

Deutsche Bank



Report to members

from the Trustee of the DB (UK) Senior Group Pension Scheme (the 'Scheme')

October 2023 Newsletter





Welcome to your latest Scheme newsletter

Volatility last autumn

The volatile conditions towards the end of 2022 had an impact on pension schemes across the UK, ours included. This caused the value of the Scheme's assets to fall over the year.

Still well-funded

As you will see from the latest Summary Funding Statement included in the newsletter, the Scheme is still in surplus, with more than enough assets to meet its expected liabilities.

[It is also important to remember that the Scheme is protected from movements in the markets by the bulk insurance policy which secures all Senior Group Scheme members' benefits.](#)

Wider focus

We also have a large 'Newsround' section this issue, featuring updates and information on pension industry developments outside the Scheme, which we hope you find useful.

[Michael Wrobel](#)

Chair of the Trustee Board

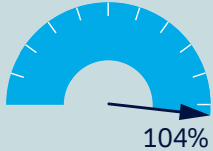
Contents

- 4 Summary Funding Statement
- 6 Scheme website update
- 7 Newsround
- 12 The Scheme in numbers
- 13 Who's who
- 15 Contact and help

Summary Funding Statement

Here we report on the outcome of the Scheme's latest funding update. This Summary Funding Statement applies to the Defined Benefit (DB) section of the Scheme only, and not to Additional Voluntary Contributions (AVCs).

As at 31 December 2022

The amount needed to meet the funding target was	£395.8 million
The value of the assets was	£411.8 million
This gives a surplus of	£16.0 million
This is equal to a funding level of	

Changes since the latest valuation

The 31 December 2021 valuation found the Scheme's funding level was 103% with a surplus of £16.5 million.

Most of the Scheme's assets are invested in a bulk annuity policy, which aims to match movements in the Scheme's liabilities due to changes in interest rates and inflation. The remaining assets are held in cash. As a result, the funding level is expected to remain broadly similar year on year.

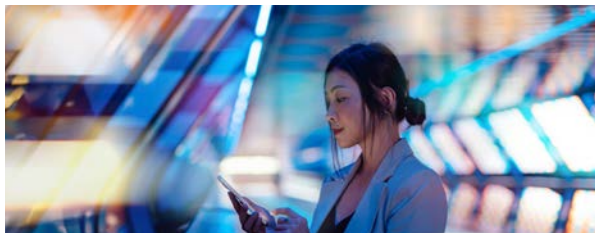
An alternative view

As part of a valuation, the actuary must also calculate a different view of the Scheme's funding, known as the 'full solvency' basis.

This assumes the Scheme ended and was wound up at the valuation date. It assesses how much money would be needed to buy insurance policies for providing all members' benefits at that date.

As the Scheme has already secured insurance policies for the majority of its members, the 'full solvency' basis is very similar to the Scheme's funding basis.

The last valuation at 31 December 2021 measured the Scheme's full solvency funding level at 102%. At 31 December 2022, it had increased to 103%.



Company support

The Company continues to support the Scheme financially.

However, additional Company contributions have not been necessary for some years due to the strength of the Scheme's funding position, the ongoing surplus and the full Scheme 'buy-in' in early 2020, which fully insured all members' benefits.

Since the last Summary Funding Statement, there have not been any payments from the Scheme to the Company, other than to reimburse the Company for expenses or any payments it has made on the Scheme's behalf.

We can confirm, as required, that the Pensions Regulator has not had cause to use any of its powers in relation to this Scheme.

You can read the Scheme's official investment documents, including the Statement of Investment Principles and the Implementation Statement on the Scheme website:

<https://pensioninformation.aon.com/deutschebank/welcome1.aspx>

Scheme website update

We are pleased to let you know that PensionLine, the Scheme's website, is now up and running.

We are adding groups of members to the site in stages. If you have access, you will already have heard from us with details of how to register and start using the site. There is no need to do anything if you have not received these details yet. We expect to reach everybody during 2023.

Here is a recap of what you can do on the site, depending on the type of member you are:

If you are a pensioner member

- ✓ Check the value of your Scheme pension
- ✓ Access monthly payslips and your annual P60

And for all members

- ✓ Check and update your personal details
- ✓ Access useful documents and Q&As
- ✓ Submit a query

Telling us your wishes

When did you last fill in an 'Expression of Wish' form?

This is the form you use to tell the Trustee who you would like to receive any death benefits payable from the Scheme after you die, so, it is very important that you keep it up to date. For example, if you have recently experienced a major life change – such as getting married or divorced, starting or ending a civil partnership, or becoming a parent – it may affect who you want to name on your form.

How you update your beneficiary information depends on the type of member you are:

Active members: Go to myFlex. Under the 'Beneficiaries' section, you can add or change your Expression of Wish names and allocate the percentage of the benefit you want each one to receive.

Deferred and pensioner members: Go to PensionLine and, if you have already enrolled, log-in to update your beneficiary information.

Newsround

Retirement Living Standards

The Retirement Living Standards website is a useful resource to help with your retirement planning. It tackles the problem that it can be difficult to set a target for your savings if you do not know exactly how much you might need in later life.

The site establishes three levels of living standards – minimum, moderate and comfortable – and matches them to estimates of yearly income. To bring these to life, the site then breaks these income figures down into familiar expenses – for example, holidays, transport, or food shopping. This allows you to take a view on the lifestyle in retirement you might be heading for, and what you might need to do if you want to ‘move up’ from, say, moderate to comfortable.

Because the figures are based on ongoing research, they receive updates – so if you last looked at the site when it was first set up in 2019, there are definitely new income levels to explore. If you find the site useful, it is a good idea to check back regularly for any changes.

www.retirementlivingstandards.org.uk

Pension Wise



The Pension Wise service exists to talk members of ‘Defined Contribution’ (‘DC’) schemes aged 50 or over through the flexible options available to them for their benefits.

You will have DC benefits if, for example, you have AVCs or pay into a personal pension.

Please note that, by law, we must now act to make sure you take advantage of the Pension Wise service. If you are 50 or over and tell us you want to retire or transfer out, we will:

- ✓ Remind you to make your Pension Wise appointment, and explain what you can expect;
- ✓ Arrange the booking on your behalf, or supply any help you need to do so; and
- ✓ Ask you to have your appointment, or ‘opt out’ of doing so, in writing, if you prefer, before your retirement or transfer from the Scheme goes ahead.

Details for Pension Wise are at www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

Minimum retirement age increase: a reminder

In the last issue, we reported that the minimum retirement age – that is, the earliest age you can start receiving your retirement benefits in good health – is increasing from 55 to 57 from April 2028.

This is because the Government intends to keep this minimum age around 10 years below the State Pension age, which is due to increase from 66 to 67 between 2026 and 2028.

This may affect your plans if you are thinking of retiring early in the next few years – for example, if you are due to reach age 55 just after April 2028.

If you are yet to retire, we have written to you individually with details of your position. We hope this will help support you with any decisions you may need to make because of the change.

You should also consider taking financial advice if you need to (see page 15).

Pension dashboard update

The Department for Work and Pensions has been working with industry experts to produce a ‘pension dashboard’ system. The dashboard will be an online portal allowing everyone to see all their pension savings and benefits from all the arrangements they have belonged to in one secure location.

It is a time-consuming and complex task, so the original deadlines have been changed by the Government.

Originally, UK pension schemes were going to connect to the dashboard in stages. Now, all schemes must link to the system by the end of October 2026. To avoid the majority of schemes all trying to connect at the same time, interim stages will still be used as guidelines. Once we receive our revised guideline date, we will of course work towards it and keep you updated.

If you are interested to know more, visit the dashboard website at:

www.pensionsdashboardsprogramme.org.uk

The Spring Budget: changes to tax allowances

Among the measures in the most recent Budget were significant changes to the HM Revenue & Customs (HMRC) tax allowances.

Annual Allowance

From 6 April 2023, the standard Annual Allowance has increased to £60,000 (from £40,000). 'Carry forward', where you can bring unused Annual Allowance from the three previous tax years into the current year, still applies.

If you are a particularly high earner, you may have a 'tapered' Annual Allowance. This may apply to anyone earning £200,000 a year or more. Previously, if you fell into that group, then you would lose £1 of Annual Allowance for every £2 of 'adjusted income' (your overall taxable income plus pension contributions) you earned above £240,000. From 6 April 2023, this figure increased to £260,000. The lowest Annual Allowance it can taper down to has gone up from £4,000 to £10,000 (for individuals with adjusted income of £360,000 a year or more).

The Money Purchase Annual Allowance (MPAA), which *only* applies to any Defined Contribution (DC) benefits you have if you have already started receiving them through one of the flexible options, has also gone up from £4,000 to £10,000 accordingly.

Lifetime Allowance

From April 2023, the Lifetime Allowance tax charge will no longer apply. Instead, anyone retiring this year will pay tax on any benefits above the allowance at their highest rate.

From April 2024, the Lifetime Allowance itself will no longer apply. Exact details of what might replace it – if anything – are yet to emerge.

The Government website has more details about the allowances here:

www.gov.uk/tax-on-your-private-pension

Protecting yourself from pension scams

You may recall that in our previous issue, we mentioned that pension scheme trustees had been given more powers to help prevent their members falling victim to pension fraud. We are expected to carry out thorough checks before agreeing to any transfer, and we can block them from going ahead if we detect anything we believe to be suspect.

However, there is a great deal of help online giving you guidance on what you can do to guard yourself against the scammers. There are typical ‘warning signs’ to look out for – simply receiving unexpected contact about your pension should make you cautious immediately. Other possible giveaways include pressure to force you into a quick decision, or promising too much (a ‘once-in-a-lifetime offer, for example, or suggesting your investments could be risk-free).

The consumer website MoneyHelper is a good place to start, with the following article:

www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam

You can also find guidance on the dedicated section of the Financial Conduct Authority (FCA) website, ‘ScamSmart’: www.fca.org.uk/scamsmart

Finally, before you make any important financial decision, please consider taking independent financial advice (see page 15).

Guaranteed Minimum Pensions (GMP) update

In late 2021, we mentioned we were starting two exercises relating to members’ GMPs.

What is GMP? – a reminder

At one time the Scheme was ‘contracted out’ of part of the State pension. Broadly speaking, this means the Scheme promised you a pension at least equal to the State pension you would have built up if the Scheme had not been contracted out. Between 1978 and 1997, this part of pension was known as GMP.

The two exercises are:

<p>Adjust pensions for unequal GMPs ('GMP equalisation')</p>	<p>Because they are linked to past State pension rules, GMPs have historically been worked out differently for men and women.</p> <p>Now, following a 2018 High Court ruling, all UK 'Defined Benefit' (DB) schemes like ours must work out equal benefits for members over the period 17 May 1990 and 5 April 1997.</p> <p>This means that we will work out an increase for any member who would have built up a higher pension over that period if they had been a member of the opposite sex (with all other details – such as age, earnings – the same).</p>
<p>Compare our GMP records with those held by HMRC ('GMP reconciliation')</p>	<p>HMRC no longer keep records of individuals' GMPs. So pension schemes are also expected to check their details against the HMRC records and, where necessary, adjust members' benefits to match.</p>

Working through this number of member records and applying the necessary calculations is very complex and so is taking a long time. Many of you will not be affected at all.

Some of you will need an adjustment to your pension as a result of one or both of these reviews. We would expect this change to be modest in most cases. If you are affected, we will write to you separately once we have completed this work.

The Scheme in numbers

For the year ending 31 December 2022

£412.3 million

The value of the assets at
31 December 2022 (including AVCs)

£19.4 million

Benefits paid out to members

£963,000

Transfers out

350

Members at 31 December 2022

1 active member

99* deferred members

250* pensioner members

**Benefits are financed by the
bulk annuity policy purchased
in January 2020.*



If you would like a copy of the formal Report & Accounts, please contact the Administrator (see page 15).

Who's who

DB Trustee Services Limited is the corporate Trustee body responsible for managing the Scheme in line with its own rules and wider pensions law.

Your Trustee Directors

Appointed by the Company	Nominated by members
Michael Wrobel, <i>Chair</i>	James Arculus
Scott Dobbie	Julia Land
Nick Harrison	Martin Pengelley
Wayne Jury	
Andrew Vose	

We mentioned in the last issue, a new Member-nominated Trustee Director would join the Trustee, and we would like to welcome Julia Land, who was appointed in May 2023.

Lucy Bird, one of the Company-appointed Trustee Directors, stepped down from the board in June 2023. We would like to thank her for her service and commitment to the Scheme.

Secretary to the Trustee is Aon Solutions UK Limited.



Introducing Julia Land

"I was in Deutsche Asset Management's UK pooled funds team from 1998 to 2002. I bring many years' experience

of advising trustee boards of other large UK pension schemes on board matters and governance. This will stand me in good stead as I contribute to the Trustee's work and focus on maintaining our strong governance for members.

I joined the DB (UK) Pension Scheme in 1998 and am now a pensioner member. I am very pleased to serve as a Member-nominated Trustee Director, working for the benefit of all scheme members."

Our advisers

We appoint a team of professional advisers to assist us in certain areas of expertise.

Actuary (DB Section)

Jonathan Ford, FIA
Aon Solutions UK Limited

Administrator

Aon Solutions UK Limited

Auditor

Grant Thornton UK LLP

Banker

HSBC Bank plc

Investment advisers

Aon Investments Limited
Lane, Clark & Peacock

Custodian (DB Section)

State Street Bank and Trust Company

Investment managers

Legal & General Assurance
(Pensions Management) Limited
RREEF Limited (until September 2022)

Legal advisers

Hogan Lovells International LLP
Slaughter and May

Life assurers

AIG Life Limited
Assicurazione Generali SpA
Legal & General Assurance Society Limited
(until April 2022)
MetLife Europe Limited
Zurich Assurance Limited

Bulk annuity provider

Legal & General Assurance Society Limited

Contact and help

Contact point

If you have a query about your benefits or the Scheme, please contact Aon, the Scheme Administrator:

Email deutsche.bank.uk@aon.com

Phone [+44 \(0\) 330 123 1209](tel:+44203301231209)

(Monday to Friday, 9am to 5pm, except bank holidays)

Write to [DB \(UK\) Senior Group Pension Scheme, Aon Solutions UK Limited Scanning Division, PO Box 196, Huddersfield, HD8 1EG](#)

MoneyHelper

MoneyHelper is the consumer website of the Money and Pensions Service, or 'MaPS'.

If you need information about or help with any aspect of your finances – including pensions - make MoneyHelper your first port of call. You can get support online or over the phone.

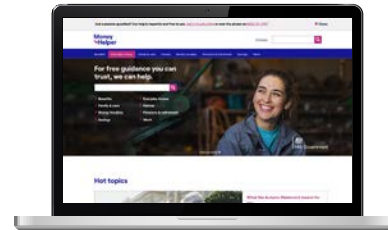
Visit the website for more details at

www.moneyhelper.org.uk or phone [0800 011 3797](tel:08000113797)

You can also find a directory of authorised and regulated financial advisers.

Go to

www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser



Legal note

Nothing in this document confers any rights to benefits, or to a particular level of benefits or options under the Scheme. Members' benefits and rights are determined in line with the Scheme's Trust Deed and Rules as in force from time to time.

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