



Report to members

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

September 2024 Newsletter

Welcome to your Autumn 2024 newsletter

UK General Election

Following the General Election on 4 July 2024, the new Government set out its legislative plans in the King's Speech, including details of a pension schemes bill. We are monitoring developments and will keep you up to date with any initiatives that might affect the Scheme.

Scheme funding update

The Scheme's latest financial health-check has recently been completed, based on its position at 31 December 2023. The position has remained broadly stable, with a healthy funding surplus. This is as expected due to the bulk insurance policy purchased in 2020, which secures all Senior Group Scheme members' benefits. You can read more details in our Summary Funding Statement inside.

Wider pensions news

We go into a little more detail on recent changes to the pension tax allowances, and we look at the latest Retirement Living Standards for a 'minimum', 'moderate' or 'comfortable' retirement.

We hope you find the information in this newsletter interesting and useful.

[Michael Wrobel](#)
Chair of the Trustee Board

Contents

- 2 Welcome
- 3 Summary Funding Statement
- 7 The Scheme in numbers
- 8 Newsround
- 11 Who's who
- 12 Contact and advice

Summary Funding Statement

This Summary Funding Statement applies to the Defined Benefit (DB) section of the Scheme only, and not to Additional Voluntary Contributions (AVCs).

Background

At least once every three years, the Scheme's appointed actuary carries out an in-depth financial assessment of the Scheme, known as a valuation.

Each year in between valuations, the actuary carries out an interim financial update. These updates are not as detailed as valuations, but they give a good indication as to how the Scheme is developing.

The Scheme's most recent valuation was based on its financial position at 31 December 2021. This report is on the latest interim funding update as at 31 December 2023.



As at 31 December 2023

The amount needed to meet the funding target (the Scheme's 'liabilities') was	£378.8 million
The value of the assets was	£395.3 million
This gives a surplus of	£16.5 million
This is equal to a funding level (including buy-ins) of	104%

At 31 December 2022, the Scheme's funding level was 104% with a surplus of £16.0 million.	At 31 December 2021, the Scheme's funding level was 103% with a surplus of £16.5 million.
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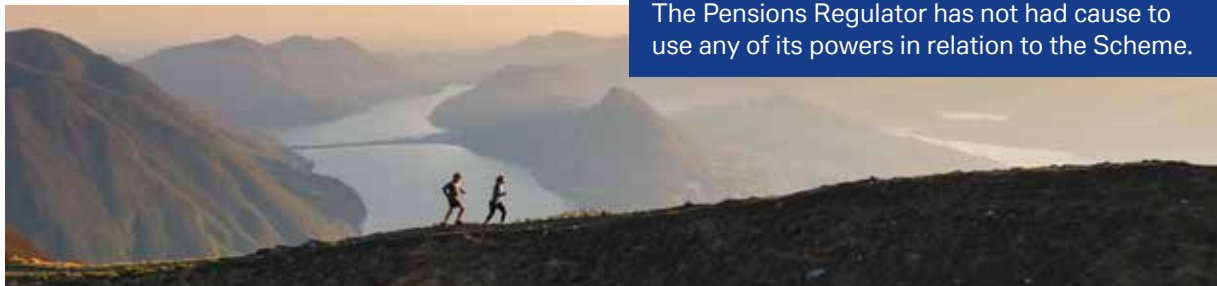


Recent changes

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.

The surplus increased slightly over 2023 mainly because the returns on the Scheme's assets exceeded the expenses paid out by the Scheme.

The value of the Scheme's liabilities fell over 2023, mainly due to benefits being paid out of the Scheme.



Company support

The Company supports 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.

The Pensions Regulator has not had cause to use any of its powers in relation to the Scheme.



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. This tends to cost more than gradually providing benefits over time because insurance policies include administration costs and a profit margin as well as pricing in a degree of caution to reduce the risk that their assumptions could prove to be wrong.

The last update at 31 December 2022 measured the Scheme's full solvency funding level at 103%. At 31 December 2023, it remained at 103%. Since the Scheme's liabilities are fully insured (via the 2020 buy-in), the full solvency funding level is the same as the 'ongoing' funding level shown on page 4.

You can visit <https://pensioninformation.aon.com/deutschebank/welcome1.aspx> to read the Scheme's official investment documents, including the Statement of Investment Principles and the Implementation Statement.

The Scheme in numbers

These figures are from the Scheme's Report & Accounts for the year ending 31 December 2023.

£395.4 million

The total asset value of the Scheme at 31 December 2023 (including AVCs)

£21.0 million

The total value of benefits paid out to members during the year

£2.3 million

The total value of transfers out during the year

£6.8 million

The net return on investments during the year

344

The total number of members

87 Deferred members who have not yet retired

257 Pensioner members (including the dependants of members who have died)

All members' benefits are financed by the bulk insurance policy purchased in 2020.

If you would like a copy of the formal Report & Accounts, please contact the Scheme Administrator (see page 12).

Newsround

New lump sum allowances

The Lifetime Allowance was abolished from 6 April 2024. New allowances have been introduced from the same date to maintain certain lump sum benefits.

The Lifetime Allowance used to apply to the total pension benefits you could build up over your lifetime (excluding any State pension) before you had to pay a Lifetime Allowance tax charge.

New: lump sum allowance

This is the maximum amount of tax-free cash you can take when you retire. The allowance is £268,275. (This is 25% of the final standard Lifetime Allowance amount of £1,073,100.)

You or your beneficiaries may be able to take a tax-free lump sum of up to £1,073,100 in certain circumstances - for example if you receive a lump sum as a result of serious ill health or your beneficiaries receive certain lump sum benefits following your death. This is called the lump sum and death benefit allowance.

New: excess lump sum allowance

The new pension commencement excess lump sum (PCELS) allows for payment of an additional lump sum at retirement in certain circumstances. Any lump sum taken is subject to tax at the individual's marginal rate. You can only take a PCELS once you have used up all your usual lump sum allowance.

You can find full details of the pension tax allowances on the Government's website at www.gov.uk/tax-on-your-private-pension

If you are unsure of your tax position, speak to an independent financial adviser (see page 12).

Retirement Living Standards

The Retirement Living Standards aim to illustrate the kind of lifestyle you could have in retirement and roughly how much money you might need to achieve it.

The standards are split into three types of lifestyle:

- 'Minimum' covers all your needs with a little left over.
- 'Moderate' provides a little more financial security and flexibility.
- 'Comfortable' provides more financial freedom with some luxuries.

Latest figures show that there has been a significant increase in the cost of living in retirement, driven by recent high levels of inflation and changes in the way people plan to spend their time and money.

To achieve a 'moderate' lifestyle in retirement as a couple, you might need to spend £43,100 a year. The figure is higher if you live in London.

Find out more at
www.retirementlivingstandards.org.uk



Beware: pension fraud and cybercrime

Scammers will use any means necessary to get their hands on your financial details – from bogus websites that appear genuine, to tempting texts or social media posts which try to lure you into their trap. Scams can be sophisticated and difficult to spot, so it's important to know how you can keep your savings and personal data safe.

To learn more:

- Go to www.moneyhelper.org.uk and choose Money troubles > Scams > How to spot a pension scam.
- Visit the ScamSmart area of the Financial Conduct Authority's website at www.fca.org.uk/scamsmart

The Government's National Cyber Security Centre has a Cyber Aware website with advice on how to stay secure online. For more information, including a free personalised action plan to improve your cyber security, visit www.ncsc.gov.uk/cyberaware

If you are a victim of cybercrime, report it online to Action Fraud, the UK's fraud and cybercrime reporting centre. www.actionfraud.police.uk

Before you make any important financial decision, consider taking independent financial advice (see page 12).



Who's who

Your Trustee Directors

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 are:

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	

Secretary to the Trustee is Aon Solutions UK Limited.

Our advisers

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

Actuary	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	State Street Bank and Trust Company
Investment manager	Legal & General Assurance (Pensions Management) Limited
Legal advisers	Hogan Lovells International LLP Slaughter and May
Life assurers	AIG Life Limited Assicurazione Generali S.p.A (removed 31 March 2024) Legal & General Assurance Society Limited (appointed 1 April 2024) MetLife Europe Limited Zurich Assurance Limited
Bulk annuity provider	Legal & General Assurance Society Limited

Contact and advice

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, PO Box 196, Huddersfield, HD8 1EG](#)

Financial advice

If you would like help with your retirement plans, consider taking independent financial advice from an adviser regulated by the Financial Conduct Authority (FCA).

The FCA holds a register of financial advisers at <https://register.fca.org.uk> and you should check any adviser you are considering using is on this list.

MoneyHelper also has an online directory of regulated and authorised advisers.

Go to www.moneyhelper.org.uk and choose Pensions & 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.