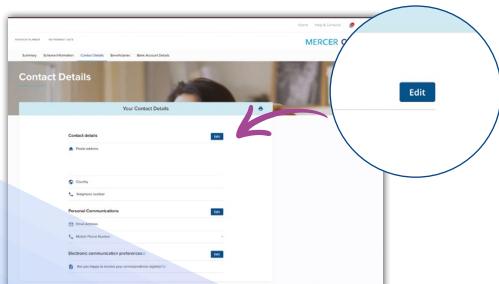
STEP 3

From your pensions dashboard, click on '**Contact Details**'.



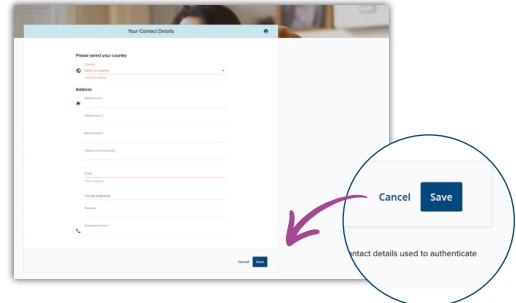
STEP 4

If you want to update your postal address or telephone number, click on '**Edit**'.



STEP 5

Type in your new details and click on '**Save**' to return to your dashboard.



You can also provide an updated email address on the same page and let Aptia know if you're happy to receive updates by email.

Who gets your pension money when you die?

In some circumstances, there may be a lump sum payable. The Trustees will decide who this is paid to, taking your wishes into account. Please let the Trustees know your wishes by logging in to OneView and clicking on the '**Beneficiaries**' tab.

WHERE TO GET HELP

MoneyHelper

The government's free, financial information and guidance service is the easy way to get help with your money and pension choices. www.moneyhelper.org.uk

Check who you're dealing with

You can use the Financial Conduct Authority's register to check that the company or person you're dealing with is listed and authorised to provide specific financial services.

[https://register.fca.org.uk](http://register.fca.org.uk)

State pension

Find out what your State pension age is at:

www.gov.uk/state-pension-age and get a forecast of how much your State pension will be by going to: www.gov.uk/check-state-pension

Tax problems

Tax Help for Older People is a charity providing free, expert help and advice to older people with tax problems.

[https://taxvol.org.uk](http://taxvol.org.uk)

If you have a question

If you have any questions about your Whitbread pension, you should contact our administration company, Aptia, through their admin portal:
<https://contact.mercer.com>

 0344 209 6596 (general enquiries)

 Aptia UK Limited, Maclarens House, Talbot Road, Stretford, Manchester M32 0FP

For specific OneView queries, please use:

www.contactpensionsadmin.com/OneView
0345 600 0229 (OneView Contact Centre)

If you have any feedback on this newsletter or would like to get in touch with the Trustee team, please email us at pensions@whitbread.com or write to Whitbread Pensions, Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable LU5 5XE.